This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Limited Offering Memorandum is delivered in final form. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED NOVEMBER 9, 2026

NEW ISSUE **NOT RATED**
BOOK-ENTRY-ONLY

In the opinion of Barnes & Thornburg LLP, Denver, Colorado, Bond Counsel, interest on the Series 2026 Bonds is excludable from gross income for purposes of federal income tax, under existing laws as of the date of delivery of the Series 2026 Bonds and assuming continuing compliance with the requirements of federal tax law. Interest on the Series 2026 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the adjusted financial statement income of applicable corporations for purposes of computing the alternative minimum tax imposed on such corporations. Bond Counsel is also of the opinion that, under existing State statutes, interest on the Series 2026 Bonds is exempt from taxation under the laws of the State of Colorado, except inheritance, estate and transfer taxes. See "TAX MATTERS" herein.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
(IN THE CITY OF BRIGHTON)
ADAMS COUNTY, COLORADO

$16,055,000*
Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026

Dated: Date of Delivery **Due: December 15, as shown below**

Prairie Center Metropolitan District No. 3 (the "**Issuer**") is issuing its Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026 (the "**Series 2026 Bonds**") pursuant to an Amended and Restated Trust Indenture dated as of October 1, 2017, between UMB Bank, n.a., Denver, Colorado, as trustee (the "**Trustee**"), and the Issuer (the "**2017 Indenture**"), as amended by the Amendment to Amended and Restated Trust Indenture dated as of March 4, 2024, and as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2024 and a Second Supplemental Trust Indenture, to be dated as of December 1, 2026 (the "**Master Indenture**"). UMB Bank, n.a. will also act as Paying Agent for the Series 2026 Bonds and DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued in book-entry-only form and purchasers of the Series 2026 Bonds will not receive certificates evidencing their ownership interests in the Series 2026 Bonds. *Capitalized terms used on the cover page of this Limited Offering Memorandum are defined in the Introduction herein and in "APPENDIX C—SELECTED DEFINITIONS" or "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."*

The Series 2026 Bonds are limited tax supported, special revenue obligations of the Issuer secured by and payable from the following (the "**Pledged Revenue**"): (a) all PIF Revenue required to be deposited with the Trustee pursuant to the Master Indenture; (b) all Facilities Fees Revenue (of the Financing Districts); (c) all Capital Levies Revenue (of the Taxing Districts); (d) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Capital Levies; (e) the Shared Sales Tax Incremental Revenues; (f) the Shared General Fund Sales Tax Revenues; (g) any profit (including interest earnings) from investments of money in certain of the Funds held under the Master Indenture which are credited to the Non–PIF Revenue Account and other Funds and accounts as provided therein; and (h) any other legally available amounts that the Issuer may designate, by resolution of its Board, to be paid to the Trustee for deposit into the Non–PIF Revenue Account or otherwise held under the Master Indenture. The Series 2026 Bonds are also secured by amounts on deposit in the Series 2026 Reserve Account of the Senior Reserve Fund to be initially funded from proceeds of the Series 2026 Bonds in the amount of the Senior Reserve Requirement ($1,505,156.25*). A portion of the interest on the Series 2026 Bonds will be paid from capitalized interest to be funded with proceeds of the Series 2026 Bonds in the amount of $112,064.46*.

The Series 2026 Bonds constitute an irrevocable and first lien, but not necessarily an exclusive lien, upon the Pledged Revenue. The Series 2026 Bonds constitute additional Senior Bonds under the Master Indenture, secured on a parity lien basis with the Issuer's Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A outstanding in the aggregate principal amount of $40,300,000, its Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B outstanding in the aggregate principal amount of $1,855,000, its Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A, outstanding in the aggregate principal amount of $29,320,000, and its Limited Property Tax Supported District Improvements Revenue Bonds, Series 2024B outstanding in the aggregate principal amount of $9,870,000. **The Series 2026 Bonds are *not* obligations of the City of Brighton, Adams County, the State of Colorado, or any political subdivision thereof other than the Issuer, Prairie Center Metropolitan District No. 4, Prairie Center Metropolitan District No. 5, and Prairie Center Metropolitan District No. 10 (to the extent set forth in the Capital Pledge Agreement and the District No. 10 Pledge Agreement).**

The Series 2026 Bonds are being issued initially only in minimum denominations of $500,000 and any integral multiple of $5,000 in excess thereof as fully registered bonds. Interest on the Series 2026 Bonds is payable semiannually on June 15 and December 15 each year, commencing June 15, 2027*, at the rate set forth below.

$16,055,000* ____% Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026 due December 15, 2050* Price _____% CUSIP _____©, [1]

The Series 2026 Bonds are subject to optional, mandatory sinking fund, and special mandatory redemption as described in this Limited Offering Memorandum.

The proceeds from the sale of the Series 2026 Bonds will be used for the purposes of: (i) refunding a portion of the outstanding Series 2007A Subordinate Bonds; (ii) funding the Series 2026 Reserve Account of the Senior Reserve Fund to the Senior Reserve Requirement for the Series 2026 Bonds; (iii) funding capitalized interest on the Series 2026 Bonds; and (iv) paying the costs of issuance of the Series 2026 Bonds.

REPAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2026 BONDS IS SUBJECT TO A HIGH DEGREE OF INVESTMENT RISK. THE SERIES 2026 BONDS ARE BEING OFFERED AND SOLD ONLY TO "FINANCIAL INSTITUTIONS OR INSTITUTIONAL INVESTORS" WITHIN THE MEANING OF SECTION 32-1-1101(6)(a)(IV), C.R.S. See "RISK FACTORS—Restrictions on Purchase; Investor Suitability" herein.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Prospective purchasers of the Series 2026 Bonds must read the entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision and give particular attention to the section herein entitled "RISK FACTORS."

The Series 2026 Bonds are offered when, as and if issued by the Issuer, subject to prior sale, withdrawal or modification of the offer without notice and subject to the approval of legality by Barnes & Thornburg LLP, Denver, Colorado, as Bond Counsel to the Issuer and the Financing Districts, and certain other conditions. Barnes & Thornburg LLP has also assisted in the preparation of this Limited Offering Memorandum in its capacity as Disclosure Counsel to the Issuer. Certain matters will be passed upon by McGeady Becher Cortese Williams P.C., Denver, Colorado, as General Counsel to the Issuer and the Financing Districts; by Otten, Johnson, Robinson, Neff & Ragonetti, P.C., Denver, Colorado, as counsel to the Developer; for the City by Butler Snow LLP, Denver, Colorado; and for BURA by Hoffmann, Parker, Wilson & Carberry, P.C., Denver, Colorado. MuniCap, Inc., Columbia, Maryland, has served as Municipal Advisor to the Issuer. The Series 2026 Bonds are expected to be available for delivery through the facilities of DTC on or about December 8, 2026*.

STIFEL

This Limited Offering Memorandum is dated [_____], 2026.

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* Preliminary; subject to change.

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[1] None of the Issuer, the Trustee, or the Underwriter assumes any responsibility for the accuracy of CUSIP numbers, which are included solely for the convenience of owners of the Series 2026 Bonds.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
(IN THE CITY OF BRIGHTON)
ADAMS COUNTY, COLORADO

Board of Directors [1]

Michael Tamblyn, President
Richard Merkel, Treasurer
Elizabeth Grasmick, Assistant Secretary
Vacancy
Vacancy

General Counsel to the Districts

McGeady Becher Cortese Williams P.C.
Denver, Colorado

Bond and Disclosure Counsel

Barnes & Thornburg LLP
Denver, Colorado

Trustee and Paying Agent

UMB Bank, n.a.
Denver, Colorado

Underwriter

Stifel, Nicolaus & Company, Incorporated
St. Louis, Missouri

Underwriter's Counsel

Taft Stettinius & Hollister LLP
Denver, Colorado

Municipal Advisor

MuniCap, Inc.
Columbia, Maryland

[1] Diana Garcia of Special District Management Services, Inc. is designated as Secretary, but is not a Board member.

USE OF INFORMATION IN THIS LIMITED OFFERING MEMORANDUM

This Limited Offering Memorandum, which includes the cover page and the appendices, does not constitute an offer to sell or the solicitation of an offer to buy any of the Series 2026 Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, salesperson, or other person has been authorized to give any information or to make any representations other than those contained in this Limited Offering Memorandum in connection with the offering of the Series 2026 Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by the Issuer, the Financing Districts, or the Underwriter.

The information set forth in this Limited Offering Memorandum has been obtained from the Issuer, the Financing Districts, the Developer, and other sources believed to be reliable but is not guaranteed as to accuracy or completeness. In accordance with its responsibilities under federal securities laws, the Underwriter has reviewed the information in this Limited Offering Memorandum but does not guarantee its accuracy or completeness. This Limited Offering Memorandum contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions, or that they will be realized.

The information, estimates, and expressions of opinion contained in this Limited Offering Memorandum are subject to change without notice, and neither the delivery of this Limited Offering Memorandum nor any sale of the Series 2026 Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, or in the information, estimates, or opinions set forth herein, since the date of this Limited Offering Memorandum.

This Limited Offering Memorandum has been prepared only in connection with the original offering of the Series 2026 Bonds and may not be reproduced or used in whole or in part for any other purpose. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Limited Offering Memorandum.

The Series 2026 Bonds have not been registered with the Securities and Exchange Commission due to certain exemptions contained in the Securities Act of 1933, as amended. In making an investment decision, investors must rely on their own examination of the Issuer, the Series 2026 Bonds and the terms of the offering, including the merits and risks involved. The Series 2026 Bonds have not been recommended by any federal or state securities commission or regulatory authority, and the foregoing authorities have neither reviewed nor confirmed the accuracy of this document. Any representation to the contrary is a criminal offense.

THE PRICE AT WHICH THE SERIES 2026 BONDS ARE OFFERED TO THE PUBLIC BY THE UNDERWRITER (AND THE YIELD RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICE OR YIELD APPEARING ON THE COVER PAGE HEREOF. IN ADDITION, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICE TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE SERIES 2026 BONDS, THE UNDERWRITER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE SERIES 2026 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

FORWARD-LOOKING STATEMENTS

This Limited Offering Memorandum, including, but not limited to the Bond Revenue Study attached hereto as APPENDIX A, contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Limited Offering Memorandum, the words "estimate," "forecast," "anticipate," "intend," "expect," "plan," "projected" and similar expressions identify forward–looking statements. Any forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop the forward-looking statement will not be realized and unanticipated events and circumstances will occur. Therefore, it can be expected that there will be differences between forward-looking statements and actual results, and those differences may be material. For a discussion of certain of such risks and possible variations in results, see "RISK FACTORS."

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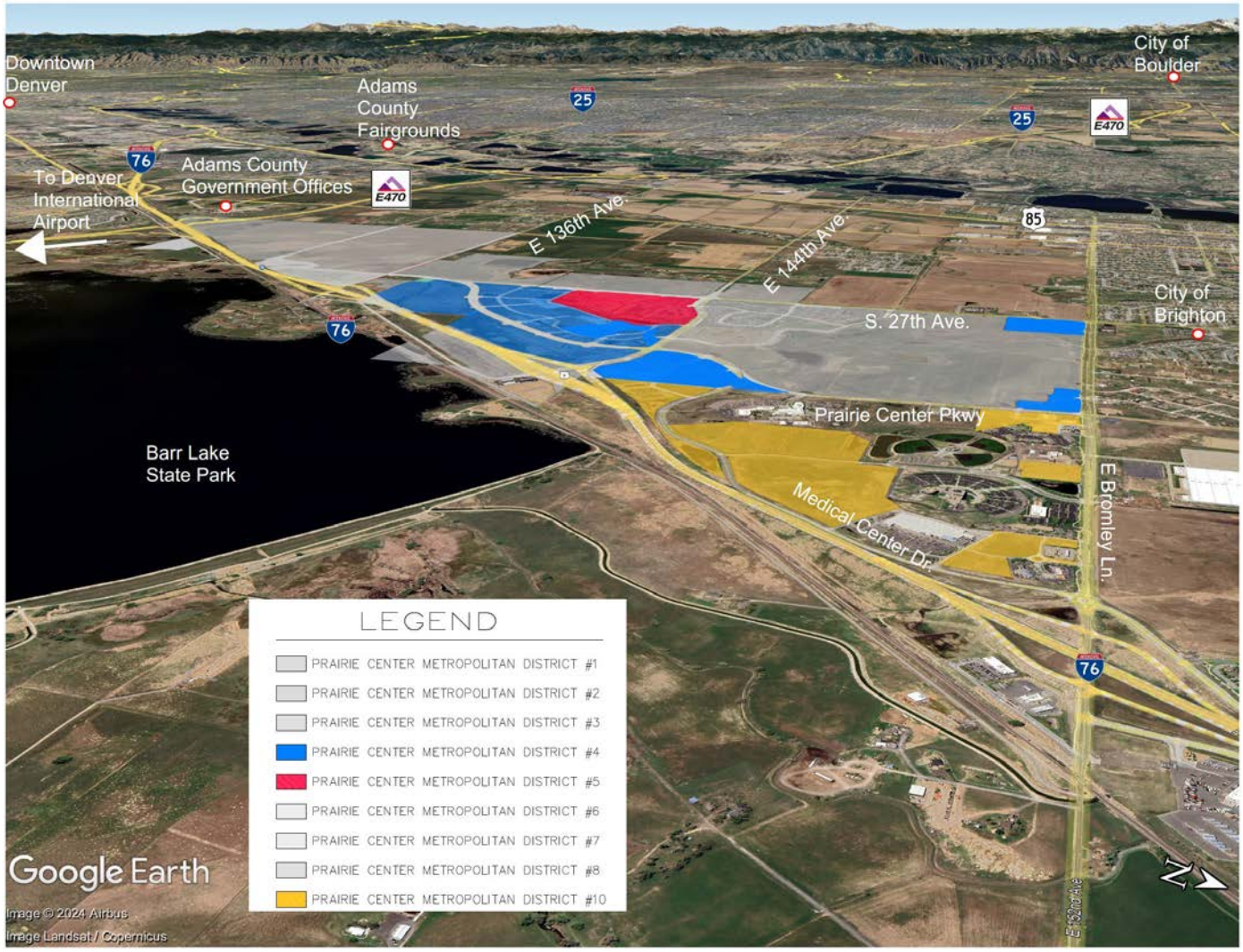
PRAIRIE CENTER METROPOLITAN DISTRICT NOS. 4, 5 & 10 AERIAL MAP



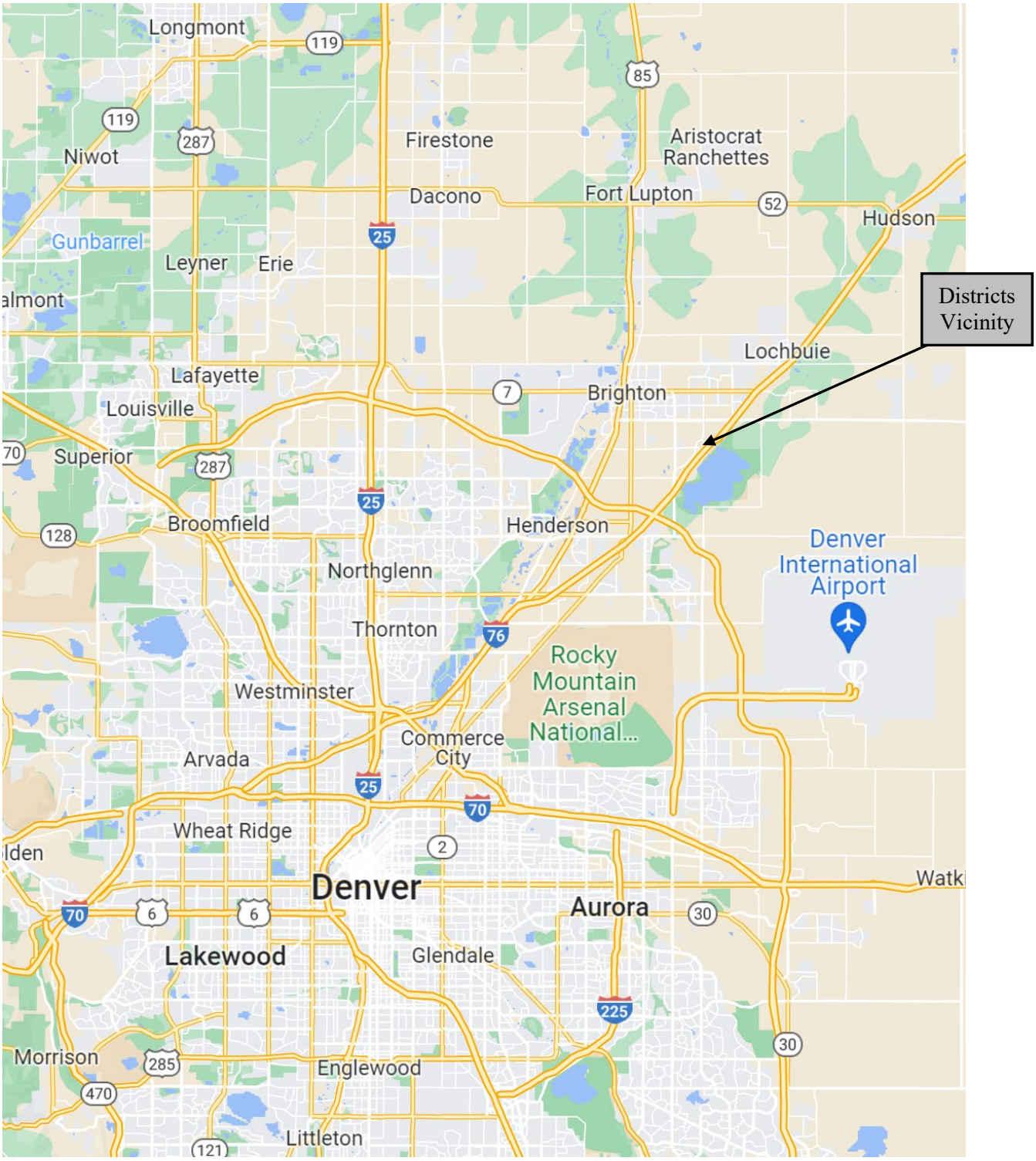
INITIAL DEVELOPMENT AERIAL PHOTOS



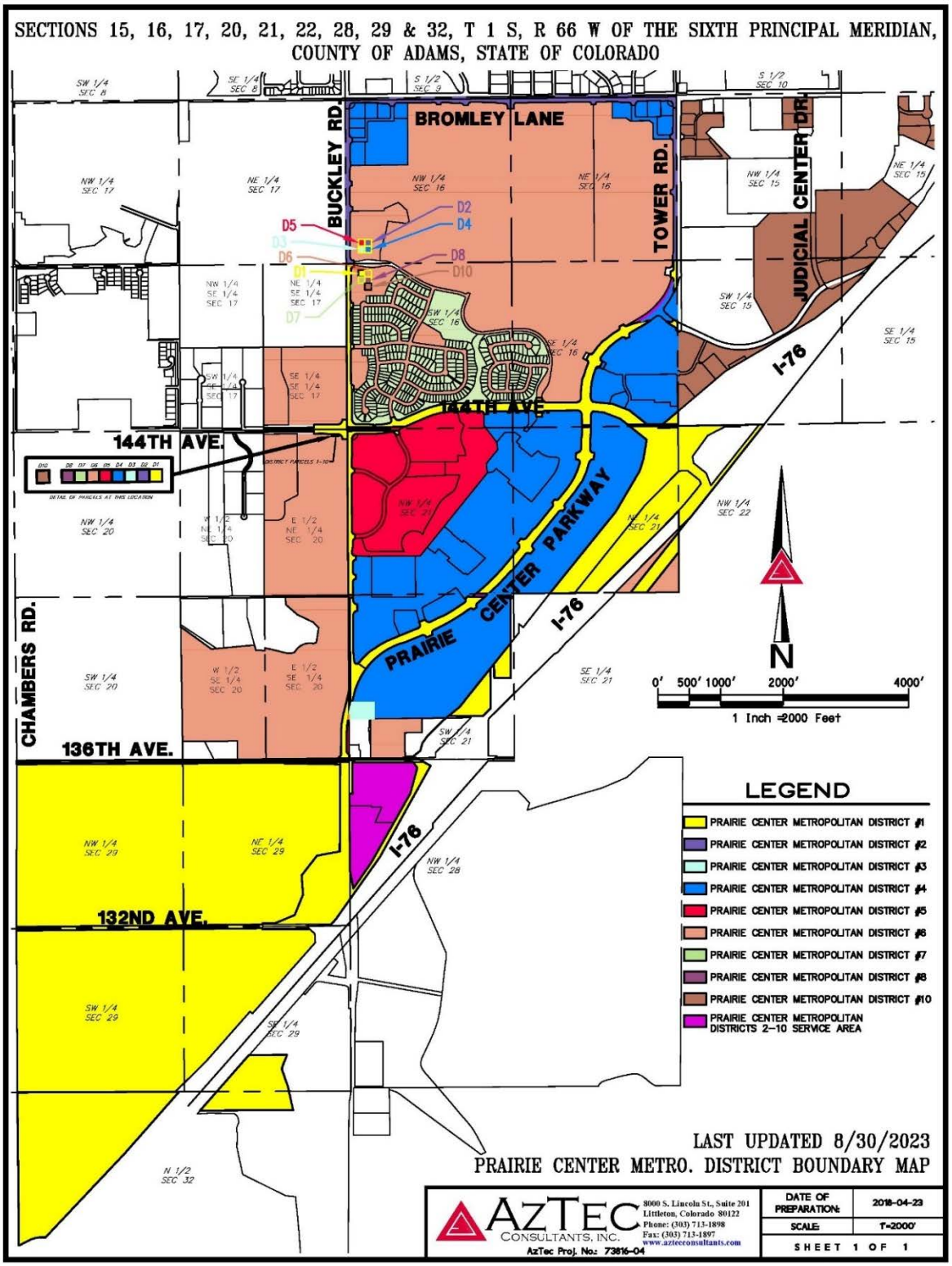




VICINITY MAP

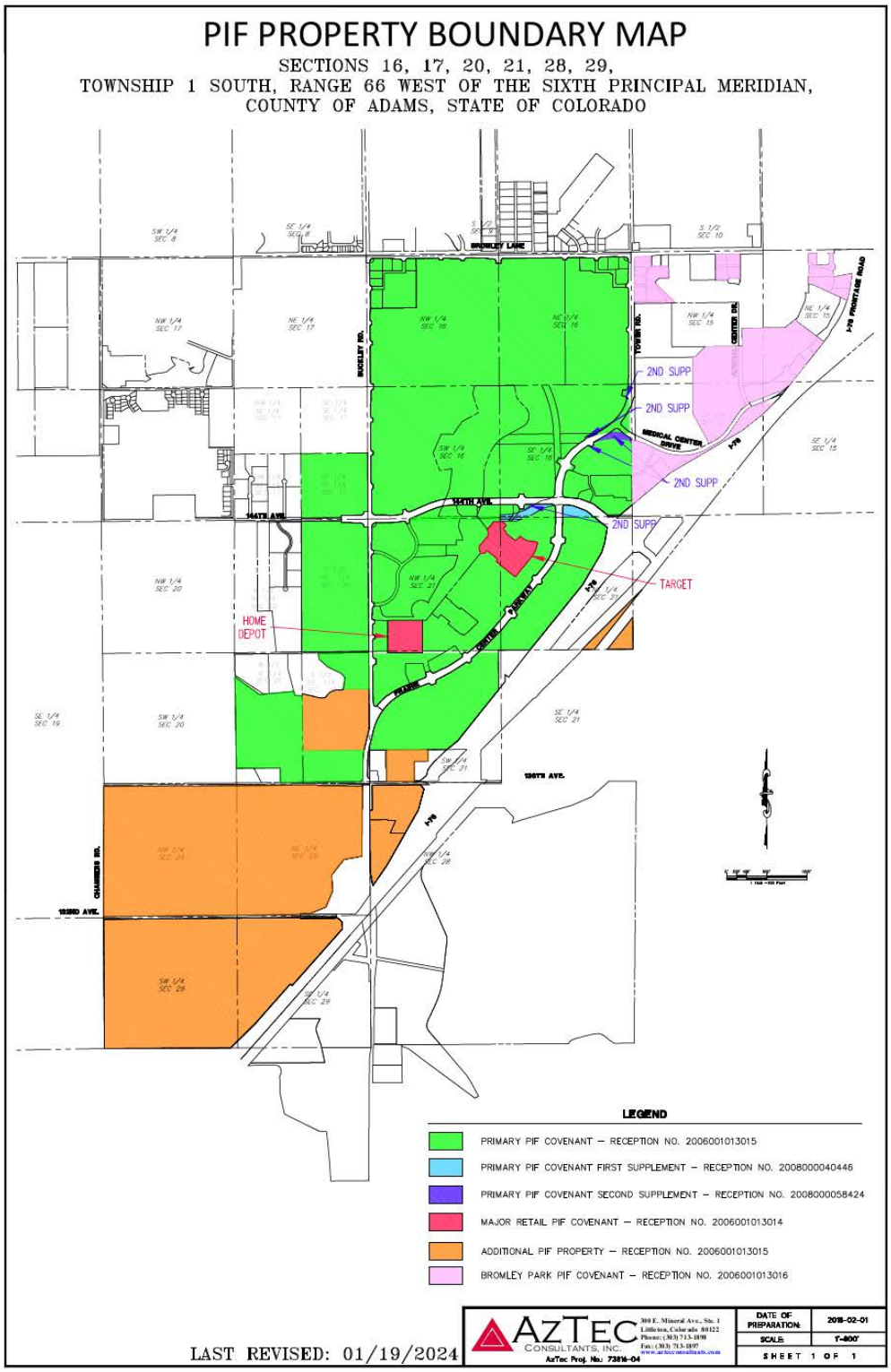


PRAIRIE CENTER METROPOLITAN DISTRICTS MAP[1]



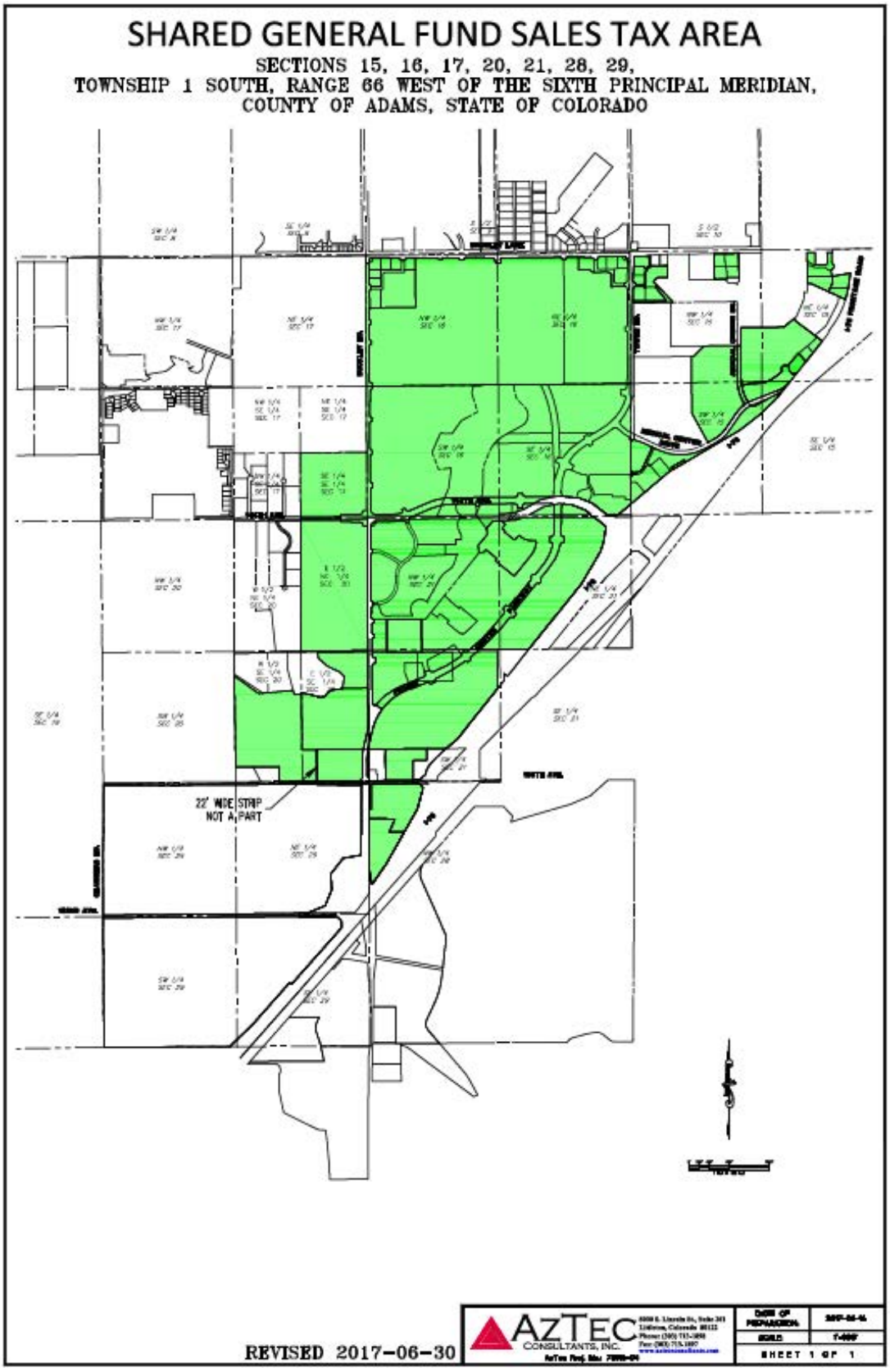
[1] Only the property located with District Nos. 4, 5 and 10 (referred to herein as the Financing Districts) will generate revenues pledged to the payment of the Series 2026 Bonds.

PIF PROPERTY BOUNDARY MAP[1]

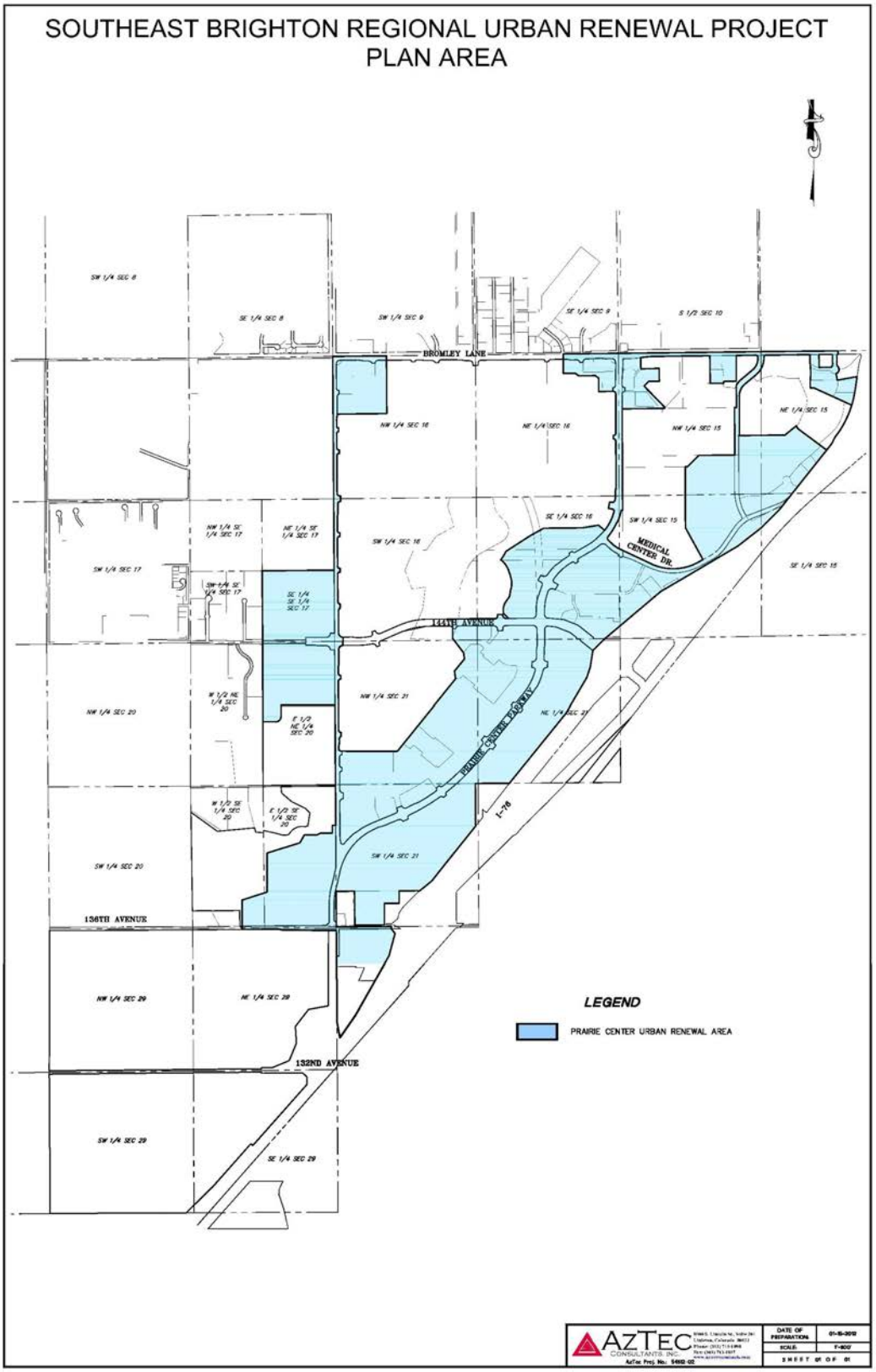


[1] The Primary PIF Covenant identifies the Additional PIF Property as property that the PIF Declarant under the Primary PIF Covenant may include within the Primary PIF Property as land subject to the Credit PIF and Add-On PIF by recordation of an instrument providing so, but as of the date of this Limited Offering Memorandum, such Additional PIF Property has not been included in the Primary PIF Property and is, therefore, not subject to the imposition of the PIF.

SHARED GENERAL FUND SALES TAX AREA



PLAN AREA


SOUTHEAST BRIGHTON REGIONAL URBAN RENEWAL PROJECT
PLAN AREA
BROMLEY LANE
144TH AVENUE
136TH AVENUE
132ND AVENUE
MEDICAL CENTER DR.
PRAIRIE CENTER PKWY
I-76
LEGEND
PRAIRIE CENTER URBAN RENEWAL AREA
AZTEC CONSULTANTS, INC.

PRAIRIE CENTER MASTER DEVELOPMENT – PARTIAL DEVELOPMENT PLAN

IMPORTANT CAUTION: The depiction below shows the plans for development of certain areas within the Prairie Center Master Development, consisting of District No. 4, District No. 5 and a small portion of District No. 10. Only a portion of such development has actually occurred (referred to herein as the Existing Development). Prospective purchasers of the Series 2026 Bonds should refer to the Bond Revenue Study set forth in APPENDIX A hereto for an understanding of the Existing Development and corresponding revenue comprising Pledged Revenue securing the Series 2026 Bonds. The depiction below also shows the Villages at Prairie Center, which is located in District No. 7 and does not generate revenue pledged to the payment of the Series 2026 Bonds, as well as plans for development of certain areas anticipated in the future. ***The Bond Revenue Study includes Pledged Revenue projections for both the Existing Development and certain revenues to be generated from potential future development within the Initial Development referred to therein as the "Anticipated New Development." The Anticipated New Development is anticipated to generate Pledged Revenue, as further set forth in the Bond Revenue Study and included in the Case II scenario set forth in "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE." Notwithstanding the foregoing, the Case I scenario set forth therein with respect to anticipated Pledged Revenue and anticipated debt service coverage for the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) is based solely on the Existing Development. It is not necessary for any portion of the Anticipated New Development to be completed in order for the Issuer to repay the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) in accordance with the Case I scenario. See also "RISK FACTORS—Risks Inherent in Bond Revenue Study."***



LIMITED OFFERING MEMORANDUM

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
(IN THE CITY OF BRIGHTON)
ADAMS COUNTY, COLORADO

$16,055,000[*]
Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026

INTRODUCTION

This Limited Offering Memorandum is furnished to prospective purchasers of $16,055,000[*] Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026 (the "**Series 2026 Bonds**") issued by Prairie Center Metropolitan District No. 3, in the City of Brighton, Adams County, Colorado (the "**Issuer**" or "**District No. 3**"). The Series 2026 Bonds constitute Senior Bonds under the Master Indenture (defined below), secured on a parity lien basis with the Issuer's (a) Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A, originally issued in the aggregate principal amount of $47,095,000 (the "**Series 2017A Bonds**"), which are currently outstanding in the aggregate principal amount of $40,300,000, (b) Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B, originally issued in the principal amount of $2,180,000 (the "**Series 2017B Bonds**" and, collectively with the Series 2017A Bonds, the "**Series 2017 Bonds**"), which are currently outstanding in the aggregate principal amount of $1,855,000, (c) Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A, originally issued in the aggregate principal amount of $29,320,000 (the "**Series 2024A Bonds**") which are currently outstanding in the aggregate principal amount of $29,320,000, and (d) Limited Property Tax Supported District Improvements Revenue Bonds, Series 2024B, originally issued in the aggregate principal amount of $9,870,000 (the "**Series 2024B Bonds**" and, collectively with the Series 2024A Bonds, the "**Series 2024 Bonds**") which are currently outstanding in the aggregate principal amount of $9,870,000. The Series 2026 Bonds are being issued pursuant to an Amended and Restated Trust Indenture dated as of October 1, 2017, between the Issuer and UMB Bank, n.a., as Trustee (the "**2017 Indenture**"), as amended by the Amendment to Amended and Restated Trust Indenture dated as of March 4, 2024, and as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2024 (the "**First Supplemental Indenture**") and a Second Supplemental Trust Indenture, dated as of December 1, 2026 (the "**Second Supplemental Indenture**," and, together with the 2017 Indenture and the First Supplemental Indenture, the "**Master Indenture**"). The 2017 Indenture amended and restated in its entirety that certain Trust Indenture dated as of December 1, 2006 between the Issuer and American National Bank, Denver, Colorado, as predecessor in interest to the Trustee, as was subsequently amended and supplemented (collectively, the "**Original Indenture**"). The offering of the Series 2026 Bonds is made only by way of this Limited Offering Memorandum, which supersedes any other information or materials used in connection with the offer or sale of the Series 2026 Bonds. This Limited Offering Memorandum speaks only as of its date, and the information contained herein is subject to change.

The information set forth in this Limited Offering Memorandum has been obtained from the Issuer, the Developer (defined hereafter), and from other sources believed to be reliable but is not guaranteed as to accuracy or completeness. This Limited Offering Memorandum, including the appendices hereto, contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions, or that they will be realized. See

[*] Preliminary; subject to change.

"FORWARD-LOOKING STATEMENTS" at the front of this Limited Offering Memorandum and "RISK FACTORS."

Capitalized terms not defined within the body of this Limited Offering Memorandum have the respective meanings set forth in "APPENDIX C—SELECTED DEFINITIONS" hereto, unless the context clearly indicates a contrary meaning.

The following introductory material is only a brief description of, and is qualified by, the more complete information contained throughout this Limited Offering Memorandum. A full review should be made of the entire Limited Offering Memorandum and the documents summarized or described herein.

The Districts

District No. 3 is a quasi-municipal corporation and a political subdivision of the State of Colorado (the "**State**"), located within the City of Brighton (the "**City**"), in Adams County (the "**County**"), Colorado. The Issuer was organized pursuant to an Order and Decree issued by the District Court for Adams County, Colorado on May 22, 2006 and recorded in the real property records of the County on June 6, 2006 concurrently with Prairie Center Metropolitan District Nos. 4–10 pursuant to their respective service plans originally approved by the City on February 21, 2006, all of which were subsequently superseded in their respective entirety pursuant to, for each such district, a First Amended and Restated Service Plan effective November 4, 2008, as modified pursuant to a Non-Material Modification to First Amended and Restated Service Plan effective April 14, 2013 (with respect to the Issuer, the "**Service Plan**" and with respect to all of the Prairie Center Metropolitan District Nos. 1–10, collectively, the "**Service Plans**"). The creation of each of the District Nos. 3-10 was approved by eligible electors of the Districts voting at the elections held on May 2, 2006 (collectively, the "**2006 Election**").

Prairie Center Metropolitan District No. 1 (f/k/a Third Creek Ranch Metropolitan District) ("**District No. 1**") was organized by Order of the District Court for Adams County, Colorado recorded on August 14, 1985, and its Service Plan was approved by the Board of Commissioners of Adams County, Colorado on June 24, 1985.

Prairie Center Metropolitan District No. 2 (f/k/a Diedrichs Farms Metropolitan District) ("**District No. 2**") was organized by Order of the District Court for Adams County, Colorado recorded on June 13, 2002, and its original service plan was approved by the City on March 19, 2002, as later replaced by the Amended and Restated Service Plan effective February 21, 2006, as later modified pursuant to a Non-Material Modification to First Amended and Restated Service Plan effective November 13, 2006 and later amended by the Second Amended and Restated Service Plan effective November 4, 2008.

Prairie Center Metropolitan District No. 9 was subsequently dissolved by an Order and Decree issued by the District Court for Adams County, Colorado on September 25, 2019 and recorded in the real property records of the County on September 26, 2019.

Prairie Center Metropolitan District Nos. 2–8 and District No. 10 are referred to in this Limited Offering Memorandum collectively, as the "**Districts**" and individually, each as a "**District**." The Districts were formed to provide public improvements necessary to serve the Districts' Service Area (defined below).

District Nos. 1 and 2 commenced with development and the construction of public improvements prior to the formation of the other Districts, and entered into various agreements pursuant to which THF Development (defined below) made advances for such public improvements (as more particularly defined herein, the "**Prior Funding Agreements**"). Subsequent thereto, the Issuer, THF Development and THF Retail One (defined below) have entered into a Facilities Funding and Acquisition Agreement and Novation

of Funding and Reimbursement Agreements, dated as of December 26, 2006 (the "**Funding and Acquisition Agreement**"), to establish the terms and conditions upon which: (i) THF Development and THF Retail One (collectively, the "**Developer**") will advance certain funds to the Issuer; (ii) the Issuer will pay to acquire certain public infrastructure, as specified therein, from the Developer; (iii) the Issuer will assume the repayment obligations of District Nos. 1 and 2 under the Prior Funding Agreements; and (iv) the Issuer is to reimburse the Developer for advances made thereunder, subject to the provisions of the Funding and Acquisition Agreement. See "THE DISTRICTS—Material Agreements of the Districts—*Funding and Acquisition Agreement*."

As used in this Limited Offering Memorandum, Initial Development refers to a portion of the Prairie Center Master Development, which portion is substantially developed for retail/commercial, hotel and residential uses. All of the property comprising the Initial Development is within the boundaries of the Issuer, District No. 4, District No. 5 and District No. 10.

The Issuer (District No. 3) encompasses approximately 2.268 acres of the retail/commercial component of the Initial Development; District No. 4 encompasses approximately 330.191 acres of the retail/commercial component of the Initial Development; District No. 5 encompasses approximately 90.648 acres of the residential component of the Initial Development; and District No. 10 encompasses approximately 123.887 acres of the retail/commercial and hotel component of the Initial Development.

District Nos. 4 and 5 are referred to in this Limited Offering Memorandum, collectively, as the "**Taxing Districts**." The Taxing Districts and District No. 10 are referred to in this Limited Offering Memorandum, collectively, as the "**Financing Districts**."

The 2025 certified assessed valuation (for collection of taxes in 2026) of the Issuer is $120, for District No. 4 is $46,759,980, and for District No. 5 is $11,764,080. According to the County Assessor, the 2026 preliminary certified assessed valuation of the Issuer is $9,590, for District No. 4 is $45,017,190, and for District No. 5 is $14,495,830. Such 2026 preliminary certified assessed valuations are subject to continual modification by the County Assessor, as allowed by State law, prior to the December 10, 2026 final certification date. See "FINANCIAL INFORMATION—Ad Valorem Property Tax Data."

Development Within the Initial Development

The following section contains a summary of the information set forth herein under "DEVELOPMENT WITHIN THE INITIAL DEVELOPMENT." Additional information regarding the Initial Development is set forth therein. See "INITIAL DEVELOPMENT AERIAL PHOTOS" set forth on pages v and vi.

Prairie Center Master Development. "**Prairie Center**" is an approximately 2,150-acre master-planned mixed-use project that includes or is planned for retail, lodging, single-family homes and multi-family residential, medical and office uses (the "**Prairie Center Master Development**"). With the exception of approximately 502.776 acres located in unincorporated Adams County, all of the property within the Prairie Center Master Development is located in the City.

The Prairie Center Master Development is located in the eastern portion of the City, northwestern portion of the County, just west of Interstate 76 and can be accessed from three interstate exits (East 136th Avenue, Eagle Boulevard/East 144th Avenue and East Bromley Lane/East 152nd Avenue) and is approximately 21 miles from downtown Denver, 17 miles from the Denver International Airport and 35 miles from Boulder. The Prairie Center Master Development is generally bounded by Interstate 76 to the east, Bromley Lane to the north and the future extension of Chambers Road to the west. The boundaries of the Prairie Center Master Development are generally conterminous with the Districts' Service Area.

The Prairie Center Master Development is being developed in phases. The initial phase consists of approximately 547 acres of the Prairie Center Master Development, all of which are located within the Issuer and District No. 4, with respect to retail/commercial development (approximately 332 acres); District No. 5, with respect to residential development (approximately 91 acres); and District No. 10, with respect to hotel and retail/commercial development (approximately 124 acres) (collectively, the "**Initial Development**"). The Initial Development is located to the north of 136th Avenue and west of I–76.

See the aerial photo titled "PRAIRIE CENTER METROPOLITAN DISTRICT NOS. 4, 5 & 10 AERIAL MAP" set forth on page iv; the map titled "PRAIRIE CENTER METROPOLITAN DISTRICTS MAP" set forth on page viii; and the "PRAIRIE CENTER MASTER DEVELOPMENT – PARTIAL DEVELOPMENT PLAN" set forth on page xii of this Limited Offering Memorandum.

Existing Development in the Initial Development.

Commercial/Retail. Vertical construction activity within the Initial Development began in 2004 and there are currently 67 active retailers/businesses therein. Approximately 34% of the retailers and restaurants, including anchors Super Target, Home Depot, JC Penney and Kohl's, opened in the 2005-2009 time frame and the remaining businesses opened from 2009 to 2026. These active retailers and other businesses currently occupy approximately 945,725 square feet of commercial space within the Initial Development, located primarily in District No. 4 and some in District No. 10. See "TABLE X—EXISTING OWNERS/TENANTS—INITIAL DEVELOPMENT." The Initial Development also currently includes three hotels in District No. 10, consisting of an 88-room Comfort Inn (formerly Holiday Inn Express), 72-room Candlewood Suites and 88-room Holiday Inn Express.

In addition, there is approximately 15,935 square feet of completed but vacant commercial space within the Initial Development and approximately 200 vacant acres within the Initial Development remaining to be developed for commercial uses. Such vacant acreage is not included in the Existing Development as described herein. No representation is made in this Limited Offering Memorandum as to the Developer or its affiliates' expectations of selling or leasing such property to a commercial business.

Residential. The Initial Development includes three apartment complexes within District No. 5, consisting of the 288-unit "Elements at Prairie Center," the 136-unit "The Villas at Prairie Center" and the 192-unit "Canvas at Prairie Center," as well as 77 single-family homes in "Parkway at Prairie Center Village."

For purposes of this Limited Offering Memorandum, the 945,725 square feet of currently occupied commercial space in District Nos. 4 and 10, 15,935 square feet of vacant space, three existing hotels (consisting of the Comfort Inn, Candlewood Suites, and Holiday Inn Express) in District No. 10, three existing apartment complexes (consisting of the Elements at Prairie Center, The Villas at Prairie Center and Canvas at Prairie Center) and 77 single-family homes in District No. 5 are referred to as the "**Existing Development**."

*The Bond Revenue Study includes Pledged Revenue projections for both the Existing Development and certain revenues to be generated from potential future development within the Initial Development referred to therein as the "Anticipated New Development" (the "**Anticipated New Development**"). The Anticipated New Development is anticipated to generate Pledged Revenue, as further set forth in the Bond Revenue Study and included in the Case II scenario set forth in "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE." Notwithstanding the foregoing, the Case I scenario set forth therein with respect to anticipated Pledged Revenue and anticipated debt service coverage for the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) is based solely on the Existing Development. It is not necessary for any portion of the Anticipated New Development to be completed in order for the Issuer*

to repay the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) in accordance with the Case I scenario. See also "RISK FACTORS—Risks Inherent in Bond Revenue Study."

Developer. The developer of the Prairie Center Master Development is, collectively, (a) THF Prairie Center Development, L.L.C., a Colorado limited liability company ("**THF Development**"), (b) THF Prairie Center Retail One, L.L.C., a Missouri limited liability company ("**THF Retail One**"), (c) THF Prairie Center Retail Two, L.L.C., a Missouri limited liability company ("**THF Retail Two**"), (d) THF Prairie Center Retail Three, L.L.C., a Missouri limited liability company ("**THF Retail Three**") and (e) THF Prairie Center Retail Perm One, L.L.C., a Delaware limited liability company ("**THF Perm One**"). THF Development and THF Retail One are referred to herein, collectively, as the "**Developer**."

The Developer and its affiliates, THF Retail Two and THF Retail Three, have undertaken site development, planning and construction of public infrastructure benefitting the Initial Development and have constructed retail and commercial buildings for sale and/or lease within the Initial Development in addition to selling parcels to commercial developers and residential builders for further development, in phases and as market demand dictates. The Developer, THF Retail Two, THF Retail Three and THF Perm One intend to continue to lease parcels to current tenants and to sell and lease parcels to third-party retailers, service providers and developers based on market demand, but no assurance can be given that any such sales or leases will occur or that any such third-party buyers or lessees of parcels will complete construction on such parcels. See "DEVELOPMENT WITHIN THE INITIAL DEVELOPMENT—The Developer" and "—Existing Development Within the Initial Development" below.

The Comprehensive Agreement

In order to establish a coordinated development plan for the Districts' Service Area and to provide for the funding of the Public Improvements (as defined in the Service Plans), the City, the City of Brighton Water, Sewer and Drainage Enterprise, THF Development, THF Retail One, District No. 1, and District No. 2 entered into that certain Comprehensive Agreement which allocates the responsibility to fund the Public Improvements among the Districts, THF Development, THF Retail One and any other entity submitting to the City an application to develop any portion of the property subject to the Comprehensive Agreement and, in connection therewith, sets forth certain terms and conditions pertaining to the implementation of the PIF and the related Sales/Use Tax Credit as one of the sources of revenue to finance the same, as more particularly described in "SOURCES OF PLEDGED REVENUE: PUBLIC IMPROVEMENTS FEE (PIF) REVENUE—PIF Revenue." The Comprehensive Agreement divides the Public Improvements into: (i) "Primary Public Improvements" comprising certain categories of Public Improvements eligible for funding through utilization of the Shared Revenues (subject to certain limitations described therein), which improvements are to be funded by the Districts to the extent of available revenues; (ii) "Park and Recreation Primary Public Improvements" (as defined herein); and (iii) "District Public Improvements" comprised of all other Public Improvements which the Districts may fund in accordance with their Service Plans. The Comprehensive Agreement also addresses, among other items, matters relating to land uses within the Prairie Center Master Development and public infrastructure construction standards applicable to the Prairie Center Master Development. See "THE DISTRICTS—Material Agreements of the Districts—*Comprehensive Agreement*."

Pledged Revenue and Sources of Payment for Series 2026 Bonds

The Series 2026 Bonds are limited tax supported, special revenue obligations of the Issuer secured by and payable from the following (the "**Pledged Revenue**"): (a) all PIF Revenue required to be deposited with the Trustee pursuant to the Master Indenture; (b) all Facilities Fees Revenue (of the Financing Districts); (c) all Capital Levies Revenue (of the Taxing Districts); (d) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Capital Levies; (e) the Shared Sales Tax Incremental

Revenues; (f) the Shared General Fund Sales Tax Revenues; (g) any profit (including interest earnings) from investments of money in certain of the Funds held under the Master Indenture which are credited to the Non–PIF Revenue Account and other Funds and accounts as provided therein; and (h) any other legally available amounts that the Issuer may designate, by resolution of its Board, to be paid to the Trustee for deposit into the Non–PIF Revenue Account or otherwise held under the Master Indenture. The Series 2026 Bonds constitute an irrevocable and first lien, but not necessarily an exclusive lien, upon the Pledged Revenue. The Series 2026 Bonds constitute additional Senior Bonds under the Master Indenture, secured on a parity lien basis with the Series 2017 Bonds and the Series 2024 Bonds and on a senior lien basis to the Series 2007 Subordinate Bonds (defined below). See "—Prior Bonds" below.

The payment when due of the principal of and interest on the Series 2026 Bonds is also secured by amounts on deposit in the Series 2026 Reserve Account of the Senior Reserve Fund which is initially anticipated to be funded from proceeds of the Series 2026 Bonds in the amount of $1,505,156.25* (the "**Series 2026 Bonds Reserve Requirement**").

A portion of the interest on the Series 2026 Bonds will be paid from capitalized interest to be funded with proceeds of the Series 2026 Bonds in the amount of $112,064.46*.

The various components of the Pledged Revenue are expected to be received pursuant to various agreements as described herein. For a description of the various components of the Pledged Revenue, see "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS" herein.

THE SERIES 2026 BONDS DO NOT CONSTITUTE A DEBT OR INDEBTEDNESS OF THE CITY, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE ISSUER AND THE FINANCING DISTRICTS (TO THE EXTENT SET FORTH IN THE CAPITAL PLEDGE AGREEMENT AND THE DISTRICT NO. 10 PLEDGE AGREEMENT), WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR STATUTES OF THE STATE OR THE CITY'S HOME RULE CHARTER, AND WILL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE ISSUER AND THE FINANCING DISTRICTS (TO THE EXTENT SET FORTH IN THE CAPITAL PLEDGE AGREEMENT AND THE DISTRICT NO. 10 PLEDGE AGREEMENT) OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWERS. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS" and "FINANCIAL INFORMATION."

PIF Revenue

The PIF revenue generally consists of revenue derived from a public improvements fee (a "**PIF**") privately imposed by landowners pursuant to the PIF Covenants (defined below) on PIF Sales and Use Tax Activities (each as defined in "APPENDIX C—SELECTED DEFINITIONS" hereto) occurring from or within property against which the PIF Covenants are recorded. ***The nature of the PIF is that of a privately imposed fee. The PIF is not a tax and is not imposed through the exercise of any governmental taxing authority***. The PIF Covenants are comprised of the Primary PIF Covenant; the Major Retail PIF Covenant; and the Bromley Park PIF Covenant (collectively, the "**PIF Covenants**"). The PIF Covenants are recorded against the real property shown on the "PIF PROPERTY BOUNDARY MAP" set forth on page ix located at the front of this Limited Offering Memorandum (as more particularly defined below, the "**PIF Property**"). The Primary PIF Covenant identifies "**Additional PIF Property**" as property that the PIF Declarant under the Primary PIF Covenant may include within the Primary PIF Property as land subject to the Credit PIF and Add-On PIF by recordation of an instrument providing so, but as of the date of this

* Preliminary; subject to change.

Limited Offering Memorandum, such Additional PIF Property has not been included in the Primary PIF Property and, therefore, is not subject to the imposition of the PIF. Nothing in the Primary PIF Covenant obligates the Declarant to include the Additional PIF Property into the PIF Property for the purpose of generating additional PIF Revenue to secure bonds issued by the Issuer under the Master Indenture.

The Master Indenture defines "**PIF Revenue**" to mean revenue, except for the Excluded PIF Revenue, derived from the imposition of the PIF on the PIF Property, net of costs of collection (except for the fees of PIF Collecting Agent which shall not be paid from the PIF Revenue), which PIF is payable to the Issuer or the Trustee pursuant to the PIF Covenants, the Comprehensive Agreement, and the PIF Collection Agreement.

Notwithstanding the foregoing definition of PIF Revenue, the Master Indenture provides that, **while any PRI Obligations are outstanding under the documents pursuant to which they were issued, any PRI Credit PIF Revenue shall *not* constitute Pledged Revenue under the Master Indenture**. Further, even after the PRI Obligations are no longer outstanding, the PRI Credit PIF Revenue may be pledged only to pay Park and Recreation Improvements Bonds. The Series 2026 Bonds do not constitute Park and Recreation Improvements Bonds within the meaning of the Master Indenture. The Issuer issued $4,510,000 of its Special Revenue Bonds (Park and Recreation Improvements) Series 2018 (the "**Series 2018 PRI Bonds**") which constitute PRI Obligations within the meaning of the Master Indenture and are secured solely by the PRI Credit PIF Revenue.

The PIF payable to the Issuer or the Trustee pursuant to the PIF Covenants, the Comprehensive Agreement, and the PIF Collection Agreement generally consists of Sales PIF revenues remitted by each Sales PIF Retailer under the PIF Covenants and Use PIF revenues remitted by each Use PIF Obligor under the PIF Covenants, but excluding the Excluded PIF Revenue, and may also consist of Default Interest and Late Charges paid under the PIF Covenants and any amounts paid by the City as a result of a failure of a PIF Obligor to pay the Credit PIF on PIF Sales or Use Tax Activities, as applicable, occurring within the Primary PIF Property or the Major Retail PIF Property.

"**Excluded PIF Revenue**" consists of revenue generated from the PIF applied to transactions that are subject to use taxes (on building materials only) which occur within the portion of the PIF Property consisting of a residential development in Prairie Center Metropolitan District No. 7.

PIF Covenants. The PIF is imposed pursuant to the Primary PIF Covenant, the Major Retail PIF Covenant and the Bromley Park PIF Covenant. The PIF imposed pursuant to the Primary PIF Covenant and the Major Retail PIF Covenant is comprised of *both* an Add-On PIF (imposed at a rate of 1.00%) and a Credit PIF (imposed at a rate of 1.25%) with respect to PIF Sales and Use Tax Activities; provided, however, that the Use Tax Activity occurring within the Major Retail PIF Property is not subject to the Add-On PIF. The PIF imposed pursuant to the Bromley Park PIF Covenant is comprised *solely* of an Add-On PIF (imposed at a rate of 1.00%) on PIF Sales and Use Tax Activities.

Termination Dates of PIF Covenants. The termination date of the Primary PIF Covenant and the Bromley Park PIF Covenant is the first date on which ***all*** of the following have occurred: (a) all Bond Requirements (as defined in "APPENDIX C—SELECTED DEFINITIONS") have been paid in full and no Bonds (which includes the Series 2026 Bonds) remain outstanding; (b) the declarant under the Primary PIF Covenant and the Bromley Park PIF Covenant, its affiliates and/or the Districts have been reimbursed for all expenses incurred or moneys advanced by them for any Public Improvements Costs (as defined in "APPENDIX C—SELECTED DEFINITIONS"); and (c) all Public Improvements Costs have otherwise been paid in full.

The termination date of the Major Retail PIF Covenant is the ***earlier to occur*** of (a) December 10, 2054 (which is after the maturity date of the Series 2026 Bonds) or (b) the first date on which both of the following have occurred: (i) all Bond Requirements have been paid in full and there are no longer any Bonds (which includes the Series 2026 Bonds) outstanding and (ii) the declarant under the Major Retail PIF Covenant, its affiliates and/or the Districts have received all reimbursable amounts to which they are entitled pursuant to the Public Financing Documents (as defined in "APPENDIX C—SELECTED DEFINITIONS") or any other agreement between or among the declarant under the Major Retail PIF Covenant, its affiliates, or any District for any Public Improvements Costs.

PIF Property. The Primary PIF Property, the Major Retail PIF Property and the Bromley Park PIF Property are referred to herein, collectively, as the "**PIF Property**." For a depiction of the PIF Property, see the "PIF PROPERTY BOUNDARY MAP" set forth on page ix located at the front of this Limited Offering Memorandum.

Sales PIF. The Sales PIF is imposed on PIF Sales, for which the Issuer may from time to time establish uniform guidelines further clarifying or delineating which exchanges of goods or services constitute PIF Sales for purposes of calculating the PIF due on each PIF Sale within the meaning of the applicable PIF Covenant. As of the date of this Limited Offering Memorandum, "**PIF Sales**" (as more particularly defined in "APPENDIX C—SELECTED DEFINITIONS") generally means any exchange of goods or services for money or other media of exchange initiated, consummated, conducted, transacted or otherwise occurring from or within any portion of the PIF Property upon which the Sales Tax of the City is payable. The PIF is to be imposed on PIF Sales prior to the calculation and assessment of any City, County, or State sales tax and before any sales taxes of any other taxing authority required to be imposed by law.

Pursuant to the PIF Rate Establishment Resolutions (defined in APPENDIX C), although the Credit PIF applies to PIF Sales of food for domestic home consumption (as defined in Section 39-26-1024.5, C.R.S., as amended) occurring within the Primary PIF Property and the Major Retail PIF Property, the Add-On PIF does *not* apply to such transactions within the PIF Property. The Bond Revenue Study assumes that revenue generated from PIF Sales of food for domestic home consumption will be rebated as permitted by the Sales Tax Ordinance (defined in APPENDIX C). Additionally, effective January 1, 2027, the Add-On PIF *will* apply to retail sales occurring within the PIF Property on items that are to be delivered to a location outside the City, notwithstanding that such items are not subject to City Sales Tax. Further, one-fifth (1/5) of the revenue derived from imposition of the Credit PIF on PIF Sales at the rate of 1.25% constitutes PRI Credit PIF Revenue which is *not* pledged to the Series 2026 Bonds.

Under the PIF Covenants, each Sales PIF Retailer is to pay the Sales PIF monthly in arrears, within 20 days after the close of each calendar month, to the PIF Collecting Agent.

Use PIF. The Use PIF is imposed on Use Tax Activities (as defined in "APPENDIX C—SELECTED DEFINITIONS") for which the Issuer may from time to time establish uniform guidelines further clarifying or delineating which construction activities constitute Use Tax Activities for purposes of calculating the PIF due on each Use Tax Activity within the meaning of the applicable PIF Covenant.

Each Use PIF Obligor is to pay the Use PIF in an amount equal to the applicable percentages established by the Issuer, under the authority vested in it as the Service District under the PIF Covenants, (which percentages, as of the date of this Limited Offering Memorandum, are described above for each of the Primary PIF Property, the Major Retail PIF Property and the Bromley Park PIF Property) of 50% of the total costs for the subject Use Tax Activity as indicated on the building permit application submitted to the City for such Use Tax Activity. The Use PIF owed by a Use PIF Obligor for any Use Tax Activity is due and payable prior to such Use PIF Obligor obtaining a building permit from the City for such Use Tax Activity. Each Use PIF Obligor is to pay the Use PIF relating to the applicable Use Tax Activity to the PIF

Collecting Agent. *Notwithstanding the foregoing*, one-fifth (1/5) of the revenue derived from imposition of the Use PIF at the rate of 1.25% on Use Tax Activities constitutes PRI Credit PIF Revenue which is *not* pledged to the Series 2026 Bonds. Further, pursuant to the Major Retail PIF Covenant, the Use Tax Activity occurring within the Major Retail PIF Property is only subject to the Credit PIF and not the Add-On PIF.

Potential Exemption of Add-On PIF (Use Tax Activities). Pursuant to the Primary PIF Covenant and the Bromley Park PIF Covenant, the Issuer and the Declarant each have the right to exempt any Use Tax Activity from the obligation to pay the Add-On PIF where such Use Tax Activity is undertaken by or on behalf of the Declarant or any of its Affiliates and such Use Tax Activity occurs within or relating to the Primary PIF Property or the Bromley Park PIF Property. See "RISK FACTORS—Risks Related to PIF Revenue—*Potential Exemption of Add-On PIF from Certain Use Tax Activities*."

Use PIF revenues are a component of Pledged Revenue securing bonds issued under the Master Indenture (including the Series 2026 Bonds). Notwithstanding the foregoing, the Bond Revenue Study set forth in "APPENDIX A—BOND REVENUE STUDY" hereto does not contain a projection of the revenues derived from Use Tax Activities.

Sales/Use Tax Credit. Pursuant to the Comprehensive Agreement, the City adopted Ordinance No. 1868 on January 17, 2006 (the "**Sales/Use Tax Credit Ordinance**"), amending its Sales and Use Tax Code to: (i) grant each person or entity obligated to pay, collect or remit the sales tax on the sale or provision of goods or services which are subject to the City Sales Tax occurring within the Primary PIF Property and the Major Retail PIF Property (but not the Bromley Park PIF Property) a credit against collection of the City's Sales Tax in the form of a reduction in the applicable City Sales Tax rate in an amount equivalent to the rate of the Credit PIF; and (ii) grant each applicant for a building permit within the Primary PIF Property and the Major Retail PIF Property (but not the Bromley Park PIF Property) a credit against the collection of the City's Use Tax (on building materials only) in the form of a reduction in the applicable City Use Tax rate in an amount equivalent to the rate of the Credit PIF. The credit for both the Sales Tax and Use Tax (collectively, the "**Sales/Use Tax Credit**") is granted during the Credit PIF Period (defined below) and terminates when the Credit PIF Period terminates. The maximum Sales/Use Tax Credit allowed is 1.25%, one-fifth (1/5) of which constitutes PRI Credit PIF Revenue and is <u>not</u> pledged to the Series 2026 Bonds.

For a more detailed description of the PIF, the PIF Revenue and the PIF Covenants, see "SOURCES OF PLEDGED REVENUE: PUBLIC IMPROVEMENTS FEE (PIF) REVENUE."

Application of Pledged Revenue Sources to Series 2026 Bonds

As a result of certain restrictions set forth in the Comprehensive Agreement, and by extension, the Cooperation Agreement and the Sales Tax Sharing Agreement, Senior Bonds of the Issuer (including the Series 2026 Bonds) have been structured such that Pledged Revenue generated from the Credit PIF, the Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues (collectively, the "**Shared Revenue**") generally will be applied *first*, to costs of Primary Public Improvements, including payments of principal and interest due with respect to the Series 2017A Bonds, the Series 2024A Bonds and the Series 2026 Bonds and *second*, to payments of principal and interest due with respect to Bonds issued to finance District Public Improvements, including the Series 2017B Bonds and the Series 2024B Bonds, to the extent necessary to prevent deficiencies in amounts available to pay such Bonds, subject to reimbursement by the Issuer from the Add-On PIF Revenue of the Shared Revenue applied to pay such deficiencies, as more particularly described in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE." Revenues generated from the Add-On PIF will be applied *first*, to costs of District Public Improvements, including payments of principal and interest due with respect to the Series 2017B Bonds and the Series 2024B Bonds, and *second*, to payments of principal and interest due

with respect to Primary Improvements Bonds, including the Series 2017A Bonds, the Series 2024A Bonds and the Series 2026 Bonds, to the extent necessary to prevent deficiencies in amounts available to pay the Series 2017A Bonds, the Series 2024A Bonds and the Series 2026 Bonds, subject to reimbursement from the Shared Revenue of any Add-On PIF Revenue applied to pay such deficiencies, as more particularly described in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

Capital Levies; Facilities Fees; Specific Ownership Tax; Capital Pledge Agreements

Capital Pledge Agreement. The Issuer, the Taxing Districts (District Nos. 4 and 5) and the Trustee entered into an Amended and Restated Capital Pledge Agreement dated as of October 1, 2017, as amended by a First Amendment to Amended and Restated Capital Pledge Agreement dated as of April 1, 2024 in connection with the issuance of the Series 2024 Bonds (collectively, the "**Capital Pledge Agreement**"), which secures the payment of the Series 2024 Bonds, the Series 2017 Bonds, the Series 2007 Subordinate Bonds and any Refunding Obligations (including the Series 2026 Bonds). The Capital Pledge Agreement requires District No. 4 to impose an ad valorem property tax at the rate of 25 mills and District No. 5 to impose an ad valorem property tax at the rate of 40 mills, each subject to adjustment as provided in the Capital Pledge Agreement and further described herein (referred to herein as a "**Capital Levy**" as to each of the Taxing Districts and, collectively, as the "**Capital Levies**"), and remit directly to the Trustee the revenue derived therefrom, together with the portion of the Specific Ownership Tax revenue derived from imposition of such Capital Levies, and its Facilities Fees Revenue, all of which constitute a portion of the Pledged Revenue securing the Series 2026 Bonds.

The Capital Pledge Agreement dictates the manner in which the amount of the Capital Levy applicable to each of the Taxing Districts is determined each year, and each Taxing District is contractually obligated to impose such levy and enforce the collection of ad valorem property taxes derived therefrom. In addition, the obligations of the Taxing Districts under the Capital Pledge Agreement constitute multiple fiscal year financial obligations of each Taxing District within the meaning of Article X Section 20 of the Colorado Constitution ("**TABOR**"), and Bond Counsel will deliver an opinion as to the enforceability of such obligations in connection with the issuance of the Series 2026 Bonds.

See "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE—Taxing Districts Capital Pledge Agreement; Facilities Fees" "SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE—Capital Pledge Agreement;" and "SOURCES OF PLEDGED REVENUE: SPECIFIC OWNERSHIP TAXES." See also "APPENDIX C—SELECTED DEFINITIONS."

District No. 10 Pledge Agreement. The Issuer, District No. 10 and the Trustee have entered into an Amended and Restated Capital Pledge Agreement dated as of October 1, 2017, as amended by a First Amendment to Amended and Restated Capital Pledge Agreement dated as of April 1, 2024 in connection with the issuance of the Series 2024 Bonds (collectively, the **"District No. 10 Pledge Agreement**"), which secures the payment of the Series 2024 Bonds, the Series 2017 Bonds, the Series 2007 Subordinate Bonds and any Refunding Obligations (including the Series 2026 Bonds). Pursuant to the District No. 10 Pledge Agreement, District No. 10 has agreed to impose, collect and enforce Facilities Fees on property within District No. 10 and to transfer (or cause to be transferred) such amounts directly to the Trustee. Such amounts constitute a portion of the Pledged Revenue securing the Series 2026 Bonds. See "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE—District No. 10 Pledge Agreement."

The Anticipated New Development is anticipated to generate Pledged Revenue, as further set forth in the Bond Revenue Study and included in the Case II scenario set forth in "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE." Notwithstanding the foregoing, the Case I scenario set forth therein with respect to anticipated Pledged Revenue and anticipated debt service coverage for the

Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) is based solely on the Existing Development. It is not necessary for any portion of the Anticipated New Development to be completed in order for the Issuer to repay the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) in accordance with the Case I scenario. See also "RISK FACTORS—Risks Inherent in Bond Revenue Study."

Shared Sales Tax Incremental Revenues; Cooperation Agreement

The Pledged Revenue includes the Shared Sales Tax Incremental Revenue (as defined in APPENDIX H) generally consisting of a percentage of the revenue derived from retail sales transactions within a 748-acre property in the City designated as a tax increment area (including all of the commercial property within the Initial Development) that are subject to the City's General Fund Sales Tax ("**GF Retail Sales**") in excess of the Base Amount (defined below). The Shared Sales Tax Incremental Revenue is pledged by the Brighton Urban Renewal Authority ("**BURA**") to the Issuer pursuant to the Cooperation Agreement (as defined and described below).

Brighton Urban Renewal Authority. BURA is a corporate body organized and existing as an urban renewal authority within the City pursuant to Section 31-25-101, *et seq.*, C.R.S., as amended ("**C.R.S.**") (the "**Urban Renewal Law**").

Plan Area. On April 3, 2012, the City Council of the City (the "**City Council**") adopted the Southeast Brighton Regional Plan (the "**Urban Renewal Plan**") which designated 748 acres of property within the City as a tax increment area (the "**Plan Area**"). The Plan Area generally includes substantially all of the retail/commercial property within the Initial Development and certain property within the Prairie Center Master Development outside of the Initial Development. For a depiction of the Plan Area, see the map entitled "PLAN AREA" located on page xi at the front of this Limited Offering Memorandum.

Cooperation Agreement. Pursuant to that certain Cooperation Agreement Among the City, BURA and the Issuer dated July 18, 2012 (the "**Cooperation Agreement**"), BURA pledged the Shared Sales Tax Incremental Revenues to the Issuer for the purpose of paying or reimbursing specific costs of Primary Public Improvements constructed by the Issuer that serve the Plan Area. For a more detailed description of the Cooperation Agreement, see "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE—Shared Sales Tax Incremental Revenue—*Cooperation Agreement*."

Shared Sales Tax Incremental Revenues. The Shared Sales Tax Incremental Revenues are determined for each year while the Cooperation Agreement is in effect, and are generally equal to a percentage (the "**Applicable SSTI Percentage**") of the City sales tax revenue derived from GF Retail Sales within the Plan Area in excess of the Base Amount. As set forth in the Cooperation Agreement, the "**Base Amount**" is $2,273,417. Pursuant to the Cooperation Agreement, the term "**General Fund Sales Tax**" generally means, the net revenue derived from a rate of sales tax of 2.00% levied by the City on the retail sale of taxable goods and services that is required to be credited to the City's General Fund under the Brighton Municipal Code. The Applicable SSTI Percentage varies depending on the amount of GF Retail Sales within the Plan Area in each calendar year. See also "APPENDIX I—CITY SALES TAX CODE." *Although the City's sales tax rate is currently 3.75%, only a portion of the City's sales tax that is credited to the City's General Fund (i.e. 2.00%) is used to determine the Shared Sales Tax Incremental Revenues. For purposes of determining the Shared Sales Tax Incremental Revenues, such 2.00% rate is not subject to an increase in the event the City's sales tax rate increases.*

SSTI MOU. Pursuant to a Memorandum of Understanding dated as of September 14, 2017 by and among the City, BURA, and the Issuer (the "**SSTI MOU**") which clarifies certain provisions of the Cooperation Agreement, such parties have agreed that, for purposes of computing the amount of taxable

retail sales attributable to the Plan Area (i.e. GF Retail Sales) for any applicable calendar year, ***taxable retail sales are deemed to occur in the month in which the City's General Fund Sales Tax revenue generated from such sales has been remitted to the City***.

By way of example, if General Fund Sales Tax transactions occurring within the Plan Area in a calendar year (as qualified above) equal $150,000,000 (and assuming the Qualifying Retailer Condition (defined below) has not been satisfied), the 2.00% General Fund Sales Tax revenue would equal $3,000,000 (0.02 x $150,000,000). The amount of such General Fund Sales Tax revenue in excess of the Base Amount (the "**General Fund Sales Tax Incremental Revenues**") for such year would equal $726,583 ($3,000,000 - $2,273,417 = $726,583). At the $150,000,000 level, the Applicable SSTI Percentage is 30%. Thus, the Allocated Increment Amount (defined herein) would be $217,974.90 (0.30 x $726,583). The Shared Sales Tax Incremental Revenues are generally equal to the Allocated Increment Amount *less* certain amounts as described below under "—*City Collection Costs*."

The Applicable SSTI Percentage, which is determined for each calendar year, adjusts upward if GF Retail Sales occurring within the Plan Area increase to meet certain additional thresholds; adjusts downwards if GF Retail Sales occurring within the Plan Area decrease below such thresholds; and, in any year in which GF Retail Sales fall below the minimum threshold of $150,000,000 (the "**Initial Threshold Amount**"), notwithstanding the Issuer's receipt of Shared Sales Tax Incremental Revenues in any prior years, the Allocated Increment Amount will be zero for that year (unless the Qualifying Retailer Condition has been satisfied as described below). See "TABLE V—APPLICABLE SSTI PERCENTAGE RELATING TO CALCULATION OF ALLOCATED INCREMENT AMOUNT" herein for the GF Retail Sales thresholds and corresponding Applicable SSTI Percentage. In each calendar year from 2021 through 2025 GF Retail Sales have exceeded the Initial Threshold Amount and the Issuer has received Shared Sales Tax Incremental Revenues. In 2025, the total GF Retail Sales were $272,859,461 and the Issuer received Shared Sales Tax Incremental Revenues of $1,273,509. See "TABLE VI—HISTORICAL SHARED SALES TAX INCREMENTAL REVENUE" and "FINANCIAL INFORMATION—Historical Receipts of Pledged Revenue."

Qualifying Retailer Condition. If a Qualifying Retailer (defined as Walmart, Sam's Club or Costco) receives a Certificate of Occupancy (the "**Qualifying Retailer Condition**"), the Allocated Increment Amount would not decrease below 30% regardless of the amount of taxable retail sales in the Plan Area in any calendar year. As of the date of this Limited Offering Memorandum, the Qualifying Retailer Condition has <u>not</u> been satisfied.

If the Qualifying Retailer Condition has not been satisfied and the Initial Threshold Amount is not met in any applicable calendar year, the Applicable SSTI Percentage would be zero for such year, resulting in no Shared Sales Tax Incremental Revenue for that year.

City Collection Costs. The Cooperation Agreement provides that the Allocated Increment Amount in each year (if any) is to be reduced by the proportionate share of the reasonable and necessary costs and expenses of collecting and enforcing the City's General Fund Sales Tax attributable to the Plan Area. The Bond Revenue Study does not estimate or deduct the City's collection costs from projected Shared Sales Tax Incremental Revenues. See "RISK FACTORS—Risks Inherent in Bond Revenue Study."

SSTI Termination Date. Unless earlier terminated pursuant to the provisions thereof, the Cooperation Agreement and the pledge of the Shared Sales Tax Incremental Revenues terminate on April 3, 2037 (the "**SSTI Termination Date**"). For a description of the events that can cause such earlier termination of the Cooperation Agreement, see "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE—Shared Sales Tax Incremental Revenue—*Termination of Cooperation Agreement; SSTI Termination Date*."

Shared General Fund Sales Taxes; Sales Tax Sharing Agreement

Upon termination of the Cooperation Agreement, pursuant to that certain General Fund Sales Tax Sharing Agreement between the City and the Issuer, dated as of July 18, 2012 (the "**Sales Tax Sharing Agreement**"), the City agreed to commence sharing a portion of its General Fund Sales Tax derived from GF Retail Sales occurring within the SGFST Revenue Area (defined below) for the payment of certain costs relating to Primary Public Improvements, as further described in "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE—Shared General Fund Sales Tax Revenues."

The "**SGFST Revenue Area**" generally comprises the Prairie Center Master Development, including the Initial Development. For a depiction of the SGFST Revenue Area, see the map entitled "SHARED GENERAL FUND SALES TAX AREA" located on page x at the front of this Limited Offering Memorandum.

In contrast to the calculation of the Shared Sales Tax Incremental Revenues (which is computed as a percentage of the incremental General Fund Sales Tax revenues above the Base Amount as described above), the Shared General Fund Sales Tax Revenues are computed annually as a percentage of *total* General Fund Sales Tax revenues derived from GF Sales Transactions occurring within the SGFST Revenue Area at the percentages set forth in the Sales Tax Sharing Agreement. The applicable percentage will adjust upwards as such General Fund Sales Tax revenues increase to certain levels. Once GF Retail Sales have met a particular dollar threshold as established in the Sales Tax Sharing Agreement, the City will continue to share the Shared General Fund Sales Tax Revenues at the applicable corresponding percentage even if the amount of GF Retail Sales in subsequent years decrease and are less than the applicable dollar threshold.

Another distinction between the Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues is that the transfer to the Trustee (as directed in writing by the Issuer) of Shared General Fund Sales Tax Revenues **is subject to the City's annual appropriation each year** of amounts sufficient to make such transfers to the Issuer (or the Trustee) in the subsequent year. The City is not contractually obligated to make such transfers in the event the City Council does not authorize such appropriation of sufficient funds in any given year. In contrast, the Shared Sales Tax Incremental Revenues are pledged by BURA to the Issuer pursuant to the Cooperation Agreement and are not subject to annual appropriation.

See "RISK FACTORS—Risks Related to Shared General Fund Sales Tax Revenues; Risk of Non-Appropriation and Disadvantage to Owners of Bonds Maturing After April 3, 2037—*Risk of Non-Appropriation*."

The Sales Tax Sharing Agreement provides that the Shared General Fund Sales Tax Revenues remitted by the City to the Issuer thereunder will be reduced by the proportionate share of the reasonable and necessary costs and expenses of collecting and enforcing the General Fund Sales Tax attributable to the SGFST Revenue Area. See "RISK FACTORS—Risks Related to Shared General Fund Sales Tax Revenues; Risk of Non-Appropriation and Disadvantage to Owners of Bonds Maturing After April 3, 2037." The Bond Revenue Study does not estimate or deduct the City's collection costs from projected Shared General Fund Sales Tax Revenues. See "RISK FACTORS—Risks Inherent in Bond Revenue Study."

Termination. The Sales Tax Sharing Agreement will terminate on the earliest to occur of: (i) the Issuer's repayment in full or defeasance of all the Issuer's bonds or other obligations (which include the Series 2026 Bonds) that are secured by a lien on all or any portion of the Shared Revenues (which include the Shared General Fund Sales Tax Revenues) and the repayment in full of all Developer Advances (within

the meaning of the Comprehensive Agreement) incurred in connection with the financing, design and construction of Primary Public Improvements or (ii) the Issuer's receipt of Shared Revenues to pay or reimburse the Issuer for costs of Primary Public Improvements in an amount equal to the Cap Amount, plus receipt of Shared Revenues in an amount sufficient to pay or reimburse the Issuer for all eligible interest and financing costs incurred by the Issuer for constructing the Primary Public Improvements (including the principal and interest costs of the Series 2026 Bonds, which are being issued to refund the Series 2007A Subordinate Bonds, the net proceeds of which were used to finance the costs of Primary Public Improvements). See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS—Comprehensive Agreement—*Cap Amount*" for additional information regarding the Cap Amount.

See "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE—Shared General Fund Sales Tax Revenues—*Sales Tax Sharing Agreement*."

Prior Bonds

Series 2006 Bonds. Pursuant to the Original Indenture, the Issuer issued its Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2006A, in the aggregate principal amount of $34,545,000 (the "**Series 2006A Bonds**"), all of which were refunded with a portion of the proceeds of the Series 2017A Bonds (defined below), for the purpose of defraying the costs of a portion of the Primary Improvements Project (defined in APPENDIX H hereto). In addition, the Issuer issued its Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Bonds, Series 2006B, in the aggregate principal amount of $1,815,000 (the "**Series 2006B Bonds**" and, together with the Series 2006A Bonds, the "**Series 2006 Bonds**"), all of which were refunded with a portion of the proceeds of the Series 2017B Bonds (defined below), for the purpose of defraying the costs of a portion of the District Improvements Project (defined in APPENDIX H hereto).

Series 2007 Subordinate Bonds. For purposes of defraying the costs of a portion of the Primary Improvements Project, the Issuer issued its Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A in the aggregate principal amount of $40,610,000 (the "**Series 2007A Subordinate Bonds**"), which are currently outstanding in the aggregate principal amount of $30,855,000. In addition, for purposes of defraying the costs of a portion of the District Improvements Project, the Issuer issued its "Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B" in the aggregate principal amount of $2,905,000 (the "**Series 2007B Subordinate Bonds**"), which are currently outstanding in the aggregate principal amount of $1,845,000. A portion of the Series 2007A Subordinate Bonds will be refunded using a portion of the proceeds of the Series 2026 Bonds. See "USE OF PROCEEDS AND DEBT SERVICE REQUIREMENTS—Application of Bond Proceeds."

The Series 2007A Subordinate Bonds and Series 2007B Subordinate Bonds (collectively, the "**Series 2007 Subordinate Bonds**") were issued under the Original Indenture and were payable from the revenues pledged thereunder on a basis subordinate to the Series 2006 Bonds. The Series 2007 Subordinate Bonds that remain Outstanding under the Master Indenture are payable from a portion of the Pledged Revenue (which portion does not include the Shared Sales Tax Incremental Revenues or the Shared General Fund Sales Tax Revenues) on a basis subordinate to the Series 2026 Bonds, the Series 2024 Bonds and the Series 2017 Bonds. Interest on the Series 2007 Subordinate Bonds is payable each December 15 and June 15 and principal is payable on each December 15, but only after the payment of principal and interest on any Senior Bonds and funding of reserves and other funds as further described under "THE MASTER INDENTURE—Funds and Accounts; Flow of Funds Chronology Chart."

The Master Indenture provides that non-payment of principal of or premium, if any, or interest on any Subordinate Obligation (including the Series 2007 Subordinate Bonds) will not alone constitute an

Event of Default while any Senior Bonds (such as the Series 2017 Bonds, the Series 2024 Bonds and the Series 2026 Bonds) are Outstanding. Further, no Owner of any Subordinate Obligation has any right under the Master Indenture to institute any judicial or other action or remedial proceeding against the Issuer or any of the Issuer's other rights, interests, assets or properties, to collect any moneys due, to enforce payment on its Subordinate Obligation so long as any Senior Bonds remain Outstanding without the written consent of the Owners of at least 51% in aggregate principal amount of the Senior Bonds Outstanding.

Since 2009, the Issuer has failed to make certain scheduled payments of principal and interest on the Series 2007 Subordinate Bonds in the amounts required by the Master Indenture (and in the Original Indenture prior to the execution of the Master Indenture). Following the issuance of the Series 2007 Subordinate Bonds, development within the Initial Development did not occur as projected, generating less Pledged Revenue than projected and necessary to make scheduled payments of principal and interest in the amounts required. As a result, interest on the unpaid principal amounts has continued to accrue, without interest on accrued but unpaid interest or compounding, at the rate of 9.50% per annum. The provisions of the Master Indenture require the payment of accrued and unpaid interest for prior fiscal years and interest to become due in the current fiscal year to be paid prior to the payment of principal. Therefore, while the Issuer has been making payments of interest to the extent of Pledged Revenue available therefor, principal payments have not been made at certain points since 2009. The Series 2007A Subordinate Bonds are currently outstanding in the aggregate principal amount of $30,855,000, plus accrued and unpaid interest in the amount of $28,490,941 as of October 31, 2026, and the Series 2007B Subordinate Bonds are currently outstanding in the aggregate principal amount of $1,845,000, plus accrued and unpaid interest in the amount of $144,484 as of October 31, 2026. THF Development is the Owner of all of the outstanding Series 2007 Subordinate Bonds, which are held by THF Development as a single certificated physical bond for each series.

Series 2017 Bonds. For purposes of refunding all of the Series 2006A Bonds and a portion of the Series 2007A Subordinate Bonds, the Issuer issued its "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A" in the aggregate principal amount of $47,095,000 (as previously defined, the "**Series 2017A Bonds**"), which are currently outstanding in the aggregate principal amount of $40,300,000. In addition, for the purposes of refunding all of the Series 2006B Bonds and a portion of the Series 2007B Subordinate Bonds, the Issuer issued its "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B" in the principal amount of $2,180,000 (as previously defined, the "**Series 2017B Bonds**"), which are currently outstanding in the aggregate principal amount of $1,855,000. The Series 2017A Bonds and the Series 2017B Bonds are collectively referred to herein as the "**Series 2017 Bonds**." The Series 2017 Bonds are secured on a parity lien basis with the Series 2024 Bonds and the Series 2026 Bonds.

Series 2024 Bonds. For purposes of defraying the costs of a portion of the Primary Improvements Project and refunding a portion of the Series 2007A Subordinate Bonds, the Issuer issued its "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A" in the aggregate principal amount of $29,320,000 (as previously defined, the "**Series 2024A Bonds**"), which are currently outstanding in the aggregate principal amount of $29,320,000. In addition, for the purposes of defraying the costs of a portion of the District Improvements Project the Issuer issued its "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Bonds, Series 2024B" in the principal amount of $9,870,000 (as previously defined, the "**Series 2024B Bonds**"), which are currently outstanding in the aggregate principal amount of $9,870,000. The Series 2024A Bonds and the Series 2024B Bonds are collectively referred to herein as the "**Series 2024 Bonds**." The Series 2024 Bonds are secured on a parity lien basis with the Series 2017 Bonds and the Series 2026 Bonds.

Purpose of the Series 2026 Bonds

The proceeds from the sale of the Series 2026 Bonds will be used for the purposes of: (i) refunding a portion of the outstanding Series 2007A Subordinate Bonds; (ii) funding the Series 2026 Reserve Account of the Senior Reserve Fund to the Senior Reserve Requirement for the Series 2026 Bonds; (iii) funding capitalized interest on the Series 2026 Bonds, and (iv) paying the costs of issuance of the Series 2026 Bonds.

Additional Bonds

The Master Indenture does not permit the issuance of bonds payable from the Pledged Revenue and secured by a lien thereon superior to the lien thereon of the Series 2017 Bonds, the Series 2024 Bonds and the Series 2026 Bonds. The Master Indenture permits the issuance of (i) additional Senior Bonds on parity with the Series 2017 Bonds, the Series 2024 Bonds and the Series 2026 Bonds; (ii) refunding bonds issued as either Senior Bonds or Subordinate Obligations; and (iii) bonds or obligations having a lien on the Pledged Revenue subordinate to the lien thereon of the Series 2017 Bonds, the Series 2024 Bonds and the Series 2026 Bonds, in each case subject to the satisfaction of the conditions set forth in the Master Indenture. See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

Bond Revenue Study

PGAV Planners, LLC ("**PGAV**" or the "**Revenue Consultant**") has been retained by the Issuer to forecast PIF Revenue, Capital Levies Revenues, Specific Ownership Tax revenue (but solely to the extent collected as a result of imposition of the Capital Levies imposed by the Taxing Districts), Facilities Fees Revenue, Shared Sales Tax Incremental Revenues (referred to therein as General Fund Incremental Sales Tax Revenues) and Shared General Fund Sales Tax Revenues to be generated from the Existing Development and the Anticipated New Development. The Revenue Consultant's "Bond Revenue Study" dated November 6, 2026 (the "**Bond Revenue Study**") is contained in APPENDIX A hereto and should be read in its entirety for an understanding of the assumptions and rationale underlying the revenue forecasts contained therein. See "APPENDIX A—BOND REVENUE STUDY."

The Bond Revenue Study includes Pledged Revenue projections for both the Existing Development and the Anticipated New Development. As described in the Bond Revenue Study, the Anticipated New Development is anticipated to generate Pledged Revenue, as further set forth therein and in the Case II scenario set forth in "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE." Notwithstanding the foregoing, the Case I scenario therein with respect to anticipated Pledged Revenue and anticipated debt service coverage for the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) is based solely on the Existing Development. It is not necessary for any portion of the Anticipated New Development to be completed in order for the Issuer to repay the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) in accordance with the Case I scenario. Further, the Bond Revenue Study does not include projections of any revenues generated from Use Tax Activities. See "RISK FACTORS—Risks Inherent in Bond Revenue Study" and "DEVELOPMENT WITHIN THE INITIAL DEVELOPMENT."

Authority for Issuance

The Series 2026 Bonds are issued in full conformity with the constitution and laws of the State , including Title 11, Article 57, Part 2, C.R.S., as amended (the "**Supplemental Public Securities Act**"); Title 11, Article 56, Part 1, C.R.S., as amended (the "**Refunding Act**"); Title 32, Article 1, C.R.S., as amended (the "**Special District Act**"); pursuant to the Issuer's 2024 Election (defined herein); pursuant to

the Master Indenture; and pursuant to an authorizing resolution adopted by the Issuer's Board of Directors (the "**Board**") prior to the issuance of the Series 2026 Bonds (the "**Bond Resolution**").

Interest Rate; Payment Provisions

The Series 2026 Bonds will bear interest at the rates per annum set forth on the front cover hereof (computed on the basis of a 360-day year of twelve 30-day months). Interest on the Series 2026 Bonds is payable semi-annually on June 15 and December 15 each year, commencing June 15, 2027*.

Payments for the principal of and interest on the Series 2026 Bonds will be made as described in "APPENDIX G—BOOK-ENTRY-ONLY SYSTEM."

Prior Redemption

The Series 2026 Bonds are subject to optional, mandatory sinking fund, and special mandatory redemption as described in "THE SERIES 2026 BONDS—Prior Redemption."

Book-Entry-Only Registration; Owner of Bond

The Series 2026 Bonds will be issued in fully registered form and will be registered initially in the name of "Cede & Co." as nominee for The Depository Trust Company, New York, New York ("**DTC**"), a securities depository. Beneficial ownership interests in the Series 2026 Bonds may be acquired in principal denominations of $500,000 and any integral multiple of $5,000 in excess thereof through participants in the DTC system (the "**Participants**"). Such beneficial ownership interests will be recorded in the records of the Participants. Persons for which Participants acquire interests in the Series 2026 Bonds (the "**Beneficial Owners**") will not receive certificates evidencing their interests in the Series 2026 Bonds so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2026 Bonds. So long as DTC or its nominee is the registered owner of the Series 2026 Bonds, payments of principal, premium, if any, and interest on Series 2026 Bonds, as well as notices and other communications made by or on behalf of the Issuer pursuant to the Master Indenture, will be made to DTC or its nominee only. Disbursement of such payments, notices, and other communications by DTC to Participants, and by Participants to the Beneficial Owners, is the responsibility of DTC and the Participants pursuant to rules and procedures established by such entities. See "APPENDIX G—BOOK-ENTRY-ONLY SYSTEM" for a discussion of the operating procedures of the DTC system with respect to payments, registration, transfers, notices, and other matters.

Except as otherwise provided herein, the term "**Owner**" refers to the registered owner of any Series 2026 Bond, as shown on the registration books maintained by the Bond Registrar. As used herein, "**Consent Party**" means the Owner of a Series 2026 Bond or, if such Series 2026 Bond is held in the name of Cede & Co., the Participant (as determined by a list provided by DTC) with respect to such Series 2026 Bond, or if so designated in writing by a Participant, the Beneficial Owner of such Series 2026 Bond.

Exchange and Transfer

While the Series 2026 Bonds remain in book-entry only form, transfer of ownership by Beneficial Owners may be made as described under the caption "APPENDIX G—BOOK-ENTRY-ONLY SYSTEM."

* Preliminary; subject to change.

Tax Status

In the opinion of Barnes & Thornburg LLP, Denver, Colorado, Bond Counsel, interest on the Series 2026 Bonds is excludable from gross income for purposes of federal income tax, under existing laws as of the date of delivery of the Series 2026 Bonds and assuming continuing compliance with the requirements of federal tax law. Interest on the Series 2026 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the adjusted financial statement income of applicable corporations for purposes of computing the alternative minimum tax imposed on such corporations. Interest on the Series 2026 Bonds is exempt from taxation under the laws of the State of Colorado, except inheritance, estate and transfer taxes. See "TAX MATTERS" herein.

Professionals Involved in the Offering

Barnes & Thornburg LLP, Denver, Colorado, has acted as Bond Counsel and has also assisted in the preparation of this Limited Offering Memorandum in its capacity as Disclosure Counsel to the Issuer. McGeady Becher Cortese Williams P.C., Denver, Colorado, represents the Issuer and Financing Districts as general counsel. Otten, Johnson, Robinson, Neff & Ragonetti, P.C., Denver, Colorado, serves as counsel to the Developer. UMB Bank, n.a., Denver, Colorado, will act as the trustee, paying agent and registrar for the Series 2026 Bonds. Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri, will act as the underwriter for the Series 2026 Bonds (the "**Underwriter**"), and Taft Stettinius & Hollister LLP, Denver, Colorado, has acted as counsel to the Underwriter. See "MISCELLANEOUS—Underwriting" herein. Butler Snow LLP, Denver, Colorado, has acted as counsel to the City and Hoffmann, Parker, Wilson & Carberry, P.C., Denver, Colorado, has acted as counsel to BURA. CliftonLarsonAllen LLP, Denver, Colorado, is the accountant for the Issuer and the Financing Districts. MuniCap, Inc., Columbia, Maryland, has served as Municipal Advisor to the Issuer in connection with the issuance of the Series 2026 Bonds. See "MISCELLANEOUS—Municipal Advisor."

Offering and Delivery Information

The offering of the Series 2026 Bonds is being made only to knowledgeable and experienced investors who are not purchasing with a view to distributing the Series 2026 Bonds. The Series 2026 Bonds are offered when, as, and if issued by the Issuer and accepted by the Underwriter, subject to prior sale and the approving legal opinion of Bond Counsel and certain other conditions. It is expected that the Series 2026 Bonds are to be available for delivery through the facilities of DTC on or about December 8, 2026[*], against payment therefor.

Additional Information

ALL OF THE SUMMARIES OF THE STATUTES, RESOLUTIONS, MASTER INDENTURE, OPINIONS, CONTRACTS, AND AGREEMENTS DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM ARE SUBJECT TO THE ACTUAL PROVISIONS OF SUCH DOCUMENTS. The summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are either publicly available or available upon request and the payment of a reasonable copying, mailing, and handling charge from: Prairie Center Metropolitan District No. 3, c/o Special District Management Services, Inc., 225 Union Blvd., Suite 100, Lakewood, Colorado 80228, Telephone (303) 987-0835; or Stifel, Nicolaus & Company, Incorporated, 501 North Broadway, 8th Floor, St. Louis, Missouri 63102, Telephone: (314) 342-2000.

[*] Preliminary; subject to change.

RISK FACTORS

Investment in the Series 2026 Bonds involves risk. Prospective investors in the Series 2026 Bonds should read this entire Limited Offering Memorandum and carefully consider all possible factors which may affect their investment decision. The risk factors described in this section set forth many of the potential risks of an investment in the Series 2026 Bonds that should be considered prior to purchasing the Series 2026 Bonds, but do not provide an exhaustive list of such factors. Additional risk factors relating to the purchase and ownership of the Series 2026 Bonds are described throughout this Limited Offering Memorandum, whether or not specifically designated as risk factors. Furthermore, additional risk factors not presently known, or currently believed to be immaterial, may also materially and adversely affect, among other things, security for the Series 2026 Bonds. There can be no assurance that other risks or considerations not discussed herein are or will not become material in the future.

Each prospective investor is urged to consult with its own legal, tax, and financial advisors to determine whether an investment in the Series 2026 Bonds is appropriate in light of its individual legal, tax and financial situation.

General

The purchase of the Series 2026 Bonds involves certain risk factors which are discussed throughout this Limited Offering Memorandum, and each prospective investor should make an independent evaluation of all information presented in this Limited Offering Memorandum in order to make an informed investment decision. The Series 2026 Bonds should only be purchased by investors who can bear the continuing risk of an investment in the Series 2026 Bonds. Particular attention should be given to the risk factors described below which, among others, could affect the payment of debt service on the Series 2026 Bonds when due.

Restrictions on Purchase; Investor Suitability

Each initial purchaser must be a "financial institution or institutional investor" within the meaning of Section 32-1-103(6.5), C.R.S. Moreover, the Series 2026 Bonds are being issued in minimum denominations of $500,000 and any integral multiple of $5,000 in excess thereof. As set forth in Section 32-1-103(6.5), C.R.S., "financial institution or institutional investor" means any of the following, whether acting for itself or others in a fiduciary capacity:

(a) A depository institution;

(b) An insurance company;

(c) A separate account of an insurance company;

(d) An investment company registered under the federal "Investment Company Act of 1940";

(e) A business development company as defined in the federal "Investment Company Act of 1940";

(f) Any private business development company as defined in the federal "Investment Company Act of 1940";

(g) An employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of five million dollars or its investment decisions are made by a named fiduciary, as defined

in the federal "Employee Retirement Income Security Act of 1974", that is a broker-dealer registered under the federal "Securities Exchange Act of 1934", an investment adviser registered or exempt from registration under the federal "Investment Advisers Act of 1940", a depository institution, or an insurance company;

(h) An entity, but not an individual, a substantial part of whose business activities consists of investing, purchasing, selling, or trading in securities of more than one issuer and not of its own issue and that has total assets in excess of five million dollars as of the end of its last fiscal year; and

(i) A small business investment company licensed by the federal small business administration under the federal "Small Business Investment Act of 1958".

The foregoing standards are minimum requirements for prospective initial purchasers of the Series 2026 Bonds. The satisfaction of such standards does not necessarily mean that the Series 2026 Bonds are a suitable investment for a prospective investor. Accordingly, each prospective investor is urged to consult with its own legal, tax and financial advisors to determine whether an investment in the Series 2026 Bonds is appropriate in light of its individual legal, tax and financial situation.

No Credit Rating for the Series 2026 Bonds; Risk of Investment

The Series 2026 Bonds do not have a credit rating from any source and are not suitable investments for all investors. Each prospective purchaser is responsible for assessing the merits and risks of an investment in the Series 2026 Bonds and must be able to bear the economic risk of such investment in the Series 2026 Bonds. By purchasing the Series 2026 Bonds in the initial offering of the Series 2026 Bonds, each purchaser represents that it is a "financial institution or institutional investor" within the meaning of Section 32-1-103(6.5), C.R.S., with sufficient knowledge and experience in financial and business matters, including the purchase and ownership of non-rated tax-exempt obligations, to be able to evaluate the merits and risks of an investment in the Series 2026 Bonds.

Restrictions on Transferability; Authorized Denominations

By their acceptance of the Series 2026 Bonds, each Owner acknowledges that the Series 2026 Bonds may be sold, transferred or otherwise disposed of only in minimum denominations of $500,000 and any integral multiple of $5,000 in excess thereof, except as otherwise provided in the Master Indenture.

No Assurance of Secondary Market

No assurance can be given concerning the future existence of a secondary market for the Series 2026 Bonds, and prospective purchasers of the Series 2026 Bonds should therefore be prepared, if necessary, to hold the Series 2026 Bonds to maturity or prior redemption. Even if a secondary market exists, as with any marketable securities, there can be no assurance as to the price for which the Series 2026 Bonds may be sold. Such price may be lower than that paid by the initial purchaser of the Series 2026 Bonds depending on the progress of the Prairie Center Master Development and then existing real estate and financial market conditions. See also "—Restrictions on Transferability; Authorized Denominations" above.

Limited Security for Series 2026 Bonds; No Mortgage Lien

The Series 2026 Bonds are limited tax supported, special revenue obligations of the Issuer and are payable solely from the Pledged Revenue pursuant to the Master Indenture. Therefore, the security for the

punctual payment of the Series 2026 Bonds is dependent upon the generation of Pledged Revenue from the various components thereof in amounts sufficient to meet debt service requirements on the Series 2026 Bonds. Although BURA (under the Cooperation Agreement) and the City (under the Sales Tax Sharing Agreement) have agreed to share certain revenues with the Issuer which constitute Pledged Revenue, the Series 2026 Bonds are not obligations of the City, BURA, the County or the State.

In the event that the Pledged Revenue is insufficient to pay scheduled principal or interest on the Series 2026 Bonds when due, the unpaid principal will continue to bear interest and accrued and unpaid interest will continue to be due *without* interest on accrued but unpaid interest or compounding of interest until the total repayment obligation of the Issuer for the Series 2026 Bonds equals the amount permitted by law. During this period of accrual, the Issuer will not be in default on the payment of such principal and interest, and the Owners will have no recourse against the Issuer to require such payments if the Issuer is otherwise in compliance with the covenants of the Master Indenture relating to the Pledged Revenue. In addition, the Issuer will not be liable to the Owners for unpaid principal and interest beyond the amount permitted by law, and all Series 2026 Bonds will be deemed defeased and no longer outstanding upon the payment by the Issuer of such amount. See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

No Mortgage. Payment of the principal of and interest on the Series 2026 Bonds is not secured by any deed of trust or mortgage on any property or other collateral within the Issuer or the Financing Districts.

Risk of Insufficiency of Senior Reserve Fund

At the time of issuance of the Series 2026 Bonds, the Series 2026 Reserve Account of the Senior Reserve Fund will be funded from proceeds of the Series 2026 Bonds in the amount of the Series 2026 Bonds Reserve Requirement.

Although the Series 2026 Bonds Reserve Requirement will be fully funded upon issuance of the Series 2026 Bonds, there can be no assurance that the amounts on deposit in the accounts of the Senior Reserve Fund will be available in the full amount of the Series 2026 Bonds Reserve Requirement if needed for payment of the Series 2026 Bonds. If it is necessary to apply moneys from the applicable account in the Senior Reserve Fund to the payment of debt service on the Series 2026 Bonds when due, such account or accounts within the Senior Reserve Fund will be diminished by such amount, and there is no guarantee that the available Pledged Revenue will be sufficient to replenish the applicable account in the Senior Reserve Fund for such draws thereon when needed, or at all. Under such circumstances, there is no guarantee that the amounts in the applicable account of the Senior Reserve Fund will be sufficient if additional draws thereon are necessary in order to pay when due the debt service requirements of the Series 2026 Bonds.

The Series 2026 Reserve Account of the Senior Reserve Fund secures only the Series 2026 Bonds, the Series 2024A Reserve Account and the Series 2024B Reserve Account of the Senior Reserve Fund secure only the Series 2024A Bonds and the Series 2024B Bonds, respectively, and the Series 2017A Reserve Account and the Series 2017B Reserve Account of the Senior Reserve Fund secure only the Series 2017A Bonds and the Series 2017B Bonds, respectively.

Risk of Prior Redemption

The Master Indenture provides that moneys in the Surplus Fund remaining after application of such funds to all other purposes as required thereunder are to be credited to the Non-Shared Revenue Redemption Subaccount of the Redemption Account of the Surplus Fund and applied to the special mandatory redemption of each Outstanding Series of Senior Bonds. See "THE SERIES 2026 BONDS—Prior

Redemption—*Special Mandatory Redemption—Special Mandatory Redemption of All Bonds*." See also "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

The Master Indenture also provides that the balance of amounts in the Shared Revenue Account of the Revenue Fund remaining after application of such funds to all other purposes as required thereunder are to be credited to the Shared Revenue Redemption Subaccount of the Redemption Account of the Surplus Fund. Such moneys are to be applied to redeem each Outstanding Series of Primary Improvements Bonds which constitute Senior Bonds. See "THE SERIES 2026 BONDS—Prior Redemption—*Special Mandatory Redemption—Special Mandatory Redemption of the Primary Improvements Bonds*." See also "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

Purchasers of the Series 2026 Bonds should be aware that their Series 2026 Bonds may be partially redeemed and, under certain circumstances, redeemed in whole, prior to their respective maturities. There is no guarantee that an Owner of a Series 2026 Bond will be able to hold any Series 2026 Bond to its maturity.

Risks Related to PIF Revenue

General. The PIF Revenue represents a significant portion of the Pledged Revenue as shown in the Bond Revenue Study set forth in APPENDIX A hereto. The level of PIF Revenue receipts are affected by a number of business, economic and administrative factors, some of which are described below. Additionally, there is a risk of loss of the Credit PIF Revenue in the event the City fails to maintain the Sales/Use Tax Credit, as described below. See "SOURCES OF PLEDGED REVENUE: PUBLIC IMPROVEMENTS FEE (PIF) REVENUE."

Risk of Loss of Credit PIF Revenue. Pursuant to the Primary PIF Covenant and the Major Retail PIF Covenant, the aggregate rate of all PIFs imposed within any portion of the Primary PIF Property or the Major Retail PIF Property applicable to any PIF Sales (and Use Tax Activities, with respect to the Primary PIF Covenant) may not exceed the sum of the Sales/Use Tax Credit plus 1.00% and pursuant to the Major Retail PIF Covenant, the aggregate rate of all PIFs imposed within any portion of the Major Retail PIF Property applicable to any Use Tax Activities may not exceed the percentage amount of the Credited Use Tax applicable to such Use Tax Activity. ***Although the City is obligated under the Comprehensive Agreement to maintain the Sales/Use Tax Credit during the Credit PIF Period, the Sales/Use Tax Credit Ordinance states that nothing therein, in the Comprehensive Agreement, or in the PIF Covenants prohibits the City from amending or terminating the Sales/Use Tax Credit. Accordingly, if the Sales/Use Tax Credit is terminated by the City, the aggregate rate of all PIFs imposed within the Primary PIF Property and the Major Retail PIF Property will not be permitted to exceed 1.00% on PIF Sales (or Use Tax Activities with respect to the Primary PIF Property) and will be zero on Use Tax Activities occurring within the Major Retail PIF Property. Therefore, if the City terminated the Sales/Use Tax Credit prior to the expiration of the Credit PIF Period without implementing an alternative mechanism as contemplated in the Comprehensive Agreement (see "THE DISTRICTS—Material Agreements of the Districts—Comprehensive Agreement"), the Credit PIF would no longer be imposed. Termination of the Credit PIF would adversely affect the repayment of the Series 2026 Bonds.***

Business Factors; Sales PIF. The primary portion of the PIF Revenue is the Sales PIF revenue, which is generated from retail sales made by retailers within the PIF Property, and thus is not within the control of the Issuer. The amount of retail sales made by the retailers in the PIF Property is a function of the type and price of products and services offered by the retailers and the ability of the retailers to operate their businesses successfully. The inability of the Developer, its affiliates or other property owners to

maintain an adequate level of leased retail space in the portion of the Prairie Center Master Development comprising the PIF Property; business failures of retailers; declines in retail sales due to competing retail establishments; or diminishing retail sales as a result of competition from alternative forms of shopping such as catalogue, e-commerce or television shopping, all could have a significant, adverse effect on future levels of Sales PIF revenue. The future levels of Sales PIF revenue could also be affected by the degree to which differences in the total rate of sales taxes and public improvement fees applicable within the PIF Property and competing shopping venues affect consumers' shopping behavior; however, as described herein, a portion of the Sales PIF is comprised of Credit PIF.

Business Factors; Use PIF. The Use PIF is imposed on Use Tax Activities, generally defined as the use of building and construction materials for incorporation into any of the following: (i) initial construction (including the initial installation of tenant improvements within an existing commercial building) of any building or structure; (ii) an addition to an existing commercial building or residential structure which results in a net increase in the floor area of such building or structure; (iii) the complete replacement of existing tenant improvements within the core and shell of an existing leased premises with new tenant improvements; or (iv) substantial reconstruction of any commercial or residential improvements, in each case to the same extent that the use of such building and construction materials are subject to the Use Tax. For a more precise definition of Use Tax Activities, see "APPENDIX C—SELECTED DEFINITIONS" hereto.

The generation of Use Tax revenue is dependent upon construction occurring within the PIF Property which is not in the control of the Issuer. ***Use PIF revenues are a component of Pledged Revenue securing bonds issued under the Master Indenture (including the Series 2026 Bonds). Notwithstanding the foregoing, the Bond Revenue Study set forth in "APPENDIX A—BOND REVENUE STUDY" hereto does not contain a projection of the revenues derived from Use Tax Activities.***

Economic Factors. PIF Sales subject to the Sales PIF are a function of consumer spending, which in turn is determined by the demand for particular goods and services and the prices of such goods and services. Other factors that may impact consumer spending include national, regional and local economic conditions, levels of personal and disposable income, consumer confidence, consumer trends, unemployment rates and population growth, among others. Many of these factors are cyclical in nature, and thus the levels of sales can be expected to fluctuate in direct relation to economic cycles.

Similarly, Use Tax Activities are affected by factors such as governmental policies with respect to land development, the availability of water and other utilities, the availability of energy, construction costs, interest rates, competition from other developments, lending policies and practices, and other political, legal, and economic conditions.

The Issuer is not able to predict future economic conditions or the degree to which they will affect future PIF Sales and Use Tax Activities, and the resultant PIF Revenue.

Administrative Factors. Scheduled payment of the Series 2026 Bonds is also dependent in part on the timely collection and remittance by PIF Obligors of PIF Revenue pursuant to the PIF Covenants. If there are delays, delinquencies or failures by PIF Obligors in the collection and/or remittance of PIF Revenue, it may be necessary to draw upon the applicable account within the Senior Reserve Fund to make payments when due on the Series 2026 Bonds. The ability to collect PIF Revenue from PIF Obligors in the event of a delinquency could be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights.

Potential Exemption of Certain Use Tax Activities from Add-On PIF. The Issuer and the Declarant each have the right to exempt any Use Tax Activity from the obligation to pay the Add-On PIF

where such Use Tax Activity is undertaken by or on behalf of the Declarant or any of its Affiliates and such Use Tax Activity occurs within or relating to the Primary PIF Property or the Bromley Park PIF Property. Any such exemption will result in diminished PIF Revenue and, depending on the level of Use Tax Activities undertaken by the Declarant or any of its Affiliates, if such exemption is applied to all such Use Tax Activities, such reduction in revenue derived from the Add-On PIF could be material. There is no guarantee that the Issuer and/or the Declarant will not exempt any or all such Use Tax Activities from payment of the Add-On PIF, and such exemption could have an adverse effect on the payment of the Series 2026 Bonds. ***Use PIF revenues are a component of Pledged Revenue securing bonds issued under the Master Indenture (including the Series 2026 Bonds). Notwithstanding the foregoing, the Bond Revenue Study does not include any revenues derived from Use Tax Activities.*** See "APPENDIX A—BOND REVENUE STUDY."

Risks of Legal Challenges. The nature of the PIF is that of a privately imposed fee. The PIF is *not* a tax and is *not* imposed through the exercise of any governmental taxing authority; rather, the PIF is imposed by private landowners through the creation of recorded covenants against land owned by such private landowners.

As stated in the PIF Covenants, the PIF Covenants are intended to be construed as covenants and not as conditions, and, to the fullest extent legally possible, all such covenants are to run with and be enforceable against both the covenantor and the applicable portion of the PIF Property and are to constitute equitable servitudes burdening both the respective covenantor and its portion of the PIF Property for the benefit of the respective covenantee.

THF Development is the declarant under each PIF Covenant (the "**PIF Declarant**" or the "**Declarant**"). Otten, Johnson, Robinson, Neff & Ragonetti, P.C., as counsel to the PIF Declarant, in connection with the PIF Covenants, is expected to deliver an opinion at closing with respect to each PIF Covenant, subject to the assumptions and qualifications set forth in such opinion, stating that the PIF Covenant constitutes a covenant which is binding on all holders of real property interests in the applicable PIF Property who either executed the applicable PIF Covenant and/or had or took title to such interests from and after the recording of the applicable PIF Covenant in the real property records of the County, and the applicable PIF Covenant will run with the title to the applicable PIF Property and will be enforceable against such holders, to the extent of each such holder's real property interest in the applicable PIF Property, and their successors in title for the benefit of the Issuer and the Trustee.

Regardless of the delivery of the PIF opinion to the Issuer, there is no assurance that the PIF Covenants will be enforceable in the manner intended. Covenants in the nature of the PIF Covenants have not been legally tested and, if challenged, there is no assurance that the PIF Covenants would be characterized by a court of competent jurisdiction as covenants running with the land, equitable servitudes, or otherwise characterized in a manner legally necessary for the PIF Covenants to constitute binding instruments, legally enforceable in the manner intended as described in this Limited Offering Memorandum. There is no guarantee that if payment of the PIF under the PIF Covenants is legally challenged that the enforcing parties designated in the PIF Covenants (consisting of the Issuer, the Declarant, the PIF Collecting Agent, any Bond Trustee (including the Trustee for the Series 2026 Bonds) or any other third party designated as an enforcing party by any of the foregoing) would be successful in enforcing payment of the PIF, collection and remittance of the PIF, or other terms of the PIF Covenants. Such inability to enforce payment and collection of the PIF Revenue, should it occur, would materially diminish the amount of Pledged Revenue and adversely affect the payment of the Series 2026 Bonds.

Risks Related to Capital Levies Revenues

Another significant source of the Pledged Revenue is the property taxes generated by the Taxing Districts from the imposition of the Capital Levies as provided in Capital Pledge Agreement (as more particularly defined in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE" hereto, the "**Capital Levies Revenue**"). The amount of revenue generated from imposition of the Capital Levies will be affected by a number of factors, some of which are described below. See also "SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE."

Risks Related to Property Tax Revenue

The owners of the Series 2026 Bonds are dependent, in part, upon the assessed value of property within the Taxing Districts providing an adequate tax base from which ad valorem tax revenues are collected for the payment of debt service on the Series 2026 Bonds.

The assessed value of property within the Taxing Districts is determined in accordance with applicable State law, as described below and under "FINANCIAL INFORMATION—Ad Valorem Property Taxes." Assessed valuations may be affected by a number of factors beyond the control of the Taxing Districts. For example, property owners are allowed each year by State law to challenge the valuations of their property, and no assurance can be given that owners of property in the Taxing Districts will not do so. Should the actions of property owners result in lower assessed valuations of property in the Taxing Districts, the security for the Series 2026 Bonds would be diminished, increasing the risk of nonpayment. Regardless of the actions of property owners, the values of property may be reduced if market prices decline due to economic factors. Furthermore, property used for tax-exempt purposes is not currently subject to taxation. See "—Potential Transfers to Tax-Exempt Users" below.

Changes to State Law Affecting Calculation of Assessed Valuation. The assessed value of property within the Taxing Districts is determined in accordance with applicable State law by multiplying the "actual value" of the property by an assessment rate (as determined by the Colorado General Assembly), and the "actual value" of the property is determined by the County Assessor, all as more particularly described under "FINANCIAL INFORMATION—Ad Valorem Property Taxes." The residential assessment rate has decreased over time from 15.00% of statutory actual value (levy year 1989-1990) to 7.15% (levy years 2019-2020) as a result of a constitutional amendment (known as the "**Gallagher Amendment**"), which was repealed in 2020. In accordance with State law, the residential assessment rate is to remain at 7.15% of statutory actual value unless changed by the Colorado General Assembly as described below.

Since the repeal of the Gallagher Amendment, the Colorado General Assembly has passed several bills providing for certain temporary measures affecting the assessed valuation of property in the State, including: (i) reductions in the assessment rates to be applied to the actual values of various classes of property to determine the applicable assessed values, and (ii) reductions in the actual values (for assessment purposes) of certain classes of property. For example, the recent SB 24-233 and HB 24B-1001 (each as defined and described in "FINANCIAL INFORMATION—Ad Valorem Property Taxes—*Non-Residential Property*") reduce property taxes through reductions in assessed value and actual value of certain classes of residential and non-residential property and impose a limit on annual property tax growth. As a result of such legislation, the residential assessment rate has been reduced to 6.8% and the commercial assessment rate has been reduced to 27% for the 2025 assessment year (for collection in 2026).

No assurance can be given that future actions of the General Assembly and/or the State's registered electors will not further affect the calculation of assessed valuation of property in the Taxing Districts.

County Assessor Methodology. In addition to State law, the projected assessed value of property in the Taxing Districts set forth in the Bond Revenue Study is based on certain assumptions as to the manner in which various properties will be valued by the County Assessor. While these assumptions are based on information provided by the County Assessor, no assurance is given that any particular methodology presently used by the County Assessor to determine the actual value of property will continue to be used in the future. Any change in the methodology by which the actual value of property is determined could adversely affect the assessed value of property in the Taxing Districts, and the amount of Capital Levies Revenue that may be generated thereby.

Anticipated Adjustments to the Capital Levies; Possible Limitations. The definition of Capital Levies in the Capital Pledge Agreement includes certain adjustment language which is intended to require the Taxing Districts to increase such mill levies if necessary to offset the loss of tax revenue which may occur due to certain changes in law. Pursuant to their respective Service Plans, the Taxing Districts have, by Resolution No. 2017-96 of the City Council, obtained the City's consent to adjust their respective Capital Levies as required by the Capital Pledge Agreement for the changes to assessment rates and actual values provided in Senate Bill 21-293, Senate Bill 22-238 and Senate Bill 23B-001. However, as described below, certain provisions of such legislation are unclear and may require judicial interpretation, which could change such conclusion. Although provisions of Senate Bill 22-238 and Senate Bill 23B-001 purport to require the State to reimburse local governments, such as the Taxing Districts, for certain reductions in property tax revenues as a result of such legislation, the legislation is unclear, may require judicial interpretation, and may not result in reimbursement of lost revenue. Finally, it is possible that the adjustment language of the Service Plans and the Capital Pledge Agreement will not account for every conceivable change of law which may occur in the future and, as a result, future legislation and/or initiatives of the State's registered electors may result in changes that cannot be offset by changes to the Taxing Districts' mill levies, and could materially adversely affect the Pledged Revenue ultimately available for payment of the Series 2026 Bonds.

As indicated in the definition of Capital Levies, the Boards of the Taxing Districts have determined that, as a result of the provisions of the Service Plans and Resolution No. 2017-96 pertaining to mill levy adjustments as described above, as of the date of issuance of the Series 2026 Bonds (i.e., for collection year 2026), the Capital Levy of District No. 4 of 25 mills has adjusted to 26.851 mills and the Capital Levy of District No. 5 of 40 mills has adjusted to 50.536 mills. These mill rates are based on the 2025 assessed valuations of the Taxing Districts, and take into account the reduction in assessment rates and actual values prescribed by Senate Bill 21-293, Senate Bill 22-238 and Senate Bill 23B-001, as described herein, and are reflected in the Bond Revenue Study. The Bond Revenue Study applies the assessment rates for levy year 2026 and millage rates for levy year 2025 across all future years of property tax estimates, based on the assumption that the millage rate may change from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. See "APPENDIX A—BOND REVENUE STUDY" and "—Risks Inherent in Bond Revenue Study" below.

Additional Senior Bonds

The Master Indenture provides for the issuance of additional Senior Bonds on parity with the Series 2026 Bonds, the Series 2024 Bonds and the Series 2017 Bonds, subject to certain conditions of the Master Indenture as described under "THE MASTER INDENTURE—Additional Bonds," and additional Senior Bonds may be issued by the Issuer in the future. There is no assurance that the Pledged Revenue will be sufficient to pay each of the Series 2026 Bonds, the Series 2024 Bonds and the Series 2017 Bonds, as well as any the additional Senior Bonds, if and when issued, and the Series 2026 Bonds will have no priority to any portion of the Pledged Revenue over any additional Senior Bonds.

Taxpayer Concentration

The ad valorem property tax revenue pledged to the Series 2026 Bonds is derived only from taxation of taxable property within District Nos. 4 and 5 (as previously defined, collectively, the "**Taxing Districts**") through imposition of their respective Capital Levies. No other District has entered into a pledge agreement obligating itself to levy and remit property taxes to the Issuer for payment of the Series 2026 Bonds.

THF Retail One, being one of the entities comprising the Developer, owns property within District No. 4 representing 21.18% of its 2025 assessed valuation and is District No. 4's largest taxpayer. Such property includes a portion owned by THF Perm One, however, the County Assessor categorizes such property as all being owned by THF Retail One. Based on the 2025 certified assessed valuation of District No. 4, the seven largest taxpayers represent 52.14% of the assessed valuation of District No. 4. Elements RS, LLC owns property within District No. 5 representing 39.07% of its 2025 assessed valuation and is District No. 5's largest taxpayer. Based on the 2025 certified assessed valuation of District No. 5, the ten largest taxpayers represent 82.86% of the assessed valuation of District No. 5. See "FINANCIAL INFORMATION—Ad Valorem Property Tax Data." Until the concentration of ownership within the Taxing Districts diversifies, if ever, the Taxing Districts will depend on a limited number of taxpayers for timely payment of property taxes.

Property taxes on land are not personal obligations of the taxpayers described above, or any other future property owner and no financial information regarding such taxpayers is provided in this Limited Offering Memorandum. No representation is made with respect to the ability of such taxpayers or any other future property owner to pay property taxes levied within the Taxing Districts' boundaries.

Enforcement of Tax Collection by County

The duty to pay property taxes does not constitute a personal obligation of the property owners within the Taxing Districts. Rather, the obligation to pay property taxes is tied to the specific properties taxed, and if timely payment is not made, the obligation constitutes a lien against the specific properties for which taxes are unpaid. To enforce property tax liens, the County Treasurer is obligated to cause the sale of tax liens upon the property that is subject to the delinquent taxes, as provided by law, and the revenue derived from such sales, if any, is applied to the delinquent taxes. The County Treasurer has the power to foreclose on and cause the sale of the property that is subject to the delinquent tax, after the period allowed for the property owner to redeem such taxes, as provided by law and as described below in the subsection captioned "—Foreclosures." Such redemption period is currently three years, during which a property owner may pay all taxes due and prevent such foreclosure. Foreclosure can be a time-consuming and expensive process and does not necessarily result in recovery of all amounts due and unpaid.

In addition, the ability of the County Treasurer to enforce tax liens could be delayed by bankruptcy laws and other laws affecting creditor's rights generally. During the pendency of any bankruptcy of any property owner, the parcels owned by such property owner could be sold only if the bankruptcy court approves the sale. There is no assurance that property taxes would be paid during the pendency of any bankruptcy; nor is it possible to predict the timeliness of such payment.

Finally, the collection of property taxes is dependent upon the property subject to such taxes having sufficient fair market value to support the taxes which are imposed. No assurance can be given as to the future market values of property in the Taxing Districts. See "—Risks Related to Property Tax Revenue" above and "FINANCIAL INFORMATION—Ad Valorem Property Taxes."

Foreclosures

Each Taxing District's ability to collect property tax revenue for timely payment of the Series 2026 Bonds depends, among other things, upon development within the Taxing Districts and the maintenance of an adequate tax base from which the Taxing Districts can collect sufficient property tax revenue from the imposition of the Capital Levies. In the State, the foreclosure process begins when the lender informs the borrower of a default in payment. At least 30 days after the borrower is notified of such default and at least 30 days before filing a Notice of Election and Demand ("**NED**"), the lender must send the borrower a notice containing, among other things, information related to the Colorado Foreclosure Hotline, which provides mortgage modification filing assistance and counseling at no charge. Following a review of the documents by the public trustee of the county, the NED must be recorded with the county clerk and recorder no later than 10 days following the receipt of such notice. Once the NED is recorded, the property is officially in foreclosure. Such filing can be "cured" or "withdrawn" before the home is sold at auction, meaning that not all foreclosure filings result in a final foreclosure sale. Currently, the period between the recording date of the NED and the foreclosure sale at auction in the State is not less than 110 days and not more than 125 days by law, but in some cases, this period may actually last much longer.

Property owned by a lending institution as a result of foreclosure is typically resold in the market at a depressed price, resulting in a decrease in assessed valuation of the foreclosed property. In addition, a home foreclosure may have an immediate and/or long–term effect of depressing home prices in the surrounding area. See also "APPENDIX D—ECONOMIC AND DEMOGRAPHIC INFORMATION—Foreclosure Activity."

Potential Transfers to Tax-Exempt Users

Property used for tax-exempt purposes is not subject to taxation by the Taxing Districts. It is possible that property within the Taxing Districts that currently generates property taxes pledged to the payment of the Series 2026 Bonds will be transferred to tax-exempt users. For example, in certain circumstances, certain types of multi-family projects can qualify for an exemption from property taxation. Although no projects of that type are currently planned within the Taxing Districts, no assurance can be provided that the Developer or the other owners of property within the Taxing Districts will not transfer such property to a tax-exempt user in the future. In addition, it is possible that some or all of the property in the Taxing Districts could be condemned for public use, in which case it may no longer be subject to taxation by the Taxing Districts. If any of the foregoing events occur, property taxes available to pay the Series 2026 Bonds could be significantly reduced.

Risks Related to Shared Sales Tax Incremental Revenues

General. The Shared Sales Tax Incremental Revenues (defined in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE") are generally derived from the City's general fund sales tax imposed at a rate of 2.00% on GF Retail Sales within the Plan Area. The level of GF Retail Sales depend on many economic factors, and, accordingly, the amount of the Shared Sales Tax Incremental Revenues is not within the control of the Issuer.

Risks Relating to Level of Retail Sales. The amount of GF Retail Sales made by the retailers in the Plan Area is a function of the type and price of products and services offered by the retailers and the ability of the retailers to operate their businesses successfully. The inability of Western Skies Management, Inc., the Developer or other owners of property (or any of their successors if they sell their respective property) to maintain an adequate level of operating retail space in the portion of the Prairie Center Master Development comprising the Plan Area; business failures of retailers; declines in retail sales due to

competing retail establishments; or diminishing retail sales as a result of competition from alternative forms of shopping such as catalogue, e-commerce or television shopping, all could have a significant, adverse effect on the amount of the Shared Sales Tax Incremental Revenues. The future levels of Shared Sales Tax Incremental Revenues could also be affected by the degree to which differences in the total rate of sales taxes and public improvement fees applicable within the Plan Area and competing shopping venues affect consumers' shopping behavior.

Shared Sales Tax Incremental Revenues Could be Zero. The percentage of the Allocated Increment Amount, which is one of the factors that determines the amount of the Shared Sales Tax Incremental Revenues, adjusts upward if GF Retail Sales in the Plan Area increase and certain additional retail sales thresholds are met; ***adjusts downwards*** if GF Retail Sales in the Plan Area decrease below such thresholds; and, in any year in which such retail sales fall below the Initial Threshold Amount, notwithstanding the Issuer's receipt of Shared Sales Tax Incremental Revenues in any prior years, unless the Qualifying Retailer Condition has been satisfied (in which case the Allocated Increment Amount would not decrease below 30% regardless of the amount of GF Retail Sales in the Plan Area in any calendar year), the percentage used to calculate the Allocated Increment Amount will be zero and, accordingly, ***the amount of the Shared Sales Tax Incremental Revenues will be zero in that year***.

The Initial Threshold Amount is $150,000,000. In each calendar year from 2021 through 2025 GF Retail Sales have exceeded the Initial Threshold Amount and the Issuer has received Shared Sales Tax Incremental Revenues. In 2025, the total GF Retail Sales were $272,859,461 ($122,859,461 above the Initial Threshold Amount) and the Issuer received Shared Sales Tax Incremental Revenues of $1,273,509. See "TABLE VI—HISTORICAL SHARED SALES TAX INCREMENTAL REVENUE" and "FINANCIAL INFORMATION—Historical Receipts of Pledged Revenue."

Furthermore, the Cooperation Agreement and the pledge of the Shared Sales Tax Incremental Revenues terminate on April 3, 2037 (as previously defined, the "**SSTI Termination Date**"), unless earlier terminated pursuant to the provisions of the Cooperation Agreement as further described under "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE—Shared Sales Tax Incremental Revenues—Cooperation Agreement—*Termination of Cooperation Agreement; SSTI Termination Date*." After the SSTI Termination Date, the City is to begin sharing the Shared General Fund Sales Tax Revenue as further described below.

Risk of Non-Compliance. In addition, receipt of amounts due from BURA under the Cooperation Agreement is dependent upon the ability and willingness of BURA to adhere to the terms of the Cooperation Agreement. If BURA defaults under the Cooperation Agreement, the Issuer's only remedy is to file suit against BURA, including an action for injunction or specific performance to compel BURA to perform. In conjunction with the issuance of the Series 2026 Bonds, the Issuer expects to receive opinions from Hoffmann, Parker, Wilson & Carberry, P.C., as counsel to BURA, and Butler Snow LLP, as counsel to the City, that the Cooperation Agreement constitutes a valid and binding obligation of BURA and the City, respectively, enforceable in accordance with its terms.

Risks Related to Shared General Fund Sales Tax Revenues; Risk of Non-Appropriation and Disadvantage to Owners of Bonds Maturing After April 3, 2037

General. As described under "INTRODUCTION—Shared Sales Tax Incremental Revenues; Cooperation Agreement" above, the period during which the Issuer is authorized to receive Shared Sales Tax Incremental Revenues under the Cooperation Agreement terminates on the SSTI Termination Date.

In order to produce shared sales tax revenues following the SSTI Termination Date, the City and the Issuer have entered into the Sales Tax Sharing Agreement, which provides that the City will begin

sharing the Shared General Fund Sales Tax Revenues (defined in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE") only upon termination of the Cooperation Agreement, and such revenues may be expended only on costs of Primary Public Improvements.

The City will pay the Shared General Fund Sales Tax Revenues from its 2.00% General Fund Sales revenues within the SGFST Revenue Area.

Risks Relating to Level of Retail Sales. The amount of retail sales made by the retailers in the SGFST Revenue Area is a function of the type and price of products and services offered by the retailers and the ability of the retailers to operate their businesses successfully. The inability of Western Skies Management, Inc., the Developer or other owners of property (or any of their successors if they sell their respective property) to maintain an adequate level of operating retail space in the portion of the Prairie Center Master Development comprising the SGFST Revenue Area; business failures of retailers; declines in retail sales due to competing retail establishments; or diminishing retail sales as a result of competition from alternative forms of shopping such as catalogue, e-commerce or television shopping, all could have a significant, adverse effect on the amount of the Shared General Fund Sales Tax Revenues. The future levels of Shared General Fund Sales Tax Revenues could also be affected by the degree to which differences in the total rate of sales taxes and public improvement fees applicable within the SGFST Revenue Area and competing shopping venues affect consumers' shopping behavior.

Risk of Non-Appropriation. The remittance to the Issuer of the Shared General Fund Sales Tax Revenues is subject to annual appropriation by the City Council each year of amounts sufficient to pay the then current amount of the Shared General Fund Sales Tax Revenues. The City is *not* contractually obligated to make such transfers in the event the City Council does not authorize appropriation of sufficient funds in any given year.

Because the payment by the City of the Shared General Fund Sales Tax Revenues is subject to annual appropriation as described above, the Owners of Series 2026 Bonds maturing after April 3, 2037 will have no assurance that the City will appropriate funds equal to all or a portion of the Shared General Fund Sales Tax Revenues in any given year, or at all. *The Bond Revenue Study assumes that Shared General Fund Sales Tax Revenues will be collected after termination of the Cooperation Agreement on April 3, 2027 through the maturity date of the Series 2026 Bonds.*

Risk of Non-Compliance. In addition, receipt of amounts due from the City under the Sales Tax Sharing Agreement is dependent upon the ability and willingness of the City to adhere to the terms of the Sales Tax Sharing Agreement. If the City defaults under the Sales Tax Sharing Agreement, the Issuer's only remedy is to file suit against City, including an action for injunction or specific performance to compel the City to perform. In conjunction with the issuance of the Series 2026 Bonds, the Issuer expects to receive an opinion from Butler Snow LLP, as counsel to the City, that the Sales Tax Sharing Agreement represents a valid and binding obligation of the City enforceable in accordance with its terms.

See "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE."

Risks Related to Facilities Fees

Pursuant to the Master Indenture, the Facilities Fees (as defined in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE") are a component of the Pledged Revenue pledged to the payment of the Series 2026 Bonds. See "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE."

The Fee Resolutions state that the Facilities Fees will be a perpetual charge and lien upon the property in the applicable District from the date the same becomes due and payable until paid, and such lien may be foreclosed by the District in the same manner as provided by the laws of Colorado for the foreclosure of mechanics' liens.

An opinion of General Counsel to the Issuer is expected to be provided with respect to the Facilities Fees and Fee Resolutions of the Financing Districts, which opinion is generally expected to state that: (i) the Facilities Fees (as defined in and established by the Fee Resolutions) are in the nature of a fee permitted in Section 32-1-1001(1)(j), C.R.S., and may be pledged to the payment of the principal of and interest on the Series 2026 Bonds pursuant to the Capital Pledge Agreement and the District No. 10 Pledge Agreement; (ii) the Facilities Fees are valid and enforceable; (iii) pursuant to Section 32-1-1001(1)(j), C.R.S., from and after the date of issuance of the Series 2026 Bonds, as set forth in the Fee Resolutions and until paid, the Facilities Fees shall constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanic's liens; (iv) that it is reasonable to conclude that in the event of a challenge a court would find that such perpetual lien, under existing case law, would have priority over other encumbrances on the property whether arising before or after the date of issuance of the Series 2026 Bonds except for liens for taxes, assessments and other governmental rates, fees, tolls and charges; and (v) no election under the constitution or other laws of the State of Colorado is required to impose the Facilities Fees.

The enforceability of fees in the nature of the Facilities Fees and the corresponding remedies described above are judicially untested. There is no assurance that the Facilities Fees would be characterized by a court of competent jurisdiction as a charge imposed for the provision of services and facilities (and, consequently, a statutorily authorized fee), nor can there be any assurance that a court would rule in favor of the enforceability of the Fee Resolutions, the imposition of the Facilities Fees, or the statutory lien relating thereto.

The Anticipated New Development is anticipated to generate Facilities Fees, as further set forth in the Bond Revenue Study and included in the Case II scenario set forth in "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE." Notwithstanding the foregoing, the Case I scenario therein with respect to anticipated Pledged Revenue and anticipated debt service coverage for the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) is based solely on the Existing Development, which will not generate any future Facilities Fees. It is not necessary for any portion of the Anticipated New Development to be completed in order for the Issuer to repay the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) in accordance with the Case I scenario. See also "RISK FACTORS—Risks Inherent in Bond Revenue Study."

Enforceability of Bondholders' Remedies Upon Default

The remedies available to the owners of the Series 2026 Bonds upon a default are in many respects dependent upon judicial action, which could subject the owners of the Series 2026 Bonds to judicial discretion and interpretation of their rights under existing constitutional law, statutory law, and judicial decisions, including specifically the federal Bankruptcy Code. Consequently, any enforcement proceedings may entail risks of delay, and/or limitation or modification of their rights as otherwise provided under the Master Indenture and the Series 2026 Bonds. However, in addition to other legal requirements in the federal and State laws pertaining to municipal bankruptcy, under State law, the Issuer and the Financing Districts can seek protection from their respective creditors under the United States Bankruptcy Code only if the Issuer and the Financing Districts can demonstrate that, in order to meet their respective financial obligations as they come due, the Issuer and the Financing Districts would be required to certify a property tax mill levy of 100 mills or more. The legal opinions to be delivered concurrently with delivery of the Series 2026 Bonds will be qualified as to enforceability of the various legal instruments by limitations

imposed by bankruptcy, reorganization, and insolvency or other similar laws affecting the rights of creditors generally, now or hereafter in effect; to usual equity principles which may limit the specific enforcement under State law of certain remedies, including, but not limited to, specific performance; to the exercise by the United States of America of the powers delegated to it by the federal constitution; and to the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies, in the interest of serving an important public purpose.

No Acceleration; No Payment Default

The Master Indenture provides that, notwithstanding anything therein to the contrary, acceleration of the Series 2026 Bonds is *not* an available remedy for an Event of Default except as may be provided in a Supplemental Indenture applicable to all Series of Bonds. In addition, the Issuer's failure to pay principal and interest on the Series 2026 Bonds when due does not constitute an Event of Default under the Master Indenture so long as the Issuer is in compliance with the provisions and covenants of the Master Indenture relating to the Pledged Revenue. See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

No Redemption or Default in the Event of Loss of Tax Exemption

The Series 2026 Bonds are not subject to mandatory redemption in whole or in part in the event of a determination that all or any portion of the interest accruing thereon is subject to federal income taxation. In addition, a determination that all or any portion of the interest accruing on the Series 2026 Bonds is subject to federal income taxation is not an Event of Default under the Master Indenture, although the occurrence of such an event may constitute a covenant default and be subject to the provisions of the Master Indenture. See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

Risks Inherent in Bond Revenue Study

The Issuer has retained PGAV Planners, LLC (as previously defined, "**PGAV**" or the "**Revenue Consultant**") to prepare a report to forecast PIF Revenue, Capital Levies Revenue, Specific Ownership Tax revenue (but solely to the extent collected as a result of imposition of the Capital Levies imposed by the Taxing Districts), Facilities Fees Revenue, Shared Sales Tax Incremental Revenues and Shared General Fund Sales Tax Revenues to be generated from the Existing Development and the Anticipated New Development (the "**Bond Revenue Study**").

The Bond Revenue Study is attached hereto as APPENDIX A, and should be read in its entirety. The Bond Revenue Study is based on key assumptions made by PGAV and, like any analysis or forecast, is inherently subject to variations in the assumed data. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Actual results will vary from those projected, and such variations may be material.

Certain assumptions in the Bond Revenue Study were based upon data provided by the Developer, which data has not been independently verified by the Issuer. The Issuer makes no representation as to the accuracy of such information or the reliability of such assumptions. The Bond Revenue Study assumes that property within the Anticipated New Development will open for retail and restaurant uses at the times anticipated by the Developer and with the tenants being those identified in the Bond Revenue Study, which may not occur. While the Developer believes the projections presented in the Bond Revenue Study to be

reasonable, no assurance can be given that such openings will occur as anticipated, or at all, and there is no guarantee that the Pledged Revenue will be received in the amounts and at the times set forth in the Bond Revenue Study.

The Bond Revenue Study includes Pledged Revenue projections for both the Existing Development and the Anticipated New Development. The Case I scenario with respect to anticipated Pledged Revenue and anticipated debt service coverage for the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) is based solely on the Existing Development. It is not necessary for any portion of the Anticipated New Development to be completed in order for the Issuer to repay the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) in accordance with the Case I scenario. Further, the Bond Revenue Study does not include projections of any revenues generated from Use Tax Activities. See "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE," "APPENDIX A—BOND REVENUE STUDY" and "DEVELOPMENT WITHIN THE INITIAL DEVELOPMENT."

Competition With Other Developments

The Prairie Center Master Development may experience competition from other developments in the area, some of which are in close proximity, and may also be competing generally with suburban developments throughout the entire Denver metropolitan area. Such competition may adversely affect the market value of land within the Taxing Districts, which would reduce property tax collections from the Capital Levies within the Taxing Districts. Competition may also adversely impact retail sales and construction activities, which could result in reduced PIF Revenue collections throughout the Prairie Center Master Development, in addition to reducing the amount of available Shared Sales Tax Incremental Revenues and, following termination of such revenue stream, the Shared General Fund Sales Tax Revenues.

See "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE." See also "APPENDIX A—BOND REVENUE STUDY" for a discussion of the competitive environment for the Prairie Center Master Development.

Legal Constraints on District Operations

Various State laws and constitutional provisions govern the assessment and collection of ad valorem property taxes; the issuance of bonds; impose limitations on revenues and spending of the State and local governments, including the Issuer and the Financing Districts; and limit rates, fees and charges imposed by such entities. State laws, constitutional provisions and federal laws and regulations apply to the obligations created by the issuance of the Series 2026 Bonds and various agreements described herein. There can be no assurance that there will not be changes in interpretation of, or additions to, the applicable laws and provisions which would have a material adverse effect, directly or indirectly, on the affairs of the Issuer and the Financing Districts.

Directors' Private Interests

Pursuant to State law, directors are required to disclose to the Colorado Secretary of State and the Boards of the Issuer and the Financing Districts potential conflicts of interest or personal or private interests which are proposed or pending before the Boards of the Issuer and the Financing Districts. According to disclosure statements filed with the Secretary of State by members of the Boards of the Issuer and the Financing Districts prior to taking any official action relating to the Series 2026 Bonds, each of the directors, except Director Hicks, who serves on the Board of District No. 5, is affiliated with the Developer and therefore may have potential or existing personal or private interests relating to the issuance or delivery of the Series 2026 Bonds or the expenditure of the proceeds thereof.

Future Changes in Law

Various State laws, constitutional provisions and federal laws and regulations apply to the obligations created by the issuance of the Series 2026 Bonds and various agreements described herein. There can be no assurance that there will not be any change in, interpretation of, or addition to the applicable laws and provisions which would have a material effect, directly or indirectly, on the affairs of the Issuer or the Financing Districts.

Risk of Internal Revenue Service Audit

The Internal Revenue Service (the "**Service**") has a program of auditing tax-exempt bonds which can include those issued by special purpose governmental units, such as the Issuer, for the purpose of determining whether the Service agrees (a) with the determination of Bond Counsel that interest on the Series 2026 Bonds is tax-exempt for federal income tax purposes or (b) that the Issuer is in or remains in compliance with Service regulations and rulings applicable to governmental bonds such as the Series 2026 Bonds. The commencement of an audit of the Series 2026 Bonds could adversely affect the market value and liquidity of the Series 2026 Bonds, regardless of the final outcome. An adverse determination by the Service with respect to the tax-exempt status of interest on the Series 2026 Bonds could adversely impact the secondary market, if any, for the Series 2026 Bonds, and, if a secondary market exists, would also be expected to adversely impact the price at which the Series 2026 Bonds can be sold. The Master Indenture does not provide for any adjustment to the interest rates borne by the Series 2026 Bonds in the event of a change in the tax-exempt status of the Series 2026 Bonds. If the Service audits the Series 2026 Bonds, under current audit procedures the Service will treat the Issuer as the taxpayer during the initial stage of the audit, and the owners of the Series 2026 Bonds will have limited rights to participate in such procedures. There can be no assurance that the Issuer will have revenues available to contest an adverse determination by the Service. No transaction participant, including none of the Issuer, the Underwriter, the Municipal Advisor or Bond Counsel is obligated to pay or reimburse an owner of any Series 2026 Bond for audit or litigation costs in connection with any legal action, by the Service or otherwise, relating to the Series 2026 Bonds.

There can be no assurance that an audit by the Service of the Series 2026 Bonds will not be commenced. However, the Issuer has no reason to believe that any such audit will be commenced, or that if commenced, an audit would result in a conclusion of noncompliance with any applicable Service regulation or ruling. No rulings have been or will be sought from the Service with respect to any federal tax matters relating to the issuance, purchase, ownership, receipt or accrual of interest upon, or disposition of, the Series 2026 Bonds. See also "TAX MATTERS" herein.

Changes in Federal and State Tax Law

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and/or State tax matters referred to herein or adversely affect the marketability or market value of the Series 2026 Bonds or otherwise prevent holders of the Series 2026 Bonds from realizing the full benefit of the tax exemption of interest on the Series 2026 Bonds. Such proposals may impact the marketability or market value of the Series 2026 Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Series 2026 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2026 Bonds would be impacted thereby.

Purchasers of the Series 2026 Bonds should consult their tax advisors regarding any potential, proposed or pending legislation, regulatory initiatives or litigation.

THE SERIES 2026 BONDS

Description

The Series 2026 Bonds are special, limited revenue obligations issued by the Issuer. The maturity and interest rate for the Series 2026 Bonds are set forth on the cover page hereof. Certain provisions regarding payment of principal and interest, prior redemption, registration, exchange, transfer, book entry eligibility, anticipated delivery, and certain other matters are set forth in the section of this Limited Offering Memorandum entitled "INTRODUCTION." The forms of the 2017 Indenture, the First Supplemental Indenture and the Second Supplemental Indenture are attached hereto in APPENDIX H. The Series 2026 Bonds constitute Senior Bonds under the Master Indenture, secured on a parity lien basis with the Series 2017 Bonds and the Series 2024 Bonds and on a senior lien basis to the Series 2007 Subordinate Bonds.

Limited Obligations

The Series 2026 Bonds are special, limited revenue obligations of the Issuer and the principal or redemption price thereof, interest and premium, if any, thereon and other expenses in connection therewith are payable solely from and to the extent of the Pledged Revenue, as provided in the Master Indenture. The Series 2026 Bonds are not secured by any lien or a mortgage on or security interest in any property of the Issuer other than the Pledged Revenue to the extent provided in the Master Indenture.

Prior Redemption

Optional Redemption.

The Series 2026 Bonds are subject to redemption prior to maturity at the option of the Issuer on any date, on or after December 15, 20__, in whole or in part, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus interest accrued to the redemption date.

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Mandatory Sinking Fund Redemption.

Series 2026 Bonds. In respect of the Series 2026 Bonds, the Trustee will apply from the Series 2026 Principal Subaccount the following amounts to the redemption by lot on December 15 in each of the years specified below at the redemption price equal to par plus accrued interest:

Year (December 15)*	**Amount***
2030	$ 100,000
2031	100,000
2032	100,000
2033	100,000
2034	100,000
2035	100,000
2037	100,000
2039	100,000
2040	100,000
2041	100,000
2042	250,000
2043	250,000
2044	250,000
2045	250,000
2047	3,200,000
2048	3,400,000
2049	3,600,000
2050 [1]	3,855,000

* Preliminary; subject to change.
[1] Final maturity, not a sinking fund redemption

Procedure for Mandatory Sinking Fund Redemption. The Trustee is to apply from the Series 2026 Principal Subaccount, the amounts set forth above on December 15 in each of the years specified above.

If such amounts are not yet on deposit in the Series 2026 Principal Subaccount the Trustee is to anticipate such deposits for the purpose of giving notice of redemption. At the option of the Issuer, to be exercised by delivery of a written certificate to the Trustee on or before the 45th day next preceding any sinking fund redemption date, it may (i) deliver to the Trustee for cancellation Series 2026 Bonds or portions thereof (in Authorized Denominations), in an aggregate principal amount desired by the Issuer or (ii) direct the Trustee to apply moneys from time to time available or required to be deposited in the applicable principal subaccount to the purchase of the related Series 2026 Bonds at prices not higher than par plus accrued interest, provided that firm purchase commitments can be made. Each such Series 2026 Bond or portion thereof of the same Series and maturity so delivered or purchased, in addition to any Series 2026 Bonds or portions thereof of the same Series and maturity (in Authorized Denominations), which prior to said date have been redeemed (other than through the operation of the sinking fund) and canceled by the Trustee at the request of the Issuer and not theretofore applied as a credit against any sinking fund redemption obligation, is to be credited by the Trustee, at one hundred percent (100%) of the principal amount thereof, in such order as is to be specified in writing by the Issuer so as to maintain an approximately level schedule of debt service, against all subsequent sinking fund redemptions of the related maturity and Series of Series 2026 Bonds and the deposits described above for the related maturity and Series of Series 2026 Bonds shall be reduced, in such order, by such amounts.

Special Mandatory Redemption.

Special Mandatory Redemption of all Bonds. The Master Indenture provides that if, forty-five (45) days prior to any Interest Payment Date there are moneys on deposit in the Non-Shared Revenue Redemption Subaccount of the Redemption Account of the Surplus Fund, the Trustee is, without any further direction from the Issuer, to use such moneys to redeem on the next Interest Payment Date (the "**Special Mandatory Redemption Date**") each Outstanding Series of Senior Bonds (including the Series 2017 Bonds, the Series 2024 Bonds and the Series 2026 Bonds) on a pro rata basis in inverse order of maturity (and in inverse order of sinking fund installments within a maturity) at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed plus interest accrued to the Special Mandatory Redemption Date.

If forty-five (45) days prior to any Interest Payment Date amounts on deposit in the accounts of the Senior Bond Fund and the Senior Reserve Fund related to a Series of Senior Bonds are sufficient, in the aggregate, to redeem such Series, the Trustee is, without any further direction from the Issuer, to use such moneys to redeem on the next Special Mandatory Redemption Date such Series of Senior Bonds at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed plus interest accrued to the Special Mandatory Redemption Date.

Not less than 30 days prior to the Special Mandatory Redemption Date, the Trustee is to provide written notice to the Owners of each Outstanding Series of Senior Bonds as described below under "—*Redemption Procedure and Notice*."

Special Mandatory Redemption of the Primary Improvements Bonds. The Master Indenture provides that if, forty-five (45) days prior to any Interest Payment Date there are moneys on deposit in the Shared Revenue Redemption Subaccount of the Redemption Account of the Surplus Fund, the Trustee shall, without any further direction from the Issuer, use such moneys to redeem on the Special Mandatory Redemption Date on a pro-rata basis each Outstanding Series of Primary Improvements Bonds (including the Series 2017A Bonds, the Series 2024A Bonds and the Series 2026 Bonds) which constitute Senior Bonds in inverse order of maturity (and in inverse order of sinking fund installments within a maturity) at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed plus interest accrued to the Special Mandatory Redemption Date. Not less than 30 (thirty) days prior to the Special Mandatory Redemption Date, the Trustee is to provide written notice to the Owners of each Outstanding Series of Primary Improvements Bonds that constitute Senior Bonds as described below under "—*Redemption Procedure and Notice*."

Redemption Procedure and Notice.

Issuer Direction of Optional Redemption. Notice of any optional redemption from the Issuer to the Trustee is to specify the principal amount of Bonds (as defined in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE") to be redeemed and the redemption date. The Issuer is to give the notice to the Trustee at least 15 days (or such lesser number of days as may be acceptable to the Trustee) prior to the day on which the Trustee is required to give notice of such optional redemption to the Bondholders.

Selection of Bonds for Redemption. If less than all of any Series of Bonds issued under the Master Indenture (including the Series 2026 Bonds) are to be redeemed, the particular Bonds to be called for redemption shall be selected by lot by the Trustee, unless otherwise provided by the Supplemental Indenture authorizing a Series of Additional Bonds. The Bonds are to be redeemed only in integral multiples of $5,000. In the event a Bond is of a denomination larger than $5,000, a portion of such Bond may be

redeemed, but only in the principal amount of $5,000 or any integral multiple thereof. Such Bond is to be treated for the purpose of redemption as that number of Bonds which results from dividing the principal amount of such Bond by $5,000.

Notice of Redemption. Unless otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, the notice of the call for redemption of Bonds (including the Series 2026 Bonds) under the Master Indenture is to identify (i) the complete official name of the issue, (ii) the Bonds or portions thereof to be redeemed by designation, letters, CUSIP numbers, numbers or other distinguishing marks, interest rate, maturity date and principal amount, (iii) the redemption price to be paid, (iv) the date fixed for redemption, (v) the place or places, by name and address, where the amounts due upon redemption are payable and (vi) the name and telephone number of the person to whom inquiries regarding the redemption may be directed; provided, however, that the failure to identify a CUSIP number for said Bonds in the redemption notice, or the inclusion of an incorrect CUSIP number, shall not affect the validity of such redemption notice. The notice shall be given by the Trustee on behalf of the Issuer by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days but no more than 60 days prior to the date fixed for redemption, to the Owner of each Bond subject to redemption in whole or in part at the Owner's address shown on the Bond Register on the 30th day preceding that mailing. A second notice shall be sent in the same manner described above not more than 60 days after the redemption date to the Owner of any redeemed Bond which was not presented for payment on the redemption date. Failure to give such notice, or any defect in such notice, as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond as to which no such failure or defect exists.

The Trustee is to take the additional actions with respect to such redemption notice as described in the preceding paragraph, but no defect in such actions or any failure to take the same shall defeat the effectiveness of the foregoing redemption notice. At least 30 days prior to the date fixed for redemption, the Trustee is to give such redemption notice by (i) registered or certified mail, postage prepaid, (ii) Electronic Notice, or (iii) overnight delivery service, to the Depository.

If at the time of mailing of notice of any optional redemption the Issuer has not deposited with the Trustee moneys sufficient to redeem all the Bonds called for redemption, if the Issuer so directs, such notice may state that it is conditional in that it is subject to the deposit of sufficient moneys with the Trustee not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Bonds Redeemed in Part. Any Bond which is to be redeemed only in part shall be surrendered at a place stated for the surrender of Bonds called for redemption in the notice described above (with due endorsement by, or a written instrument of transfer in form satisfactory to the Trustee duly executed by, the Owner thereof or his or her attorney duly authorized in writing) and the Issuer is to execute and the Trustee is to authenticate and deliver to the Owner of such Bond without service charge, a new Bond or Bonds, of the same Series, of any Authorized Denomination as requested by such Owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Payment of Principal and Interest; Record Dates; Interest Rights Preserved

The principal, redemption price or purchase price of any Bond is to be payable when due, upon surrender of such Bond, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, at the Principal Office of any Paying Agent. Interest on any Bond on each Interest Payment Date in respect thereof is to be payable by check mailed to the address of the person entitled thereto as such address shall appear in the Bond Register, or, at the request of an Owner of $1,000,000 or more in principal amount of Bonds, by electronic transfer to an account designated in writing by such Owner which account shall be in the continental United States.

To the extent principal of any Bond is not paid when due, such principal shall remain Outstanding until paid in full, and shall continue to bear interest at the rate then borne by such Bond. To the extent interest on any Bond is not paid when due, such accrued and unpaid interest shall continue to be due without interest on accrued but unpaid interest or compounding of interest; provided however, that notwithstanding anything in the Master Indenture to the contrary, the Issuer shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer Outstanding upon the payment by the Issuer of such amount.

Interest on any Bond which is payable, and is punctually paid or duly provided for, on an Interest Payment Date shall be paid to the person in whose name that Bond is registered at the close of business on the Regular Record Date for such interest.

Any interest on any Bond which is payable, but is not punctually paid or provided for, on any Interest Payment Date (the "**Unpaid Interest**") shall forthwith cease to be payable to the person who is the Owner of such Bond at the close of business on the relevant Regular Record Date and such Unpaid Interest shall be paid to the person in whose name the Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be no more than 15 nor fewer than 10 days prior to the date of proposed payment. The Trustee is to cause notice of the proposed payment of such Unpaid Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to the Bond Registrar and the Paying Agent and to each Bondholder at his address as it appears in the Bond Register, not fewer than 10 days prior to such Special Record Date.

Subject to the provisions of the Master Indenture as described above under this caption "—Payment of Principal and Interest; Record Dates; Interest Rights Preserved," each Bond delivered under the Master Indenture upon registration of transfer of or exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

USE OF PROCEEDS AND DEBT SERVICE REQUIREMENTS

Application of Bond Proceeds

General. The proceeds from the sale of the Series 2026 Bonds will be used for the purposes of: (a) refunding a portion of the outstanding Series 2007A Subordinate Bonds (see "*—Refunding of Portion of Series 2007A Subordinate Bonds*" below); (b) funding the Series 2026 Reserve Account of the Senior Reserve Fund to the Senior Reserve Requirement for the Series 2026 Bonds; (c) funding capitalized interest on the Series 2026 Bonds, and (d) paying the costs of issuance of the Series 2026 Bonds.

Refunding of Portion of Series 2007A Subordinate Bonds. A portion of the net proceeds of the Series 2026 Bonds will be transferred, on the date of issuance of the Series 2026 Bonds, to UMB Bank, n.a., to be used to redeem a portion of the Series 2007A Subordinate Bonds outstanding on such date in the aggregate principal amount of $13,300,716.89[*], at a price equal to the principal amount thereof plus interest accrued to the redemption date.

[*] Preliminary; subject to change.

Estimated Sources and Uses of Funds. The uses of the proceeds of the Series 2026 Bonds are as follows:

SOURCES:	
Series 2026 Bonds Par Amount	.....
[[Plus/Less] [Net] Original Issue [Premium/Discount]]	.....
Total	.....
USES:	
Deposit to Series 2026 Reserve Account	.....
Refunding of Series 2007A Subordinate Bonds	.....
Costs of issuance, including underwriting discount [1] and contingency	.....
Total	.....

[1] Includes fees and costs associated with issuance of the Series 2026 Bonds, including the Underwriter's discount which is deducted prior to payment of the purchase price for the Series 2026 Bonds. See "MISCELLANEOUS—Underwriting."

Source: The Underwriter.

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Debt Service Requirements

Set forth in the following table are the debt service requirements for the Series 2017 Bonds, Series 2024 Bonds and the Series 2026 Bonds. See the cover page of this Limited Offering Memorandum for the actual interest rates for each maturity of the Series 2026 Bonds.

TABLE I
Bond Debt Service Requirements[*] [1,2]

Year	Series 2017A Bonds		Series 2017B Bonds		Series 2024A Bonds		Series 2024B Bonds		Series 2026 Bonds[*]		Net Annual Total[*] [3,4,5,6]
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2026	$ 1,250,000	$ 996,234	$ 60,000	$ 46,375	$ 60,000	$ 861,275	$ 20,000	$ 289,931	$ --	$ --	$ 3,583,816
2027	1,325,000	1,940,906	65,000	89,750	120,000	1,719,025	40,000	578,688	--	1,022,949	6,789,253
2028	1,415,000	1,886,250	70,000	86,500	180,000	1,711,975	60,000	576,338	--	1,003,438	6,989,500
2029	1,515,000	1,815,500	75,000	83,000	230,000	1,701,400	75,000	572,813	--	1,003,438	7,071,150
2030	1,625,000	1,739,750	80,000	79,250	290,000	1,687,888	100,000	568,406	100,000	1,003,438	7,273,731
2031	1,735,000	1,658,500	85,000	75,250	350,000	1,670,850	115,000	562,531	100,000	997,188	7,349,319
2032	1,860,000	1,571,750	90,000	71,000	420,000	1,650,288	140,000	555,775	100,000	990,938	7,449,750
2033	1,975,000	1,478,750	100,000	66,500	485,000	1,625,613	165,000	547,550	100,000	984,688	7,528,100
2034	2,115,000	1,380,000	105,000	61,500	565,000	1,597,119	190,000	537,856	100,000	978,438	7,629,913
2035	2,250,000	1,274,250	110,000	56,250	640,000	1,563,925	215,000	526,694	100,000	972,188	7,708,306
2036	2,615,000	1,161,750	130,000	50,750	745,000	1,526,325	250,000	514,063	--	965,938	7,958,825
2037	2,780,000	1,031,000	140,000	44,250	830,000	1,482,556	280,000	499,375	100,000	965,938	8,153,119
2038	3,305,000	892,000	165,000	37,250	865,000	1,433,794	290,000	482,925	--	959,688	8,430,656
2039	3,675,000	726,750	180,000	29,000	800,000	1,382,975	270,000	465,888	100,000	959,688	8,589,300
2040	3,910,000	543,000	190,000	20,000	870,000	1,335,975	295,000	450,025	100,000	953,438	8,667,438
2041	6,950,000	347,500	210,000	10,500	1,495,000	1,284,863	505,000	432,694	100,000	947,188	8,710,100
2042	--	--	--	--	3,540,000	1,197,031	1,190,000	403,025	250,000	940,938	7,520,994
2043	--	--	--	--	3,785,000	989,056	1,275,000	333,113	250,000	925,313	7,557,481
2044	--	--	--	--	4,060,000	766,688	1,370,000	258,206	250,000	909,688	7,614,581
2045	--	--	--	--	4,345,000	528,163	1,460,000	177,719	250,000	894,063	7,654,944
2046	--	--	--	--	4,645,000	272,894	1,565,000	91,944	--	878,438	3,999,656
2047	--	--	--	--	--	--	--	--	3,200,000	878,438	4,078,438
2048	--	--	--	--	--	--	--	--	3,400,000	678,438	4,078,438
2049	--	--	--	--	--	--	--	--	3,600,000	465,938	4,065,938
2050	--	--	--	--	--	--	--	--	3,855,000	240,938	2,590,781
Total	$40,300,000	$20,443,891	$1,855,000	$907,125	$29,320,000	$27,989,675	$9,870,000	$9,425,556	$16,055,000	$21,520,761	$169,043,525

[*] Preliminary, subject to change.
[1] Assumes no redemptions, other than mandatory sinking fund redemptions, prior to maturity.
[2] Figures have been rounded.
[3] Debt service payments at final maturity include application of amounts in the Series 2017A Reserve Account and the Series 2017B Reserve Account to the Series 2017A Bonds and the Series 2017B Bonds, respectively.
[4] Debt service payments at final maturity include application of amounts in the Series 2024A Reserve Account and the Series 2024B Reserve Account to the Series 2024A Bonds and the Series 2024B Bonds, respectively.
[5] Debt service payments at final maturity include application of amounts in the Series 2026 Reserve Account to the Series 2026 Bonds.
[6] A portion of the first interest payment on the Series 2026 Bonds includes application of amounts in the Series 2026 Interest Subaccount (capitalized interest).
Source: The Underwriter and the Trustee.

THE MASTER INDENTURE

The following, in addition to certain information provided under the headings "INTRODUCTION," "THE SERIES 2026 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS," "SOURCES OF PLEDGED REVENUE: PUBLIC IMPROVEMENTS FEE (PIF) REVENUE," "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE," SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE," SOURCES OF PLEDGED REVENUE: SPECIFIC OWNERSHIP TAXES," and "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUES," is a summary of certain provisions in the Master Indenture. This summary does not purport to be complete or definitive and reference is made to the Master Indenture for a complete recital of the terms of such documents. For the forms of the 2017 Indenture, the First Supplemental Indenture and the Second Supplemental Indenture, see "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE." Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

Funds and Accounts; Flow of Funds Chronology Chart

In General. The Master Indenture provides that, not less than monthly, the Issuer is to pay or cause to be paid the Pledged Revenue directly to the Trustee. If, notwithstanding these arrangements, the Issuer receives any payments constituting Pledged Revenue under any of the Comprehensive Agreement, the Sales Tax Sharing Agreement, the Cooperation Agreement, the Fee Resolutions, the Collection Agreement, the Capital Pledge Agreement or the District No. 10 Pledge Agreement, the Issuer is to immediately pay such amounts to the Trustee, and the Trustee is to hold such moneys as Pledged Revenue. Notwithstanding the foregoing, while any PRI Obligations are outstanding under the documents pursuant to which they were issued (including the Series 2018 PRI Bonds), the PRI Credit PIF Revenue is not to be paid to the Trustee and instead is to be transferred and deposited as provided in such documents. Further, even after the PRI Obligations are no longer outstanding, the PRI Credit PIF Revenue may be pledged only to pay Park and Recreation Improvements Bonds. The Series 2026 Bonds do not constitute Park and Recreation Improvements Bonds within the meaning of the Master Indenture.

The Master Indenture further provides that, immediately upon the receipt thereof, the Trustee is to deposit all Pledged Revenue into the Revenue Fund for application as described below and as depicted in the Flow of Funds Chronology Chart below.

Application of Pledged Revenue Sources. As a result of certain restrictions set forth in the Comprehensive Agreement, and by extension, the Cooperation Agreement and the Sales Tax Sharing Agreement, the Series 2026 Bonds have been structured such that Pledged Revenue generated from the Credit PIF, the Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues (collectively, the "**Shared Revenue**") generally will be applied *first*, to costs of Primary Public Improvements, including payments of principal and interest due with respect to the Primary Improvements Bonds, including the Series 2026 Bonds, and *second*, to costs of District Public Improvements, including payments of principal and interest due with respect to District Improvements Bonds, which does not include the Series 2026 Bonds, to the extent necessary to prevent deficiencies in amounts available to pay such Bonds, subject to reimbursement by the Issuer from the Add-On PIF Revenue of the Shared Revenue applied to pay such deficiencies. Revenues generated from the Add-On PIF will be applied *first*, to costs of District Public Improvements, including payments of principal and interest due with respect to District Improvements Bonds, which does not include the Series 2026 Bonds, and *second*, to payments of principal and interest due with respect to Primary Improvements Bonds, including the Series 2026 Bonds, to the

extent necessary to prevent deficiencies in amounts available to pay the Primary Improvements Bonds, including the Series 2026 Bonds, subject to reimbursement from the Shared Revenue of any Add-On PIF Revenue applied to pay such deficiencies.

Except for the PRI Credit PIF Revenue, no Shared Revenue is to be pledged or applied to the payment of Park and Recreation Improvements Bonds issued under the Master Indenture or to the payment of Park and Recreation Primary Public Improvements costs. The PRI Credit PIF Revenue has been pledged to the payment of the Series 2018 PRI Bonds.

The Master Indenture also provides that the Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues are not pledged or applied to the payment of the Series 2007 Subordinate Bonds.

Flow of Funds Chronology Chart. The chart set forth on the following page sets forth a depiction of the flow of funds contained in the Master Indenture, as described below under the caption "*—Revenue Fund; Funding of Debt Service Generally*" and in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

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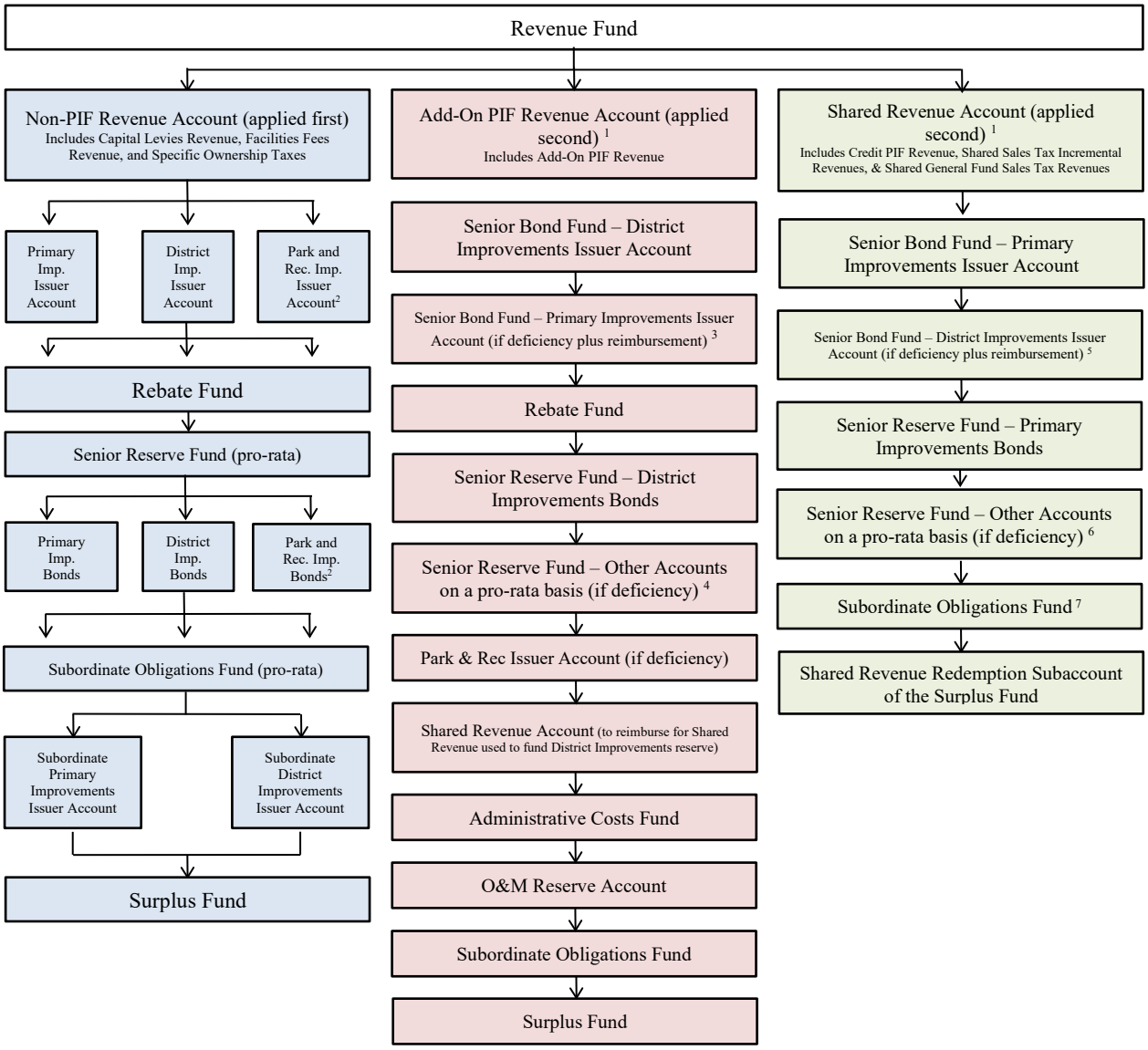
Flow of Funds Chronology Chart



[1] Funds in these accounts are applied simultaneously after the Trustee applies funds in the Non-PIF Revenue Account.
[2] This account may not be created while any PRI Obligations, such as the Series 2018 PRI Bonds, are outstanding.
[3] Funded only (i) if there is a deficiency after application of funds in the Non-PIF Revenue Account and the Shared Revenue Account and (ii) to reimburse any Shared Revenue that was used to fund any deficiency in the District Improvements Issuer Account.
[4] Funded only if there is a deficiency therein after application of funds in the Non-PIF Revenue Account and the Shared Revenue Account and the Park and Recreation Credit PIF Revenue Account (which account may not be created or funded while any PRI Obligations, such as the Series 2018 PRI Bonds, are outstanding).
[5] Funded only (i) if there is a deficiency after application of funds in the Non-PIF Revenue Account and the Add-On PIF Revenue Account and (ii) to reimburse any Add-On PIF Revenue that was used to fund any deficiency in the Primary Improvements Issuer Account.
[6] Funded only if there is a deficiency therein after application of funds in the Non-PIF Revenue Account, the Add-On PIF Revenue Account and the Park and Recreation Credit PIF Revenue Account (which account may not be created while any PRI Obligations, such as the Series 2018 PRI Bonds, are outstanding).
[7] Funds in the Shared Revenue Account are applied to fund debt service solely with respect to the Series 2007A Subordinate Bonds and any other Subordinate Obligations issued to fund Primary Public Improvements. Only Credit PIF Revenue on deposit in this account may be used to fund the Series 2007A Subordinate Bonds as the Shared Sales Tax Incremental Revenue and the Shared General Fund Sales Tax Revenues are not pledged to pay the Series 2007 Subordinate Bonds.

Revenue Fund; Funding of Debt Service Generally

(a) The Master Indenture establishes with the Trustee a Revenue Fund, which is to be maintained by the Trustee thereunder and which includes therein the following separate and segregated accounts and subaccounts:

(i) the Non-PIF Revenue Account;

(ii) the Add-On PIF Revenue Account;

(iii) the Shared Revenue Account; and

(iv) the Park and Recreation Credit PIF Revenue Account.

(b) The Master Indenture provides that, immediately upon the receipt thereof, the Trustee is to deposit all Pledged Revenue as follows:

(i) prior to the PRI Credit PIF Termination Date and after none of the PRI Obligations remain outstanding under the documents pursuant to which such PRI Obligations were issued, (x) the PRI Credit PIF Revenue into the Park and Recreation Credit PIF Revenue Account, and (y) all remaining Shared Revenue into the Shared Revenue Account;

(ii) after the PRI Credit PIF Termination Date or while any PRI Obligations remain outstanding under the documents pursuant to which such PRI Obligations were issued, all Shared Revenue into the Shared Revenue Account;

(iii) all Add-On PIF Revenue into the Add-On PIF Revenue Account; and

(iv) all remaining Pledged Revenue into the Non-PIF Revenue Account.

(c) When making deposits in any account or subaccount to pay interest or principal due on any Bond thereunder, the Master Indenture provides that the Trustee is to take into account any deficiency in required deposits in such account or subaccount in prior months, including without limitation accrued but unpaid interest, if any, and unpaid principal and any such deposits are to be made in the amounts necessary to fund such prior deficiency to the extent the Pledged Revenue is available therefor.

For full descriptions (including the flow of funds therein) of the Project Fund, Non-PIF Revenue Account, Add-On PIF Revenue Account, Shared Revenue Account, Park and Recreation Credit PIF Revenue Account, Senior Bond Fund, Rebate Fund, Senior Reserve Fund, Administrative Costs Fund, Subordinate Obligations Fund, Subordinate Reserve Account, Surplus Fund and Costs of Issuance Fund created and established under the Master Indenture, see "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

Additional Bonds

The Master Indenture provides that, after issuance of the Series 2017 Bonds, the Series 2024 Bonds, the Series 2026 Bonds and the Series 2007 Subordinate Bonds, no Additional Bonds may be issued except in accordance with the provisions of the Master Indenture regarding Additional Bonds. See "APPENDIX

H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE." Nothing in the Master Indenture is to be interpreted as permitting the Issuer to create, incur, assume, or suffer to exist any liens or encumbrances upon the Pledged Revenue or any part thereof superior to the lien thereon of the Senior Bonds. Unless all PRI Obligations are defeased or paid in full pursuant to the documents pursuant to which they were issued (including the Series 2018 PRI Bonds), the Issuer may not issue any Park and Recreation Improvements Bonds under the Master Indenture.

Issuance of Additional Senior Bonds. The Master Indenture provides that the Issuer may issue Senior Bonds in such principal amounts as the Issuer may determine upon satisfaction of the following requirements, provided that such Senior Bonds are to be designated by separate Series.

(a) *No Unpaid Debt Service*. The Issuer has made all payments required by Article V of the Master Indenture with respect to the Outstanding Senior Bonds during the twenty-four calendar months immediately preceding the issuance of such Senior Bonds; and

(b) *Revenues Test*. The Issuer has provided to the Trustee a written report, which report is to be prepared by an Independent Consultant, concluding that:

(i) subject to the provisions of the Master Indenture described in paragraph (iii) below, the Pledged Revenue deposited with the Trustee during the twelve month period ending no later than sixty (60) days and no sooner than thirty (30) days prior to the Issue Date of the Senior Bonds equal to not less than 1.3 times the Average Annual Debt Service with respect to all Senior Bonds that will remain Outstanding following the issuance of such Senior Bonds, including the Senior Bonds to be issued; provided, however that, for purposes of the calculation described in this subparagraph (i) only, if prior to the issuance of the Senior Bonds the Issuer has by resolution of its Board authorized and irrevocably pledged to deposit to the Revenue Fund, through the final maturity date of all Bonds to be Outstanding under the Master Indenture, legally available moneys of the Issuer constituting recurring revenues of the Issuer, in addition to those authorized and pledged during the full Fiscal Year immediately prior to the issuance of the Senior Bonds, the actual Pledged Revenue for such Fiscal Year may be adjusted by adding thereto an amount, as determined by such Independent Consultant, that is equal to the estimated increase in revenues which would have been realized during such Fiscal Year had such additional legally available moneys of the Issuer been pledged during such Fiscal Year; or

(ii) subject to the provisions of the Master Indenture described in paragraph (iii) below, (A) the Pledged Revenue deposited with the Trustee during the twelve month period ending no later than sixty (60) days and no sooner than thirty (30) days prior to the Issue Date of the Senior Bonds equals not less than 1.25 times the Annual Debt Service (net of capitalized interest) due during such twelve-month period with respect to all Senior Bonds Outstanding immediately prior to the issuance of the Senior Bonds, and (B) based on such Independent Consultant's reasonable projections, the Pledged Revenue expected to be received by the Issuer during each Fiscal Year while such Senior Bonds will be Outstanding will equal not less than 1.40 times the Annual Debt Service with respect to all Senior Bonds (net of capitalized interest amounts for the Senior Bonds that is estimated to be on deposit in any Funds under the Master Indenture and amounts estimated to be on deposit in the Senior Reserve Fund during such period) that will remain Outstanding following the issuance of such Senior Bonds, including the Senior Bonds proposed to be issued; provided that such Independent Consultant's projections may only take into account (x) with respect to the Shared Revenue, commercial retail establishments that are in

operation and such space that is subject to a sale or lease agreement which obligates an owner or a tenant to open for at least one day and such space is scheduled to commence operations within ninety (90) days of the date of such Independent Consultant's calculation, (y) with respect to the Facilities Fees, only such buildings which are under construction, or construction of which the Developers or their assigns are contractually obligated to commence, and (z) with respect to the Capital Levies, such ad valorem property taxes, which are generated based on the Financing Districts' most recent preliminary or final certified assessed valuations, plus assessed valuation improvements included in clause (x) above and any completed residential buildings, as such assessed valuation is determined by the Independent Consultant to the extent it has not been included in the Financing Districts' most recent preliminary or final certified assessed valuation; and

(iii) while the Series 2007 Subordinate Bonds are Outstanding, for purposes of calculating historic and prospective revenue tests described in paragraphs (i) and (ii) above, debt service on the Series 2007 Subordinate Bonds and any proposed Additional Bonds (whether Senior Bonds or Subordinate Obligations) is to be included in the calculation of the Annual Debt Service; provided, however, that this requirement may be waived with the prior written consent of Owners of at least fifty-one percent (51%) of aggregate principal amount of the Series 2007 Subordinate Bonds Outstanding[1].

(c) The Issuer has provided to the Trustee a resolution of the Board authorizing the issuance of such Series of Senior Bonds; and

(d) The Issuer and the Trustee have entered into a Supplemental Indenture authorizing the issuance of the Series of Senior Bonds, which Supplemental Indenture specifies the following:

(i) The Series designation, the name, the aggregate principal amount, the Authorized Denominations, the dated date, the maturity date or dates and the form of the Senior Bonds and such other provisions as are appropriate to describe the terms of such Senior Bonds;

(ii) If the Senior Bonds are Current Interest Bonds, the interest rate or rates, if any, or the method for determining the interest rate or rates on the Senior Bonds, which rates may be fixed, adjustable or variable or any combination thereof, and, if any such rate is adjustable or variable, the standard, index or formula to be used to determine the interest rate and the maximum interest rate applicable to the Senior Bonds, and the Interest Payment Date or Dates for the payment of such interest;

(iii) If the Senior Bonds are Capital Appreciation Bonds, the Maturity Value, Accreted Value and Accretion Dates, or the manner of determining the same, for the Senior Bonds;

(iv) The redemption provisions, if any, for the Series of Senior Bonds;

(v) The manner in which the proceeds of the Series of Senior Bonds are to be applied; and

[1] Such requirement will be waived by the Owner of the Series 2007 Subordinate Bonds in connection with the issuance of the Series 2026 Bonds.

(vi) Any variations in the terms set forth in the Master Indenture with respect to the Series of Senior Bonds.

(e) The Issuer has provided to the Trustee:

(i) A written opinion of Bond Counsel to the effect that (A) the Series of Senior Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special limited obligations of the Issuer entitled to the benefit of the Master Indenture; and (B) the issuance of such Series of Senior Bonds will not adversely affect the exclusion from gross income for federal tax purposes of interest on any Outstanding Tax-Exempt Bonds[1];

(ii) An executed counterpart of the Supplemental Indenture described in subparagraph (d) above; and

(iii) If the Senior Bonds are to be payable in whole or in part from Shared Revenue, either (i) prior written consent of the City to the Supplemental Indenture or (ii) a written confirmation from the City that the Issuer is in substantial compliance with the applicable provisions of the Comprehensive Agreement, which compliance is to be established in accordance with the Comprehensive Agreement.

(f) If the Senior Bonds are to be secured by a lien on all or any portion of the Shared Revenue, to the extent required by the Comprehensive Agreement, the maturity date of such Senior Bonds is not to extend beyond December 31, 2050 without the prior approval of the City Council.

(g) The Issuer is in substantial compliance with the Master Indenture and all Supplemental Indentures authorizing the issuance of Outstanding Bonds, as evidenced by a certificate of the Issuer Representative to such effect.

(h) There has been delivered to the Trustee any additional certificates or opinions that may be required by Bond Counsel or the Trustee.

Refunding Bonds. The Master Indenture provides that:

(a) Subject to the provisions of the Master Indenture described in paragraph (c) below, Refunding Bonds which constitute Senior Bonds may be issued in such principal amounts as may be necessary to refund any Senior Bonds, if:

(i) scheduled payments of principal (whether pursuant to optional or mandatory redemption or otherwise) and interest on such Refunding Bonds in each Fiscal Year will be lower than the scheduled payments (whether pursuant to optional or mandatory redemption or otherwise) and interest on a Series of Senior Bonds being refunded, provided, however, that if the final maturity of the Refunding Bonds is later than the final maturity of the Series of Senior Bonds being refunded, then the Annual Debt Service on all Senior Bonds remaining Outstanding after the issuance of the Refunding Bonds, in each Fiscal Year following the final maturity date of the Series of Senior Bonds being refunded is to be less than the highest aggregate Annual Debt Service (excluding

[1] Such requirement will be waived by the Owner of the Series 2007 Subordinate Bonds in connection with the issuance of the Series 2026 Bonds.

redemption premium, if any) due on all Outstanding Senior Bonds in any Fiscal Year prior to the issuance of the Refunding Bonds; and

(ii) prior thereto or simultaneously therewith there are filed with Trustee:

(A) The documents required under the Master Indenture as described in paragraphs (c), (d) and (e) under "*—Issuance of Additional Senior Bonds*" above, provided that any references in that section to "Senior Bonds" are to be deemed, for purposes of the sections of the Master Indenture described under this heading "*—Refunding Bonds*," to refer to "Refunding Bonds"; and

(B) If any Bonds to be refunded are to be called for prior redemption at the option of the Issuer, a certificate of the Issuer Representative that irrevocable instructions to give due and timely notice of such redemption have been given pursuant to the provisions of the Master Indenture.

(b) Subject to the provisions of the Master Indenture described in paragraph (c) below, Refunding Bonds which constitute Subordinate Obligations may be issued in such principal amounts as may be necessary to refund any Subordinate Obligations in whole or in part, if prior thereto or simultaneously therewith there are filed with Trustee:

(i) The documents required under the Master Indenture as described in paragraphs (c), (d) and (e) under "*—Issuance of Additional Senior Bonds*" above, provided that any references in that section to "Senior Bonds" are to be deemed, for purposes of the sections of the Master Indenture described under this heading "*—Refunding Bonds*," to refer to "Refunding Bonds"; and

(ii) If any Bonds to be refunded are to be called for prior redemption at the option of the Issuer, a certificate of the Issuer Representative that irrevocable instructions to give due and timely notice of such redemption have been given pursuant to the provisions of the Master Indenture.

(c) Notwithstanding the foregoing, while the Series 2007 Subordinate Bonds are Outstanding, unless Owners of at least fifty-one percent (51%) in aggregate principal amount of the Series 2007 Subordinate Bonds provide their prior written consent to the issuance of the Refunding Bonds without complying with the provisions of the Master Indenture described in this paragraph (c), Refunding Bonds which constitute Senior Bonds may be issued only to refund Senior Bonds and Refunding Bonds which constitute the Subordinate Obligations may be issued only to refund Subordinate Obligations and such Refunding Bonds may be issued in such principal amount as may be necessary to refund any Senior Bonds and Subordinate Obligations, as applicable, if:

(i) upon the issuance of the Refunding Bonds, the scheduled payments of principal (whether pursuant to mandatory redemption or otherwise) and interest on all Outstanding Bonds in each Fiscal Year will be lower than the scheduled payments of principal (whether pursuant to mandatory redemption or otherwise) and interest on all Outstanding Bonds immediately prior to the issuance of such Refunding Bonds; <u>provided, however</u>, that if the final maturity of the Refunding Bonds is later than the final maturity of the Bonds being refunded, then the Annual Debt Service on all Bonds Outstanding immediately upon the issuance of the Refunding Bonds in each Fiscal Year following the final maturity date of the Bonds being refunded is to be less than the highest Annual Debt

Service due on all Outstanding Bonds in any Fiscal Year prior to the issuance of the Refunding Bonds; and

(ii) documents required by the Master Indenture as described in paragraph (b) above are filed with the Trustee prior to or simultaneously with the issuance of the Refunding Bonds.

(d) Subject to the rights of the Financing Districts under the provisions of the Master Indenture to consent to any amendments to the provisions of the Master Indenture described under this heading "*—Refunding Bonds*," the provisions of the Master Indenture described in paragraph (c) above are made for the benefit of the Owners of the Series 2007 Subordinate Bonds and no Owner, other than the Owners of the Subordinate Obligations, is to have the right to enforce the same.

Additional Subordinate Obligations. The Master Indenture provides that:

(a) Subject to the provisions of the Master Indenture described in paragraph (b) below, nothing set forth in the Master Indenture is to be construed to prevent the Issuer from issuing additional Subordinate Obligations (in addition to the Series 2007 Subordinate Bonds); provided, however, that, as long as any Senior Bonds remain Outstanding, no failure to pay Annual Debt Service or breach or default with respect to such Subordinate Obligations is to constitute an Event of Default under the Master Indenture or thereunder or entitle the Owners of such Subordinate Obligations to exercise any right or remedy.

(b) While the Series 2007 Subordinate Bonds are Outstanding, any additional Series of Subordinate Obligations (other than Additional Bonds which are being issued as Subordinate Obligations to refund Subordinate Obligations with respect to which the provisions of the Master Indenture described in paragraph (b) under "*—Refunding Bonds*" above are to apply) may be issued only upon compliance with the provisions of the Master Indenture described in paragraph (b) under "*—Issuance of Additional Senior Bonds*" above and the provisions described in subparagraph (b)(iii) are to apply to the calculation of historic and prospective revenue tests set forth in the Master Indenture as described in paragraph (b) under "*—Issuance of Additional Senior Bonds*" above; provided, however, that the requirements of the Master Indenture described in this paragraph (b) may be waived with the prior written consent of Owners of at least fifty-one percent (51%) of aggregate principal amount of the Series 2007 Subordinate Bonds Outstanding.

(c) The provisions of the Master Indenture described in paragraph (b) above are made for the benefit of the Owners of the Series 2007 Subordinate Bonds and no other Owner is to have the right to enforce the same.

(d) The Subordinate Obligations payable in whole or in part from the Shared Revenue may be issued under the Master Indenture only if the Issuer is in substantial compliance with the applicable provisions of the Comprehensive Agreement, which compliance is to be established in accordance with the Comprehensive Agreement, unless the City consents in writing to the issuance of such Subordinate Obligations.

(e) If the Subordinate Obligations are secured by a lien on all or any portion of the Shared Revenue, to the extent required by the Comprehensive Agreement, the maturity date of such Subordinate Obligations is not to extend beyond December 31, 2050 without the prior approval of the City Council.

(f) Any Subordinate Obligations may be authorized and designated as such by resolution, by Supplemental Indenture or by any other agreement or instrument of the Issuer.

Equality of Bonds. The Master Indenture provides that all Bonds which are issued in conformity with the Master Indenture and are from time to time Outstanding are to be equally and ratably secured by a lien on the Pledged Revenue (except that (i) each Series of Bonds is to be secured by the PIF Revenue only to the extent provided in the Master Indenture, (ii) the Subordinate Obligations are to in all respects be junior and subordinate to the Senior Bonds), (iii) the Series 2007 Subordinate Bonds are not to be secured by the Shared General Fund Sales Tax Revenues and the Shared Sales Tax Incremental Revenues, and (iv) there is to be such other preferences, privileges, priorities and distinctions among the Senior Bonds and Subordinate Obligations as are expressly set forth in the Master Indenture), and no Bond is to be entitled to any priority over the other in the application of the Pledged Revenue regardless of the time or times of the issuance of the Bonds, it being the intention of the parties to the Master Indenture that there is to be no priority among the Bonds regardless of the fact that they may be actually issued and delivered at different times except to the extent of the priority described in the parentheticals above; provided that nothing in the Master Indenture is to be construed to preclude the creation of separate reserve funds or the obtaining of separate surety bonds, credit facilities, or insurance policies for an issue of Additional Bonds, which may or may not be pledged toward the payment of the other Series of Bonds. The Series 2017A Reserve Subaccount and the Series 2017B Reserve Subaccount in the Senior Reserve Fund are to only secure the applicable Series of Series 2017 Bonds, the Series 2024A Reserve Subaccount and the Series 2024B Reserve Subaccount in the Senior Reserve Fund are only to secure the applicable Series of Series 2024 Bonds, and the Series 2007 Subordinate Reserve Account is to only secure the applicable series of the Series 2007 Subordinate Bonds. Additionally, future accounts in the Senior Reserve Fund (such as the Series 2026 Reserve Account) and Subordinate Obligations Fund are to secure such Senior Bonds (such as the Series 2026 Bonds) and Subordinate Obligations, respectively, as is to be specified in a related Supplemental Indenture.

Accounting for Shared Revenue

The Master Indenture provides that the Trustee is to maintain an accounting of the proceeds of all Bonds, together with interest earnings thereon, that have been expended on Primary Public Improvements, and the amount of Shared Revenue that has been disbursed by the Trustee to the Issuer to reimburse the Issuer for Primary Public Improvements.

Upon expiration of the Credit PIF Period, the Trustee is to prepare a final accounting for the Issuer and the City setting forth the amount of Shared Revenue, if any, spent on the District Public Improvements, based solely on disbursements from the accounts and subaccounts of the Project Fund and transfers from the Shared Revenue Account to the Add-On PIF Revenue Account pursuant to the Master Indenture and not reimbursed by the Issuer from the Add-On PIF Revenue Account in accordance with the Master Indenture (the "**Unreimbursed Shared Revenue**"). If there is money on deposit in the Non-PIF Revenue Account and/or the Add-On PIF Revenue Account, the Trustee is to transfer moneys to the Shared Revenue Account in an amount equal to the Unreimbursed Shared Revenue. In the event moneys on deposit in the Non-PIF Revenue Account and the Add-On PIF Revenue Account are not sufficient to repay the Unreimbursed Shared Revenue, the Issuer is to pay such amount to the City pursuant to the provisions of the Comprehensive Agreement.

For a full description of the provisions of the Master Indenture providing for the accounting of Shared Revenue, see "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS

Limited Obligations

The Series 2026 Bonds are limited tax supported, special revenue obligations of the Issuer and the principal or redemption price thereof, interest and premium, if any, thereon and other expenses in connection therewith are payable solely from and to the extent of the Pledged Revenue, as provided in the Master Indenture.

Reserve Account

The payment when due of the principal of and interest on the Series 2026 Bonds is also secured by amounts on deposit in the Series 2026 Reserve Account of the Senior Reserve Fund which is initially anticipated to be funded from proceeds of the Series 2026 Bonds in the amount of $1,505,156.25* (as previously defined, the "**Series 2026 Bonds Reserve Requirement**").

Pledged Revenue

The "**Pledged Revenue**" consists of the following components: (a) all PIF Revenue required to be deposited with the Trustee pursuant to the Master Indenture; (b) all Facilities Fees Revenue of the Financing Districts; (c) all Capital Levies Revenue of the Taxing Districts; (d) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Capital Levies; (e) the Shared Sales Tax Incremental Revenues; (f) the Shared General Fund Sales Tax Revenues; (g) any profit (including interest earnings) from investments of money in certain of the Funds held under the Master Indenture which are credited to the Non–PIF Revenue Account and other Funds and accounts as provided therein; and (h) any other legally available amounts that the Issuer may designate, by resolution of its Board, to be paid to the Trustee for deposit into the Non–PIF Revenue Account or otherwise held under the Master Indenture.

The various components of Pledged Revenue are expected to be received pursuant to various agreements as described herein. The Series 2026 Bonds constitute an irrevocable and first lien upon the Pledged Revenue, but not necessarily an exclusive such lien. The Series 2026 Bonds constitute additional Senior Bonds under the Master Indenture, secured on a parity lien basis with the Series 2017 Bonds and the Series 2024 Bonds. See "INTRODUCTION—Prior Bonds."

The following "TABLE II—Components of Pledged Revenue" sets forth the various components of Pledged Revenue pledged under the Master Indenture to the Series 2026 Bonds.

IMPORTANT CAUTION: The information in "TABLE II—Components of Pledged Revenue" is for illustrative purposes only and is not intended to be a legal interpretation of the Master Indenture, the PIF Covenants, the Cooperation Agreement, the Sales Tax Sharing Agreement or any other instrument and reference is made to the descriptions contained in this Limited Offering Memorandum with respect thereto.

* Preliminary; subject to change.

TABLE II
Components of Pledged Revenue

Pledged Revenue	Applicable Documents	Applicable Property	Amount	Termination Date
PIF Revenue[1]				
Add-On PIF	Primary PIF Covenant; Major Retail PIF Covenant; Bromley Park PIF Covenant	PIF Property	1.00%	*Primary PIF Covenant and Bromley Park PIF Covenant*: the first date on which ***all*** of the following have occurred: (a) all Bond Requirements have been paid in full and no Bonds (which includes the Series 2026 Bonds) remain outstanding; (b) the Declarant, its Affiliates and/or the Districts have been reimbursed for all expenses incurred or moneys advanced by them for any Public Improvements Costs; and (c) all Public Improvements Costs have otherwise been paid in full. *Major Retail PIF Covenant*: on the ***earlier to occur*** of (a) December 10, 2054 or (b) the first date on which both of the following have occurred: (i) all Bond Requirements have been paid in full and there are no longer any Bonds (which includes the Series 2026 Bonds) outstanding and (ii) the Declarant, its Affiliates and/or the Districts have received all reimbursable amounts to which they are entitled pursuant to the Public Financing Documents or any other agreement between or among the Declarant, any of its Affiliates, or any District for any Public Improvements Costs
Credit PIF	Primary PIF Covenant; Major Retail PIF Covenant	PIF Property (excluding the Bromley Park PIF Property)	1.00%[2]	
Facilities Fees Revenue[3]	Pledged to the Series 2026 Bonds pursuant to the Capital Pledge Agreement and District No. 10 Pledge Agreement; imposed pursuant to the Fee Resolutions	District Nos. 4, 5, 10	$0.75/sf (Commercial Facilities Fee) $500 per apartment unit and $3,000 per single-family detached dwelling unit (Residential Facilities Fee)	N/A (or full build-out of the applicable property)
Capital Levies Revenue[4]	Capital Pledge Agreement	District Nos. 4, 5	40 mills; 25 mills[5]	N/A
Shared Sales Tax Incremental Revenues	Cooperation Agreement	Plan Area	Allocated Increment Amount	SSTI Termination Date (i.e., April 3, 2037) or earlier[6]
Shared General Fund Sales Tax Revenues	Sales Tax Sharing Agreement	SGFST Revenue Area	Applicable SGFST Percentage of GF Retail Sales	On the ***earlier to occur*** of (a) the Issuer's repayment in full or defeasance of all the Issuer's bonds or other obligations (which include the Series 2026 Bonds) that are secured by a lien on all or any portion of the Shared Revenues (which include the Shared General Fund Sales Tax Revenues) and the repayment in full of all Developer Advances (within the meaning of the Comprehensive Agreement) incurred in connection with the financing, design and construction of Primary Public Improvements or (b) the Issuer's receipt of Shared Revenues to pay or reimburse the Issuer for costs of Primary Public Improvements in an amount equal to the Cap Amount, plus receipt of Shared Revenues in an amount sufficient to pay or reimburse the Issuer for all eligible interest and financing costs incurred by the Issuer for constructing the Primary Public Improvements.

[1] Consisting of the Sales PIF and Use PIF
[2] Although the Credit PIF is imposed at a rate of 1.25%, only 1.00% is pledged to the payment of the Series 2026 Bonds.
[3] Consisting of the revenue generated from the Facilities Fees (consisting of the Commercial Facilities Fees and Residential Facilities Fees).
[4] The portion of the Specific Ownership Tax which is collected as a result of imposition of the Capital Levies is also included in Pledged Revenue and is pledged to the Issuer pursuant to the Capital Pledge Agreement.
[5] Subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement on or after January 1, 2006, and if in any Levy Year (x) there remain unpaid any Annual Bond Costs in any prior calendar year with respect to the Senior Bonds or (y) amount on deposit in the Senior Reserve Fund does not equal the amount then required by the Indenture to be on deposit therein, then the mill levies in such Levy Year are to be adjusted to equal 50 mills for each Taxing District.
[6] Prior to the SSTI Termination Date, the Cooperation Agreement will be terminated earlier upon the first to occur of: (i) the full repayment or defeasance of all Issuer obligations that are secured by a lien on all or any portion of the Shared Revenues and the full repayment of all Developer Advances (within the meaning of the Comprehensive Agreement) incurred in connection with the financing, design and construction of Primary Public Improvements; or (ii) the Issuer's receipt of Shared Revenues to pay or reimburse the Issuer for costs of Primary Public Improvements in an amount equal to the Cap Amount, plus receipt of Shared Revenues in an amount sufficient to pay or reimburse the Issuer for all eligible interest and financing costs incurred by the Issuer.

Comprehensive Agreement

Overview. The Comprehensive Agreement establishes, among other matters, a framework for the construction and financing of certain of the public infrastructure required for the Prairie Center Master Development, including financing of certain public infrastructure with Shared Revenue (defined below). The Comprehensive Agreement also sets forth certain requirements and procedures relating to land use planning and design matters, including, without limitation, the zoning and platting process. Reference is made to the full text of the Comprehensive Agreement, a copy of which is available upon request as provided in "INTRODUCTION—Additional Information." In conjunction with the issuance of the Series 2026 Bonds, the Issuer expects to receive an opinion from Butler Snow LLP, as counsel to the City, that the Comprehensive Agreement represents a valid and binding obligation of the City enforceable in accordance with its terms.

Types of Public Infrastructure. The Comprehensive Agreement categorizes the public infrastructure required for the Prairie Center Master Development and legally permitted to be funded by the Districts into Primary Public Improvements (of which Park and Recreation Primary Public Improvements are a part) and District Public Improvements. Primary Public Improvements are generally those public improvements that can be financed with Shared Revenue in accordance with the Comprehensive Agreement, while District Public Improvements generally comprise all other public improvements that may be provided by the Districts under their respective Service Plans. The Comprehensive Agreement contains an illustrative list of Primary Public Improvements. Park and Recreation Primary Public Improvements are described in "THE DISTRICTS—Material Agreements of the Districts—*Comprehensive Agreement*."

Shared Revenue. The term "**Shared Revenue**" is defined in the Comprehensive Agreement to include the Credit PIF Revenue, the Shared Sales Tax Incremental Revenues, the Shared General Fund Sales Tax Revenues (each as defined below) and certain City fees that the City has agreed to remit to the Issuer or the bond trustee for reimbursement of certain Primary Public Improvement costs. All of the foregoing components of the Shared Revenue, *except* the City fees, constitute a portion of the Pledged Revenue under the Master Indenture. Various provisions of the Comprehensive Agreement relating thereto are described in more detail in "THE DISTRICTS—Material Agreements of the Districts—*Comprehensive Agreement*." See also "SOURCES OF PLEDGED REVENUE: PUBLIC IMPROVEMENTS FEE (PIF) REVENUE" and "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE" for descriptions of each component of the Shared Revenue pledged under the Master Indenture.

Pursuant to the Comprehensive Agreement Assignment (defined herein), the rights of the Districts to receive Shared Revenue have been assigned to the Issuer.

Cap Amount. The Comprehensive Agreement places a cap of $146,476,239.71 (the "**Cap Amount**") on the costs of the construction of Primary Public Improvements which the Districts can finance from Shared Revenue, exclusive of interest costs (including interest accrued on Developer advances to the District to finance costs of Primary Public Improvements[1]) and certain other financing costs that are payable from the Shared Revenue in accordance with the terms of the Comprehensive Agreement, and exclusive of the costs of financing costs of Parks and Recreation Primary Public Improvements (which are subject to a separate cap). This means that, as long as the aggregate amount of soft and hard costs related to Primary

[1] The Comprehensive Agreement limits interest on Developer Advances that is eligible for reimbursement from the Shared Revenue to a simple per annum interest rate of 5%, which is lower than the rate of interest accruing on the Developer advances pursuant to the Funding and Acquisition Agreement. See "THE DISTRICTS—Material Agreements of the Districts—*Funding and Acquisition Agreement*."

Public Improvements do not exceed the Cap Amount, then the Shared Revenue may be used to pay the debt issued to finance or refinance such costs (including the Series 2026 Bonds, which are being issued to refinance debt that was originally issued to finance costs related to Primary Public Improvements), including related interest costs and financing costs. As of June 30, 2026, the Districts had incurred $82,836,629 in costs of construction of Primary Public Improvements (including costs financed with the Series 2007 Subordinate Bonds that are being refinanced with the Series 2026 Bonds), resulting in $63,639,611 of the Cap Amount remaining. Such costs include hard costs and eligible soft costs incurred by the Issuer in the amount of $73,545,284 and District No. 7 in the amount of $9,291,345.

The Series 2007A Subordinate Bonds, the Series 2017A Bonds, the Series 2024A Bonds, the Series 2026 Bonds and any future bonds of the Issuer issued to finance the costs of the Primary Public Improvements are referred to herein as the "**Primary Improvement Bonds**."

Limitations on Application of Shared Revenues. Pursuant to the Comprehensive Agreement, the Shared Revenues are to be applied to the costs of Primary Public Improvements, including principal and interest on sums advanced by the Developer for such purpose, subject to limitations set forth in the Comprehensive Agreement, and debt service on the Primary Improvements Bonds; *provided, however*, that the Trustee is permitted to apply Shared Revenues to debt service on bonds issued to finance District Public Improvements (including the Series 2024B Bonds, the Series 2017B Bonds and the Series 2007B Subordinate Bonds (but only with respect to Credit PIF Revenue)), so long as there is a procedure in place to provide for the replenishment of such amounts advanced as soon as possible. The Master Indenture implements such procedure, as more particularly described under "THE MASTER INDENTURE—Accounting for Shared Revenue" herein. The Comprehensive Agreement also contains certain other provisions relating to the application of revenues held under the Master Indenture. Such restrictions of the Comprehensive Agreement have been implemented by the Master Indenture as described in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

Certain other provisions of the Comprehensive Agreement are described in "THE DISTRICTS—Material Agreements of the Districts—*Comprehensive Agreement*."

SOURCES OF PLEDGED REVENUE: PUBLIC IMPROVEMENTS FEE (PIF) REVENUE

Public Improvements Fee (PIF) Revenue In General

The PIF Revenue (as more particularly defined below) generally consists of revenue derived from a public improvements fee (a "**PIF**") privately imposed by landowners pursuant to the PIF Covenants (defined below) on certain PIF Sales and Use Tax Activities occurring from or within property against which the PIF Covenants are recorded, all as described below. The PIF Covenants are recorded against the real property shown on the "PIF PROPERTY BOUNDARY MAP" set forth on page ix located at the front of this Limited Offering Memorandum (as more particularly defined below, the "**PIF Property**"). The Primary PIF Covenant identifies Additional PIF Property as property that the PIF Declarant under the Primary PIF Covenant may include within the Primary PIF Property as land subject to the Credit PIF and Add-On PIF by recordation of an instrument providing so, but as of the date of this Limited Offering Memorandum, such Additional PIF Property has not been included in the Primary PIF Property and, therefore, is not subject to the imposition of the PIF. Nothing in the Primary PIF Covenant obligates the Declarant to include the Additional PIF Property into the PIF Property for the purpose of generating additional PIF Revenue to secure bonds issued by the Issuer under the Master Indenture. ***The nature of the PIF is that of a privately imposed fee. The PIF is not a tax and is not imposed through the exercise of any governmental taxing authority***.

Add-On PIF; Credit PIF. Generally, there are two types of PIFs: an "Add-On PIF" and a "Credit PIF." Each type of PIF is a public improvements fee imposed on specified transactions in addition to any taxes (such as sales or use tax) imposed on such transactions. A Credit PIF is a public improvements fee which is also imposed on specified transactions in addition to any taxes (such as sales or use tax) imposed on such transactions; provided, however, that such fee will, when paid by the obligor, result in a credit by the applicable governmental entity (in this case, the City) against the particular tax then due and owing at the same rate of the public improvements fee imposed and collected. See the PIF/City Sales Tax Example in "—Terms of PIF Covenants—*Sales PIF*" and "—Sales/Use Tax Credit; Credit PIF Period" below.

The PIF Revenue pledged to the Series 2026 Bonds consists of both Add-On PIF revenue and Credit PIF revenue, as more particularly described below.

PIF Revenue

Definition of PIF Revenue; Certain Exclusions. The PIF Revenue is pledged to the payment of the Series 2026 Bonds until such time as the Series 2026 Bonds are no longer Outstanding under the Master Indenture. The Master Indenture defines the PIF Revenue as follows:

"***PIF Revenue***" means revenue, except for the Excluded PIF Revenue, derived from the imposition of the PIF on the PIF Property, net of costs of collection (except for the fees of PIF Collecting Agent which shall not be paid from the PIF Revenue), which PIF is payable to the Issuer or the Trustee pursuant to the PIF Covenants, the Comprehensive Agreement, and the PIF Collection Agreement.

Excluded PIF Revenue consists of revenue generated from the PIF applied to transactions that are subject to use taxes (on building materials only) which occur within the portion of the PIF Property consisting of a residential development in District No. 7.

Notwithstanding the foregoing definition of PIF Revenue, the Master Indenture provides that the PRI Credit PIF Revenue does not constitute PIF Revenue while any PRI Obligations are outstanding under the documents pursuant to which they were issued. Further, even after the PRI Obligations are no longer outstanding, the PRI Credit PIF Revenue may be pledged only to pay Park and Recreation Improvements Bonds. The Series 2026 Bonds do not constitute Park and Recreation Improvements Bonds within the meaning of the Master Indenture.

The Issuer issued $4,510,000 of its Special Revenue Bonds (Park and Recreation Improvements) Series 2018 (as previously defined, the "**Series 2018 PRI Bonds**"), which constitute PRI Obligations within the meaning of the Master Indenture and are secured solely by the PRI Credit PIF Revenue. ***Accordingly, only that portion of Credit PIF revenue derived from imposition of the Credit PIF at the rate of 1.00% is pledged under the Master Indenture to the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds and the Series 2007 Subordinate Bonds.***

More specifically, the PIF payable to the Issuer or the Trustee pursuant to the PIF Covenants, the Comprehensive Agreement, and the Collection Agreement is anticipated to consist of Sales PIF revenues remitted by each Sales PIF Retailer under the PIF Covenants and Use PIF revenues remitted by each Use PIF Obligor under the PIF Covenants, but excluding the Excluded PIF Revenue, and may also consist of Default Interest and Late Charges paid under the PIF Covenants and any amounts paid by the City as a result of a failure of a PIF Obligor to pay the Credit PIF on PIF Sales or Use Tax Activities, as applicable, occurring within the Primary PIF Property or the Major Retail PIF Property.

See "APPENDIX C—SELECTED DEFINITIONS" and "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF

THE SECOND SUPPLEMENTAL INDENTURE" for definitions of "Excluded PIF Revenue," "PRI Credit PIF Revenue," "PRI Obligations," "Sales PIF Retailer" and "PIF Obligor."

Restrictions on Application of PIF Revenue. Because the Credit PIF Revenue is one of the components of the Shared Revenue pursuant to the Comprehensive Agreement, it is subject to restrictions on application of the Shared Revenue as described under "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS—Comprehensive Agreement—*Limitations on Application of Shared Revenue*" above.

By contrast, the Add-On PIF Revenue is not limited and may be applied to any public improvements that the Districts are lawfully authorized to provide, and to bonds or other obligations issued to finance such improvements including, without limitation, the Series 2026 Bonds.

Issuer Owns PIF Revenue. The PIF Covenants provide that the Districts and District No. 1 have all right, title and interest in the PIF Revenue in accordance with the PIF Covenants and the Public Financing Documents (as defined in "APPENDIX C—SELECTED DEFINITIONS"). Pursuant to a joint resolution by the Boards of Directors of District Nos. 1, 2, 4, 5, 6, 7, 8, 9 and 10 (the "**PIF Revenues Joint Resolution**"), each of District Nos. 1, 2, 4, 5, 6, 7, 8, 9 and 10 have disclaimed and waived their respective right, title or interest in and to any and all portions of the PIF Revenue and the Excluded PIF Revenue (which has been assigned by the Issuer to District No. 7), and have authorized the use by the Issuer of such revenue.

PIF Covenants In General; PIF Property

The PIF Covenants are comprised of the Primary PIF Covenant; the Major Retail PIF Covenant; and the Bromley Park PIF Covenant (collectively, the "**PIF Covenants**"), all of which have been recorded in the County real estate records against the applicable property as described below. See the "PIF PROPERTY BOUNDARY MAP" set forth on page ix located at the front of this Limited Offering Memorandum for a map of the property against which each PIF Covenant is recorded.

Primary PIF Covenant. The Primary PIF Covenant imposes the PIF on approximately 1,120 acres of real property in the Prairie Center Master Development (as more precisely defined in the Primary PIF Covenant, the "**Primary PIF Property**"). The Primary PIF Property excludes the Home Depot and Super Target retail sites in the Prairie Center Master Development which are subject to the Major Retail PIF Covenant as described below. The Primary PIF Property consists of those parcels of property identified on the "PIF PROPERTY BOUNDARY MAP" at the front of this Limited Offering Memorandum as "Primary PIF Covenant," "Primary PIF Covenant First Supplement," and "Primary PIF Covenant Second Supplement." In addition, the Primary PIF Covenant identifies Additional PIF Property as property that the PIF Declarant under the Primary PIF Covenant may include within the Primary PIF Property as land subject to the Credit PIF and Add-On PIF by recordation of an instrument providing so, but as of the date of this Limited Offering Memorandum, such Additional PIF Property has not been included in the Primary PIF Property and, therefore, is not subject to the imposition of the PIF. Nothing in the Primary PIF Covenant obligates the Declarant to include the Additional PIF Property into the PIF Property for the purpose of generating additional PIF Revenue to secure bonds issued by the Issuer under the Master Indenture.

Major Retail PIF Covenant. The Major Retail PIF Covenant imposes the PIF on the property comprising the Home Depot and Super Target retail sites (the "**Major Retail PIF Property**"). The Major Retail PIF Property consists of those parcels of property identified on the "PIF PROPERTY BOUNDARY MAP" at the front of this Limited Offering Memorandum as "Major Retail PIF Covenant."

The PIF imposed pursuant to the Primary PIF Covenant and the Major Retail PIF Covenant is comprised of *both* an Add-On PIF (imposed at a rate of 1.00%) and a Credit PIF (imposed at a rate of 1.25%) with respect to *both* PIF Sales and Use Tax Activities; provided, however, that the Use Tax Activity occurring within the Major Retail PIF Property is not subject to the Add-On PIF.

Bromley Park PIF Covenant. The Bromley Park PIF Covenant imposes the PIF on approximately 123.887 acres of real property, all of which is currently located within District No. 10 (the "**Bromley Park PIF Property**"). The PIF imposed pursuant to the Bromley Park PIF Covenant is comprised *solely* of an Add-On PIF (imposed at a rate of 1.00%) on PIF Sales and Use Tax Activities.

The Primary PIF Property, the Major Retail PIF Property and the Bromley Park PIF Property are referred to herein, collectively, as the "**PIF Property**."

Although the PIF Covenants are recorded against certain property that is outside of the Initial Development, as of the date of this Limited Offering Memorandum, only property located within the Initial Development generates PIF Revenue. See the "PIF PROPERTY BOUNDARY MAP" set forth on page ix located at the front of this Limited Offering Memorandum for a map of the property against which each PIF Covenant is recorded.

Establishment of PIF Rates; Limitations on the Imposition of the PIF

Pursuant to the PIF Rate Establishment Resolutions, the Issuer, under the authority vested in it as the Service District under the PIF Covenants, established the PIF Rates for the PIF Property. See "PIF Rate" as defined in "APPENDIX C—SELECTED DEFINITIONS" hereto.

However, pursuant to the Primary PIF Covenant and the Major Retail PIF Covenant, the PIF rate is subject to the following requirements and limitations: (a) the difference (the "**Uniformity Constant**") resulting from (x) aggregate rate of all PIFs applicable to PIF Sales within any portion of the Primary PIF Property or the Major Retail PIF Property, minus (y) the percentage of the City sales tax on PIF Sales occurring within such portion of the Primary PIF Property or the Major Retail PIF Property, respectively, that the City has agreed to waive or credit pursuant to an agreement with the City (such as the Sales/Use Tax Credit which the City has agreed to grant pursuant to the Comprehensive Agreement) must be equal to the Uniformity Constant for every other portion of the Primary PIF Property or the Major Retail PIF Property, respectively. Additionally, pursuant to the Primary PIF Covenant and the Major Retail PIF Covenant, the aggregate rate of all PIFs imposed within any portion of the Primary PIF Property or the Major Retail PIF Property as applicable to any PIF Sales (and Use Tax Activities, with respect to the Primary PIF Covenant) may not exceed the sum of (x) the percentage of the City sales tax on PIF Sales occurring within such portion of the Primary PIF Property or the Major Retail PIF Property that the City has agreed to waive or credit (such as the Sales/Use Tax Credit), plus (y) 1.00%.

Further, pursuant to the Major Retail PIF Covenant, the Use Tax Activity occurring within the Major Retail PIF Property is only subject to the Credit PIF and not the Add-On PIF.

Terms of PIF Covenants

Sales PIF. The Sales PIF is imposed on PIF Sales, which the Issuer may from time to time establish pursuant to guidelines established by the Issuer; provided that such guidelines are to apply and be enforced in a uniform and consistent manner with respect to all of the applicable Primary PIF Property, Major Retail PIF Property or the Bromley Park PIF Property, respectively, for which such guidelines are established. The Issuer may provide that certain transactions occurring within the Primary PIF Property, the Major Retail PIF Property and/or the Bromley Park PIF Property are to be included within or excluded from the

definition of PIF Sales under the Primary PIF Covenant, the Major Retail PIF Covenant and/or the Bromley Park PIF Covenant, respectively, notwithstanding that such transactions may be included within or excluded from the Sales Tax imposed by the City pursuant to the Sales Tax Ordinance.

Pursuant to the PIF Rate Establishment Resolutions (defined herein), although the Credit PIF applies to PIF Sales of food for domestic home consumption (as defined in Section 39-26-1024.5, C.R.S., as amended) occurring within the Primary PIF Property and the Major Retail PIF Property, the Add-On PIF does *not* apply to such transactions within the PIF Property. Additionally, effective January 1, 2027, the Add-On PIF *will* apply to retail sales occurring within the PIF Property on items that are to be delivered to a location outside the City, notwithstanding that such items are not subject to City Sales Tax.

Under the PIF Covenants, each Sales PIF Retailer is to pay the Sales PIF monthly in arrears, within 20 days after the close of each calendar month, to the PIF Collecting Agent. Each Sales PIF Retailer is to report its PIF Sales and remit the appropriate Sales PIF revenue to the PIF Collecting Agent on a monthly basis when such Sales PIF Retailer reports and remits Sales Taxes to the City, employing reporting forms and following procedures provided by the PIF Collecting Agent intended to be substantially similar to those used and required by the City for the remittance of Sales Tax.

The Sales PIF is to be imposed on PIF Sales prior to the calculation and assessment of any City, County, or State sales tax and before any sales taxes of any other taxing authority required to be imposed by law. The City Sales Tax remitted to the City is net of the Sales Tax Credit. See the example set forth below for a PIF Sale of $100 occurring within the Primary PIF Property or the Major Retail Property. (There is no Credit PIF for PIF Sales occurring within the Bromley Park PIF Property.)

PIF/City Sales Tax Example [1]

		District Receives	**City Receives**
Base Price	$100.00		
Add-On PIF – 1%	1.00	$1.00	$ --
Credit PIF – 1.25%	1.25	1.25	--
Sales Price	102.25	$2.25	--
City Sales Tax [2]	2.56		$2.56
Consumer Pays [3]	$104.81		

[1] Applicable only to PIF Sales from or occurring within the Primary PIF Property and the Major Retail PIF Property.

[2] Computed at the rate of 2.50%, which is net of the Credit PIF. The City Sales Tax rate is 3.75%, less the Sales Tax Credit equal to the Credit PIF of 1.25%, for a net City Sales Tax of 2.50% applied to the Sales Price of $102.25. One-fifth (1/5) of the revenue derived from imposition of the Credit PIF on PIF Sales at the rate of 1.25% constitutes PRI Credit PIF Revenue which is *not* pledged to the Series 2026 Bonds.

[3] Sales Taxes imposed by other jurisdictions are not shown here. See "TABLE IV—Summary of Sales Taxes and PIF on PIF Sales Occurring Within PIF Property" for a summary of such other sales taxes.

For information regarding the total PIF and sales taxes of other taxing authorities (in addition to the City) imposed on PIF Sales occurring within the PIF Property, see "TABLE IV—Summary of Sales Taxes and PIF on PIF Sales Occurring Within PIF Property."

Use PIF. The Use PIF is imposed on Use Tax Activities, for which the Issuer may from time to time establish uniform guidelines further clarifying or delineating which construction activities constitute Use Tax Activities for purposes of calculating the PIF due on each Use Tax Activity within the meaning of the applicable PIF Covenant.

Each Use PIF Obligor is to pay the Use PIF in an amount equal to (a) the applicable percentage established by the Service District (which, as of the date of this Limited Offering Memorandum, is (i) 2.25% for Use Tax Activities occurring within the Primary PIF Property; (ii) 1.25% for Use Tax Activities occurring within the Major Retail PIF Property; and (iii) 1.00% for Use Tax Activities occurring within the Bromley Park PIF Property) of (b) 50% of the total costs for the subject Use Tax Activity as indicated on the building permit application submitted to the City for such Use Tax Activity. The Use PIF owed by a Use PIF Obligor for any Use Tax Activity is due and payable prior to such Use PIF Obligor obtaining a building permit from the City for such Use Tax Activity, and in no event is any Use Tax Activity to be commenced by or on behalf of any Use PIF Obligor prior to the payment of the Use PIF owed with respect to such Use Tax Activity. Each Use PIF Obligor is to pay the Use PIF relating to the applicable Use Tax Activity to the PIF Collecting Agent (or its designee). Notwithstanding the foregoing, one-fifth (1/5) of the revenue derived from imposition of Credit PIF component of the Use PIF at the rate of 1.25% on Use Tax Activities constitutes PRI Credit PIF Revenue which is *not* pledged to the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds or the Series 2007 Subordinate Bonds. Development within the Major Retail PIF Property has been fully achieved and no redevelopment or substantial reconstruction of the Major Retail PIF Property is anticipated; therefore, no additional Use PIF revenue is anticipated from Use Tax Activities occurring within the Major Retail PIF Property.

The Primary PIF Covenant and the Bromley Park PIF Covenant provide that the Declarant or any of its Affiliates may implement a system of reviewing and approving all proposed development and construction activities within the Primary PIF Property and the Bromley Park PIF Property, respectively, pursuant to which a Use PIF Obligor is required to demonstrate payment of the Use PIF as a precondition to commencing the applicable Use Tax Activity within the Primary PIF Property or the Bromley Park PIF Property, as applicable. Such a system has been implemented pursuant to the Declaration of Master Architectural Restrictions for Prairie Center, as further described under "DEVELOPMENT WITHIN THE INITIAL DEVELOPMENT—Acquisition; Encumbrances on Land—*Declaration of Master Architectural Restrictions for Prairie Center*."

Potential Exemption of Certain Use Tax Activities from Add-On PIF. The Issuer and the Declarant each have the right to exempt any Use Tax Activity from the obligation to pay the Add-On PIF where such Use Tax Activity is undertaken by or on behalf of the Declarant or any of its Affiliates and such Use Tax Activity occurs within or relating to the Primary PIF Property or the Bromley Park PIF Property. According to the Declarant, such exemptions have occurred previously and are anticipated to be made again in the future. See "RISK FACTORS—Risks Related to PIF Revenue—*Potential Exemption of Certain Use Tax Activities from Add-On PIF*."

Sales PIF and Use PIF Reporting. Each PIF Obligor is required to deliver to the Declarant or any of its Affiliates, the Issuer and the PIF Collecting Agent true and complete copies of all written reports, returns, statements and records (including amendments thereto) made or provided to the City or the State by such PIF Obligor in connection with all Sales Tax and Use Tax for the corresponding tax period or activity at the same time as such reports are delivered to the City or the State. If directed in writing by the Issuer, such reports are also to be provided to the City and the Bond Trustee.

Delinquent PIFs; Default Rate; Late Charge. Any PIF not paid when due under the PIF Covenants is to bear interest at the Default Rate, and the defaulting PIF Obligor is to bear all costs of enforcement and collection thereof, including reasonable attorneys' fees and costs. In addition, if the PIF Obligor's failure

to pay a PIF when due continues for more than 10 days after notice thereof is given to such PIF Obligor by the PIF Collecting Agent, the PIF Collecting Agent may charge such PIF Obligor, and such PIF Obligor is obligated to pay, a late charge in an amount equal to the greater of 10% of the delinquent PIF or $100.00. In addition, a defaulting PIF Obligor is obligated to pay all costs and expenses incurred by an Enforcing Party in successfully enforcing the obligations of such PIF Obligor under the applicable PIF Covenant in any legal proceedings brought (or defended) by such Enforcing Party. **No PIF Revenue is to be used for payment of Enforcement Costs.**

No Rights of the Declarant in the PIF Revenue. The PIF Covenants provide that the Districts and District No. 1 have all right, title and interest in the PIF Revenue in accordance with the PIF Covenants and the Public Financing Documents, and that the Declarant does not have any, and is not legally entitled, authorized or empowered to exercise any dominion or control over any of the PIF Revenue unless otherwise provided in any applicable Public Financing Document(s). In the event the Declarant is entitled to receive PIF Revenue, the PIF Covenants provide that the Declarant assigns such revenue to the applicable Districts, District No. 1, or the Bond Trustee for the sole purpose of financing the costs of Public Improvements (within the meaning of the PIF Covenants). Pursuant to the PIF Revenues Joint Resolution, each of District Nos. 1, 2, 4, 5, 6, 7, 8, 9 and 10 have disclaimed and waived their respective right, title or interest in and to any and all portions of the PIF Revenue and the Excluded PIF Revenue, and have authorized the use by the Issuer of such revenue.

Appointment; Termination and Replacement of PIF Collecting Agent. The Issuer has the right to appoint, terminate and replace any successor PIF Collecting Agent upon not less than 45 days' prior written notice to the Occupants (including, but not limited to, Owners) as provided in the applicable PIF Covenant. Pursuant to the PIF Collection Agreement, the Issuer has designated CliftonLarsonAllen LLP as the PIF Collecting Agent. See "THE DISTRICTS—Material Agreements of the Districts—*PIF Collection Agreement*." See "APPENDIX C—SELECTED DEFINITIONS" for definitions of "Owners" and "Occupants."

Obligation to Carry Forward Obligation of Sales PIF Retailers. Each Owner and Occupant is required under the PIF Covenants to cause any Sales PIF Retailer to whom such Owner or Occupant leases or otherwise permits to occupy any portion of its respective Owned/Leased PIF Property, to acknowledge and agree (in a manner that causes such Sales PIF Retailer to be bound by) to all provisions of the applicable PIF Covenant that pertain to such Sales PIF Retailer.

Specifically, every Owner or Occupant who leases or subleases any portion of its Owned/Leased PIF Property to a Sales PIF Retailer, or who otherwise permits a Sales PIF Retailer to occupy any portion of its Owned/Leased PIF Property under a license, concession agreement or otherwise, is obligated under the applicable PIF Covenant to include a provision in the instrument pursuant to which such right of occupancy is granted to the effect that the Sales PIF Retailer shall collect the Sales PIF and remit the same to the PIF Collecting Agent in accordance with the terms of the applicable PIF Covenant.

Restrictions on Modification of PIF Covenants. The Declarant acknowledges in the PIF Covenants that itself, and any other Owner, by acquiring fee title to any portion of the PIF Property will be deemed to have acknowledged, and any Occupant, by acquiring the right to possess or occupy any portion of the PIF Property will be deemed to have acknowledged, that no amendment or modification of the applicable PIF Covenant or any waiver of any provisions thereof (each, a "**Modification**") will be of any force or effect unless and to the extent consented to in writing by the PIF Collecting Agent, the Districts, and all Bond Trustees. In addition, each Owner and Occupant is required under the applicable PIF Covenant, prior to conducting any business from any part of the PIF Property, to cause any Sales PIF Retailer who occupies any of the Owned/Leased PIF Property to acknowledge the same.

Subject to the provisions of the PIF Covenants described above, the PIF Covenants may be amended by a written instrument recorded in the County records and executed by or on behalf of: (a) the Declarant, so long as the Declarant is an Owner; (b) the Issuer, all Bond Trustees, and the PIF Collecting Agent; and (c) the Owners (which may include the Declarant) that collectively own at least (i) fifty percent (50%) of the Primary PIF Property (with respect to a Modification to the Primary PIF Covenant) or of the Bromley Park PIF Property (with respect to a Modification to the Bromley Park PIF Covenant) or (ii) seventy-five percent (75%) of the Major Retail PIF Property (with respect to a Modification to the Major Retail PIF Covenant) of the total land area subject to the applicable PIF Covenant, excluding all publicly dedicated lands (including, without limitation, all rights of way, open space area and similar areas that have been dedicated to any public or quasi-public entity).

Notwithstanding the provisions of the PIF Covenants regarding Modifications thereof, the Master Indenture prohibits the Issuer from taking any action or consenting to any action by others to amend the PIF Covenants in any manner which would materially prejudice the security for the payment of the Bonds to which PIF Revenue is pledged (including the Series 2026 Bonds). See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE" herein.

Limitations on Exclusion of PIF Property from PIF Covenants. Except as may be provided in the Public Financing Documents or any agreement with the City (including the Comprehensive Agreement), and the limitations described below with respect to the Primary PIF Covenant and the Major Retail PIF Covenant, the Declarant may, without the prior consent of any other party, exclude any property from the applicable PIF Property by recording in the real property records of the County a notice of such exclusion describing the property to be excluded from the applicable PIF Property. Upon the recording of any exclusion notice (or upon the effective date specified in the exclusion notice if different from the date of recording), the property described in the exclusion notice will be excluded from the applicable PIF Property and will no longer be subject to the terms, obligations, covenants and requirements of the applicable PIF Covenant, except with respect to obligations arising prior to the effectiveness of such exclusion. The Primary PIF Covenant and the Major Retail PIF Covenant also contain specific provisions regarding the exclusion of property, as described below.

Notwithstanding the provisions of the PIF Covenants regarding exclusions of property, the Master Indenture prohibits the Issuer from taking any action or consenting to any action by others to amend the PIF Covenants in any manner which would materially prejudice the security for the payment of the Series 2026 Bonds. See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE" herein.

Provisions Specific to Primary PIF Covenant; Prior Consent of Super Target and Home Depot. The Primary PIF Covenant provides that, notwithstanding any provision to the contrary therein, (i) for so long as the Target Corporation or any of its affiliates or any of its successors by merger or acquisition (collectively, "**Target**") is the owner of any portion of the Major Retail PIF Property, in no event shall the provisions of the Primary PIF Covenant relating to the exclusion of property from the Primary PIF Property as described above be amended without the prior written consent of Target; and (ii) for so long as The Home Depot, Inc., or any of its affiliates or any of its successors by merger or acquisition (collectively, "**Home Depot**") is the owner of any portion of the Major Retail PIF Property, in no event shall the provisions of the Primary PIF Covenant relating to the exclusion of property from the Primary PIF Property as described above be amended without the prior written consent of Home Depot.

Provisions Specific to Major Retail PIF Covenant; Super Target and Home Depot Restrictions. The Major Retail PIF Covenant provides that (i) for so long as Target is the owner of any portion of the

Major Retail PIF Property, in no event shall the Declarant exclude any real property from the terms of the Major Retail PIF Covenant or exclude any Shopping Center Property (as defined in "APPENDIX C—SELECTED DEFINITIONS") from the terms of the Primary PIF Covenant without the prior written consent of Target, unless such real property is restricted, and will remain restricted for so long as it is excluded from the Major Retail PIF Covenant or the Primary PIF Covenant, as applicable, to uses other than the retail sale of goods and/or services; and (ii) for so long as Home Depot is the owner of any portion of the Major Retail PIF Property, in no event shall the Declarant exclude any real property from the terms of the Major Retail PIF Covenant or exclude any Shopping Center Property from the terms of the Primary PIF Covenant without the prior written consent of Home Depot, unless such real property is restricted, and will remain restricted for so long as it is excluded from the Major Retail PIF Covenant or the Primary PIF Covenant, as applicable, to uses other than the retail sale of goods and/or services.

Third Party Beneficiaries of PIF Covenants. The Issuer, the Bond Trustee, and the PIF Collecting Agent are express third party beneficiaries of the Sales PIF Retailers' and the Use PIF Obligors' obligations under the PIF Covenants, and are to have a direct cause of action and full right and authority to enforce each Sales PIF Retailer's obligations and each Use PIF Obligor's obligations under the PIF Covenants.

PIF Covenants Run With Land. The PIF Covenants state that such covenants are to be construed as covenants and not as conditions, and, to the fullest extent legally possible, all such covenants are to run with and be enforceable against both the covenantor and the applicable portion of the PIF Property and are to constitute equitable servitudes burdening both the respective covenantor and its portion of the PIF Property for the benefit of the respective covenantee. See "RISK FACTORS—Risks Related to PIF Revenue—*Risks of Legal Challenges*."

Termination Dates of PIF Covenants.

Termination of Primary PIF Covenant and Bromley Park PIF Covenant. The termination date of the Primary PIF Covenant and the Bromley Park PIF Covenant is the first date on which ***all*** of the following have occurred: (a) all Bond Requirements have been paid in full and no Bonds (which includes the Series 2026 Bonds) remain outstanding; (b) the Declarant, its Affiliates and/or the Districts have been reimbursed for all expenses incurred or moneys advanced by them for any Public Improvements Costs; and (c) all Public Improvements Costs have otherwise been paid in full.

Termination of Major Retail PIF Covenant. The termination date of the Major Retail PIF Covenant is the ***earlier to occur*** of (a) December 10, 2054 (which is after the maturity date of the Series 2026 Bonds) or (b) the first date on which both of the following have occurred: (i) all Bond Requirements have been paid in full and there are no longer any Bonds (which includes the Series 2026 Bonds) outstanding and (ii) the Declarant, its Affiliates and/or the Districts have received all reimbursable amounts to which they are entitled pursuant to the Public Financing Documents or any other agreement between or among the Declarant, any of its Affiliates, or any District for any Public Improvements Costs.

Reduction of Credit PIF Rate

Pursuant to the Comprehensive Agreement, the PRI Credit PIF Revenue, generally consisting of one-fifth of the Credit PIF revenue derived by the Issuer from the imposition of the Credit PIF at the initial Credit PIF rate of 1.25% is to be applied solely to the costs of Park and Recreation Primary Public Improvements up to the Park and Recreation Improvements Cap Amount (all as defined in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE") and, after such time as all such costs of Park and Recreation Primary Public Improvements have been paid and all debt incurred with respect to the design and construction of such improvements has been retired, the Issuer is required to

reduce the total rate of the Credit PIF from 1.25% to 1.00%, as permitted by the PIF Covenants. Pursuant to the City Municipal Code, the Sales/Use Tax Credit (defined below) will be reduced from 1.25% to 1.00% upon implementation of the corresponding reduction in the Credit PIF rate. **The PRI Credit PIF Revenue is not pledged to pay the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds or the Series 2007 Subordinate Bonds.** As a result, only the portion of the Credit PIF equal to 1.00% imposed pursuant to the Primary PIF Covenant and the Major Retail PIF Covenant is pledged to the Series 2026 Bonds. Pursuant to the Comprehensive Agreement, the Issuer has agreed that it will not change the rate of the Add-On PIF or the Credit PIF during the Credit PIF Period (described below, and including the term of the Series 2026 Bonds), except as described above.

Sales/Use Tax Credit; Credit PIF Period

Pursuant to the Comprehensive Agreement, the City agreed to implement (and is obligated to maintain) the Sales/Use Tax Credit during the Credit PIF Period. The "**Credit PIF Period**" is the period ending on the date on which all bonds (including the Series 2026 Bonds) or other debt or obligations incurred by the Issuer to finance the Primary Public Improvements have been paid or retired, during which period the City is obligated to grant and maintain the Sales/Use Tax Credit (or alternative mechanism pursuant to the terms of the Comprehensive Agreement) and the Issuer is entitled to receive, pursuant to the Primary PIF Covenant and the Major Retail PIF Covenant, the PIF Revenue.

In order to implement the Sales/Use Tax Credit (defined below) on PIF Sales and Use Tax Activities occurring within the Primary PIF Property and the Major Retail PIF Property (collectively, the "**Credit PIF Property**"), the City adopted Ordinance No. 1868 on January 17, 2006 (the "**Sales/Use Tax Credit Ordinance**"), which amended the City Municipal Code to: (i) grant each person or entity obligated to pay, collect or remit City sales tax on the sale or provision of goods or services occurring within the Credit PIF Property, a credit against collection of the City's sales taxes in the form of a reduction in the applicable City sales tax rate in an amount equal to the rate of the Credit PIF (the "**Sales Tax Credit**"); and (ii) grant each applicant for a building permit within the Credit PIF Property a credit against the collection of the City's use taxes (on building materials only) in the form of a reduction in the applicable City use tax rate in an amount equal to the rate of the Credit PIF (the "**Use Tax Credit**" and, together with the Sales Tax Credit, collectively, the "**Sales/Use Tax Credit**"). Pursuant to the Comprehensive Agreement and the City Municipal Code (as amended by the Sales/Use Tax Credit Ordinance), such Sales/Use Tax Credit is to be effective automatically upon remittance by the person obligated to pay the Credit PIF to and receipt by the Issuer or its designee of the applicable Credit PIF revenue. The City has agreed in the Comprehensive Agreement that if the Issuer or its designee is not able to collect any portion of the Credit PIF revenues such that the City's Sale/Use Tax Credit does not attach to the applicable transaction subject to the City's sales tax or use tax, upon request of the Issuer, the City will institute procedures to collect the corresponding sales or use taxes and pay the proceeds thereof to the Issuer, subject to annual appropriation and less certain collection costs.

The City is not restricted from increasing or decreasing the rate of City sales or use taxes at any time. Pursuant to the Comprehensive Agreement, if the City should modify its sales or use tax rates during the Credit PIF Period, the Credit PIF rate will not be subject to a corresponding adjustment and will remain at the 1% or 1.25% level as described above for the duration of the Credit PIF Period.

The City is obligated to maintain the Sales/Use Tax Credit during the Credit PIF Period. However, the parties to the Comprehensive Agreement have agreed that the City's agreement to share revenues thereunder (including through the maintenance of the Sales/Use Tax Credit) is not an indebtedness or multiple-year fiscal obligation of the City within the meaning of the Colorado constitution, the City's Home Rule Charter or State law, and that to the extent such agreement is determined by a court of competent jurisdiction to constitute such an indebtedness or multiple fiscal year obligation, the parties will in good

faith seek to reform the Comprehensive Agreement and implement alternative mechanisms in a manner that will best effect their mutual intent.

The Sales/Use Tax Credit Ordinance states that nothing therein, in the Comprehensive Agreement, nor in the Primary PIF Covenant and the Major Retail PIF Covenant prohibits the City from amending or terminating the Sales/Use Tax Credit. If the City terminates the Sales/Use Tax Credit without implementing an alternative mechanism, the terms of the Primary PIF Covenant and the Major Retail PIF Covenant, as described above, would operate to also terminate the Credit PIF. Termination of the Credit PIF would adversely affect the repayment of the Series 2026 Bonds. See "—Establishment of PIF Rates; Limitations on the Imposition of the PIF" above and "RISK FACTORS—Risks Related to PIF Revenue."

Pursuant to the Comprehensive Agreement, the Credit PIF is to be imposed only for the Credit PIF Period. However, if requested by the City in connection with an inability to terminate its Sales/Use Tax Credit, the Issuer will continue to cause the imposition and collection of the Credit PIF and cause the proceeds thereof to be remitted to the City, less certain collection costs. Any revenues resulting from continuation of the Credit PIF beyond the Credit PIF Period are payable solely to the City and will not constitute PIF Revenue pledged to the payment of the Series 2026 Bonds.

City's Agreement not to Contest Enforceability. In the Comprehensive Agreement, the City acknowledges that the Districts anticipate issuing bonds secured, in part, by revenues generated from the Credit PIF, and further acknowledges that the applicable Districts, bond counsel, the trustees for such bonds, and other parties to such bond transactions will rely on the City's commitments regarding the revenues generated from the Credit PIF (including the maintenance of the Sales/Use Tax Credit) set forth therein in connection with issuance and marketing of the Districts' bonds. Accordingly, the City covenants that it will not assert in any context that the performance of its obligations under the Comprehensive Agreement is not fully enforceable. The City also acknowledges that the participants in bond transactions described above are third-party beneficiaries of the City's obligation to implement the Sales/Use Tax Credit and the Districts' right to receive the revenues generated from the Credit PIF. See "RISK FACTORS—Risks Related to PIF Revenue."

PIF Collection

City; Use Tax Activities. PIF Revenue derived from Use Tax Activities is collected by the City. Specifically, PIF Revenue derived from (a) the Credit PIF and the Add-On PIF imposed on Use Tax Activities occurring within the Primary PIF Property, (b) the Credit PIF imposed on Use Tax Activities occurring in the Major Retail PIF Property and (c) the Add-On PIF imposed on Use Tax Activities occurring within the Bromley Park PIF Property is to be collected by the City at the time of issuance of a building permit (at which time the City also collects the Facilities Fees). Notwithstanding the foregoing, the PIF Collection Agreement provides that, if at any time the City ceases collection of the PIF Revenue derived from Use Tax Activities, the PIF Collecting Agent shall be obligated to collect such PIF Revenue.

PIF Collecting Agent; PIF Sales. PIF Revenue derived from transactions constituting PIF Sales is collected by the PIF Collecting Agent pursuant to the PIF Collection Agreement. The amounts due to the PIF Collecting Agent under the PIF Collection Agreement are to be paid from legally available revenue of the Issuer but are *not* to be paid from PIF Revenue or any other Pledged Revenue. See "THE DISTRICTS—Material Agreements of the Districts—*PIF Collection Agreement*."

Remittance. All PIF Revenue is subsequently remitted to the Trustee for application in accordance with the Master Indenture. See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017

INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

Enforcement of the PIF

The PIF Covenants provide that the failure or refusal of any retailer, service provider, or occupant that undertakes a PIF Sales or Use Tax Activity in the PIF Property to assess, collect or remit the PIF will constitute a default by such person thereunder. The PIF Covenants provide that the Issuer, the trustee for any bonds issued to reimburse THF Development (including the Trustee), and the PIF Collecting Agent (if different than the Issuer), are expressly made third-party beneficiaries of such persons' obligations under the PIF Covenants, and each will have a direct cause of action and full right and authority to enforce such obligations.

Any PIF which is not paid when due under the PIF Covenants bears interest at the Default Rate of 12% per annum (or the maximum interest rate permitted by applicable law, if less). The defaulting retailer, service provider, or occupant is required to bear all costs of enforcement and collection of such defaulted Credit PIF, including reasonable attorneys' fees and costs. If any failure to pay Credit PIF continues for more than 10 days after notice thereof is given to the defaulting party by the PIF Collecting Agent, the PIF Collecting Agent may charge such defaulting party, and such defaulting party will be obligated to pay the PIF Collecting Agent, a late charge in an amount equal to the greater of 10% of the delinquent PIF or $100.00. Any enforcing party (including the Issuer, the Trustee, or the PIF Collecting Agent) which is successful in enforcing the obligations of a defaulting party under the PIF Covenants is entitled under the PIF Covenants to recover from such defaulting party all costs and expenses incurred by such enforcing party in any legal proceedings brought (or defended) by such enforcing party.

Historical PIF Collections

The following table sets forth historical and current collections of the Credit PIF and the Add-On PIF.

TABLE III
Historical Credit PIF and Add-On PIF Revenue

	2021	2022	2023	2024	2025	2026 (unaudited) [1]
Credit PIF (PIF Sales) [2]	$2,321,659	$2,465,987	$2,421,619	$2,524,696	$2,711,853	$1,344,495
Credit PIF (Use Tax Activities) [2]	5,000	--[3]	139,811	195,253	40,739	--[3]
Sub-Total Credit PIF	$2,326,659	$2,465,987	2,561,430	2,719,949	2,752,592	$1,344,495
Add-On PIF (PIF Sales)	$2,335,881	$2,490,651	2,500,481	2,581,615	2,746,548	$1,389,106
Add-On PIF (Use Tax Activities)	5,000	--[3]	139,811	195,253	40,739	--[3]
Sub-Total Add-On PIF	$2,340,881	$2,490,651	$2,640,292	$2,776,868	$2,787,287	$1,389,106
Total PIF	$4,667,540	$4,956,638	$5,201,722	$5,496,817	$5,539,879	$2,733,601

[1] Unaudited 2026 collections through June 30, 2026.
[2] Derived from imposition of the Credit PIF at a PIF rate of 1.00%, the revenue from which constitutes PIF Revenue pledged to the Series 2026 Bonds. Does not include the Credit PIF revenue derived from a PIF rate of 0.25%, which revenue is dedicated to the payment of Park and Recreation Primary Public Improvements and obligations issued to finance such costs.
[3] No Credit PIF or Add-On PIF revenue was collected from Use Tax Activities in 2022 or in 2026 through June 30, 2026 because no building permits subject to the Credit PIF or Add-On PIF on Use Tax Activities were issued in 2022 or in 2026 through June 30, 2026.
Source: Issuer Audited Financial Statements, 2021 – 2025 and the Issuer.

Sales Tax/PIF Rates in Prairie Center Master Development

PIF Sales occurring in the Prairie Center Master Development are subject to both sales taxes and the PIF. Set forth in the following table are the various sales taxes and PIFs to be paid by consumers on PIF Sales occurring within the applicable portion of the PIF Property; the sales taxes derived therefrom that are remitted to the taxing entities; and the amounts of PIF Revenue that are remitted to the Trustee for application under the Master Indenture. In addition to the various sales taxes reflected in the table below, the City imposes a 3.00% lodging tax on all lodging transactions occurring within the City.

TABLE IV
Summary of Sales Taxes and PIF on PIF Sales occurring within PIF Property

	Primary PIF Property & Major Retail PIF Property	Bromley Park PIF Property
Consumer Pays/Retailer Collects		
City Sales Tax	2.50% [1]	3.75%
State sales tax	2.90	2.90
County sales tax	0.75	0.75
RTD	1.00	1.00
SCFD	0.10	0.10
Total Sales Taxes	7.25	8.50
Credit PIF [2]	1.25	0.00
Add-On PIF [2]	1.00	1.00
Total Sales Taxes and PIF	9.50%	9.50%

[1] Net of Credit PIF. The City Sales Tax rate is 3.75%, less the Sales Tax Credit equal to the Credit PIF of 1.25%, for a net City Sales Tax of 2.50% for PIF Sales occurring within the Primary PIF Property and the Major Retail PIF Property. There is no Credit PIF or Sales Tax Credit applicable to PIF Sales occurring within the Bromley Park PIF Property.
[2] The PIF is added to the base amount of the PIF Sales transaction *prior* to the computation of the sales taxes. The purpose of this table is to demonstrate the total combined rate of sales taxes and PIF to be paid by consumers on PIF Sales occurring within the PIF Property in the Prairie Center Master Development. See the table titled "PIF/City Sales Tax Example" under "—Terms of PIF Covenants—*Sales PIF*" above.

SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE

Facilities Fee Resolutions

In General. In order to provide additional revenues to fund a portion of the Payment Obligation (defined below) under the Capital Pledge Agreement and the District No. 10 Payment Obligation (defined below) under the District No. 10 Pledge Agreement, the Boards of Directors of the Financing Districts approved separate but substantially identical resolutions (collectively, the "**Fee Resolutions**") on August 2, 2006. The Issuer also adopted such a fee resolution; however, until such time as, if ever, development activity takes place therein, no facilities fee revenue from the Issuer is anticipated nor is any such revenue pledged to the Series 2026 Bonds.

Facilities Fees. The Fee Resolutions imposed, with respect to each Financing District, a Commercial Facilities Fee and a Residential Facilities Fee (collectively, the "**Facilities Fees**") on the property located within each Financing District, respectively.

The "**Commercial Facilities Fee**" is a *one-time* facilities fee imposed on all non-residential structures within the boundaries of the Financing Districts in an amount of not less than $0.75 per square foot of gross building space for any building intended for retail, commercial, industrial or other non-residential use, and is payable on or before the date of issuance of a building permit for such structure.

The "**Residential Facilities Fee**" is a *one-time* facilities fee imposed on all residential buildings within the boundaries of the Financing Districts in an amount of not less than (i) $500 per apartment unit; (ii) $1,500 per townhome or condominium unit, and (iii) $3,000 per single-family detached dwelling unit, which fee is payable on or before the date of issuance of a building permit for the applicable residential unit.

The revenue generated from the Facilities Fees, net of any costs of collection (the "**Facilities Fees Revenue**"), constitutes Pledged Revenue securing payment of Bonds issued under the Master Indenture (including the Series 2026 Bonds). **The Facilities Fees Revenue is, however, available only while Facilities Fees are being collected with respect to structures and residential units within the boundaries of the Financing Districts.** *The Anticipated New Development is anticipated to generate Facilities Fees, as further set forth in the Bond Revenue Study and included in the Case II scenario set forth in "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE." Notwithstanding the foregoing, the Case I scenario therein with respect to anticipated Pledged Revenue and anticipated debt service coverage for the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) is based solely on the Existing Development, which will not generate any future Facilities Fees. It is not necessary for any portion of the Anticipated New Development to be completed in order for the Issuer to repay the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) in accordance with the Case I scenario. See also "RISK FACTORS—Risks Inherent in Bond Revenue Study."*

For a history of collection of Facilities Fees within the Financing Districts, see "TABLE XXIII—SUMMARY OF HISTORICAL RECEIPTS OF PLEDGED REVENUE OF ISSUER AND FINANCING DISTRICTS."

Pledge of Facilities Fees Under Master Indenture. The Financing Districts are contractually obligated to impose, enforce and collect the Facilities Fees and pay the revenue derived therefrom to the Trustee for application to the payment of Bonds issued under the Master Indenture pursuant to (i) the District No. 10 Pledge Agreement (with respect to District No. 10) and (ii) the Capital Pledge Agreement (with respect to the Taxing Districts). See "—District No. 10 Pledge Agreement" below and also see information under the caption "SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE—Capital Pledge Agreement."

Collection of Facilities Fees. The Districts have entered into the Intergovernmental Agreement Regarding Facilities Fee Collection dated November 13, 2007, as amended by a First Amendment thereto dated September 4, 2019 (the "**Facilities Fee Collection IGA**"), pursuant to which the Issuer agreed to receive and administer the Facilities Fees. The Facilities Fee Collection IGA provides that to the extent any District enters into a capital pledge agreement requiring the deposit of revenues from such District with a trustee for repayment of bonds, the Issuer is to deposit the applicable revenues with such trustee. Pursuant to the District No. 10 Pledge Agreement and the Capital Pledge Agreement, the Issuer and the Financing Districts have agreed that the Financing Districts are to remit (or cause to be remitted) all Facilities Fees to the Trustee. For more information on the Facilities Fee Collection IGA, see "THE DISTRICTS—Material Agreements of the Districts—*Facilities Fee Collection IGA*."

Lien of Unpaid Facilities Fees. The Fee Resolutions state that the Facilities Fees will be a perpetual charge and lien upon the property in the applicable District from the date the same becomes due and payable until paid, and such lien may be foreclosed by the District in the same manner as provided by the laws of

Colorado for the foreclosure of mechanics' liens. The Fee Resolutions further provide that failure to make payment of the Facilities Fees due thereunder will constitute a default. Upon a default, interest will accrue on the delinquent Facilities Fees from the date due at a rate established pursuant to statute until paid, and the applicable District will be entitled to institute such remedies and collection proceedings as may be authorized under Colorado law including, but not limited to, foreclosure of its perpetual lien. The defaulting property owner is to pay all costs, including attorneys' fees, incurred by such District in connection with such enforcement and collection proceedings. See "RISK FACTORS—Risks Related to Facilities Fees."

No Recordation in Public Real Estate Records. Other than with respect to District No. 10, the Fee Resolutions were not recorded in the County public real estate records. However, pursuant to the Declaration of Master Architectural Restrictions for Prairie Center, which is recorded against all property within the Prairie Center Master Development (other than the Home Depot and Super Target sites), no development within the subject property is permitted to occur without the approval of the architectural control committee established thereby, which committee is to ensure payment of any Facilities Fees then due and owing to the Financing Districts (and any other of the Districts imposing such a fee) prior to providing any such approval. See "DEVELOPMENT WITHIN THE INITIAL DEVELOPMENT—Acquisition; Encumbrances on Land—*Declaration of Master Architectural Restrictions for Prairie Center*."

District No. 10 Pledge Agreement

The Issuer, District No. 10 and the Trustee entered into an Amended and Restated Capital Pledge Agreement dated as of October 1, 2017, as amended by a First Amendment to Amended and Restated Capital Pledge Agreement dated as of April 1, 2024 in connection with the issuance of the Series 2024 Bonds (collectively, the "**District No. 10 Pledge Agreement**"), which secures the payment of the Series 2024 Bonds, the Series 2017 Bonds, the Series 2007 Subordinate Bonds and any Refunding Obligations (including the Series 2026 Bonds). Under the District No. 10 Pledge Agreement, District No. 10 pledges, for the benefit of the Bondholders, its Facilities Fees revenue to the Issuer in satisfaction of the District No. 10 Payment Obligation (defined below), and the Issuer pledges such revenue to the Trustee under the Master Indenture for the benefit of the Bondholders. District No. 10 is not a party to the Capital Pledge Agreement, and District No. 10 does not pledge any property tax revenue nor specific ownership tax revenue (i.e., Capital Levies Revenue) to the Series 2026 Bonds or any other obligations.

Term of District No. 10 Pledge Agreement; District No. 10 Payment Obligation. The District No. 10 Pledge Agreement is to take effect upon its execution by all parties thereto and is to remain in effect until the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds, the Series 2007 Subordinate Bonds and any Refunding Obligations (defined below) (collectively, the "**Secured Bonds**") are fully discharged pursuant to the terms of the Master Indenture and the other applicable Bond Documents.

With respect to the foregoing definition of Secured Bonds, "**Refunding Obligations**" means any bonds, notes, or obligations issued to refund all or a portion of the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds and/or the Series 2007 Subordinate Bonds in accordance with the provisions of the Master Indenture, provided that such obligations (i) are issued in compliance with the Colorado Municipal Bond Supervision Act (Section 11-59-101, et seq.) or any successor statute, and (iii) will initially be issued in the manner satisfying the provisions of Section 32-1-1101(6), C.R.S. Under the District No. 10 Pledge Agreement, obligations of the Issuer issued to finance or reimburse the costs of public infrastructure benefiting both District No. 10 and the common service area of District No. 10 and the Issuer are not to be considered Refunding Obligations.

The District No. 10 Pledge Agreement establishes the obligation of District No. 10 (the "**District No. 10 Payment Obligation**") to pay that portion of the Annual Bond Costs (defined below) as can be paid

from the District No. 10 Pledged Revenue (defined below), to the extent available, in accordance with the provisions of the District No. 10 Capital Pledge Agreement, it being recognized that each such obligation is to arise under the District No. 10 Capital Pledge Agreement upon the issuance of each series of Secured Bonds or Refunding Obligations with respect to which such obligation relates. "**District No. 10 Annual Bond Costs**" means the principal and redemption price of, and interest and premium on, the Secured Bonds, required deposits to or replenishments of funds or accounts securing the Secured Bonds, and customary fees and expenses relating to the Secured Bonds (including, but not limited to, fees of a trustee, paying agent, rebate agent, and provider of liquidity or credit facility), all in accordance with the Indenture.

Definition of District No. 10 Pledged Revenue. "**District No. 10 Pledged Revenue**" means the revenue (net of any costs of collection) generated from Facilities Fees (defined above) collected with respect to the property within the boundaries of District No. 10 (the "**District No. 10 Facilities Fees**").

No Prepayment of District No. 10 Payment Obligation. The District No. 10 Pledge Agreement provides that, because the actual total District No. 10 Pledged Revenue payable thereunder cannot be determined with any certainty at this time, District No. 10 is not permitted to pre-pay any amounts due thereunder.

Special Limited Obligation. The District No. 10 Payment Obligation constitutes a special limited obligation of District No. 10 payable solely from and to the extent of the District No. 10 Pledged Revenue. Such District No. 10 Pledged Revenue is pledged by District No. 10 to the Issuer, on behalf of the Bondholders, for payment of the District No. 10 Payment Obligation in accordance with the terms of the District No. 10 Pledge Agreement. The District No. 10 Payment Obligation constitutes an irrevocable lien upon the District No. 10 Pledged Revenue.

Covenant to Impose and Collect District No. 10 Facilities Fees. The District No. 10 Pledge Agreement provides that, until such time as the Secured Bonds are fully discharged pursuant to the terms of the applicable Bond Documents, District No. 10 agrees to continue to impose and collect the District No. 10 Facilities Fees in accordance with the provisions of the Facilities Fee Resolution adopted by the Board of Directors of District No. 10 (the "**District No. 10 Fee Resolution**"). District No. 10 further agrees to take all necessary and proper steps promptly to enforce the payment of District No. 10 Facilities Fees imposed pursuant to the District No. 10 Fee Resolution and covenants that it will not, without the prior written consent of the Issuer, reduce or waive the District No. 10 Facilities Fees or modify, amend or repeal the District No. 10 Fee Resolution in a manner which would have an adverse effect on the District No. 10 Pledged Revenue.

Payment and Application of Pledged Revenue. District No. 10 agrees in the District No. 10 Pledge Agreement to remit or cause to be remitted directly to the Trustee, as soon as practicable upon receipt, all District No. 10 Pledged Revenue, which is to be applied by the Trustee to pay the principal of, premium, if any, and interest on the Secured Bonds in accordance with the applicable Bond Documents. Such District No. 10 Pledged Revenue is to be paid or caused to be paid by District No. 10 in lawful money of the United States of America by check mailed or delivered, or by wire transfer, to the Trustee, or such other method as may be mutually agreed to by the Issuer, District No. 10 and the Trustee. To the extent that excess revenues are released to the Issuer pursuant to the provisions of the Bond Documents, the Issuer agrees to apply the same to the construction, acquisition, and improvement of public infrastructure benefiting District No. 10 and the common service area of the Issuer and District No. 10.

No Future Exclusion of Property. District No. 10 agrees in the District No. 10 Pledge Agreement that, to the extent permitted by law, it will not consent to the exclusion of any real property from its boundaries unless the property owners of such proposed excluded property covenant to assume all

responsibilities of District No. 10 under the District No. 10 Pledge Agreement, and such covenant is to run with the land comprising such excluded property in a form satisfactory to the Issuer and District No. 10.

Additional Covenants. Under the District No. 10 Pledge Agreement, District No. 10 covenants that:

(a) District No. 10 will maintain its existence and will not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Secured Bonds, and will continue to operate and manage its facilities or cause its facilities to be operated and managed in an efficient and economical manner in accordance with all applicable laws, rules, and regulations.

(b) District No. 10 will carry general liability coverage, worker's compensation, public liability, and such other forms of insurance on its insurable property upon the terms and conditions, and issued by recognized insurance companies, as in its judgment would ordinarily be carried by entities having similar properties of equal value, such insurance being in such amounts as will protect District No. 10 and its operations.

(c) Each District No. 10 official or other person having custody of any funds or responsible for the handling of such funds will be bonded or insured against theft or defalcation at all times.

(d) District No. 10 will not issue or incur bonds, notes, or other obligations payable in whole or in part from, or constituting a lien upon, the District No. 10 Pledged Revenue, without the prior consent of the Issuer. The Issuer may not consent to the issuance of such obligations without first complying with the provisions of the applicable Bond Documents relating to such consent.

(e) The Issuer is to keep and maintain, or cause to be kept and maintained, accurate records and accounting entries reflecting all funds received from District No. 10 and the use(s) of such funds, including monthly unaudited financial statements reflecting the information contained in the accounting records.

(f) At least once a year in the time and manner provided by law, the Issuer and District No. 10 will cause an audit to be performed of the records relating to revenues and expenditures of the Issuer and District No. 10, respectively; provided, however, that with respect to District No. 10 only, District No. 10 is not required to perform an audit in any year in which (i) an exemption from performing such audit is available under State law and (ii) the Issuer's audit reflects the amount of Facilities Fees received from District No. 10 in such year. In addition, at least once a year in the time and manner provided by law, each of the Issuer and District No. 10 will cause a budget to be prepared and adopted. Copies of the budget and the audit will be filed and recorded in the places, time, and manner provided by law.

(g) District No. 10 agrees to use best efforts to assist the Issuer in the provision of information, including financial information, if needed, required under each continuing disclosure agreement or similar agreement entered into by the Issuer in connection with the issuance of the Secured Bonds.

Events of Non-Compliance. The occurrence or existence of any one or more of the following events is to be an "Event of Non-Compliance" under the District No. 10 Pledge Agreement, and there is to be no default or Event of Non-Compliance thereunder except as so provided and stated below:

(a) District No. 10 fails or refuses to impose the Facilities Fees or to remit or cause to be remitted the District No. 10 Pledged Revenue as required by the terms of the District No. 10 Pledge Agreement;

(b) any representation or warranty made by either the Issuer or District No. 10 in the District No. 10 Pledge Agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompletion would have a material adverse effect upon any other party;

(c) the Issuer or District No. 10 fails in the performance of any other of its covenants in the District No. 10 Pledge Agreement, and such failure continues for 60 days after written notice specifying such default and requiring the same to be remedied is given to any of the parties thereto;

(d) the Issuer or District No. 10 commences proceedings for dissolution or consolidation with another metropolitan district during the term of the District No. 10 Pledge Agreement; or

(e) (i) the Issuer or District No. 10 commences any case, proceeding, or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition, or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, or other similar official for itself or for any substantial part of its property, or the Issuer or District No. 10 makes a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Issuer or District No. 10 any case, proceeding, or other action of a nature referred to in clause (i) and the same remains not dismissed within 90 days following the date of filing; or (iii) there is commenced against the Issuer or District No. 10 any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, distraint, or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which is not vacated, discharged, stayed, or bonded pending appeal within 90 days from the entry thereof; or (iv) the Issuer or District No. 10 takes action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Issuer or District No. 10 is generally not, or is unable to, or admits in writing its inability to, pay its debts as they become due.

WITHOUT LIMITING THE FOREGOING, AND NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THE DISTRICT NO. 10 PLEDGE AGREEMENT, DISTRICT NO. 10 ACKNOWLEDGES AND AGREES IN THE DISTRICT NO. 10 PLEDGE AGREEMENT THAT THE APPLICATION OF ANY PORTION OF ITS DISTRICT NO. 10 PLEDGED REVENUE TO ANY PURPOSE OTHER THAN DEPOSIT WITH THE TRUSTEE OR AS OTHERWISE DIRECTED BY THE ISSUING DISTRICT IN ACCORDANCE WITH THE PROVISIONS OF THE DISTRICT NO. 10 PLEDGE AGREEMENT CONSTITUTES A VIOLATION OF THE TERMS OF THE DISTRICT NO. 10 PLEDGE AGREEMENT AND A BREACH OF THE COVENANTS MADE THEREUNDER FOR THE BENEFIT OF THE BONDHOLDERS, WHICH IS TO ENTITLE THE ISSUING DISTRICT AND THE TRUSTEE TO PURSUE, ON BEHALF OF THE BONDHOLDERS, ALL AVAILABLE ACTIONS AGAINST DISTRICT NO. 10 IN LAW OR IN EQUITY, AS MORE PARTICULARLY PROVIDED IN THE DISTRICT NO. 10 PLEDGE AGREEMENT. DISTRICT NO. 10 FURTHER ACKNOWLEDGES AND AGREES IN THE DISTRICT NO. 10 PLEDGE AGREEMENT THAT THE APPLICATION OF DISTRICT NO. 10 PLEDGED REVENUE IN VIOLATION OF THE COVENANTS THEREOF WILL RESULT IN IRREPARABLE HARM TO THE BONDHOLDERS. IN NO EVENT IS ANY PROVISION OF THE DISTRICT NO. 10 PLEDGE AGREEMENT TO BE INTERPRETED TO PERMIT DISTRICT NO. 10 TO RETAIN ANY PORTION OF THE DISTRICT NO. 10 PLEDGED REVENUE.

Remedies For Events of Non-Compliance. Upon the occurrence and continuance of an Event of Non-Compliance under the District No. 10 Pledge Agreement, any party may proceed to protect and enforce its rights against the party or parties causing the Event of Non-Compliance by mandamus or such other suit, action, or special proceedings in equity or at law, in any court of competent jurisdiction, including an action for specific performance. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions of the District No. 10 Pledge Agreement, the prevailing party in such litigation or other proceeding shall obtain, as part of its judgment or award, its reasonable attorneys' fees and costs.

Amendments of Master Indenture. The District No. 10 Pledge Agreement provides that provisions of the Master Indenture relating to the requirements of the issuance of Refunding Bonds (as defined in the Master Indenture) to refund the Series 2024 Bonds, the Series 2017 Bonds, the Series 2007 Subordinate Bonds or any other bonds issued to refund Senior Bonds or Subordinate Obligations may not be amended without the prior written consent of District No. 10, and that District No. 10 is to constitute a third party beneficiary of such provisions of the Master Indenture with rights to enforce the same. See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

Taxing Districts Capital Pledge Agreement; Facilities Fees

The Issuer, the Taxing Districts (being District Nos. 4 and 5), and the Trustee have entered into an Amended and Restated Capital Pledge Agreement dated as of October 1, 2017, as amended by the First Amendment to Amended and Restated Capital Pledge Agreement dated as of April 1, 2024 (collectively, the "**Capital Pledge Agreement**"), which secures the payment of the Series 2024 Bonds, the Series 2017 Bonds, the Series 2007 Subordinate Bonds and any Refunding Obligations (including the Series 2026 Bonds).

As set forth in the Capital Pledge Agreement, the Taxing Districts are also obligated to impose, enforce and collect the Facilities Fees and transfer the revenue derived therefrom to the Trustee for application as provided in the Master Indenture.

Under the Capital Pledge Agreement, the Taxing Districts (District Nos. 4 and 5) pledge, for the benefit of the Bondholders, their respective Facilities Fees revenue to the Issuer in satisfaction of the Payment Obligation (defined below) of each Taxing District, and the Issuer pledges such revenue to the Trustee under the Master Indenture for the benefit of the Bondholders.

Covenant to Impose and Collect Facilities Fees. Under the Capital Pledge Agreement, each Taxing District agrees to continue to impose and collect the Facilities Fees in accordance with the provisions of the Fee Resolutions adopted by each Taxing District imposing the Commercial Facilities Fee and Residential Facilities Fee within their respective boundaries (collectively, the "**Taxing District Fee Resolutions**").

Covenant to Enforce; No Waiver or Reduction. Each Taxing District agrees to take all necessary and proper steps promptly to enforce the payment of Facilities Fees imposed pursuant to the Taxing District Fee Resolutions. During the term of the Capital Pledge Agreement, each Taxing District covenants that it will not, without the prior written consent of the Issuer, reduce or waive its Facilities Fees or modify, amend or repeal its Taxing District Fee Resolution.

For a description of the Capital Pledge Agreement for the Taxing Districts, see below under the caption "SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE—Capital Pledge Agreement."

SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE

Capital Pledge Agreement

In addition to their pledge of revenue derived from their respective Facilities Fees, under the Capital Pledge Agreement, each of the Taxing Districts pledges, for the benefit of the Bondholders, its respective Capital Levies Revenue (comprised of property taxes derived from imposition of the Capital Levies, defined below) and specific ownership taxes (consisting of revenues remitted to the Taxing Districts by the County as a result of their imposition of the Capital Levies) to the Issuer in satisfaction of its Payment Obligation (defined below), and the Issuer pledges such revenue to the Trustee under the Master Indenture for the benefit of the Bondholders.

Term of Capital Pledge Agreement; Payment Obligation. The Capital Pledge Agreement is to remain in effect until the Secured Bonds (which includes the Series 2026 Bonds, and is defined the same as the definition of Secured Bonds in the District No. 10 Pledge Agreement) are fully discharged pursuant to the terms of the Master Indenture and the other applicable Bond Documents.

Payment Obligation. The Capital Pledge Agreement establishes the obligation of each Taxing District to pay (as to each Taxing District, the "**Payment Obligation**") that portion of the Annual Bond Costs on the Secured Bonds as can be paid from each Taxing District's Taxing District Pledged Revenue (defined below), to the extent available, in accordance with the provisions of the Capital Pledge Agreement, it being recognized that each such obligation is to arise under the Capital Pledge Agreement upon the issuance of each series of Secured Bonds or Refunding Obligation with respect to which such obligation relates.

Definition of Taxing District Pledged Revenue. The Capital Pledge Agreement defines Pledged Revenue (referred to herein as "**Taxing District Pledged Revenue**") as, with respect to each Taxing District, the following revenue (net of any costs of collection): (i) revenues generated from the imposition by the Taxing District of its mill levy in accordance with the definition of the Capital Levies, (ii) Specific Ownership Taxes (defined below), and (iii) Facilities Fees collected with respect to the property within the boundaries of the Taxing District. For information specific to the Facilities Fees, see "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE" above.

No Prepayment of Payment Obligation. The Capital Pledge Agreement provides that, because the actual total Taxing District Pledged Revenue payable by either Taxing District thereunder cannot be determined with any certainty at this time, neither Taxing District is permitted to pre-pay any amounts due thereunder.

Covenant to Impose Capital Levies and Collect District Taxes. Until the Secured Bonds are fully discharged pursuant to the terms of the Bond Documents, each Taxing District covenants in the Capital Pledge Agreement that, in order to fund its Payment Obligation, it will levy on all of its taxable property, in addition to all other taxes, direct annual taxes in the amount set forth in the definition of Capital Levies (as set forth in the Capital Pledge Agreement) in each of the years 2017 to 2045, inclusive (for collection in years 2018 to 2046, inclusive), and in each year thereafter to the extent necessary to provide for payment of the Annual Bond Costs (which includes the principal, premium, if any, and interest on the Series 2026 Bonds to become due and payable in accordance with the Indenture in 2050[*]).

Nothing in the Capital Pledge Agreement is to be construed to require a Taxing District to impose an ad valorem property tax levy for the payment of the Payment Obligation in excess of its respective

[*] Preliminary; subject to change.

Capital Levy. Such taxes are to be levied, assessed, collected, and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the State and, when collected, are to be applied only to the payment of the Payment Obligation. Each Taxing District agrees to pursue all reasonable remedies to collect, or cause the collection of, delinquent ad valorem taxes within its boundaries.

Definition of Capital Levies. The Capital Pledge Agreement defines "**Capital Levies**" as follows:

"**Capital Levies**" means, collectively, ad valorem mill levies (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of each Taxing District each year at a rate equal to 25 mills with respect to District No. 4 and 40 mills with respect to District No. 5, which mill levies shall be subject to adjustments as follows:

(a) if in any Levy Year (as defined in "APPENDIX C—SELECTED DEFINITIONS") (x) there remain unpaid any Annual Bond Costs (as defined in "APPENDIX C—SELECTED DEFINITIONS") in any prior calendar year with respect to the Senior Bonds or (y) amounts on deposit in the Senior Reserve Fund do not equal the amounts then required by the Master Indenture to be on deposit therein, then the mill levies in such Levy Year are to be adjusted to equal 50 mills for each Taxing District;

(b) notwithstanding the foregoing, but subject to paragraphs (c) and (d) below, if, on or after January 1, 2006, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the 25 mills and 40 mills minimum mill levies and the 50 mills maximum mill levies are to be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board of each Taxing District in good faith with respect to mill levies imposed by such Taxing District (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by such mill levies, as adjusted for changes occurring after January 1, 2006, 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;

(c) notwithstanding paragraph (b) above, but subject to paragraph (d) below, for purposes of compliance with Section 32-1-1101(6)(a), C.R.S. of the Special District Act, the Capital Levy levied by a Taxing District to pay the Annual Bond Costs associated with the Series 2007 Subordinate Bonds is never to exceed fifty (50) mills, it being the intent of this provision that if the minimum mill levies imposed to pay the Annual Bond Costs associated with the Senior Bonds equal or exceed 50 mills as a result of an adjustment as provided in paragraph (b) above, then no additional mill levy would be required to be imposed by such Taxing District in that Levy Year for the payment of the Annual Bond Costs related to the Series 2007 Subordinate Bonds, and revenues produced by such mill levies are to be allocated solely to pay the Annual Bond Costs for the Senior Bonds. Nothing in this paragraph of the Capital Pledge Agreement should be interpreted to modify the provisions of paragraph (a) above. The restriction on the mill levies described in the first sentence of this paragraph (c) is to apply until the Levy Year in which the Board of each Taxing District determines in good faith by duly adopted resolution that the restriction described in this paragraph (c) is no longer necessary to comply with the requirements of Section 32-1-1101(6)(a), C.R.S., or a successor statute, of the Special District Act and the Issuer delivers to the Trustee an opinion of Counsel (as defined in the Master Indenture) to the effect that the restriction described in this paragraph (c) is no longer necessary to comply with the requirements of Section 32-1-1101(6)(a), C.R.S. or a successor statute.

(d) Notwithstanding anything in the Capital Pledge Agreement to the contrary, in no event may a Taxing District impose a Capital Levy at a mill levy which would cause such Taxing

District to derive tax revenue in any year in excess of the maximum tax increases permitted by its electoral authorization, and if the Capital Levy would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by such Taxing District's electoral authorization, the Capital Levy of such Taxing District is to be reduced to the point that such maximum tax increase is not exceeded.

Determination of Adjusted Capital Levies. The 25 mills and 40 mills minimum mill levies and the 50 mills maximum mill levies set forth in the definition of Capital Levies above are each subject to adjustment for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement occurring after January 1, 2006. The method of calculating assessed valuation has changed since January 1, 2006. Accordingly, under the Capital Pledge Agreement, the Taxing Districts will be required to adjust the mill levies set forth in the definition of Capital Levies to higher mill levies to account for such changes. As of the date of issuance of the Series 2026 Bonds (i.e., for collection year 2026), the minimum Capital Levy of District No. 4 of 25 mills has adjusted to 26.851 mills and the minimum Capital Levy of District No. 5 of 40 mills has adjusted to 50.536 mills. These mill rates are based on the 2025 assessed valuations of the Taxing Districts, and take into account the reduction in assessment rates prescribed by Senate Bill 21-293, Senate Bill 22-238 and Senate Bill 23B-001, as described herein, and are reflected in the Bond Revenue Study.

Notwithstanding that the Taxing Districts have concluded that their respective Service Plans and Resolution No. 2017-96 permit, and the Capital Pledge Agreement requires, that the Taxing Districts adjust their respective debt service mill levies for the changes to assessment rates *and actual values* provided in Senate Bill 21-293, Senate Bill 22-238 and Senate Bill 23B-001 described above, for purposes of the Bond Revenue Study attached as APPENDIX A hereto, the actual values of residential units and commercial parcels have not been reduced as permitted in Senate Bill 22-238, and the Taxing Districts' debt service mill levies have not been adjusted to reflect such changes. The Bond Revenue Study applies the assessment rates for levy year 2026 and millage rates for levy year 2025 across all future years of property tax estimates, based on the assumption that the millage rate may change from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. See "APPENDIX A—BOND REVENUE STUDY" and "RISK FACTORS—Risks Inherent in Bond Revenue Study."

Payment and Application of Taxing District Pledged Revenue. The Taxing Districts agree in the Capital Pledge Agreement to remit or cause to be remitted directly to the Trustee, as soon as practicable upon receipt, all revenues comprising Taxing District Pledged Revenue to be applied by the Trustee to Annual Bond Costs, in accordance with the applicable Bond Documents. To the extent that excess revenues are released to the Issuer pursuant to the provisions of the Master Indenture or other applicable Bond Documents, the Issuer agrees to apply the same to the construction, acquisition, and improvement of facilities.

No Future Exclusion of Property. The parties to the Capital Pledge Agreement agree that such agreement constitutes "indebtedness" as contemplated by Section 32-1-503, C.R.S. Consequently, any property excluded from either Taxing District after the date the Capital Pledge Agreement takes effect is to remain liable for the imposition of the Capital Levies and payment of the proceeds thereof in accordance with the provisions of the Capital Pledge Agreement, to the same extent as such property otherwise remains liable for the debt of such Taxing District until such time as the Secured Bonds are fully discharged pursuant to the terms of the Master Indenture and other applicable Bond Documents.

If any court order providing for the exclusion of property from a Taxing District does not make provision for and specifically indicate the liability of such excluded property with respect to the obligations described in the preceding paragraph, the Issuer and the applicable Taxing District agree in the Capital Pledge Agreement to take all actions reasonably necessary to cause the property owners of such proposed

excluded property to covenant to assume all responsibilities thereunder, and such covenants are to run with the land and be in a form satisfactory to the Issuer.

Notwithstanding the foregoing, a Taxing District may exclude property from its boundaries if, simultaneously with such exclusion, the other Taxing District concurrently includes the very same property within its boundaries.

Additional Covenants. The Capital Pledge Agreement contains the following covenants:

(a) Each Taxing District will maintain its existence and will not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Secured Bonds, and will continue to operate and manage its facilities in an efficient and economical manner in accordance with all applicable laws, rules, and regulations.

(b) Each Taxing District will carry general liability coverage, worker's compensation, public liability, and such other forms of insurance on its insurable property upon the terms and conditions, and issued by recognized insurance companies, as in the judgment of such Taxing District, would ordinarily be carried by entities having similar properties of equal value, such insurance being in such amounts as will protect such Taxing District and its operations.

(c) Each Taxing District official or other person having custody of any Taxing District funds or responsible for the handling of such funds, is to be bonded or insured against theft or defalcation at all times.

(d) Each Taxing District will not issue or incur bonds, notes, or other obligations payable in whole or in part from, or constituting a lien upon, the general ad valorem taxes of such Taxing District (other than general ad valorem taxes imposed for the purpose of funding operation, maintenance and administrative costs, including the obligations under the Operations Financing IGAs, respectively, provided that such taxes are not imposed in excess of the amount permitted under the Service Plans of the Taxing Districts after first taking into account the imposition of the Capital Levies) or other Taxing District Pledged Revenue, without the prior consent of the Issuer. The Issuer may not consent to the issuance of such obligations without first complying with the provisions of the applicable Bond Documents relating to such consent.

(e) The Issuer will keep and maintain, or cause to be kept and maintained, accurate records and accounting entries reflecting all funds received from each Taxing District and the use(s) of such funds, including monthly unaudited financial statements reflecting the information contained in the accounting records.

(f) At least once a year in the time and manner provided by law, the Issuer and each Taxing District will cause an audit to be performed of the records relating to revenues and expenditures of each; provided, however, that with respect to the Taxing Districts only, a Taxing District is not required to perform an audit in any year in which (i) an exemption from performing such audit is available under State law and (ii) the Issuer's audit reflects the amount of the Taxing District Pledged Revenue of such Taxing District received in such year. In addition, at least once a year in the time and manner provided by law, each Taxing District will cause a budget to be prepared and adopted. Copies of the budget and the audit will be filed and recorded in the places, time, and manner provided by law.

(g) Each Taxing District agrees to use best efforts to assist the Issuer in the provision of information, including financial information, if needed, required under each continuing

disclosure agreement or similar agreement entered into by the Issuer in connection with the issuance of the Secured Bonds.

Events of Non-Compliance. The occurrence or existence of any one or more of the following events is to be an "Event of Non-Compliance" under the Capital Pledge Agreement, and there is to be no default or Event of Non-Compliance under the Capital Pledge Agreement except as so provided and stated below:

(a) a Taxing District fails or refuses to impose the Capital Levy or to remit or cause to be remitted the Taxing District Pledged Revenue as required by the terms of the Capital Pledge Agreement;

(b) any representation or warranty made by any party in the Capital Pledge Agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompletion would have a material adverse effect upon any other party;

(c) any party fails in the performance of any other of its covenants in the Capital Pledge Agreement, and such failure continues for 60 days after written notice specifying such default and requiring the same to be remedied is given to any of the parties thereto;

(d) the Issuer or a Taxing District commences proceedings for dissolution or consolidation with another metropolitan district during the term of the Capital Pledge Agreement; or

(e) (i) the Issuer or a Taxing District commences any case, proceeding, or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition, or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, or other similar official for itself or for any substantial part of its property, or the Issuer or a Taxing District makes a general assignment for the benefit of its creditors; or (ii) there is commenced against the Issuer or a Taxing District any case, proceeding, or other action of a nature referred to in clause (i) and the same is not dismissed within 90 days following the date of filing; or (iii) there is commenced against the Issuer or a Taxing District any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, distraint, or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which is not vacated, discharged, stayed, or bonded pending appeal within 90 days from the entry thereof; or (iv) the Issuer or a Taxing District takes action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Issuer or a Taxing District is generally not, or is unable to, or admits in writing its inability to, pay its debts as they become due.

WITHOUT LIMITING THE FOREGOING, AND NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THE CAPITAL PLEDGE AGREEMENT, EACH TAXING DISTRICT ACKNOWLEDGES AND AGREES IN THE CAPITAL PLEDGE AGREEMENT THAT THE APPLICATION OF ANY PORTION OF ITS TAXING DISTRICT PLEDGED REVENUE TO ANY PURPOSE OTHER THAN DEPOSIT WITH THE TRUSTEE OR AS OTHERWISE DIRECTED BY THE ISSUING DISTRICT IN ACCORDANCE WITH THE PROVISIONS OF THE CAPITAL PLEDGE AGREEMENT CONSTITUTES A VIOLATION OF THE TERMS OF THE CAPITAL PLEDGE AGREEMENT AND A BREACH OF THE COVENANTS MADE THEREUNDER FOR THE BENEFIT OF THE BONDHOLDERS, WHICH IS TO ENTITLE THE ISSUING DISTRICT AND THE TRUSTEE

TO PURSUE, ON BEHALF OF THE BONDHOLDERS, ALL AVAILABLE ACTIONS AGAINST EACH TAXING DISTRICT IN LAW OR IN EQUITY, AS MORE PARTICULARLY PROVIDED IN THE CAPITAL PLEDGE AGREEMENT. EACH TAXING DISTRICT FURTHER ACKNOWLEDGES AND AGREES IN THE CAPITAL PLEDGE AGREEMENT THAT THE APPLICATION OF TAXING DISTRICT PLEDGED REVENUE IN VIOLATION OF THE COVENANTS THEREOF WILL RESULT IN IRREPARABLE HARM TO THE BONDHOLDERS. IN NO EVENT IS ANY PROVISION OF THE CAPITAL PLEDGE AGREEMENT TO BE INTERPRETED TO PERMIT A TAXING DISTRICT TO RETAIN ANY PORTION OF THE TAXING DISTRICT PLEDGED REVENUE.

Remedies For Events of Non-Compliance. Upon the occurrence and continuance of an Event of Non-Compliance under the Capital Pledge Agreement, any party may proceed to protect and enforce its rights against the party or parties causing the Event of Non-Compliance by mandamus or such other suit, action, or special proceedings in equity or at law, in any court of competent jurisdiction, including an action for specific performance. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions of the Capital Pledge Agreement, the prevailing party in such litigation or other proceeding is to obtain, as part of its judgment or award, its reasonable attorneys' fees and costs.

Limited Tax General Obligation. The Payment Obligation of each Taxing District constitutes a limited tax general obligation of each Taxing District payable solely from and to the extent of the Taxing District Pledged Revenue of such Taxing District. Such Taxing District Pledged Revenue is pledged by each Taxing District to the Issuer on behalf of the Bondholders, for payment of each Taxing District's Payment Obligation in accordance with the terms of the Capital Pledge Agreement. The Payment Obligation of each Taxing District constitutes an irrevocable lien upon the Taxing District Pledged Revenue of such Taxing District.

Amendments of Master Indenture. The Capital Pledge Agreement provides that provisions of the Master Indenture relating to the requirements of the issuance of Refunding Bonds (as defined in the Master Indenture) to refund the Series 2024 Bonds, the Series 2017 Bonds and Series 2007 Subordinate Bonds may not be amended without the prior written consent of the Taxing Districts, and that the Taxing Districts constitute third party beneficiaries of such provisions of the Master Indenture with rights to enforce the same. See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE."

SOURCES OF PLEDGED REVENUE: SPECIFIC OWNERSHIP TAXES

Specific Ownership Tax in General

Pursuant to Section 42-3-107, C.R.S., specific ownership tax is collected on motor vehicle licensing by all counties and distributed to every taxing entity within a county in the proportion that the taxing entity's ad valorem taxes represents of the cumulative amount of ad valorem taxes levied county-wide. Such specific ownership tax is currently imposed at a graduated rate which varies from 2.1% of taxable value in the first year of ownership to $3 per year in the tenth year of ownership and thereafter.

Changes in State law pursuant to which the specific ownership tax is collected and distributed are not within the control of the Issuer or the Taxing Districts, and could result in a decrease in the present specific ownership tax rates and a corresponding decrease in the amount of Specific Ownership Taxes pledged to the Trustee for payment of Bonds issued under the Master Indenture.

Pledge of Specific Ownership Taxes by Taxing Districts

In order to provide additional revenues to fund the Payment Obligation of each Taxing District under the Capital Pledge Agreement, the Taxing Districts have pledged to the Issuer, for the benefit of the Bondholders, the portion of specific ownership taxes received by the Taxing Districts as a result of their imposition of the Capital Levies, respectively (as previously defined above, the "**Specific Ownership Taxes**"). Pursuant to the Capital Pledge Agreement, the Taxing Districts are to pay the Specific Ownership Taxes directly to the Trustee. The Issuer pledges the Specific Ownership Taxes to the Trustee under the Master Indenture for the benefit of the Bondholders.

SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE

Shared Sales Tax Incremental Revenue

In General. The Pledged Revenue includes the Shared Sales Tax Incremental Revenues generally consisting of a percentage of the revenue derived from retail sales transactions within a 748-acre property in the City designated as a tax increment area (including all of the commercial property within the Initial Development) that are subject to the City's General Fund Sales Tax (as previously defined, "**GF Retail Sales**") in excess of the Base Amount of $2,273,417. The Shared Sales Tax Incremental Revenues are pledged by the Brighton Urban Renewal Authority (as previously defined, "**BURA**") to the Issuer pursuant to the Cooperation Agreement (as defined and described below).

In furtherance of the Comprehensive Agreement, the City, BURA and the Issuer entered into that certain Cooperation Agreement Among the City of Brighton, Colorado, the Brighton Urban Renewal Authority and Prairie Center Metropolitan District No. 3 dated July 18, 2012 (as previously defined, the "**Cooperation Agreement**"). Under the Cooperation Agreement, BURA has pledged the Shared Sales Tax Incremental Revenues to the Issuer. The Shared Sales Tax Incremental Revenue is a component of the Shared Revenue under the Comprehensive Agreement and is, therefore, subject to the limitations on its application as described under the "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS—Comprehensive Agreement—*Limitations on Application of Shared Revenue*." **Unless earlier terminated pursuant to the provisions thereof, the Cooperation Agreement and the pledge of the Shared Sales Tax Incremental Revenue terminates on April 3, 2037.** See "*—Termination of Cooperation Agreement; SSTI Termination Date*" below.

See "*—Cooperation Agreement*" below for a more detailed description of the Shared Sales Tax Incremental Revenue. For a depiction of the Plan Area, see the map entitled "PLAN AREA" located on page xi at the front of this Limited Offering Memorandum.

See also "TABLE V—APPLICABLE SSTI PERCENTAGE RELATING TO CALCULATION OF ALLOCATED INCREMENT AMOUNT" below for the Applicable SSTI Percentage corresponding to various levels of GF Retail Sales occurring within the Plan Area.

Urban Renewal Plan. On April 3, 2012, the City Council adopted the Southeast Brighton Regional Plan (as previously defined, the "**Urban Renewal Plan**") which designated 748 acres (excluding public rights-of-way) of property within the City as a tax increment area (the "**Plan Area**"). The Plan Area generally includes substantially all of the retail/commercial property within the Initial Development and certain property within the Prairie Center Master Development outside of the Initial Development.

Pursuant to the Urban Renewal Plan, the City allocated certain levels of incremental municipal sales taxes to BURA (as more particularly defined below, the "**Allocated Increment Amount**") until the

SSTI Termination Date. The City did *not* allocate any ad valorem property tax increment to BURA under the Urban Renewal Plan.

The Urban Renewal Plan provides that BURA is to establish a tax increment revenue fund (the "**Special Fund**") for deposit of the Allocated Increment Amount.

Cooperation Agreement. In furtherance of the Comprehensive Agreement, the City, BURA and the Issuer entered into the Cooperation Agreement which also carries out the provisions of the Urban Renewal Plan with respect to the tax increment revenue allocated by the City to BURA thereunder.

Under the Cooperation Agreement, BURA has pledged the Shared Sales Tax Incremental Revenues to the Issuer and, as directed in writing by the Issuer, BURA agrees to transfer such revenues to the Trustee for the purpose of paying or reimbursing costs of the Primary Public Improvements constructed by the Issuer to serve the Plan Area.

Shared Sales Tax Incremental Revenue. The Master Indenture defines "**Shared Sales Tax Incremental Revenue**" as the amounts deposited by BURA into the Shared Sales Tax Account (an account created by BURA within the Special Fund) established and pledged to the Issuer pursuant to the Cooperation Agreement. Under the Cooperation Agreement, BURA is required to deposit or transfer into the Shared Sales Tax Account in any applicable calendar year, the Allocated Increment Amount for such year, *less* the proportionate share of the City's reasonable and necessary costs and expenses of collecting and enforcing the City's General Fund Sales Tax attributable to the Plan Area ("**City Expenses**"), *plus* interest earning on amounts in the Shared Sales Tax Account of the Special Fund for such period (each defined below).

Allocated Increment Amount. The Allocated Increment Amount is computed each year as a percentage (as determined annually, the "**Applicable SSTI Percentage**") of the General Fund Sales Tax Incremental Revenues for such year.

General Fund Sales Tax Incremental Revenues. The "**General Fund Sales Tax Incremental Revenues**" (as more particularly defined in "APPENDIX C—SELECTED DEFINITIONS" hereto) generally means, for any applicable period, revenue from the City's 2.00% General Fund Sales Tax derived from GF Retail Sales occurring within the Plan Area *in excess of* the Base Amount (which is $2,273,417).

Applicable SSTI Percentage. The Applicable SSTI Percentage varies depending on the level of GF Retail Sales occurring in the Plan Area in each calendar year. Pursuant to the SSTI MOU (defined below), for purposes of computing the amount of such sales for any applicable calendar year, *sales are deemed to occur in the month in which the General Fund Sales Tax revenue generated from such sales has been remitted to the City*.

The Applicable SSTI Percentage, which is determined for each calendar year, adjusts upward if GF Retail Sales in the Plan Area increase and certain additional taxable retail sales thresholds are met; adjusts downwards if GF Retail Sales in the Plan Area decrease below such thresholds; and, in any year in which GF Retail Sales fall below the minimum threshold of $150,000,000 (the "**Initial Threshold Amount**"), notwithstanding the Issuer's receipt of Shared Sales Tax Incremental Revenues in any prior years, the Allocated Increment Amount will be zero for that year (unless the Qualifying Retailer Condition has been satisfied as described below). See "TABLE V—APPLICABLE SSTI PERCENTAGE RELATING TO CALCULATION OF ALLOCATED INCREMENT AMOUNT" below for the taxable retail sale thresholds and corresponding Applicable SSTI Percentage. In each calendar year from 2021 through 2025 GF Retail Sales have exceeded the Initial Threshold Amount and the Issuer has received Shared Sales Tax Incremental Revenues. The Applicable SSTI Percentage has been 40% since 2024. See "TABLE VI—

HISTORICAL SHARED SALES TAX INCREMENTAL REVENUE" and "FINANCIAL INFORMATION—Historical Receipts of Pledged Revenue."

Qualifying Retailer Condition. If a Qualifying Retailer (defined as Walmart, Sam's Club or Costco) receives a Certificate of Occupancy (the "**Qualifying Retailer Condition**"), the Allocated Increment Amount would not decrease below 30% regardless of the amount of taxable retail sales in the Plan Area in any calendar year. As of the date of this Limited Offering Memorandum, the Qualifying Retailer Condition has not been satisfied.

If the Qualifying Retailer Condition has not been satisfied and the Initial Threshold Amount is not met in any applicable calendar year, the Applicable SSTI Percentage would be zero for such year, resulting in no Shared Sales Tax Incremental Revenues for that year.

The table below sets forth the various thresholds of GF Retail Sales attributable to the Plan Area and the Applicable SSTI Percentage corresponding to each level of GF Retail Sales pursuant to which the Allocated Increment Amount is calculated, from which the Shared Sales Tax Incremental Revenue for each year (if any) is determined.

TABLE V
Applicable SSTI Percentage Relating to Calculation of Allocated Increment Amount

Amount of GF Retail Sales in Plan Area	Applicable SSTI Percentage [1]
$0 to $149,999,999	--
$150,000,000 to $199,999,999	30%
$200,000,000 to $249,999,999	35
$250,000,000 to $299,999,999	40
$300,000,000 (or more)	49

[1] If the Qualifying Retailer Condition has been met, the Applicable SSTI Percentage will be at least 30% regardless of the amount of GF Retail Sales in the Plan Area in any calendar year. As of the date of this Limited Offering Memorandum, the Qualifying Retailer Condition has not been met.

By way of example, if GF Retail Sales in the Plan Area in a calendar year (as qualified below under "*—Tax Receipts; Calendar Year Qualification*") equal $150,000,000 (and assuming the Qualifying Retailer Condition has not been satisfied), the City's 2.00% General Fund Sales Tax revenue would equal $3,000,000 (0.02 x $150,000,000 = $3,000,000). The amount of such revenue in excess of the Base Amount (the "**General Fund Sales Tax Incremental Revenues**") would equal $726,583 ($3,000,000 - $2,273,417 = $726,583). At the $150,000,000 level of GF Retail Sales within the Plan Area, the Applicable SSTI Percentage is 30%, and the Allocated Increment Amount would be $217,974.90 (0.30 x $726,583) for such year.

Tax Receipts; Calendar Year Qualification. Pursuant to the SSTI MOU, for purposes of computing the amount of GF Retail Sales attributable to the Plan Area for any applicable calendar year, ***GF Retail Sales are deemed to occur in the month in which the General Fund Sales Tax revenue generated from such sales has been remitted to the City.***

In addition, the SSTI MOU provides that the City is to remit the Allocated Increment Amount, net of City Expenses, to BURA no later than January 31 of each year, which BURA is to credit to accounts in

the Special Fund as described below. In addition, the SSTI MOU provides that not later than February 20 of each year, BURA is to remit to the Trustee (as directed in writing by the Issuer) the Shared Sales Tax Incremental Revenues, comprised of all amounts then on deposit in the Shared Sales Tax Account, including interest earnings thereon and amounts transferred thereto, if any.

BURA Pledge of Shared Sales Tax Incremental Revenues. In contrast to the Shared General Fund Sales Tax Revenues which, under the Sales Tax Sharing Agreement (described under "—Shared General Fund Sales Tax Revenues" below) are subject to annual appropriation by the City each year, the Shared Sales Tax Incremental Revenues on deposit in the Shared Sales Tax Account of the Special Fund are pledged by BURA to the Issuer and are *not* subject to annual appropriation. Pursuant to Section 11-57-208, C.R.S., such pledge of the Shared Sales Tax Incremental Revenues was immediately effective (as of the date of when made pursuant to the Cooperation Agreement) without any physical delivery, filing, or further act, and the lien of such pledge is to be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against BURA irrespective of whether such persons have notice of such liens.

Remittance of Shared Sales Tax Incremental Revenues. Pursuant to the Cooperation Agreement, BURA is to remit the Shared Sales Tax Incremental Revenues to the Issuer, the Issuer's designee, and/or the Trustee as directed in writing by the Issuer, with a copy of such direction to the City. The Issuer has directed BURA to remit the Shared Sales Tax Incremental Revenues to the Trustee. Under the Cooperation Agreement, unless the parties thereto agree otherwise, BURA is to remit all or a portion of the Shared Sales Tax Incremental Revenues on deposit in the Shared Sales Tax Account within fifteen (15) days after the last day of the month in which such Shared Sales Tax Incremental Revenues were deposited or transferred into the Shared Sales Tax Account of the Special Fund.

Books and Records. The Cooperation Agreement requires the City to keep, or cause to be kept, accurate books and records of (i) all municipal sales taxes collected from the Plan Area; (ii) the amount of such municipal sales taxes that constitute the Allocated Increment Amount; and (iii) the remittance of the Allocated Increment Amount to BURA. BURA is required to keep, or cause to be kept, accurate books and records of (i) the receipt of all Allocated Increment Amounts from the City; (ii) deposits to the Special Fund; (iii) the amount of interest, if any, earned on the Special Fund; and (iv) the remittance of Shared Sales Tax Incremental Revenues to or at the direction of the Issuer;. The Issuer is required to keep, or cause to be kept, accurate books and records of (i) the receipt of the Shared Sales Tax Incremental Revenues from BURA (whether received by the Issuer, the Issuer's designee, and/or the Trustee) and (ii) the costs of Primary Public Improvements that are paid or reimbursed by such Shared Sales Tax Incremental Revenues.

Termination of Cooperation Agreement; SSTI Termination Date. The obligation of BURA to remit the Shared Sales Tax Incremental Revenues to pay or reimburse the Issuer for costs of Primary Public Improvements terminates upon the first to occur of: (i) the full repayment or defeasance of all Issuer obligations that are secured by a lien on all or any portion of the Shared Revenues and the full repayment of all Developer Advances (within the meaning of the Comprehensive Agreement) incurred in connection with the financing, design and construction of Primary Public Improvements; or (ii) the Issuer's receipt of Shared Revenues to pay or reimburse the Issuer for costs of Primary Public Improvements in an amount equal to the Cap Amount, plus receipt of Shared Revenues in an amount sufficient to pay or reimburse the Issuer for all eligible interest and financing costs (including the principal and interest costs of the Series 2026 Bonds, which are being issued to refund the Series 2007A Subordinate Bonds, the net proceeds of which were used to finance the costs of Primary Public Improvements) incurred by the Issuer; or (iii) April 3, 2037 (the "**SSTI Termination Date**"). As of the date of this Limited Offering Memorandum, the Cap Amount equals $146,476,239.71. As of June 30, 2026, the Districts had incurred $82,836,629 in costs of construction of Primary Public Improvements, resulting in $63,639,611 of the Cap Amount remaining. Such costs include hard costs and eligible soft costs incurred by the Issuer in the amount of $73,545,284

and District No. 7 in the amount of $9,291,345. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS—Comprehensive Agreement—*Cap Amount*" for additional information regarding the Cap Amount.

Historical Shared Sales Tax Incremental Revenue

The following table sets forth historical total taxable sales within the Plan Area and the corresponding Applicable SSTI Percentage and Shared Sales Tax Incremental Revenue for the years 2021-2025. The table below does not include data for 2026, which will not be available until 2027.

TABLE VI
Historical Shared Sales Tax Incremental Revenue

Year	Total Taxable Sales	Increment Base	Applicable SSTI %	Shared Sales Tax Incremental Revenue
2021	$229,505,087	$2,273,417	35%	$ 799,887
2022	245,734,923	2,273,417	35	924,449
2023	248,105,120	2,273,417	35	941,040
2024	261,592,749	2,273,417	40	1,183,375
2025	272,859,461	2,273,417	40	1,273,509

Source: The Issuer.

Shared General Fund Sales Tax Revenues

Purpose. As described in the preceding paragraph under the caption "*—Termination of Cooperation Agreement; SSTI Termination Date,*" the Cooperation Agreement terminates on the SSTI Termination Date which, if not earlier terminated pursuant to the other components of the SSTI Termination Date as described above, is April 3, 2037, and the Issuer's right to Shared Sales Tax Incremental Revenue generated from GF Retail Sales occurring after such date will terminate concurrently. In order to share General Fund Sales Tax revenues following the SSTI Termination Date, the City and the Issuer have entered into a General Fund Sales Tax Sharing Agreement Between the City of Brighton, Colorado, and Prairie Center Metropolitan District No. 3, dated as of July 18, 2012 (as previously defined, the "**Sales Tax Sharing Agreement**"), pursuant to which the City has agreed, subject to annual appropriation as described below, to pay the Issuer annual amounts equal to the Shared General Fund Sales Tax Revenues.

In General. The Shared General Fund Sales Tax Revenues are computed each year as a percentage (the "**Applicable SGFST Percentage**") of GF Retail Sales occurring within the SGFST Revenue Area in such year. The Applicable SGFST Percentage corresponds to the level of GF Retail Sales occurring within the SGFST Revenue Area, and is determined based on meeting certain thresholds of general fund taxable retail sales, as set forth below in "TABLE VII—SALES TAX SHARING THRESHOLDS."

Once a particular threshold of GF Retail Sales is reached, the Applicable SGFST Percentage corresponding to that threshold will remain in effect until the next increased threshold of GF Retail Sales is met, regardless of whether such sales decrease in subsequent years. See "*—Computation of SGFST Revenue*" below.

The SGFST Revenue Area is comprised of substantially all of the property located within the Prairie Center Master Development (including the Initial Development) that is also located within the City. For a depiction of the SGFST Revenue Area, see the map entitled "SHARED GENERAL FUND SALES TAX AREA" located on page x at the front of this Limited Offering Memorandum.

The Shared General Fund Sales Tax Revenues are a component of the Shared Revenue under the Comprehensive Agreement and are, therefore, subject to the limitations on their application as described under the "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS—Comprehensive Agreement—*Limitations on Application of Shared Revenue*."

The remittance of the Shared General Fund Sales Tax Revenues by the City to the Issuer or to the Trustee pursuant to the Cooperation Agreement is subject to annual appropriation by the City Council each year while the Sales Tax Sharing Agreement is in effect.

Termination. The Sales Tax Sharing Agreement will terminate on the earliest to occur of: (i) the Issuer's repayment in full or defeasance of all the Issuer's bonds or other obligations (which include the Series 2026 Bonds) that are secured by a lien on all or any portion of the Shared Revenues (which include the Shared General Fund Sales Tax Revenues) and the repayment in full of all Developer Advances (within the meaning of the Comprehensive Agreement) incurred in connection with the financing, design and construction of Primary Public Improvements or (ii) the Issuer's receipt of Shared Revenues to pay or reimburse the Issuer for costs of Primary Public Improvements in an amount equal to the Cap Amount, plus receipt of Shared Revenues in an amount sufficient to pay or reimburse the Issuer for all eligible interest and financing costs incurred by the Issuer for constructing the Primary Public Improvements (including the principal and interest costs of the Series 2026 Bonds, which are being issued to refund the Series 2007A Subordinate Bonds, the net proceeds of which were used to finance the costs of Primary Public Improvements). As of the date of this Limited Offering Memorandum, the Cap Amount equals $146,476,239.71. As of June 30, 2026, the Districts had incurred $82,836,629 in costs of construction of Primary Public Improvements, resulting in $63,639,611 of the Cap Amount remaining. Such costs include hard costs and eligible soft costs incurred by the Issuer in the amount of $73,545,284 and District No. 7 in the amount of $9,291,345. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS—Comprehensive Agreement—*Cap Amount*" for additional information regarding the Cap Amount.

Sales Tax Sharing Agreement. The Sales Tax Sharing Agreement provides that the City will begin sharing the Shared General Fund Sales Tax Revenues only upon termination of the Cooperation Agreement.

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The amount of Shared General Fund Sales Tax Revenues to be remitted by the City (subject to annual appropriation) to the Issuer is to be calculated at the applicable rate (as previously defined, the "**Applicable SGFST Percentage**") as set forth in "TABLE VII—Sales Tax Sharing Thresholds" below. In contrast to the Applicable SSTI Percentage (which is a percentage of the *incremental* sales tax revenues above the Base Amount) used to determine the amount of the Shared Sales Tax Incremental Revenues, the Applicable SGFST Percentage used to determine the amount of the Shared General Fund Sales Tax is based on the total amount of GF Retail Sales occurring within the SGFST Revenue Area. Once such sales have met a particular dollar threshold set forth in "TABLE VII—Sales Tax Sharing Thresholds" below for a calendar year, the City will continue to share the Shared General Fund Sales Tax Revenues at the corresponding rate of the Applicable SGFST Percentage even if GF Retail Sales in subsequent years fall below the applicable dollar threshold.

TABLE VII
Sales Tax Sharing Thresholds

Amount of Taxable Retail Sales in Property and Bromley Parcels	Applicable SGFST Percentage of Taxable Retail Sales [1]
$0 to $149,999,999	0.00%
$150,000,000 to $299,000,000	0.50
$300,000,000 (or more)	0.75

[1] Determines the amount of the City's General Fund Sales Taxes of 2.00% that are payable to the Issuer under the Sales Tax Sharing Agreement.

Computation of SGFST Revenue. If GF Retail Sales in the SGFST Revenue Area in a calendar year equal $150,000,000, the Applicable SGFST Percentage would be 0.50%, and the amount of the Shared General Fund Sales Tax Revenues payable to the Issuer would equal $750,000 (0.005 x $150,000,000 = $750,000). Under such example, the City would keep 1.50% of its General Fund Sales Taxes (i.e., $2,250,000), and would share the General Fund Sales Taxes generated from a sales tax rate of 0.50% on $150,000,000 (i.e., $750,000) with the Issuer. The Applicable SGFST Percentage would remain 0.50%, even if GF Retail Sales in the SFGST Revenue Area in any subsequent year were less than $150,000,000 until the first calendar year in which GF Retail Sales in the SGFST Revenue Area equal $300,000,000 or more. In such year, the Applicable SGFST Percentage will increase to 0.75% and remain at 0.75% until termination of the Sales Tax Sharing Agreement even if GF Retail Sales in the SGFST Revenue Area are less than $300,000,000 in any subsequent year.

Notwithstanding the foregoing, the amount of Shared General Fund Sales Tax Revenues to be remitted to the Issuer will be net of the amounts described below under "*—Deductions From Shared General Fund Sales Tax Revenues*."

Deductions From Shared General Fund Sales Tax Revenues. The net amounts remitted by the City to the Issuer will be reduced by the proportionate share of the reasonable and necessary costs and expenses of collecting and enforcing the General Fund Sales Taxes attributable to the SGFST Revenue Area.

Annual Appropriation. The remittance by the City to the Issuer of the Shared General Fund Sales Taxes is subject to annual appropriation by the City Council each year. Each year the official or employee of the City charged with the responsibility of formulating the City's budget proposals is directed to include in the budget proposal for each year sufficient funds to enable the City to remit the Shared General Fund Sales Tax Revenues as contemplated in the Sales Tax Sharing Agreement; however, any decision to appropriate an amount sufficient to enable the City to remit the Shared General Fund Sales Tax Revenues is to be made solely by the City Council and not by any other official of the City. In the event that the City

Council does not in any given year appropriate sufficient moneys to remit the Shared General Fund Sales Tax Revenues as contemplated in the Sales Tax Sharing Agreement, such failure to appropriate will not be deemed an event of default thereunder and the Issuer will have no remedy whatsoever against the City for any such failure to appropriate.

City Not Responsible for Delinquent Collections. In addition, the City is obligated to transfer to the Issuer (or its designee) only the Shared General Fund Sales Tax Revenues that it actually collects (and appropriates, as described above) and the City does not guarantee or ensure that it will be able to collect any delinquent or deficient General Fund Sales Taxes. The City agrees to pursue all lawful procedures and remedies available to it to collect and transfer to the Issuer or the Trustee, as applicable, the Shared General Fund Sales Tax Revenues on a monthly basis. Under no circumstances will the City be subject to any legal liability to any person whatsoever on account of the City's inability to collect some or all of any delinquent or deficient General Fund Sales Taxes.

Remittance of Shared General Fund Sales Tax Revenues. Pursuant to the Sales Tax Sharing Agreement, the City is to remit the Shared General Fund Sales Tax Revenues to the Issuer, the Issuer's designee, and/or the Trustee, as directed in writing by the Issuer. The Issuer has directed the City in writing to remit the Shared General Fund Sales Tax Revenues to the Trustee. Unless otherwise agreed to by the City and the Issuer, the City is to remit to the Trustee all or a portion of the Shared General Fund Sales Tax Revenues within thirty (30) days after the last day of the month in which such Shared General Fund Sales Tax Revenues were received by the City.

Books and Records. The Sales Tax Sharing Agreement provides that the City is to keep, or cause to be kept, accurate books and records of (i) all General Fund Sales Taxes collected from the SGFST Revenue Area; (ii) the amount of such General Fund Sales Taxes that were generated from sales of food for domestic home consumption; and (iii) the amount of Shared General Fund Sales Tax Revenues remitted to the Issuer (or its designee) or the Trustee. The Issuer is to keep, or cause to be kept, accurate books and records of (i) the receipt of the Shared General Fund Sales Tax Revenues by the Issuer (or its designee) or the Trustee, and (ii) the costs of Primary Public Improvements that were paid or reimbursed by such Shared General Fund Sales Tax Revenues.

BOND REVENUE STUDY

PGAV Planners, LLC, St. Louis, Missouri (as previously defined, "**PGAV**" or the "**Revenue Consultant**"), prepared the Bond Revenue Study attached as APPENDIX A hereto. The Bond Revenue Study contains an assessment of the Existing Development and the Anticipated New Development, which constitutes a portion of the Initial Development. The Bond Revenue Study is based on (i) the retail sales activities forecast to occur within the Existing Development and the Anticipated New Development and the PIF Revenue, Shared Sales Tax Incremental Revenues and Shared General Fund Sales Tax Revenues resulting therefrom; (ii) the forecast assessed value of residential and retail properties within the Taxing Districts and Capital Levies Revenues to be generated therefrom; (iii) the Specific Ownership Tax revenue to be generated based on the portion thereof allocable to the Capital Levies; and (iv) the forecast future new construction and related building permits anticipated to be issued within the Financing Districts and the Facilities Fees Revenues to be generated therefrom. ***The Bond Revenue Study does not include projections of any PIF Revenue generated from Use Tax Activities.***

The Bond Revenue Study includes Pledged Revenue projections for both the Existing Development and the Anticipated New Development. The Case I scenario with respect to anticipated Pledged Revenue and anticipated debt service coverage for the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) is based solely on the Existing Development. It is not necessary for any portion of the Anticipated New Development to be completed in order for the Issuer to repay the

Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) in accordance with the Case I scenario. See "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE," "APPENDIX A—BOND REVENUE STUDY" and "DEVELOPMENT WITHIN THE INITIAL DEVELOPMENT."

The forecasts are based in large part on certain information and assumptions that were provided by, or reviewed and agreed to by, the Developer, including the assumption that full build-out of the commercial and residential development presently planned within the Anticipated New Development will occur. In the opinion of the Revenue Consultant, these assumptions provide a reasonable basis for the forecasts. The Bond Revenue Study should be read in its entirety for an understanding of the forecasts and the underlying assumptions contained therein.

The Bond Revenue Study has been included herein in reliance upon the knowledge and experience of the Revenue Consultant, and is not guaranteed by the Issuer or the Underwriter.

As noted in the Bond Revenue Study, any forecast is subject to uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. See "FORWARD-LOOKING STATEMENTS" at the front of this Limited Offering Memorandum and "RISK FACTORS."

PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE

Structuring Assumptions

General. The assumptions (the "**Structuring Assumptions**") described under this heading were prepared by the Underwriter based on the projections in the Bond Revenue Study. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur. Therefore, actual results achieved will vary from the results based on the Structuring Assumptions, and the variations may be material. If actual results are materially different from those assumed, it will have a material effect on the projections set forth below under the caption "—Projected Net Revenue and Debt Service Coverage." Potential investors are cautioned that the information in this section of this Limited Offering Memorandum represents "forward–looking statements" as described under the caption "FORWARD LOOKING STATEMENTS" at the front of this Limited Offering Memorandum. There is no assurance that actual events will correspond with the assumptions made. No guaranty or assurances may be made that such projections will correspond with the results achieved in the future.

Bond Revenue Study. The Revenue Consultant has prepared the Bond Revenue Study which is attached hereto as APPENDIX A. The Issuer, the Financing Districts, the Developer and the Underwriter make no representation or warranty (express or implied) as to the accuracy or completeness of any financial, technical or statistical data or any estimates, projections, assumptions or expressions of opinion set forth in the Bond Revenue Study. The forecasted annual revenues shown in the Bond Revenue Study are based on certain assumptions concerning facts and events over which the Issuer, the Financing Districts, the Developer, the Underwriter and the Revenue Consultant will have no control.

The Anticipated New Development is anticipated to generate Pledged Revenue, as further set forth in the Bond Revenue Study, which has been included in the Case II scenario below. Notwithstanding the foregoing, the Case I scenario below with respect to anticipated Pledged Revenue and anticipated debt service coverage for the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) is based solely on the Existing Development. It is not necessary for any portion of the Anticipated New Development to be completed in order for the Issuer to repay the Series 2026 Bonds (and the Series 2024 Bonds and the Series 2017 Bonds) in accordance with the Case I

scenario below. See "PROJECTED NET REVENUES AND DEBT SERVICE COVERAGE" and "RISK FACTORS—Risks Inherent in Bond Revenue Study."

The Bond Revenue Study does not include projections of any revenues generated from Use Tax Activities, and none of such revenues have been included in either case scenario below.

Case I. Assumes that the Pledged Revenue is received in the amounts and in the years set forth in Table 34 on page 69 of the Bond Revenue Study attached hereto as APPENDIX A, consisting of revenues projected to be generated by the Existing Development only.

Case II. Assumes that the Pledged Revenue is received in the amounts and in the years as set forth in Table 35 on page 70 of the Bond Revenue Study attached hereto as APPENDIX A, consisting of revenues projected to be generated by the Existing Development and the Anticipated New Development.

Assumed Investment Earnings, Collection and Timely Payments. The amounts on deposit in the Revenue Fund and Debt Service Reserve Fund established and held by the Trustee under the Master Indenture are assumed to earn no interest, and the amounts of Shared Sales Tax Incremental Revenue and Shared General Fund Sales Tax Revenues assume no interest earnings on amounts in the Revenue Account. All Pledged Revenue is assumed to be promptly paid, collected and remitted to the Trustee.

Lag. Certain lags between Pledged Revenue generated and actually collected by the Trustee and available for payment of debt service on the Series 2026 Bonds have been assumed.

Special Mandatory Redemption. No redemptions prior to maturity other than mandatory sinking fund redemptions have been assumed.

Assumed Annual Fees and Expenses (not already assumed in the Bond Revenue Study). Annual deposits to the Administrative Cost Fund occur after payment of stated principal and interest. As a result, these deposits do not impact coverage. Annual city expenses associated with their proportionate share of the reasonable and necessary costs and expenses of collecting and enforcing the City's General Fund Sales Tax are assumed to be $10,000.

Projected Net Revenue and Debt Service Coverage

The tables set forth below provide projected debt service coverage based on the Structuring Assumptions described above, with the initial table below assuming the *Case I* scenario with respect to anticipated receipts of Pledged Revenue and the second table below assuming the *Case II* scenario with respect to anticipated receipts of Pledged Revenue.

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TABLE VIII
Case I Projected Debt Service Coverage*

Year	Assumed Pledged Revenue [1]	Total Debt Service [2, 3, 4]	Projected Coverage
2027	$ 9,539,407	$ 6,799,253.08	1.403008x
2028	10,120,373	6,999,500.00	1.445871x
2029	10,307,916	7,081,150.00	1.455684x
2030	10,528,894	7,283,731.26	1.445536x
2031	10,720,232	7,359,318.76	1.456688x
2032	10,916,564	7,459,750.00	1.463395x
2033	11,065,372	7,538,100.00	1.467926x
2034	11,251,153	7,639,912.52	1.472681x
2035	11,404,458	7,718,306.26	1.477586x
2036	11,595,499	7,968,825.00	1.455108x
2037	11,753,438	8,163,118.76	1.439822x
2038	12,161,153	8,440,656.26	1.440783x
2039	12,381,802	8,599,300.00	1.439862x
2040	12,571,151	8,677,437.50	1.448717x
2041	12,725,920	8,720,100.01	1.459378x
2042	12,882,442	7,530,993.76	1.710590x
2043	12,988,358	7,567,481.26	1.716338x
2044	13,133,691	7,624,581.26	1.722546x
2045	13,241,736	7,664,943.76	1.727571x
2046	13,389,985	4,009,656.27	3.339435x
2047	13,500,202	4,088,437.50	3.302044x
2048	13,651,428	4,088,437.50	3.339033x
2049	13,763,860	4,075,937.50	3.376857x
2050	13,918,121	2,600,781.25	5.351515x
Total	**$289,513,156**	**$165,699,709.47**	

* Preliminary; subject to change.

[1] Assumes that the Pledged Revenue is received in the amounts and in the years set forth in Table 34 of the Bond Revenue Study attached hereto as APPENDIX A, consisting of revenues projected to be generated by the Existing Development.

[2] The final debt service payment for the Series 2026 Bonds in 2050 assumes the application of moneys in the Series 2026 Reserve Account of the Senior Reserve Fund, and assumes that at the time of such application, the amount in such accounts is equal to the Senior Reserve Requirement for the Series 2026 Bonds. The final debt service payment for the Series 2024 Bonds in 2046 assumes the application of moneys in the Series 2024A Reserve Account and the Series 2024B Reserve Account of the Senior Reserve Fund, and assumes that at the time of such application, the amount in such accounts is equal to the Senior Reserve Requirement for the Series 2024A Bonds and the Series 2024B Bonds, respectively. The final debt service payment on the Series 2017 Bonds in 2041 assumes the application of moneys in the Series 2017A Reserve Account and the Series 2017B Reserve Account of the Senior Reserve Fund, and assumes that at the time of such application, the amount in such accounts is equal to the Senior Reserve Requirement for the Series 2017A Bonds and the Series 2017B Bonds, respectively. A portion of the first interest payment on the Series 2026 Bonds includes application of amounts in the Series 2026 Interest Subaccount (capitalized interest).

[3] Includes principal and interest on the Series 2026 Bonds, the Series 2024 Bonds and the Series 2017 Bonds, as provided by the Underwriter and the Trustee (See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE"), and City expenses consistent with the Structuring Assumptions described above.

[4] Assumes no redemptions (including "super-sinking" redemptions) prior to maturity other than mandatory sinking fund redemptions.

Source: The Revenue Consultant, the Trustee and the Underwriter.

TABLE IX
Case II Projected Debt Service Coverage*

Year	Assumed Pledged Revenue [1]	Total Debt Service [2, 3, 4]	Projected Coverage
2027	$ 9,641,093	$ 6,799,253.08	1.417964x
2028	10,818,841	6,999,500.00	1.545659x
2029	11,338,002	7,081,150.00	1.601153x
2030	11,764,258	7,283,731.26	1.615142x
2031	11,995,314	7,359,318.76	1.629949x
2032	12,212,286	7,459,750.00	1.637091x
2033	12,378,078	7,538,100.00	1.642069x
2034	12,583,832	7,639,912.52	1.647117x
2035	12,754,636	7,718,306.26	1.652517x
2036	12,966,225	7,968,825.00	1.627119x
2037	13,142,191	8,163,118.76	1.609947x
2038	13,522,165	8,440,656.26	1.602028x
2039	13,744,113	8,599,300.00	1.598283x
2040	13,954,222	8,677,437.50	1.608104x
2041	14,127,116	8,720,100.01	1.620064x
2042	14,299,974	7,530,993.76	1.898816x
2043	14,418,289	7,567,481.26	1.905296x
2044	14,579,162	7,624,581.26	1.912126x
2045	14,699,856	7,664,943.76	1.917804x
2046	14,863,959	4,009,656.27	3.707041x
2047	14,987,078	4,088,437.50	3.665723x
2048	15,154,475	4,088,437.50	3.706667x
2049	15,280,069	4,075,937.50	3.748848x
2050	15,450,827	2,600,781.25	5.940841x
Total	**$320,676,061**	**$165,699,709.47**	

* Preliminary; subject to change.

[1] Assumes that the Pledged Revenue is received in the amounts and in the years as set forth in Table 35 of the Bond Revenue Study attached hereto as APPENDIX A, consisting of revenues projected to be generated by the Existing Development and the Anticipated New Development, including Facilities Fees projected to be generated by the Anticipated New Development.

[2] The final debt service payment on the Series 2026 Bonds in 2050 assumes the application of moneys in the Series 2026 Reserve Account of the Senior Reserve Fund, and assumes that at the time of such application, the amount in such accounts is equal to the Senior Reserve Requirement for the Series 2026 Bonds. The final debt service payment for the Series 2024 Bonds in 2046 assumes the application of moneys in the Series 2024A Reserve Account and the Series 2024B Reserve Account of the Senior Reserve Fund, and assumes that at the time of such application, the amount in such accounts is equal to the Senior Reserve Requirement for the Series 2024A Bonds and the Series 2024B Bonds, respectively. The final debt service payment on the Series 2017 Bonds in 2041 assumes the application of moneys in the Series 2017A Reserve Account and the Series 2017B Reserve Account of the Senior Reserve Fund, and assumes that at the time of such application, the amount in such accounts is equal to the Senior Reserve Requirement for the Series 2017A Bonds and the Series 2017B Bonds, respectively. A portion of the first interest payment on the Series 2026 Bonds includes application of amounts in the Series 2026 Interest Subaccount (capitalized interest).

[3] Includes principal and interest on the Series 2026 Bonds, the Series 2024 Bonds and the Series 2017 Bonds, as provided by the Underwriter and the Trustee. (See "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE"), and City expenses consistent with the Structuring Assumptions described above.

[4] Assumes no redemptions (including "super-sinking" redemptions) prior to maturity other than mandatory sinking fund redemptions.

Source: The Revenue Consultant, the Trustee and the Underwriter.

THE DISTRICTS

Organization and Description

The Issuer and the Financing Districts are quasi-municipal corporations and political subdivisions of the State created pursuant to Title 32, Article 1, C.R.S. (the "**Special District Act**"). The Issuer and the Financing Districts were organized in June 2006 concurrently with Prairie Center Metropolitan District Nos. 6 through 10 by orders and decrees of the District Court in and for Adams County, Colorado issued May 22, 2006 and recorded on June 6, 2006. For purposes of this Limited Offering Memorandum, District Nos. 2–8 and District No. 10 are referred to herein, collectively, as the "**Districts**" and each individually, as a "**District**." The Districts were created to provide the Public Improvements to the Districts' Service Area, to be dedicated to the City or other appropriate public entities, or which may be retained by the Districts for the use and benefit of the Districts' inhabitants and taxpayers. The Districts were organized following approval of the respective Service Plans for the Districts by the Brighton City Council. Pursuant to their respective Service Plans, it is intended that the Districts are to provide the public improvements necessary to serve all property within the Districts' Service Area, the boundaries of which are generally coterminous with the Prairie Center Master Development.

The Districts are generally located west of I-76, north of 136th Avenue, south of Bromley Lane, and east of Chambers Road. The Districts' "Service Area" consists of approximately 2,146.634 acres of residential and commercial land.

Prior to the formation of District Nos. 3–10, the entirety of the Prairie Center Master Development was encompassed within the boundaries of District Nos. 1 and 2, including the Initial Development. Development within the Initial Development was commenced in 2003 by District Nos. 1 and 2. In order to increase development flexibility and to avoid unfairly burdening existing development with the costs of public infrastructure required in future phases, District Nos. 3–10 were formed and several inclusions and exclusions of property were completed to generally locate properties within the Initial Development planned for commercial/retail uses in District No. 4 and District No. 10 and properties zoned for multi-family and single-family residential uses in District No. 5. The resulting approximate acreages are as follows: 2.268 acres in the Issuer; 330.191 acres in District No. 4; 90.648 acres in District No. 5; and 123.887 acres in District No. 10. All of the property comprising the Initial Development is within the boundaries of the Issuer, District No. 4, District No. 5 and District No. 10.

The approximate acreage in the remaining Districts is as follows: 825.312 acres within District No. 1; 15.199 acres in District No. 2; 661.708 acres in District No. 6; 87.113 acres in District No. 7; and 0.002 acres in District No. 8. District No. 9 was dissolved in 2019. As a practical matter, with the exception of District No. 7, which has been developed for single family residential uses, such Districts are expected to remain relatively inactive until such time as the parcels contained therein have been identified for specific uses, although all of such Districts are legally in "active" status. See "PRAIRIE CENTER METROPOLITAN DISTRICTS MAP."

The Districts have the power to impose taxes only within their respective legal boundaries, but will be permitted to provide public services to the entire Prairie Center Master Development. The imposition of the PIF and receipt of the PIF Revenue from property in the Prairie Center Master Development is *not* dependent upon the inclusion of such property in any District, nor is the receipt of the Shared Sales Tax Incremental Revenues or the Shared General Fund Sales Tax Revenues dependent upon the inclusion of any property within a District. The real property within District No. 4 is owned or controlled by THF Development, other than the property owned by individual retailers or businesses, as described in "DEVELOPMENT WITHIN THE INITIAL DEVELOPMENT."

The 2025 certified assessed valuation (for collection of taxes in 2026) of the Issuer is $120, for District No. 4 is $46,759,980, and for District No. 5 is $11,764,080. According to the County Assessor, the 2026 preliminary certified assessed valuation of the Issuer is $9,590, for District No. 4 is $45,017,190, and for District No. 5 is $14,495,830. Such 2026 preliminary certified assessed valuations are subject to continual modification by the County Assessor, as allowed by State law, prior to the December 10, 2026 final certification date. See "FINANCIAL INFORMATION—Ad Valorem Property Tax Data."

Multiple District Structure

As anticipated by the Service Plans, the Districts, collectively, have undertaken and will in the future undertake the financing and construction of the Public Improvements contemplated in the Service Plans, including the District Public Improvements and the Primary Public Improvements, as more specifically defined in and in accordance with the Comprehensive Agreement. Pursuant to the Facilities Funding, Construction, and Operations Agreement dated November 8, 2006, as amended pursuant to the First Amendment thereto dated as of May 11, 2017 (the "**FFCO Agreement**") entered into among the Issuer, District No. 2 and District Nos. 4-6, 8 and 10, the Issuer is intended to serve as the "operating district" while the remaining districts are intended to serve as the "taxing districts" (which, for the purposes of this Limited Offering Memorandum, are referred to as the FFCO Financing Districts). ***Notwithstanding the foregoing, within the meaning of this Limited Offering Memorandum, the term "Taxing Districts" refers only to District No. 4 and District No. 5***. In general, the Issuer is expected to be responsible for managing the construction and operation of the Public Improvements planned for such Districts, while the FFCO Financing Districts will be responsible for providing the funding and tax base needed for such Public Improvements and for operation, maintenance and administrative costs, but only to the extent such FFCO Financing Districts have entered into separate intergovernmental agreements with the Issuer. See "—Material Agreements of the Districts—*Facilities Funding, Construction, and Operations Agreement (FFCO)*." The Issuer has presently entered into such agreements consisting of the Capital Pledge Agreement with District Nos. 4 and 5 (as described in "SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE—Capital Pledge Agreement"), the District No. 10 Pledge Agreement with District No. 10 (as described in "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE—District No. 10 Pledge Agreement) and separate Operations Financing IGAs with each of District Nos. 1, 4, 5, 6 and 10 (as described under the caption "—Material Agreements of the Districts—*Districts Operations Financing IGAs*" below).

Prior to the formation of District Nos. 3–10 and establishment of the Issuer as the operating district, portions of the public infrastructure required for the Initial Development were undertaken and completed by District No. 1 and District No. 2, using advances made by the THF Development pursuant to the Prior Funding Agreements (defined hereafter under the caption "—Material Agreements of the Districts—*Funding and Acquisition Agreement*"). The repayment obligations of District No. 1 and District No. 2 under the Prior Funding Agreements have subsequently been assumed by the Issuer (see "—Material Agreements of the Districts—*Funding and Acquisition Agreement*") and were repaid, in part, from proceeds of the Series 2006 Bonds, the Series 2007 Subordinate Bonds and the Series 2024 Bonds.

District Powers

The rights, powers, privileges, authorities, functions and duties of the Districts are established by the laws of the State, particularly the Special District Act. The powers of the Districts are, however, limited both by the provisions of their respective Service Plans and electoral authorizations. See "—Service Plan Authorizations and Limitations" below.

Pursuant to the Special District Act, for and on behalf of a special district the board of directors has the power: to have a perpetual existence; to have and use a corporate seal; to enter into contracts and

agreements; to sue and be sued and to be a party to suits, actions and proceedings; to borrow money and incur indebtedness and to issue bonds; to acquire, dispose of and encumber real and personal property, and any interest therein; to refund any bonded indebtedness; to have the management, control and supervision of all the business and affairs of the special district; to appoint, hire and retain agents, employees, engineers and attorneys; to fix and from time to time to increase or decrease fees, rates, tolls, penalties or charges for services, programs, or facilities furnished by the special district; to waive or amortize all or part of the tap fees or connection fees or extend the time period for paying all or part of such fees for property within the special district; to furnish services and facilities within and without the boundaries of the special district and to establish fees, rates, tolls, penalties or charges for such services and facilities; to accept real and personal property for use of the special district and to accept gifts and conveyances made to the special district; and to have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted to the special district. Special districts also have the power to provide covenant enforcement and design review services and safety services if permitted by the service plan.

Each special district also has the power, subject to constitutional and statutory limitations, to certify a levy for collection of ad valorem taxes against all taxable property of such special district. See "FINANCIAL INFORMATION—Ad Valorem Property Taxes."

Inclusion, Exclusion, Consolidation and Dissolution

Inclusion and Exclusion of Property. The Special District Act provides that the boundaries of a special district may be altered by the inclusion of additional real property or exclusion of real property under certain circumstances. After its inclusion, the included property is subject to all of the taxes and charges imposed by the special district and shall be liable for its proportionate share of existing bonded indebtedness of the special district. After its exclusion, the excluded property is no longer subject to the special district's operating mill levy, and is not subject to any debt service mill levy for new debt issued by the special district after the property is excluded. The excluded property, however, remains subject to the special district's debt service mill levy for that proportion of the special district's outstanding indebtedness and the interest thereon existing immediately prior to the effective date of the exclusion order. Boundary changes resulting from property included in or excluded from the special district prior to May 1 of each year (or, in the case of property included pursuant to an inclusion election, July 1 of each year) are reflected in the special district's assessed valuation and are subject to the ad valorem property tax levy of the special district for that assessment year. Inclusions or exclusions that occur after May 1 are considered in the following assessment year.

The Service Plan provides that the Issuer may not include property that is within the boundaries of any one of the other Districts or other Title 32 district, or property that is outside the corporate boundaries of the City or the boundaries of the Service Area without prior written consent of the City Council, unless, in the case of inclusions into the Service Area only, the acreage of an individual parcel to be included does not exceed 25 acres and if the aggregate acreage of such property included from time to time without City Council's consent does not exceed 75 acres, and provided further that any such included property is required to be 40% contiguous to the existing Service Area at the time of inclusion.

Consolidation with Other Districts. Two or more special districts may consolidate into a single district upon the approval of a district court and of the electors of each of the consolidating special districts. The district court order approving the consolidation can provide that the consolidated district assumes the debt of the districts being consolidated. If so, separate voter authorization of the debt assumption is required. If such authorization is not obtained, then the territory of the prior district will continue to be solely obligated for the debt after the consolidation.

The Service Plan provides that the Issuer is not to file a request with any court to consolidate with another Title 32 district without the prior written consent of the City, unless such consolidation is with District Nos. 1, 2 or 4-10.

Dissolution of Districts. The Special District Act allows a special district board of directors to file a dissolution petition with a district court. The district court must approve the petition if the special district's plan for dissolution meets certain requirements, generally regarding the continued provision of services to inhabitants and taxpayers and the payment of outstanding debt. Dissolution must also be approved by the special district's voters. If the special district has debt outstanding, the district may continue to exist for only the limited purpose of levying its debt service mill levy and discharging the indebtedness.

Service Plan Authorizations and Limitations

The Districts' Service Plans provide that the Districts shall have the power and authority to provide Public Improvements and related operation and maintenance services within and without the boundaries of the Districts as such power and authority is described in the Special District Act, and other applicable statutes, common law and the State Constitution, subject to the limitations set forth therein. Such limitations include a requirement that the Districts dedicate Public Improvements to the City for operation and maintenance, except for those Public Improvements the City determines may be operated by the Districts or an owners association. In order to finance operations and maintenance expenses, the Districts are permitted to impose an operations and maintenance mill levy on property within their respective boundaries, but at a rate which, together with any debt service mill levy imposed by such Districts, does not exceed sixty (60) mills, subject to adjustment for changes occurring in the method of calculating assessed valuation on or after January 1, 2006.

The Service Plans also require the Districts to obtain the City's approval of civil engineering plans as well as applicable permits for construction and installation of Public Improvements prior to performing such work. Public Improvements constructed by the Districts are required to comply with City engineering standards and specifications and those of other governmental entities having jurisdiction over the Districts. The District's construction of Public Improvements which are to be dedicated to the City and/or are required pursuant to any development agreement to which the City and a District are a party are subject to the review, monitoring and inspection of the City or its engineering consultant, and the Districts are required to pay the City's reasonable costs of such review, monitoring and inspection. Major and minor arterial roadways are required to be constructed in a manner that is consistent with: (i) traffic improvement analyses submitted by the Districts (or the Developer) and approved by the City and (ii) the City's Transportation Master Plan.

The Service Plans restrict the Districts together with District No. 1 from issuing in the aggregate any debt in excess of $750,000,000. The term for the repayment of any single issuance of debt by a District is not permitted to exceed twenty-five (25) years from the date of such issuance, with the exception of District No. 7, which amended its Service Plan to authorize debt with a term of 30 years. Prior to issuing any debt, the Service Plan requires any issuing District to submit to the City Clerk an opinion of counsel stating that such issuing District has complied with all of these and other limitations set forth in its Service Plan (to the extent applicable) or, in the alternative, to submit all of the financing documents to the City Attorney for prior approval.

Governing Board

The Issuer and the Financing Districts are each governed by a five-member Board (each, a "**Board**"), provided that State law permits each Board to have up to seven members, subject to certain conditions. The Boards of the Issuer, District No. 4 and District No. 10 presently have the same members. The members must be "eligible electors" of the applicable District as defined by State law and are elected

to alternating four-year terms of office at successive biennial elections. However, pursuant to State law, special districts were required to move their biennial elections from even years to odd years beginning in 2023. Accordingly, terms that commenced in 2020 and 2022 were three-year terms and then reset to four-year terms commencing in 2023 and 2025, respectively. Vacancies on the Board are filled by appointment of the remaining directors, the appointee to serve until the next regular election, at which time the vacancy is filled by election for any remaining unexpired portion of the term. There are currently two vacancies on the Board of the Issuer, District No. 4 and District No. 10 and one vacancy on the Board of District No. 5. Pursuant to statute, with certain exceptions, no nonjudicial elected official of any political subdivision of the State can serve more than two consecutive terms in office; however, such term limitation may be lengthened, shortened or eliminated pursuant to voter approval. The Issuer and the Financing Districts have obtained voter approval to waive the statutory term limits, and therefore the Issuer's and the Financing Districts' directors are not subject to such limitations.

The directors hold regular meetings and special meetings as needed. Each director is entitled to one vote on all questions before the Board when a quorum is present. A quorum exists when more than 50% of the directors are present. Because the current Boards of each of the Issuer and District Nos. 4 and 10 comprise three directors, a quorum exists when two directors are present. For District No. 5, comprising four directors, a quorum exists when three directors are present. Current directors may receive a maximum compensation of $2,400 per year, not to exceed $100 per meeting attended. With the exception of this compensation, directors may not receive compensation from the Issuer as employees of the Issuer. The Issuer and Financing Districts have determined not to pay directors' fees.

The present directors, their positions on the Boards of the Issuer and the Financing Districts, and their principal occupations are as follows.

Boards of Directors
(for Issuer and Financing Districts)[1, 2]

Name	Office	Principal Occupation	Years of Service	Term Expires (May)
Michael Tamblyn	President	Project Manager, Western Skies Management, Inc.	16	2029
Richard Merkel	Treasurer	Property Manager, TKG Management, Inc.	**	2029
Elizabeth Grasmick [3]	Assistant Secretary	Property Manager, TKG Management, Inc.	<1	2027
James F. Hicks III [3, 4]	Assistant Secretary		<1	2027
Vacancy[4]				

[1] There are two vacancies on the Boards and there are no current plans to fill such vacancies.
[2] Diana Garcia of Special District Management Services, Inc. serves as Secretary, but is not a member of the Board.
[3] Elizabeth Grasmick was appointed to the Boards of the Issuer and the Financing Districts on October 26, 2026. James F. Hicks III was appointed to the District No. 5 Board on October 26, 2026.
[4] James F. Hicks III serves only the District No. 5 Board, not on the Boards of the Issuer, District No. 4 or District No. 10. He is a resident homeowner in District No. 5 and the President of the homeowners association for the Parkway at Prairie Center Village.
[5] None of the Issuer nor the Financing Districts has any current plans to fill the remaining vacancies on their respective Board.
**Five years for District No. 5 and three years for the Issuer and District Nos. 4 and 10.

Pursuant to State law, directors are required to disclose to the Colorado Secretary of State and the Board potential conflicts of interest or personal or private interests which are proposed or pending before the Board. Additionally, no contract for work or material including a contract for services, regardless of the

amount, shall be entered into between the district and a board member, or between the district and the owner of 25% or more of the territory within the district, unless a notice has been published for bids and such board member or owner submits the lowest responsible and responsive bid. According to disclosure statements filed with the Secretary of State by members of the Board of the Issuer and the Financing Districts prior to taking any official action relating to the Series 2026 Bonds, each of the directors, except Director Hicks, who serves on the Board of District No. 5, is affiliated with the Developer and therefore may have potential or existing personal or private interests relating to the issuance or delivery of the Series 2026 Bonds or the expenditure of the proceeds thereof.

Administration

The Board is responsible for the overall management and administration of the affairs of the applicable District. The Districts have no employees, and day-to-day management functions of the Districts are provided by independent contractors. The Issuer retains Special District Management Services, Inc., Lakewood, Colorado, to perform general management services; McGeady Becher Cortese Williams P.C., Denver, Colorado, as its general counsel; Wipfli LLP, Lakewood, Colorado, as its independent auditor; and CliftonLarsonAllen, LLP, Certified Public Accountants, Denver, Colorado, as its accountant ("**CLA**"). CLA is also serving as the PIF Collecting Agent under the PIF Collection Agreement. See "—Material Agreements of the Districts—*PIF Collection Agreement*" below.

Material Agreements of the Districts

In addition to the agreements described in "SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE," "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE," and "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE," the Districts have entered into various intergovernmental agreements between and among themselves and with other governmental entities in order to effectively and efficiently provide services and/or facilities to current and future residents and property owners in the Districts. Such material agreements of the Issuer are described below.

Facilities Funding, Construction and Operations Agreement (FFCO). As contemplated in the Comprehensive Agreement, the Districts entered into a Facilities Funding, Construction, and Operations Agreement dated November 8, 2006 (the "**Original FFCO Agreement**"), as amended by a First Amendment to Facilities Funding, Construction and Operations Agreement dated as of May 11, 2017 (the "**First Amendment to FFCO Agreement**" and, as so amended, the "**FFCO Agreement**"). The obligations of District No. 7 and District No. 9 under the FFCO Agreement were subsequently terminated in 2017 and 2019, respectively.

General. The FFCO Agreement establishes certain allocations among the Districts as to the financing, construction, operation, and maintenance of improvements contemplated in the Service Plans (the "**Public Improvements**") for the purpose of providing, in a coordinated and timely manner, essential services in the community to be served by the Districts.

District Designations; Operating District; Financing Districts. Pursuant to the FFCO Agreement, the Issuer is designated as the operating district and District No. 2 and District Nos. 4-6, 8 and 10 are designated as the taxing and financing districts (in such capacity, collectively, the "**FFCO Financing Districts**"). The FFCO Agreement sets forth the rights and obligations of the FFCO Financing Districts to fully fund the Public Improvements, and of the Issuer, as the operating district, to construct, transfer or own, and to operate and maintain the Public Improvements. The FFCO Agreement establishes the general framework and procedures in accordance with which such services are to be provided by the Issuer and the allocation of costs to the FFCO Financing Districts, respectively. No FFCO Financing District is obligated,

however, to fund the costs of such services until such time as the FFCO Financing District has entered into one or more intergovernmental agreements with the Issuer to provide for such funding (each such agreement, an "**FFCO IGA**").

Project Costs; Financing of Public Improvements. With respect to funding the costs of public improvements, facilities, real and personal property, and related appurtenances (collectively, the "**Project Costs**") which the Districts are authorized to acquire, construct and install, own, operate, maintain or otherwise provide pursuant to applicable law including, without limitation, the Public Improvements (collectively, the "**Infrastructure Project**"), the FFCO Agreement contemplates that the Issuer will issue revenue bonds payable from payments made by the FFCO Financing Districts pursuant to one or more FFCO IGA. Pursuant to the FFCO Agreement, each FFCO Financing District has agreed to consider obligating itself to pay a portion of the costs of the Infrastructure Project as defined in and pursuant to the terms of a FFCO IGA. With respect to the Series 2026 Bonds (and the Series 2024 Bonds, the Series 2017 Bonds and the Series 2007 Subordinate Bonds), District Nos. 4, 5 and 10 have entered into capital pledge agreements with the Issuer, which constitute FFCO IGAs. See "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE—District No. 10 Pledge Agreement" and "SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE—Capital Pledge Agreement" herein.

Project Administration Services; District Administration Services. Under the FFCO Agreement the FFCO Financing Districts have engaged, and the Issuer has agreed to provide, project administration services, generally comprised of contracting for and supervising the acquisition, reimbursing or construction of the Public Improvements, scheduling, phasing and configuring the Public Improvements, and providing operators to operate and maintain the Public Improvements (collectively, the "**Project Administration Services**").

Under the FFCO Agreement, the FFCO Financing Districts have also engaged, and the Issuer has also agreed to provide district administration services including, but not limited to, serving as the depository for district records, coordinating board meetings, filings and notices, preparing financial reports, checks and claim statements, preparing budgets, responding to inquiries, and coordinating legal, accounting, management, engineering and other professional services for the FFCO Financing Districts (collectively, the "**District Administration Services**" and, together with the Project Administration Services, the "**Management Engagement**").

With respect to funding the reasonable costs incurred by the Issuer in connection with the Management Engagement (the "**Management Costs**") and the reasonable and necessary expenses of the Issuer incurred in connection with operating, maintaining and repairing the Public Improvements, including, without limitation, costs relating to Public Improvement administration and District administration (collectively, the "**Operations and Maintenance Expenses**"), the FFCO Agreement contemplates that each of the FFCO Financing Districts is to enter into an FFCO IGA with the Issuer pursuant to which each FFCO Financing District will agree to pay an allocated share of such Management Costs and Operations and Maintenance Expenses; provided, however, that until a FFCO Financing District enters into such an agreement, the Issuer is to remain responsible for such costs. Under the FFCO Agreement, the FFCO Financing Districts have agreed to pay to the Issuer each FFCO Financing District's allocated share of the Management Costs and the Operations and Maintenance Expenses to the extent that the obligations relating to such allocated share are set forth in separate but substantially similar operations financing agreements between the Issuer and each FFCO Financing District. See "*—Districts Operations Financing IGAs*" below.

Funding Account. The FFCO Agreement provides that the Issuer is to establish a funding account ("**Funding Account**") pursuant to which revenues are to be deposited to the extent transferred from any FFCO Financing District to the Issuer under (a) an operations financing agreement (including the

Operations Financing IGAs between the Issuer and each of District No. 4, District No. 5, District No. 6 and District No. 10 defined and described below under "*—Districts Operations Financing IGAs*") and/or (b) an FFCO IGA (including the Capital Pledge Agreement between the Issuer and District Nos. 4 and 5 and the District No. 10 Pledge Agreement between the Issuer and District No. 10, as more particularly described under the captions "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE—District No. 10 Pledge Agreement" and "SOURCES OF PLEDGED REVENUE: CAPITAL LEVIES REVENUE—Capital Pledge Agreement" herein).

The Issuer is to further create separate accounts and sub-accounts within the Funding Account in order to clearly delineate the sources and uses of all funds deposited therein and the proper allocation to the respective FFCO Financing District. The Issuer has the sole authority to make deposits within and withdrawals from the Funding Account. Amounts on deposit in the Funding Account are limited to expenditure on (a) Bond Costs (generally defined in the FFCO Agreement as debt service on bonds or other obligations issued by the Issuer; reserve, surplus and other funds relating to such obligations; and costs in connection with such obligations such as credit enhancement, trustee and paying agent fees and other administrative costs of such obligations); (b) Management Costs; (c) Project Costs; (d) Operations and Maintenance Expenses; and any other amounts due to the Issuer under any applicable intergovernmental agreement.

Termination. The FFCO Agreement provides that the FFCO Agreement may be terminated by any District with respect to such District *only* upon the provision of six (6) months prior written notice to the other Districts, or such other timeframe as may otherwise be agreed to by the other Districts, *subject to the following conditions*. As a condition precedent to termination of any District's obligations under the FFCO Agreement, all of the Districts then parties to the FFCOA Agreement must enter into a written termination plan agreement (a "**Termination Plan**") that includes, but is not limited to: (i) a plan for the continued funding of the costs of operating and maintaining the Public Improvements; and (ii) following discussion with bond counsel, a plan for the continued funding of Bond Costs (as generally defined above) with respect to any bonds or other obligations issued by a District (including the Issuer) to finance Public Improvements. Notwithstanding the foregoing, the FFCO Agreement provides that if the conditions set forth in the preceding clauses (i) and (ii) are determined by all of the applicable Districts to be unnecessary, such conditions may be waived (which waiver was granted with respect to the terminations of the FFCO Agreement by District No. 7 and District No. 9).

Districts Operations Financing IGAs. As contemplated in the FFCO Agreement, the Issuer has executed separate, but substantially the same, Amended and Restated Operations Financing IGAs with each of Districts Nos. 4 and 5, each dated as of May 11, 2017, and the Operations Financing IGA with District No. 10, dated as of December 4, 2008, and with District No. 6, dated as of December 4, 2024 and effective as of January 1, 2024 (such Operations Financing IGAs, collectively, the "**Districts Operations Financing IGAs**") to determine the Allocated Management Costs (defined below) with respect to each District to be paid to the Issuer in its capacity as the operating district within the meaning of the FFCO Agreement. District No. 1, which is not a party to the FFCO Agreement and not a Financing District with respect to the Series 2026 Bonds, has also entered into an Operations Financing IGA with the Issuer, dated as of December 7, 2022. District Nos. 4, 5, 6 and 10 are collectively referred to under this heading as the "**Operations Financing Districts**" and individually as an "**Operations Financing District**."

Pursuant to the Districts Operations Financing IGAs, the Issuer will annually determine each Operations Financing District's share of the Management Costs and the Operations and Maintenance Expenses (the "**Allocated Management Costs**") and each Operations Financing District will impose an ad valorem mill levy (the "**Operations Levy**") upon all of the taxable property of the district each year at a rate determined by the Issuer and the applicable Operations Financing District, and as may be required to generate, in the aggregate, ad valorem tax revenues sufficient to fund the Allocated Management Costs for

such calendar year, all as more particularly described below. The District Operations Financing IGAs provide that no Operations Financing District will be obligated to levy a mill levy in excess of the maximum mill levy established by its respective Service Plan, less the number of mills, if any, it has pledged for the payment of debt service (such as the Capital Levies required to be imposed by the Taxing Districts under the Capital Pledge Agreement).

Budget Determination. The Issuer, in its capacity as the operating district under the FFCO Agreement, is to annually determine the Management Engagement budget in accordance with the provisions of the FFCO Agreement and, from such budget, is to determine the Allocated Management Costs for each Operations Financing District with respect to each Fiscal Year (defined as the period from January 1 to December 31 of any calendar year).

Allocated Management Costs. The Allocated Management Costs for each Operations Financing District is to be computed as the total amount of revenue necessary, as determined by the Issuer, to pay Management Costs in each Fiscal Year, allocated pro-rata to each Operations Financing District based upon the amount of tax revenue generated by each such Operations Financing District as a result of imposition of its Operations Levy *less*, to the extent available (as determined in the discretion of the Issuer), any Specific Ownership Taxes available to the applicable Operations Financing District. The Districts Operations Financing IGAs provide that the advances made by the Developer under the Funding and Acquisition Agreement (defined below) will be included by the Issuer in its calculation each Fiscal Year of the Allocated Management Costs for each Operations Financing District.

Each District is to remit the revenue derived from imposition of such Operations Financing District's Operations Levy to the Issuer within thirty (30) days of receipt from the County for payment of each Operations Financing District's Allocated Management Costs. The obligations of each Operations Financing District under its Districts Operations Financing IGAs constitute multiple fiscal year obligations of such Operations Financing District.

Assignment. The Issuer and District No. 7 entered into the Amended and Restated Intergovernmental Agreement Regarding Assignment of Revenues dated as of July 22, 2020, with an effective date of December 19, 2017 (the "**Assignment**"), pursuant to which the Issuer assigned to District No. 7 certain revenues collected and/or received by the Issuer in connection with the development of the Village I residential development.

Funding and Acquisition Agreement.

Prior Funding Agreements; Carry Forward of Reimbursement Obligations to Developer. District No. 1 and THF Prairie Center Development, L.L.C., a Colorado limited liability company (as previously defined, "**THF Development**") entered in that certain Funding and Reimbursement Agreement dated August 9, 2004 and effective April 1, 2004, as amended on July 27, 2005 and June 6, 2006 (the "**District No. 1 Funding Agreement**") pursuant to which THF Development agreed to make advances to District No. 1 and District No. 1 agreed to reimburse THF Development for such advances, subject to the annual budget process and the appropriation of an amount sufficient to make all or a portion of such reimbursements. In addition, District No. 2 and THF Development entered into that certain Funding and Reimbursement Agreement dated August 4, 2004 and effective April 1, 2004, as amended on July 27, 2005 and June 6, 2006, pursuant to which THF Development agreed to make advances to District No. 2 and District No. 2 agreed to reimburse THF Development for such advances, subject to the annual budget process and the appropriation of an amount sufficient to make all or a portion of such reimbursements (the "**District No. 2 Funding Agreement**" and, together with the District No. 1 Funding Agreement, the "**Prior Funding Agreements**").

Funding and Acquisition Agreement. The Issuer, THF Development and THF Prairie Center Retail One, L.L.C., a Missouri limited liability company (as previously defined, "**THF Retail One**" and, together with THF Development, referred to herein, collectively, as the "**Developer**") have entered into a Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreements, dated as of December 26, 2006 (as previously defined, the "**Funding and Acquisition Agreement**") to establish the terms and conditions upon which: (i) the Developer will advance certain funds to the Issuer; (ii) the Issuer will pay to acquire certain public infrastructure, as specified therein, from the Developer; and (iii) the Issuer will assume the repayment obligations of District No. 1 and District No. 2 under the Prior Funding Agreements.

Pursuant to the Funding and Acquisition Agreement, the Developer has agreed to advance amounts to the Issuer to the extent of any shortfalls in Issuer revenues ("**Shortfall Amounts**") with which to pay the Issuer's actual expenses for Public Improvements and operation and maintenance services, subject to the Issuer's submittal and Developer's approval of annual budgets (to be submitted on or before October 15 of each year) and subject to an accounting of actual revenues and expenses. In the event that such accounting indicates a shortfall in Issuer revenues available to pay accounts then due, the Developer is to fund the Shortfall Amount (referred to herein as an "**Advance**"), subject to the annual budget limitation, as the same may be amended by the Developer and Issuer. The Issuer agrees to reimburse the Developer for all Advances and the costs of any Public Improvements constructed or caused to be constructed by the Developer, including but not limited to, all costs of design, testing, engineering, acquisition, construction, related consultant fees and construction management ("**Costs**"), together with interest compounding semi-annually at the rate of three percent (3%) per annum above the rate announced by Bank of America, N.A., St. Louis, Missouri (or its successor) as its "Prime Rate," which accrues from the date of each Advance, provided that interest costs on such Advances that may be financed from Shared Revenue are limited by the Comprehensive Agreement. In addition, at the discretion of the Developer, for any Advances outstanding for 24 months, an additional one percent (1%) funding fee can be assessed every 24 months as long as the amount is outstanding or, in the case of improvements constructed by the Developer, the date such costs were incurred by the Developer.

The Issuer is to acquire any public improvements constructed by the Developer after preliminary acceptance from the City or the appropriate accepting jurisdiction, and prior to final acceptance upon receipt, review and approval by the Issuer's accountant and engineer of as built drawings, lien waivers, assignments of any related warranties, any documentation requested to verify the amounts requested, and a bill of sale conveying the improvements to the Issuer.

As of October 31, 2026, there are no recorded Advances of principal outstanding for Primary Public Improvements, however, approximately $7,594,856 in accrued and unpaid interest at the rate described above on paid principal is outstanding as of such date, and there are no recorded Advances of principal or interest outstanding for District Public Improvements. Any Developer obligations remaining after the issuance of bonds are subordinate to any bonds of the Issuer. Payments by the Issuer to the Developer are required to be credited first against accrued and unpaid interest, then to any funding fees, and then to the principal amount due. The Issuer's obligations under the Funding and Acquisition Agreement are subject to annual appropriation and do not constitute a multiple fiscal year obligation of the Issuer.

Project Management Agreement. In 2004, District No. 2 (formerly known as Diedrichs Farms Metropolitan District) and District No. 1 executed separate, but substantially the same, Project Management Agreements with Prairie Management, L.L.C., a Missouri limited liability company ("**Prairie Management**" an entity sharing certain common ownership with one or more of the entities comprising the Developer), pursuant to which Prairie Management was engaged as the project manager for the construction and installation of improvements in the respective Districts (the "**Prior Management Agreements**"). The Issuer and Prairie Management, as project manager, have also entered into a Project

Management Agreement dated August 2, 2006 (together with the Prior Management Agreements, collectively, the "**Management Agreement**") pertaining to certain construction management services. As set forth in the Management Agreement, the applicable project manager is to perform all Management Services (as defined therein) including, among others: selecting and supervising the work of design, engineering and such other consultants as are necessary; preparing design phase schedules, program budgets, schematic plats, preliminary plats, engineering plans, cost estimates, general development plans and sub area plans; managing compliance with applicable provisions of the laws, rules and regulations of all governing jurisdictions; establishing and maintaining a cost control system; and providing certain financial services. The project manager is to receive a fee of 4% of the Actual Costs (as defined therein) of improvements.

Comprehensive Agreement. The Comprehensive Agreement (defined in "APPENDIX H—2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE") establishes among the Issuer, the Developer, the City, the City's Water, Sewer and Drainage Enterprise, and BURA, among other matters, a comprehensive framework for the construction and financing of certain of the public infrastructure required for the Prairie Center Master Development, in connection with which the Issuer and the Developer generally contemplate, among other matters, constructing such infrastructure and the City and BURA, among other matters, agree to share certain of their respective revenues with the Issuer in order to assist with the financing of such infrastructure. Certain provisions of the Comprehensive Agreement pertaining to the imposition, collection and application of the Shared Revenue are described in "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS—Comprehensive Agreement," "SOURCES OF PLEDGED REVENUE: PUBLIC IMPROVEMENTS FEE (PIF) REVENUE—Sales/Use Tax Credit; Credit PIF Period" and "SOURCES OF PLEDGED REVENUE: SHARED TAX INCREMENT/TAX REVENUE." Although the Comprehensive Agreement addresses numerous matters related to the Prairie Center Master Development, only those matters which are relevant to the Initial Development, the Series 2026 Bonds, the Primary Public Improvements and District Public Improvements are included in the summary below.

The Comprehensive Agreement categorizes the public infrastructure required for the Prairie Center Master Development which may be financed in part by the Shared Revenue into Primary Public Improvements (of which Park and Recreation Primary Public Improvements are a part) and District Public Improvements.

Pursuant to the Comprehensive Agreement, the Districts may design, construct or acquire Primary Public Improvements and District Public Improvements, all subject to the availability of funds therefor and in accordance with any applicable site development agreements; provided, however, the Districts are not under any obligation to provide any particular Primary Public Improvement or District Public Improvement prior to the execution of a site development agreement relating thereto.

"**Primary Public Improvements**" generally consist of those Public Improvements which the City deemed important for the Prairie Center Master Development, including, without limitation, certain streets, associated landscaping and trails; traffic signals, main water and sanitary sewer distribution, collection, and transmission lines; certain regional drainage detention facilities; and regional, community, and neighborhood parks, trails, and open space. The Comprehensive Agreement places a cap of approximately $146 million on the costs of the construction of Primary Public Improvements which the Districts can finance from the Shared Revenue. Shared Revenue may also be applied to certain interest and financing costs, which do not count toward the Cap Amount. Additionally, Shared Revenues may also be applied to the costs of financing Parks and Recreation Primary Public Improvements (which are subject to a separate cap and payable from PRI Credit PIF Revenue, which is not pledged to the Series 2026 Bonds, all as further discussed below).

"**District Public Improvements**" are generally comprised of all other public improvements that may be provided by the Districts as authorized by their Service Plan and applicable State law.

"**Park and Recreation Primary Public Improvements**" are generally defined in the Comprehensive Agreement to include the following Primary Public Improvements: (i) the design and construction of improvements and restoration of the Lutz Reservoir for use in a non-potable water distribution system; (ii) the design and/or construction of the second phase of the Eagle View Adult Center, a recreation center located in the Prairie Center Master Development; and (iii) the design and construction of landscaping and public trails within the Lutz Reservoir wildlife sanctuary. The Comprehensive Agreement provides that up to $9 million of eligible costs, in addition to certain interest and financing costs, for Park and Recreation Primary Public Improvements may be reimbursed from one-fifth (1/5) of the Credit PIF Revenue derived from the imposition of the Credit PIF within the Credit PIF Property at the initial Credit PIF rate of 1.25%. The Series 2018 PRI Bonds issued by the Issuer are payable from the one-fifth (1/5) of the Credit PIF Revenue. Such portion of the Credit PIF Revenue is not pledged to pay the Series 2026 Bonds.

Additionally, if the Issuer issues bonds which are payable in whole or in part from, and secured by a lien on, the Shared Revenue (for the purpose of financing the Primary Public Improvements), the Comprehensive Agreement sets forth various requirements for the terms of the indenture for such bonds, each of which have been incorporated into the Master Indenture.

The Comprehensive Agreement provides that, on an ongoing basis, the City, the Trustee (and other trustees for other bonds issued by the Issuer), the Districts and the Developer will reasonably cooperate to implement the terms thereof as such terms relate to the application of the Credit PIF to transactions that otherwise would be subject to the City's use tax (on building materials only) as applied to construction projects taking place within the Prairie Center Master Development. During the Credit PIF Period, the City agrees that it will not accept for processing any building permit application for improvements to be constructed within the portions of the Prairie Center Master Development which are subject to the Primary PIF Covenant and the Major Retail PIF Covenant, unless the application is accompanied by a certification from an architectural review committee established by the Developer which documents payment of the Credit PIF as well as the architectural committee's approval of the construction plans. The Comprehensive Agreement also provides that such parties will cooperate to implement such terms with respect to application of the Credit PIF and the Sales/Use Tax Credit with respect to internet sales, mail order sales, and other similar transactions occurring within the Prairie Center Master Development (i.e., transactions deemed to have occurred within the Prairie Center Master Development because delivery is made therein) and which otherwise would be subject to the City's sales tax, including through the implementation, if and when possible, of a means for the City to account for the occurrence of such transactions and sales tax receipts derived therefrom (as the ability to track such transactions is anticipated to improve over time).

Under the Comprehensive Agreement, once all indebtedness or other obligations incurred by the Issuer or any of the other Districts or District No. 1 with respect to the design and/or construction of the Park and Recreation Primary Public Improvements (including the Series 2018 PRI Bonds) has been retired, the Issuer is required to reduce the Credit PIF rate to 1.00%. Upon such reduction, the Sales/Use Tax Credit within the Prairie Center Master Development will also be reduced from 1.25% to 1%.

The Comprehensive Agreement requires the Issuer to provide certain reporting to the City and grants certain audit rights to the City with respect to its use of the Shared Revenue. Such agreement also includes provisions allowing the Issuer and the City to share the costs of auditing the books of retailers and service providers within the Credit PIF Property, as well as the costs of enforcing the payment of the Credit PIF and corresponding sales and use taxes.

A default under the Comprehensive Agreement by the City, the Developer, or the Issuer is defined as any such party's failure to fulfill or perform any of its express material obligations therein, subject to notice and a 60-day cure period. Remedies available to non-defaulting parties include seeking enforcement of such obligations through an action for an injunction or specific performance. The terms of the Comprehensive Agreement prohibit the City from terminating or suspending the Trustee's receipt of the Credit PIF Revenues or the City's obligations under the Comprehensive Funding Plan, including, but not limited to, its obligations with respect to the Credit PIF Revenues, the Sales/Use Tax Credit or the Credit PIF during the Credit PIF Period in the event of a default under the Comprehensive Agreement by any other party.

The Comprehensive Agreement also sets forth certain requirements and procedures relating to land use planning and design matters, including, without limitation, the zoning and platting process and standards for the construction of Public Improvements. Reference is made to the full text of the Comprehensive Agreement, a copy of which is available upon request as provided in "INTRODUCTION—Additional Information."

Facilities Fee Collection IGA. The Districts entered into an Intergovernmental Agreement Regarding Facilities Fee Collection dated November 13, 2007, as amended by a First Amendment thereto dated September 4, 2019 (collectively, the "**Facilities Fee Collection IGA**").

Each District has adopted a Fee Resolution imposing Facilities Fees on property within its boundaries for the purpose of paying all or a portion of the costs of the construction, operation and maintenance of the public infrastructure improvements that will benefit property within their common Service Area, and the Districts have determined that the Issuer is to administer all of the Facilities Fees on behalf of all of the Districts.

For clarification, only the Facilities Fees of the Financing Districts (defined as the "**Facilities Fees Revenue**") are pledged under the Master Indenture pursuant to the Capital Pledge Agreement and the District No. 10 Pledge Agreement. See "SOURCES OF PLEDGED REVENUE: FACILITIES FEES REVENUE" herein.

In its capacity as the administrative and collecting agent for the Facilities Fees, the Issuer is obligated under the Facilities Fee Collection IGA to determine and calculate each Facilities Fee as applicable to the pertinent structure; deposit the revenue from such Facilities Fees as provided under the FFCO Agreement (unless the particular District has entered into a capital pledge agreement requiring the deposit of Facilities Fees with a trustee for repayment of bonds, in which case the Issuer will deposit such revenue with the applicable trustee); and make commercially reasonable efforts to collect any Facilities Fees that remain unpaid when due; provided, however, each District retains the authority to institute such remedies and collection proceedings as may be authorized under State law with respect to its own Facilities Fees if not paid when due. With respect to the Series 2026 Bonds, Facilities Fees Revenue received by the Issuer from the Financing Districts will be transferred to the Trustee for application as provided under the Master Indenture.

Under the Facilities Fee Collection IGA, all of the Districts consent to the Issuer entering into an agreement with the City pursuant to which the City would collect the applicable Facilities Fees due and owing upon receipt of an application for a building permit. The City would remit such Facilities Fees to the Issuer and the Issuer would then be obligated to comply with its covenants as to such fees under the Facilities Fee Collection IGA as described in the above paragraph.

Regardless of the Issuer's responsibilities to act as collecting agent for the Facilities Fees, except as provided in the Capital Pledge Agreement by and among the Issuer and the Taxing Districts and the

District 10 Pledge Agreement between the Issuer and District No. 10 with respect to the Series 2017 Bonds, the Series 2024 Bonds and the Series 2026 Bonds, the revenue derived from imposition of the Facilities Fees is owned by the respective District imposing such fee against the applicable structure located within the boundaries of such District.

PIF Collection Agreement. The Issuer, CliftonLarsonAllen LLP ("**CLA**" or the "**PIF Collecting Agent**"), and UMB Bank, n.a. (within the meaning of the PIF Covenants, the "**Bond Trustee**") entered into that certain Comprehensive PIF Collection Services Agreement (CliftonLarsonAllen LLP) dated as of May 11, 2017 (the "**PIF Collection Agreement**"). Capitalized terms used and not otherwise defined below have the meanings assigned to such terms in "APPENDIX C—SELECTED DEFINITIONS" hereto unless otherwise indicated.

The parties to the PIF Collection Agreement agree that such agreement is to supersede and replace all prior agreements relating to the subject matter thereof in their entirety to the extent relating to CLA's obligations, but not the City's obligations; provided, however, there shall be no gap or lapse in CLA's obligation to collect the PIF and remit the PIF Revenues (each as defined herein) prior to the effective date of the PIF Collection Agreement.

The PIF Collection Agreement provides that no later than the twentieth (20th) day of the calendar month following the first collection month of PIF Sales occurring within any Owned/Leased PIF Property, and thereafter on the monthly date that Sales Taxes are payable to the City, each Sales PIF Retailer is to remit all PIF Revenue payable pursuant to the PIF Covenants to CLA on reporting forms to be proposed by CLA, approved by the Issuer and provided to the Sales PIF Retailers by CLA. Any specific instructions regarding use of the reporting forms and payment procedures (in addition to that set forth in the Information) shall be provided to each Sales PIF Retailer by CLA. All expenses reasonably incurred by CLA in the preparation and provision of such reporting forms shall be paid by the Issuer.

All adjustments including, without limitation, refunds, additions or other modifications, to the PIF payable by any Sales PIF Retailer are to be processed in a manner substantially similar to the process followed by the City for an adjustment of Sales Tax payments. Each Sales PIF Retailer is to file with CLA true and complete copies of all revised reports, returns, statements and records in regard to such adjustment. If such adjustment increases the amount of the PIF Revenues that the Sales PIF Retailer is required to remit or pay, the Sales PIF Retailer is to pay such additional PIF Revenues; if such adjustments results in a refund of PIF Revenues, the Sales PIF Retailer is to claim the credit in the next monthly or other applicable reporting period utilizing the reporting and remittance forms provided by CLA. All reports made or provided by a Sales PIF Retailer are to be maintained by CLA for a period of at least three (3) years from the date of submission thereof.

Pursuant to the PIF Collection Agreement, the Issuer authorizes CLA to receive all PIF Revenue paid on PIF Sales, and instructs CLA to remit to the Bond Trustee all PIF Revenues received by CLA, whether during or subsequent to the term of the PIF Collection Agreement. CLA agrees to receive the PIF Revenues from Sales PIF Retailers and to remit such PIF Revenues within seven (7) days after receipt and processing thereof to the Bond Trustee, subject to the limitations and terms of the PIF Collection Agreement. CLA acknowledges in the PIF Collection Agreement that the PIF Revenues collected thereunder are the property of the Issuer, are pledged to the payment of Bonds (including the Series 2026 Bonds), and are to be distributed in accordance with the terms thereof.

Within ten (10) days after receipt of written notice from the Issuer, and on or before February 1 of each calendar year, CLA is to provide each Sales PIF Retailer with (i) any new information or policies and procedures approved by the Issuer regarding the calculation, payment and reporting of PIF Revenues, and (ii) any new or revised reporting forms, procedures and other instructions concerning the collection and

remittance of the PIF Revenues to CLA, including all information required under the applicable PIF Covenant. In the event that such reporting forms or instructions are changed by the Issuer or by CLA with the approval of the Issuer during the year, notice of such changes is to be provided to all Sales PIF Retailers and the Bond Trustee. The parties to the PIF Collection Agreement agree that it is the intent thereof that the forms and instructions are to be substantially similar to those used by the City for remittance of Sales Taxes, and that CLA is to use only those forms and instructions approved by the Issuer in its sole discretion.

CLA agrees to provide the delinquency notices to PIF Obligors at the times and in the manner provided in the PIF Covenants. All PIF revenues are to be remitted to the Bond Trustee in accordance with the written instructions of the Bond Trustee, as modified from time to time. CLA is to keep accurate books and records of the receipt of all PIF Revenues and of the remittances to the Bond Trustee. The PIF revenues are never to be deemed or recorded as CLA revenues. After remitting the PIF revenues in accordance with such written instructions, CLA will have no responsibility or liability for the application of PIF Revenues remitted to the Bond Trustee.

CLA may resign and terminate the PIF Collection Agreement by submitting a written notice of resignation to the Issuer given not less than sixty (60) days before the date upon which such resignation is intended to take effect. CLA's resignation is to be effective on the resignation date set forth in such notice. The Issuer may remove CLA as its agent at any time with or without cause. If the removal is for cause, such removal is to be effective immediately upon the Issuer's delivery of written notice of such removal to CLA unless the Issuer in its sole discretion specifies a later removal date. If the removal is not for cause, such removal shall be effective at the time specified in the notice of removal, but not earlier than thirty (30) days after the date on which the notice is delivered to CLA. Notwithstanding any provision to the contrary in the PIF Collection Agreement, CLA's obligation to remit to the Issuer any and all PIF Revenues received by CLA pursuant to the terms and conditions thereof are to survive any such resignation or removal until all such PIF Revenues received by CLA have been remitted to the Bond Trustee.

Infrastructure Reimbursement Agreement. The Issuer, THF Development and Bromley & Buckley LLC and Case 238 LLC (collectively, "**Case Farms**"), and the City entered into an Infrastructure Reimbursement Agreement (the "**Infrastructure Reimbursement Agreement**") dated November 6, 2018, relating to Case Farms' reimbursement of the Issuer for its pro rata portion of the Issuer's costs of construction and installation of the Public Improvements, which benefits certain property adjacent to Prairie Center held by Case Farms. Case Farms agrees that its pro rata share of the Issuer's costs is $231,628.47, which are to be paid to the Issuer contemporaneously with the City causing a subdivision plat for Case Farms to be recorded in the real property records of the Clerk and Recorder for Adams County, Colorado and the closing of Case Farms' first conveyance of any portion of Case Farms to a third party.

Risk Management

The Board of each of the Issuer and the Financing Districts acts to protect such District against loss and liability by obtaining and maintaining certain insurance coverage in amounts which the applicable District believes will be adequate. Currently, the Issuer and the Financing Districts are insured through the Colorado Special Districts Property and Liability Pool ("**CSDPLP**"). CSDPLP was established by the Special District Association of Colorado in 1988 to provide special districts with general liability, auto/property liability, public officials' liability and workers' compensation insurance coverage as an alternative to the traditional insurance market. CSDPLP provides insurance coverage for over 1,160 special districts and is governed by an eleven-member board of special district representatives. The current policies expire on December 31, 2026. There is no guarantee that the Issuer and the Financing Districts will continue to maintain such insurance in the future.

Services Available within the Districts

Property owners and residents of the Issuer and the Financing Districts are provided a wide range of services by various entities other than the Issuer and the Financing Districts. The City provides water and sanitation services, as well as fire and police protection services. Natural gas service is provided by Xcel Energy and electrical service is provided by United Power Cooperative. District No. 3 and the Financing Districts are served by School District 27J.

DEVELOPMENT WITHIN THE INITIAL DEVELOPMENT

The following information has been provided and/or approved by the Developer. None of the Issuer, the Issuer's advisors, nor the Underwriter makes any representation regarding the development within the Initial Development, or the financial soundness of businesses within the Initial Development or of the Developer, and other than the express representations of the Developer set forth herein, the Developer makes no such representations. Without limiting the generality of the foregoing, no assurance of success is provided for the Initial Development. See "—The Developer" below. The development within the Initial Development may be affected by factors such as governmental policies, the availability of water and other utilities, the availability of energy, construction costs, interest rates, competition from other developments, and other political, legal, and economic conditions. Further, while certain information is provided herein with respect to existing and anticipated encumbrances on the property, in particular encumbrances recorded or to be recorded by the Developer, property within the Initial Development may presently or in the future be subject to additional encumbrances as security for obligations of the Developer, or other future property owners payable to various parties, the default of which could adversely affect continued operation and development of property in the Initial Development.

Overview

Prairie Center Master Development. "**Prairie Center**" is an approximately 2,150 acre master-planned mixed-use project that includes or is planned for retail, lodging, single-family homes and multi-family residential, medical and office uses (as previously defined, the "**Prairie Center Master Development**"). With the exception of approximately 502.776 acres located in unincorporated Adams County, all of the property within the Prairie Center Master Development is located in the City.

The Prairie Center Master Development is located in the eastern portion of the City, northwestern portion of Adams County, just west of Interstate 76 and can be accessed from three interstate exits (East 136th Avenue, Eagle Boulevard/East 144th Avenue and East Bromley Lane/East 152nd Avenue) and is approximately 21 miles from downtown Denver, 17 miles from the Denver International Airport and 35 miles from Boulder. The Prairie Center Master Development is generally bounded by Interstate 76 to the east, Bromley Lane to the north and the future extension of Chambers Road to the west. The boundaries of the Prairie Center Master Development are generally conterminous with the Districts' Service Area.

The Prairie Center Master Development is being developed in phases. The initial phase consists of approximately 547 acres of the Prairie Center Master Development, all of which are located within the Issuer and District No. 4, with respect to retail/commercial development (approximately 332 acres); District No. 5, with respect to residential development (approximately 91 acres); and District No. 10, with respect to hotel and retail/commercial development (approximately 124 acres) (collectively, the "**Initial Development**"). The Initial Development is located to the north of 136th Avenue and west of I–76.

See the aerial photo titled "PRAIRIE CENTER METROPOLITAN DISTRICT NOS. 4, 5 & 10 AERIAL MAP" set forth on page iv; the map titled "PRAIRIE CENTER METROPOLITAN DISTRICTS

MAP" set forth on page viii; and the "PRAIRIE CENTER MASTER DEVELOPMENT – PARTIAL DEVELOPMENT PLAN" set forth on page xii of this Limited Offering Memorandum.

Existing Development in the Initial Development.

Commercial/Retail. Vertical construction activity within the Initial Development began in 2004 and there are currently 67 active retailers/businesses therein. Approximately 34% of the retailers and restaurants, including anchors Super Target, Home Depot, JC Penney and Kohl's, opened in the 2005-2009 time frame and the remaining businesses opened from 2009 to 2026. These active retailers and other businesses currently occupy approximately 945,725 square feet of commercial space within the Initial Development, located primarily in District No. 4 and some in District No. 10. See "TABLE X—EXISTING OWNERS/TENANTS—INITIAL DEVELOPMENT." The Initial Development also currently includes three hotels in District No. 10, consisting of an 88-room Comfort Inn (formerly Holiday Inn Express), 72-room Candlewood Suites and 88-room Holiday Inn Express.

In addition, there is approximately 15,935 square feet of completed but vacant commercial space within the Initial Development and approximately 200 vacant acres within the Initial Development remaining to be developed for commercial uses. Such acreage is not included in the Existing Development as described herein. No representation is made in this Limited Offering Memorandum as to the Developer or its affiliates' expectations of selling or leasing such property to a commercial business.

Residential. The Initial Development includes three apartment complexes within District No. 5, consisting of the 288-unit "Elements at Prairie Center," the 136-unit "The Villas at Prairie Center" and the 192-unit "Canvas at Prairie Center," as well as 77 single-family homes in "Parkway at Prairie Center Village."

For purposes of this Limited Offering Memorandum, the 945,725 square feet of currently occupied commercial space in District Nos. 4 and 10, 15,935 square feet of vacant space, three existing hotels (consisting of the Comfort Inn, Candlewood Suites, and Holiday Inn Express) in District No. 10, three existing apartment complexes (consisting of the Elements at Prairie Center, The Villas at Prairie Center and Canvas at Prairie Center) and 77 single-family homes in District No. 5 are referred to as the "**Existing Development**."

Developer. The developer of the Prairie Center Master Development is, collectively, (a) THF Prairie Center Development, L.L.C., a Colorado limited liability company (as previously defined, "**THF Development**"), (b) THF Prairie Center Retail One, L.L.C., a Missouri limited liability company (as previously defined, "**THF Retail One**"), (c) THF Prairie Center Retail Two, L.L.C., a Missouri limited liability company (as previously defined, "**THF Retail Two**"), (d) THF Prairie Center Retail Three, L.L.C., a Missouri limited liability company (as previously defined, "**THF Retail Three**") and (e) THF Prairie Center Retail Perm One, L.L.C., a Delaware limited liability company (as previously defined, "**THF Perm One**"). THF Development and THF Retail One are referred to herein, collectively, as the "**Developer**."

The Developer and its affiliates, THF Retail Two and THF Retail Three, have undertaken site development, planning and construction of public infrastructure benefitting the Initial Development and have constructed retail and commercial buildings for sale and/or lease within the Initial Development in addition to selling parcels to commercial developers and residential builders for further development, in phases and as market demand dictates. The Developer, THF Retail Two, THF Retail Three and THF Perm One intend to continue to lease parcels to current tenants and to sell and lease parcels to third-party retailers, service providers and developers based on market demand, but no assurance can be given that any such sales or leases will occur or that any such third-party buyers or lessees of parcels will complete construction

on such parcels. See "—The Developer" and "—Existing Development Within the Initial Development" below.

Public Infrastructure

The Districts are permitted to exercise their statutory powers, subject to their substantially similar respective Service Plans, and their respective authority to finance, construct, acquire, operate and maintain the public facilities and improvements to serve the Prairie Center Master Development, either directly or by contract. The Districts' Service Area consists of approximately 2,146.634 acres of residential and commercial land and is subject to the Comprehensive Agreement, the purpose of which is to provide, among other matters, for the construction, ownership, operation and maintenance of certain public infrastructure required to serve the Districts by the Issuer, and the financing of such public infrastructure by the other Districts as well as the City and BURA. See "THE DISTRICTS—Material Agreements of the Districts."

Collectively, the Districts have undertaken, and it is anticipated that the Districts, collectively, will continue to undertake the financing and construction of the Public Improvements contemplated in the Service Plans to serve the Prairie Center Master Development, including the District Public Improvements and the Primary Public Improvements as more specifically defined in and in accordance with the applicable provisions of the Comprehensive Agreement. Specifically, pursuant to the FFCO Agreement (see "THE DISTRICTS—Material Agreements of the Districts") certain of the FFCO Financing Districts have entered into intergovernmental agreements which govern the relationships between and among such FFCO Financing Districts with respect to the financing, construction, and operation and maintenance, as appropriate, of the Public Improvements contemplated by the Service Plans, and the other FFCO Financing Districts are anticipated to enter into similar intergovernmental agreements as development commences in property within their boundaries. Such intergovernmental agreements have established various mechanisms whereby any one or more of the Districts may separately or cooperatively fund, construct, install and operate the Public Improvements. See "THE DISTRICTS—Multiple District Structure" and "—Material Agreements of the Districts."

Operations and Maintenance. The Service Plans require Public Improvements to be dedicated for operation and maintenance to the City or other appropriate jurisdiction in a manner consistent with the development plans approved by the City, the Comprehensive Agreement, and other rules and regulations of the City and applicable provisions of the City Municipal Code. Public Improvements, which the City determines will not be dedicated to the City or other governmental jurisdiction, are permitted to be operated and maintained by the Districts or an owners association. See "THE DISTRICTS—Material Agreements of the Districts" for a description of the Districts Operations Financing IGAs which finance costs incurred by the Issuer for operations and maintenance of Public Improvements and the provision of administrative and management services on behalf of the Districts.

Status of Infrastructure; Initial Development. According to the Developer, the public infrastructure improvements necessary to serve the Initial Development have been completed, with the exception of certain public infrastructure improvements to be completed for future development of retail pad sites, and extension of a road within the Initial Development and utilities to the south to serve future development, which are estimated to cost approximately $5 million and will be financed using advances to the Issuer from the Developer pursuant to the Funding and Acquisition Agreement or available funds of the Issuer. The completion of such improvements is not necessary to serve the Existing Development. Certain of the completed public infrastructure improvements have been dedicated to the City for operations and maintenance, subject to designated warranty periods, as applicable, and certain improvements are to be retained by the Issuer for ongoing operations and maintenance.

According to the Issuer's accountants, as of June 30, 2026, the Issuer had recorded approximately $93,200,000 in total costs relating to the completion of the Public Improvements serving the Prairie Center Master Development, comprised of hard/construction costs, soft/general engineering and other consultants' costs, together with interest/financing costs. Such amount does not include the costs of Public Improvements completed to serve the residential development located within District No. 7, which have been financed by District No. 7. Out of the $93,200,000 in total costs, approximately $73,500,000 represents Primary Public Improvements; approximately $15,200,000 represents District Public Improvements; and approximately $4,500,000 represents Park and Recreation Primary Public Improvements. The majority of such costs were financed by the Developer pursuant to the Funding and Acquisition Agreement, prior to reimbursement therefor from the proceeds of bonds issued by the Issuer as described below.

Proceeds from the Series 2006 Bonds, the Series 2007 Subordinate Bonds and the Series 2024 Bonds were applied to reimburse the Developer for a portion of the Public Improvement costs associated with the Initial Development and certain other property within the Prairie Center Master Development, including interest, and to directly pay Public Improvement costs incurred by the Issuer in the aggregate amount of approximately $100,600,000.

Public Improvement costs advanced by the Developer under the Funding and Acquisition Agreement which remain outstanding and payable by the Issuer to the Developer consist of approximately $7,594,856 in accrued and unpaid interest on paid principal as of October 31, 2026. It is anticipated that the Developer will make additional advances under the Funding and Acquisition Agreement to finance public infrastructure costs necessary for the continued development of the Initial Development and the rest of the Prairie Center Master Development. See "THE DISTRICTS—Material Agreements of the Districts—*Funding and Acquisition Agreement*."

Unreimbursed advances made by the Developer and additional advances, if any, expected to be made by the Developer for payment of costs necessary for the continued development of the Initial Development, plus accrued interest thereon, are accounted for by the Issuer as reimbursable to the Developer in accordance with the Funding and Acquisition Agreement. Under the Funding and Acquisition Agreement, reimbursement of such advances is subject to annual appropriation by the Issuer and subordinate in all respects to the Issuer's obligation to pay debt service on its bonds, including the Series 2026 Bonds, Series 2024 Bonds, Series 2018 PRI Bonds, Series 2017 Bonds and Series 2007 Subordinate Bonds. See "THE DISTRICTS—Material Agreements of the Districts—*Funding and Acquisition Agreement*."

Status of Entitlements

According to the Developer, property within the Initial Development is fully entitled for its current and planned uses as contemplated by the Developer, subject only to initial platting and replats of certain pad sites currently owned by the Developer's affiliates, to accommodate future anticipated retail development (none of which is necessary for the operation of the Existing Development). Although vacant property within the Initial Development is zoned for planned uses, City approval of a site development plan and, in some cases, a subdivision plat and development agreement will be necessary prior to issuance of a building permit.

Existing Development in the Initial Development

Commercial/Retail. Vertical construction activity within the Initial Development began in 2004 and there are currently 67 active operating retailers/businesses within the Initial Development. There are approximately 945,725 square feet of existing occupied retail, restaurant and office space, and

approximately 15,935 square feet of completed but vacant commercial space within the Initial Development. All of the commercial/retail development is located primarily in District No. 4 and some in District No. 10.

There are currently three hotels within the Existing Development located in District No. 10, consisting of (i) the Comfort Inn (formerly Holiday Inn Express) with 88 units on a 1.931 acre site opened in September 2009, (ii) the Candlewood Suites with 72 units on a 2.036 acre site opened in June 2013, and (iii) the Holiday Inn Express with 88 units on a 2.294 acre site opened in January 2019. The hotels are owned by Trisimo Brighton LLC, Trisimo Brighton II, LLC, and Trisimo Brighton LLC III, respectively, which are related South Dakota limited liability companies. See "APPENDIX A—BOND REVENUE STUDY."

In February 2024, THF Development sold approximately 35.0724 acres within District No. 10 to Platte Valley Medical Center, on which the Developer anticipates a medical office will be constructed. In addition, in March 2025, THF Development sold approximately 28.733 acres within District No. 10 to the County, on which the Developer anticipates will be constructed an administrative office. *Notwithstanding the foregoing, the Bond Revenue Study does not include projections of any Pledged Revenue to be generated from the property sold to Platte Valley Medical Center or the County. See "APPENDIX A—BOND REVENUE STUDY."*

Residential. The Initial Development includes three apartment complexes within District No. 5, consisting of the 288-unit "Elements at Prairie Center," the 136-unit "The Villas at Prairie Center" and the 192-unit "Canvas at Prairie Center," as well as 77 single-family homes in "Parkway at Prairie Center Village."

Tenants and Property Owners in the Existing Development.

The following summaries of the information on current property owners and lessees in the Existing Development are not intended to be complete summaries of all potentially material terms of any operating documents. The table below does not include the owners of residential property, Platte Valley Medical Center that owns property within District No. 10, the County that owns property within District No. 10, or the 15,935 square feet of constructed, but vacant in-line retail space.

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TABLE X
Existing Owners/Tenants–Initial Development [1]

Business	Opening Date	Approximate Lease Term (if applicable)	District Location	Approximate Gross Square Footage
		EXISTING DEVELOPMENT		
Major Anchors				
Super Target	October 2006	Owner occupied	4	173,900
The Home Depot	May 2005	Owner occupied	4	136,898
Dicks Sporting Goods	June 2008	10 years with four 5 year options	4	50,018
JC Penney	March 2009	Owner occupied	4	107,279
Kohl's Department Store	October 2007	Owner occupied	4	89,911
Daveco Wine & Spirits	October 2016	Owner occupied	4	56,112
Hobby Lobby	May 2018	10 years with three 5-year options	4	50,260
Junior Anchors				
Office Depot	March 2008	15 years with two 5-year options (subsequently extended through June 2029 rather than second option)	4	20,900
PetSmart	November 2007	10 years with five 5-year options (three options remaining)	4	20,087
Michael's	October 2008	10 years 4 months; four 5-year options (two options remaining)	4	21,691
Ross Dress for Less	September 2014	10 years with four 5-year options (three options remaining)	4	25,000
Small Format Retail				
America's Best Contacts & Eyeglasses	December 2009	5 years 8 months (subsequently extended through September 30, 2028 with one 5-year option)	4	3,147
a Salon	December 2009	6 years, extended for an additional 6 years with two 3-year options (no options remaining)	4	2,229
Verizon Wireless	January 2007	5 years (subsequently extended through January 2029 with no options)	4	3,832
GNC	January 2008	5 years with two 5-year options (subsequently extended through October 2028 with no options)	4	1,157
Elite Nails	July 2007	5 years (subsequently extended through July 2027)	4	1,309
Sally Beauty Supply	July 2008	5 years (subsequently extended through July 2028) [2]	4	1,500
Zingano Brazilian Jiu-Jitsu	March 2011	Month-to-month [3]	4	2,473
Connect Wireless (AT&T)	March 2014	5 years with two 5-year options (one option remaining)	4	2,298
Famous Footwear	November 2007	10 years with two 5-year options (no options remaining)	4	7,000
Ulta Beauty	September 2017	10 years with three 5-year options	4	10,300
T-Mobile	December 2017	5 years with one 5 year option (no options remaining)	4	1,446
Comcast Xfinity	November 2018	7 years with two 5-year options (one option remaining)	4	3,821
Red Wing Shoes	December 2019	5 years with one 3-year option (no options remaining)	4	1,508
Discount Tire	August 2011	Owner occupied	10	7,334
Brakes Plus	April 2015	Owner occupied	10	4,834
Mattress Firm	June 2026	10 years with two 5-year options	4	3,695
Sport Clips	April 2026	5 years with two 5-year options	4	1,217
Area 51 Smoke and Vape Shop	September 2026	3 years 3 months with one 5-year option	4	2,247
Large Format Retail				
Dollar Tree	October 2007	7 years with three 5-year options (no options remaining)	4	11,172
Quick Service Restaurant				
Chick-Fil-A	December 2007	15 years with four 5-year options (three options remaining)	4	4,205
Taco Bell	December 2007	20 years with four 5-year options	4	2,847
McDonald's	June 2009	20 years with four 5-year options	4	3,899
Subway	November 2007	5 years with two 5-year options (subsequently extended through 2026 with two 5-year options)	4	1,445
Heidi's Brooklyn Deli	November 2015	5 years with two 5-year options (no options remaining)	4	2,100
Arby's	September 2017	15 years with three 5-year options	4	2,754
Crumbl Cookies	December 2019	5 years with one 5-year option (no options remaining)	4	1,267
Freddy's Frozen Custard & Steakburgers	January 2022	Owner Occupied	4	3,028
Chipotle	March 2020	10 years with four 5-year options	4	2,379
Popeye's	December 2019	Owner Occupied	4	2,365
Panda Express	August 2019	Owner Occupied	4	2,218
Happy Lemon	February 2023	5 years, 3 months with one 5-year option	4	1,223
Kentucky Fried Chicken	December 2009	Owner Occupied	10	3,100
Raising Cane's Chicken Fingers	December 2024	15 years with five 5-year options	4	3,218
In-N-Out Burger	May 2025	Owner occupied	4	3,879
Dutch Bros Coffee	October 2025	15 years with four 5-year options	4	800
Smoothie King	June 2024	10 years and one month with two 5-year options	4	1,218

(table continues on following page)

Restaurant				
Buffalo Wild Wings	April 2009	10 years with three 5-year options (one option remaining)	4	6,092
Chili's	November 2006	10 years with four 5-year options (exercised last two options remaining; granted additional three 5-year options)	4	5,887
Old Chicago	June 2017	10 years with four 5-year options	4	5,251
Red Robin	July 2017	15 years with four 5-year options	4	5,673
Texas Roadhouse	February 2020	10 years with three 5-year options	4	7,491
Olive Garden	May 2025	Owner occupied	4	7,848
VIN39 Wine Bar	July 2026	8 years 2 months with two 5-year options	4	3,448
Office/Medical Office				
My Kids/Brighton Modern Dentistry & Ordodontics	January 2012	Owner occupied	4	4,040
GRiN Pediatric Dentistry & Orthodontics	June 2026	10 years 3 months with two 5-year options	4	2,615
Brighton Police	June 2010	month to month	4	1,269
ReMax	February 2010	6 years, extended for an additional 6 years, with one 6-year option (no options remaining)	4	1,916
Kids City Dental & Braces	December 2020	10 years with two 5-year options	4	2,507
H&R Block	February 2019	4 years with 5 year extension (no options remaining)	4	1,259
Aspen Dental [4]	October 2025		4	3,500
Service/Miscellaneous				
Watermill Express	December 2012	5 years with two 5-year options (no options remaining)	4	400
Whistle Express Car Wash	December 2019	Owner occupied	4	4,272
Wings Credit Union	October 2020	Owner occupied	4	5,378
7-Eleven	May 2013	Owner occupied	4	3,050
Christian Brothers Automotive	May 2021	Owner occupied	4	5,635
Valvoline Instant Oil	April 2026	15 years with four 5-year options	4	1,674
		Total Open/Operating Space		945,725

[1] As of October 31, 2026.
[2] Sally Beauty Supply has signed an amendment to their lease to expand to 3,000 square feet.
[3] This space is currently being marketed to other tenants.
[4] The terms of this lease, including duration, are confidential and therefore not included herein.
Source: The Developer; County Assessor's website.

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Acquisition; Encumbrances on Land

The information under this caption describes certain encumbrances presently existing on all or portions of the property comprising the Initial Development. Such property is also subject to various easements and rights of way of record, oil and gas leases and encumbrances pertaining to the reservation of mineral rights, which, to the extent of record only, the Developer has reviewed, and the Developer does not believe that there is a material risk of owners of mineral interests underlying the Initial Development exercising rights with respect to such ownership in a manner that would impair current and planned development within the Initial Development. Property within the Initial Development may be subjected to additional encumbrances in the future, including, but not limited to, entitlements, development agreements, easements, and liens securing financial obligations of the various owners or developers of such property. No assurance is given that encumbrances will not be recorded against portions of the Initial Development which impact continued development within the Initial Development.

Land Acquisition. Between 2002 and 2006, THF Development purchased approximately 1,984.30 acres of property within the Prairie Center Master Development pursuant to several transactions with various sellers for a total purchase price of $70,205,323. As set forth in the following table, THF Development subsequently sold portions of the property to third parties or its affiliates (who subsequently sold some portions to third parties). As of the date of this Limited Offering Memorandum, THF Development currently owns approximately 1,456.206 acres, THF Retail One currently owns approximately 62.585 acres, THF Retail Two currently owns approximately 31.220 acres, THF Retail Three currently owns approximately 9.348 acres and THF Perm One owns approximately 45.110 acres in the Prairie Center Master Development, respectively, for a total of 1,604.469 acres owned by the Developer and its affiliates, THF Retail Two, THF Retail Three and THF Perm One.

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TABLE XI
History of Developer Land Sales in the Prairie Center Master Development
Including the Initial Development[1]

	Acres	Date of Sale or Transfer
THF Development	1,984.300	2002-2006
Less:		
Transfer to THF Retail One	141.500	January 1, 2005
Transfer to THF Retail Two	39.700	November 5, 2007
Sale to KFC	0.814	April 15, 2008
Sale to Comfort Inn and Suites	1.931	August 14, 2008
Sale to Discount Tire	1.339	December 17, 2008
Sale to Candlewood Suites	2.036	May 11, 2012
Sale to 7-Eleven	1.075	October 2, 2012
Sale to Brakes Plus	0.940	October 22, 2014
Sale to Holiday Inn Express & Suites	2.294	April 12, 2016
Sale of Elements at Prairie Center property	15.002	June 30, 2016
Sale to TKG Prairie Center Investor, L.L.C. (Village I Property[2])	141.056[2]	December 6, 2017
Transfer to THF Retail Three	17.434	June 1, 2018
Sale of The Villas at Prairie Center property	12.317	April 11, 2018
Sale of Canvas at Prairie Center property	21.670	December 17, 2021
Sale of Inspirada at Prairie Center Village property	9.919	May 11, 2022
Sale to Christian Brothers Automotive	0.937	August 25, 2020
Sale to Platte Valley Medical Center	35.072	February 29, 2024
Conveyance to the City of the Lutz Reservoir and Open Space[2]	54.325	December 23, 2024
Sale to Adams County	28.733	March 21, 2025
Net Acres Owned by **THF Development**	**1,456.206**	
THF Retail One	141.500	January 1, 2005
Acquire CDOT ROW parcels	3.170	December 7, 2004
Transfer from THF Perm One	14.591	February 11, 2021
Less:		
Sale to Super Target	14.750	February 27, 2006
Sale to Home Depot	10.434	April 14, 2006
Sale to Kohl's	7.188	March 6, 2007
Sale to Daveco Liquor	2.933	February 13, 2009
Sale to Pacific Dental Services	0.698	May 18, 2011
Transfer to THF Perm One	59.701	July 25, 2019
Sale to Freddy's Frozen Custard & Steakburgers	0.972	May 21, 2021
Net Acres Owned by **THF Retail One**	**62.585**	
THF Retail Two	39.700	November 5, 2007
Less:		
Sale to JC Penney	7.883	November 5, 2007
Sale to Prairie Center GKT Outlot 1, LLC	0.597	October 31, 2023
Net Acres Owned by **THF Retail Two**	**31.220**	
THF Retail Three	17.434	June 1, 2018
Less:		
Sale to Ent Credit Union	1.417	October 23, 2018
Sale to Popeye's	0.882	January 14, 2019
Sale to Take 5 Car Wash	1.254	February 27, 2019
Sale to Panda Express	0.804	March 6, 2019
Sale to In-N-Out Burger	1.567	July 10, 2024
Sale to Olive Garden	2.162	July 10, 2024
Net Acres Owned by **THF Retail Three**	**9.348**	
THF Perm One	59.701	July 25, 2019
Less:		
Transfer to THF Retail One	14.591	February 11, 2021
Net Acres Owned by **THF Perm One**	**45.110**	

[1] As of the date of this Limited Offering Memorandum.
[2] Represents property outside of the Initial Development.
Source: The Developer

Restrictive Covenants. Various restrictive covenants have been imposed on all or portions of the property within the Initial Development in favor of certain of the existing owners and tenants therein. As a general matter, such covenants prohibit various uses of property, for various periods of time, within such property to the extent that such uses either: (i) compete with existing owners and tenants (the covenants restricting such uses, the "**Non-Compete Restrictions**") or (ii) potentially diminish the value of such property (the covenants restricting such uses, the "**Value Restrictions**"). Each such restrictive covenant runs with the land but terminates (pursuant to terms set forth in each covenant) if the owner or tenant that it benefits ceases to operate within the Initial Development. According to the Developer, restrictions such as the Non-Compete Restrictions and the Value Restrictions are commonly found in shopping center developments like the Initial Development.

Examples of the Non-Compete Restrictions include, without limitation, a restriction on the operation of a home improvements store other than Home Depot, a restriction on "varied-menu" theme restaurants other than Chili's (which restriction does not encumber the property currently occupied by Old Chicago and Red Robin), a restriction on businesses selling office or school supplies other than Office Depot, and a restriction on sporting goods stores other than Dick's Sporting Goods. Many of the Non-Compete Restrictions contain carve-outs for certain incidental or minimal competitive uses, such as for businesses whose sales of competitive merchandise do not exceed specified percentages of total revenues.

The Developer, Home Depot U.S.A., Inc., and Target Corporation have entered into an Amended and Restated Restriction Agreement and Grant of Easements (the "**Restriction Agreement**"). The Restriction Agreement only applies to certain property within the Initial Development and, among other matters, imposes building and height limitations, grants certain nonexclusive easements, and imposes parking space requirements and signage limitations. The Restriction Agreement imposes certain Value Restrictions, including the prohibition of certain uses within such portion of the Initial Development, including uses such as flea markets; gun sales; off–track betting parlors; motor vehicle or boat dealerships; or night clubs or other adult entertainment facilities. The Developer and Target Corporation have also entered into an Operation and Easement Agreement which contains similar restrictions and agreements for certain property within the Initial Development. Other Value Restrictions contained in other agreements include restrictions on certain businesses, such as funeral parlors, massage parlors and adult bookstores, and "places of assembly," such as movie theatres, libraries, churches, or meeting halls.

If a current owner within the Initial Development seeks to sell its property or a current tenant terminates its lease, the Non-Compete Restrictions and the Value Restrictions may limit the pool of potential new purchasers or lessees of such property. If replacement owners or tenants cannot be identified, temporary or permanent vacancies within the Initial Development may result, thereby delaying or reducing Pledged Revenue available to pay the Series 2026 Bonds.

THF Retail Two and J.C. Penney Properties, Inc. have entered into a Construction, Operating and Reciprocal Easement Agreement (as amended, the "**COREA**"). The COREA only applies to certain property within the Initial Development and, among other matters, grants certain nonexclusive easements, imposes limitations on construction activities and uses which may be made of property within the shopping center, imposes building and height limitations and parking requirements for all property within such shopping center, and provides for the maintenance of the common areas in such shopping center.

In addition, the Developer, Home Depot U.S.A., Inc., and Target Corporation have entered into an Amended and Restated Shopping Center Common Area Maintenance Agreement (the "**Maintenance Agreement**") which provides for the maintenance of the common areas in certain portions of the Initial Development.

Declaration of Master Architectural Restrictions for Prairie Center. THF Development, with the consent of THF Retail One, recorded a Declaration of Master Architectural Restrictions for Prairie Center (the "**Declaration**") on December 28, 2006 at Reception No. 2006001013018 against all properties owned by the Developer and its affiliates, THF Retail Two and THF Retail Three, within the City and all properties owned by the Developer and its affiliates, THF Retail Two and THF Retail Three, in Adams County located north of 128th Avenue, south of Bromley Lane, east of Chambers Road and west of 1-76. Such property includes the majority of property within the Initial Development except for the Home Depot and Target parcels (each of which were conveyed to their respective current owners prior to the recording of the Declaration) and an additional small portion of the Initial Development which was previously dedicated to, and subsequently vacated by, the City. The Declaration, which runs with the land and binds all persons having or acquiring any interest in such property, established an architectural control committee (the "**ACC**") whose members have been appointed by THF Development.

The Declaration provides that no development shall take place on any property subject to the Declaration until a site plan, architectural renderings, sample materials and all other plans and specifications for such development as required by and in a form satisfactory to the ACC have been approved by the ACC in writing pursuant to the design guidelines adopted by the ACC and the Declaration. For any development for which the approval of the City is required, final approval shall not be sought from the City until such development has been approved by the ACC pursuant to the Declaration.

The Declaration provides that no applicant may commence development on any property subject to the Declaration prior to such applicant paying any PIF with respect to the Use Tax Activity as set forth in the applicable PIF Covenant with respect to such development. The ACC is to be responsible for verifying that such PIF has been paid by the applicant and may condition its approval of any application for development on the applicant demonstrating that the applicable PIF has been paid in full pursuant to the terms of the applicable PIF Covenant. The ACC has the authority to implement procedures and policies for the purpose of confirming that the applicable PIF with respect to any Use Tax Activity has been paid in full, which policies and procedures may, without limitation, require that the PIF or any portion thereof be paid prior to or in connection with obtaining a building permit from the City for the particular Use Tax Activity.

The Declaration further provides that the ACC will approve no application for development on any property subject to the Declaration and no applicant may commence such development prior to such applicant paying, to the applicable District, any fee(s) (including the Facilities Fees) as set forth in District documents which apply to property subject to the Declaration or any portion thereof from time to time, including without limitation, resolutions, rules and regulations adopted by the Board of Directors of the applicable District (the "**District Documents**"). The ACC shall be responsible for verifying that such fee(s), if any, have been paid by the applicant, and in the final approval granted to the applicant by the ACC pursuant to the Declaration the ACC shall confirm whether such fees(s), if any, have been paid pursuant to the terms of the applicable District Documents.

Environmental Matters

D. G. Purdy & Associates, Inc. ("**DGPA**"), Manchester, Missouri, prepared three Phase One Environmental Assessments on all or large portions of the area comprising the Prairie Center Master Development in 2002 and, with respect to approximately 18 acres, in 2004. These assessments revealed no evidence of recognized environmental concerns. DGPA did, however, identify what it concluded to be potential minor, or *de minimus*, conditions. Such minor conditions included, by way of example, the potential presence of wetlands, asbestos-containing materials, and localized petroleum hydrocarbon soil contamination from containers and aboveground storage tanks. Prior to any demolition or development, DGPA recommended certain steps be taken to ensure that no environmental conditions arose as a result of

these potential minor conditions. THF Development has represented that, to the best of its knowledge, it has complied with all such recommendations.

In 2006, Midwest Testing, Bridgeton, Missouri, prepared a Phase I Environmental Assessment on an approximately six–acre tract within the Prairie Center Master Development. No evidence of recognized environmental conditions was found.

The Developer

The developer of the Prairie Center Master Development is, collectively, (a) THF Prairie Center Development, L.L.C., a Colorado limited liability company (as previously defined, "**THF Development**"), (b) THF Prairie Center Retail One, L.L.C., a Missouri limited liability company (as previously defined, "**THF Retail One**"), (c) THF Prairie Center Retail Two, L.L.C., a Missouri limited liability company (as previously defined, "**THF Retail Two**"), (d) THF Prairie Center Retail Three, L.L.C., a Missouri limited liability company (as previously defined, "**THF Retail Three**") and (e) THF Prairie Center Retail Perm One, L.L.C., a Delaware limited liability company (as previously defined, "**THF Perm One**").

THF Development and THF Retail One are referred to herein, collectively, as the "**Developer**."

THF Prairie Center Investors, L.L.C., a Missouri limited liability company, is the sole member of THF Development. The members of THF Prairie Center Investors, L.L.C. are TKG Prairie Center Investor, L.L.C., a Missouri limited liability company, controlled by E. Stanley Kroenke and MHS Prairie Center, LLLP, a Missouri limited liability limited partnership, controlled by Michael H. Staenberg and James S. Lewis. THF Development is the sole member of THF Retail One, THF Retail Two and THF Retail Three.

The Manager

Western Skies Management, Inc. (formerly known as THF Management, Inc.) serves as manager for the Initial Development and Sullivan Hayes Brokerage, Inc. serves as leasing agent. The manager is related to E. Stanley Kroenke, the sole shareholder of such entity and the controlling member of the Developer.

The manager is engaged pursuant to an annually renewable management agreement between the manager and THF Retail Two that terminates each December 31; provided, however, the manager can terminate the management agreement by written notice. The management agreement may also be terminated (a) by either party in the event of substantial destruction of the Prairie Center Master Development, (b) if a petition for bankruptcy, reorganization or rearrangement is filed under state or federal insolvency statutes by or against either party or if either party shall make an assignment for the benefit of creditors to take advantage of any insolvency act, by the other party, (c) either party shall default in the performance of any of its obligations and such default shall continue for ten days with respect to monetary defaults and thirty days with respect to non-monetary defaults after written notice, by the non-defaulting party, and (d) by the manager if the condition of the Prairie Center Master Development or any act of the owner thereof violates or does not comply with any law, ordinance or public requirement or if the manager, in its reasonable judgment, determines that such condition or act may result in liability or expense to the manager. The compensation paid to the manager by THF Retail Two pursuant to the management agreement is 4% of the gross receipts from the operations in the Prairie Center Master Development, $1,500 per month with respect to the J.C. Penney parcel, plus management expenses.

Water

According to the Developer, water for the Initial Development is provided by the Brighton Water Activities Enterprise, a division of the Utilities Department of the City. According to the Developer, all required fees in lieu of water dedication have been paid and all required tap fees have been acquired or purchased for the Existing Development.

Competition and Marketing

Competition. The Initial Development is expected to compete with active competitive mixed-use communities in the Denver metropolitan area. Such competition may adversely affect the Initial Development. See "APPENDIX A—BOND REVENUE STUDY."

Marketing. SullivanHayes and Cushman & Wakefield have been retained to represent the Developer in connection with retail and residential development, respectively.

FINANCIAL INFORMATION

Primary Sources of Revenue

The Series 2026 Bonds are limited tax supported, special revenue obligations of the Issuer secured by and payable from the Pledged Revenue, consisting primarily of: (a) the PIF Revenue, the Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues required to be deposited with the Trustee pursuant to the Comprehensive Agreement; (b) the following revenues required to be deposited with the Trustee in accordance with the Capital Pledge Agreement: (i) the Capital Levies Revenue resulting from the imposition of the Capital Levies by the Taxing Districts and (ii) the specific ownership taxes received by the Taxing Districts as a result of the imposition of the Capital Levies; and (c) the Facilities Fees Revenue generated from the Commercial Facilities Fees and the Residential Facilities Fees imposed by the Financing Districts required to be deposited with the Trustee in accordance with the Capital Pledge Agreement and the District No. 10 Pledge Agreement, respectively. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2026 BONDS."

Ad Valorem Property Taxes

Each of the Taxing Districts' Boards have the power, subject to constitutional and statutory guidelines, to certify a levy for collection of ad valorem taxes against all taxable property within the respective Taxing District. For purposes of the Series 2026 Bonds and this Limited Offering Memorandum, the ad valorem property taxes levied are levied solely by the Taxing Districts (being District Nos. 4 and 5) and are referred to herein as the "**Capital Levies**." The revenue derived from imposition of the Capital Levies is referred to herein as "property taxes," "ad valorem property tax revenue," "property tax revenue," and "**Capital Levies Revenue**." Property taxes are uniformly levied against the assessed valuation of all taxable property within each of the Taxing Districts. The property subject to taxation, the assessment of such property, and the property tax procedure and collections are discussed below. The Taxing Districts' ability to impose ad valorem property taxes is subject to, among other limitations, the limitations set forth in their respective Service Plans. See "THE DISTRICTS—Service Plan Authorizations and Limitations."

Property Tax Reduction for Senior Citizens and Disabled Veterans. On November 7, 2000 and November 7, 2006, respectively, the electors of the State approved Referendum A and Referendum E, constitutional amendments granting a property tax reduction to qualified senior citizens and qualified disabled veterans. Generally, the reduction (a) reduces property taxes for qualified senior citizens and qualified disabled veterans by exempting 50% of the first $200,000 of actual value of residential property

from property taxation; (b) requires that the State reimburse all local governments for any decrease in property tax revenue resulting from the reduction; and (c) excludes the State reimbursement to local governments from the revenue and spending limits established under Article X, Section 20 of the State Constitution.

Property Subject to Taxation. Both real and personal property located within the boundaries of the Taxing Districts, unless exempt, are subject to taxation by the respective Taxing District and other governmental taxing entities, as applicable. Exempt property generally includes property of the United States of America; property of the State and its political subdivisions; public libraries; public school property; charitable property; religious property; irrigation ditches, canals and flumes; household furnishings; personal effects; intangible personal property; inventories of merchandise and materials and supplies which are held for consumption by a business or are held primarily for sale; livestock; agricultural and livestock products; agricultural equipment which is used on the farm or ranch in the production of agricultural products; and non-profit cemeteries.

Assessment of Property. All taxable property is listed, appraised and valued for assessment as of January 1 of each year by the County Assessor. The "actual" value, with certain exceptions, is determined by the County Assessor annually based on a biennially recalculated "level of value" set on January 1 of each odd-numbered year. The "level of value" is ascertained for each two-year reassessment period from manuals and associated data prepared and published by the State property tax administrator for the eighteen-month period ending on the June 30 immediately prior to the beginning of each two-year reassessment period. For example, "actual" values for the 2023 levy/2024 collection year as well as the 2024 levy/2025 collection year are based on market data obtained from the period January 1, 2017–June 30, 2022 and "actual" values for the 2025 levy/2026 collection year as well as the 2026 levy/2027 collection year are based on market data obtained from the period January 1, 2023–June 30, 2024. The "level of value" calculation does not change for even-numbered years. The classes of property the "actual" value of which is not determined by a level of value include oil and gas leaseholds and lands, producing mines and other lands producing nonmetallic minerals.

Determination of Assessed Value and anticipated Capital Levies Adjustments. The assessed value of taxable property (which represents the value upon which ad valorem property taxes are levied) is determined by multiplying the "actual" value (determined as described in the immediately preceding paragraph) times an assessment ratio. There are different assessment ratios for different classes and subclasses of taxable property (e.g. residential and non-residential and subclasses within residential and non-residential classes of taxable property), which are determined by State law. Such assessment ratios have recently been modified by action of the Colorado General Assembly and are subject to further change as a result of future actions of the General Assembly and/or the State's registered electors. For levy year 2025/collection year 2026, the Taxing Districts increased their respective Capital Levies to account for such changes to assessed and actual valuation, as described in "*—Permitted and Anticipated Adjustments to Capital Levies*" below. Therefore, it is not anticipated that the Taxing Districts' property tax revenues will be reduced as a result of the assessed and actual valuation reductions described below. See also "RISK FACTORS—Risks Related to Property Tax Revenue—*Changes to State Law Affecting Calculation of Assessed Valuation*" and "*—Anticipated Adjustments to Capital Levies; Possible Limitations*."

Residential Property. Residential assessment rates may be changed by the Colorado General Assembly and by the eligible electors at a State-wide election, and any increases would require voter approval pursuant to TABOR. From 1982 to 2020, a provision in the Colorado Constitution referred to as the "**Gallagher Amendment**" required the Colorado General Assembly to calculate and potentially adjust the residential assessment rate every two years. During the 2019 legislative session, the Colorado General Assembly approved a change to the residential assessment rate to 7.15% for levy years commencing on and after January 1, 2019.

The Gallagher Amendment was repealed in 2020 and as a result, the Colorado General Assembly is no longer required to recalculate and potentially adjust the residential assessment rate every two years. Since that time, the Colorado General Assembly has passed certain temporary reductions in assessed and actual valuations of certain residential and non-residential property as described below under "—Temporary Reductions."

Non-Residential Property. Prior to adoption of the State legislation described below, all non-residential taxable real and personal property, with certain specified exceptions, was assessed at 29% of its statutory actual value. Producing oil and gas property is generally assessed at 87.5% of the selling price of the oil and gas. Non-residential assessment rates may be changed by the General Assembly and by the eligible electors at a State-wide election, and any increases would require voter approval pursuant to TABOR.

Temporary Reductions. The following description of several Senate Bills pertains only to provisions that apply to levy year 2023 (collection year 2024) and thereafter.

Senate Bill 21-293 ("**SB 21-293**") classifies agricultural property, lodging property, and renewable energy production property as new subclasses of non-residential property. SB 21-293 provides that the assessment rate for (i) lodging property will return to 29%; and (ii) for agricultural property and renewable energy production property will be 29% in levy year 2024 (after temporary reductions that expired in levy year 2023). Portions of SB 21-293 were superseded by SB 22-238, as described below.

Senate Bill 22-238 ("**SB 22-238**") also temporarily reduces the assessment rates for non-residential property and reduces the calculation of the actual value for certain property classes. Pursuant to SB 22-238, the assessment rate for agricultural property and renewable energy production property was temporarily reduced from 29% to 26.4% for levy year 2024 and starting in levy year 2025, the assessment rate on all non-residential property would return to 29%. Certain provisions of SB 22-238 were superseded by Senate Bill 24-233 ("**SB 24-233**") and House Bill 24B-1001 ("**HB 24B-1001**").

Senate Bill 23B-001 ("**SB 23B-001**") further temporarily reduced the assessment rate for all residential real property to 6.7% in levy year 2023, and further temporarily reduced the calculation of the actual value of such property by up to $55,000 in levy year 2023.

SB 24-233. SB 24-233 became law on May 14, 2024, and went into effect on October 1, 2024. The following summarizes certain provisions of SB 24-233 applicable to local governments such as the District. SB 24-233: (i) establishes a property tax limit on qualified property tax revenue; (ii) extended the existing temporary reduction in the assessment rate for certain classes of non-residential real property to levy year 2024, as established in SB 22-238; (iii) temporarily reduced the assessment rate for property listed by the County Assessor under any Improved Commercial Subclass Codes and Agricultural Property to 27% in levy year 2025; (iv) establishes the assessment rate for property listed by the County Assessor under any Improved Commercial Subclass Codes and Agricultural Property as 25% of the actual value thereof in levy year 2026 and thereafter; (v) extended the existing temporary reduction in assessed and actual value of residential real property to levy year 2024, as established in SB 23B-001; (vi) temporarily reduced the assessment rate for all residential real property in levy year 2025 to 6.4%[1]; and (vii) establishes the

[1] For "qualified-senior primary residence real property" (described below), the assessment rate is applied to the actual value of the property minus (A) either (i) 50% of the first $200,000 of the actual value plus the lesser of 10% of the actual value of the property or $70,000 as increased for inflation or (B) the amount that reduces the actual value for assessment to $1,000. Qualified-senior primary residence real property generally means property occupied by an owner 65 years or older who had previously received the property tax reduction described under "—*Property Tax Reduction for Senior Citizens and Disabled Veterans*" above for a property tax year commencing on or after January 1, 2020, but does not qualify for the such property tax reduction for the current property tax year.

assessment rate for residential real property in levy year 2026 and after as 6.95% of the actual value[1] of the property minus the lesser of 10% of the actual value of the property or $70,000 as increased for inflation.

Certain provisions of SB 24-233 were amended by HB 24B-1001, which is described below.

HB 24B-1001. HB 24B-1001 became law on September 4, 2024 and went into effect on October 1, 2024. The following summarizes certain provisions of HB 24B-1001 applicable to local governmental entities, such as the District.

HB 24B-1001:

(i) reduces the permitted increase of qualified property tax revenue from 5.5% (set forth in SB 24-233) to 5.25%, as described below;

(ii) sets the assessment rate for personal property and nonresidential real property at 27% of the actual value thereof for the property tax year commencing on January 1, 2025, at 26% for the property tax year commencing on January 1, 2026 and at 25% for property tax years commencing on or after January 1, 2027;

(iii) sets the assessment rate for property listed by the County Assessor under any Improved Commercial Subclass Codes and Agricultural Property at 26% of the actual value thereof for the property tax year commencing on January 1, 2026;

(iv) for property tax years commencing on or after January 1, 2025, if the Statewide Actual Value Growth is less than or equal to 5%, the assessment rate for all residential real property other than qualified-senior primary residence real property is 6.25% of the actual value thereof[2];

(v) for the property tax year commencing on January 1, 2025, if the Statewide Actual Value Growth is greater than 5%, the assessment rate for all residential property (other than qualified-senior primary residence real property) is 6.15% of the amount equal to the actual value of the property[3];

(vi) for property tax years commencing on or after January 1, 2026, if the Statewide Actual Value Growth is less than or equal to 5%, the assessment rate for all residential real property (other than qualified-senior primary residence real property) is 6.8% of the actual value thereof minus the lesser of 10% of the actual value of the property, $70,000 as increased for inflation in the first year of each subsequent reassessment cycle, or the amount that causes the valuation for assessment to be $1,000[4]; and

[1] For "qualified-senior primary residence real property", the assessment rate is 6.8% of the amount equal to the actual value of the property minus either 50% of the first $200,000 of that actual value plus the lesser of 10% of the actual value of the property or $70,000 (as increased by inflation in the first year of each subsequent reassessment cycle) or the amount that causes the valuation for assessment of the property to be $1,000.

[2] For qualified-senior primary residence real property, the assessment rate is applied to the actual value of the property minus (A) either (i) 50% of the first $200,000 of the actual value plus the lesser of 10% of the actual value of the property or $70,000 as increased for inflation or (B) the amount that reduces the actual value for assessment to $1,000.

[3] For "qualified-senior primary residence real property", the assessment rate is 6.25% of the amount equal to the actual value of the property minus the lesser of 50% of the first $200,000 of that actual value or the amount that causes the valuation for assessment of the property to be $1,000.

[4] For "qualified-senior primary residence real property", the assessment rate is 6.15% of the amount equal to the actual value of the property minus the lesser of 50% of the first $200,000 of that actual value or the amount that causes the valuation for assessment of the property to be $1,000.

(vii) for property tax years commencing on or after January 1, 2026, if the Statewide Actual Value Growth is greater than 5%, the assessment rate for all residential real property (other than qualified-senior primary residence real property) is 6.7% of the actual value thereof minus the lesser of 10% of the actual value of the property, $70,000 as increased for inflation in the first year of each reassessment cycle or the amount that causes the valuation for assessment of the property to be $1,000[1].

HB 24B-1001 provides that any modification to the assessment rates (except the termination of any temporary reductions in such assessment rates) that would result in a property tax increase would require prior voter approval under TABOR (as defined herein).

In accordance with SB 22-238, SB 23B-001, SB 24-233 and HB 24B-1001, certain local governments are eligible for reimbursement (described therein as the "backfill") for reductions in property tax revenue resulting from the temporary reductions in assessed and actual value imposed by SB 22-238, SB 23B-001, SB 24-233 and HB 24B-1001. However, Taxing Districts are required to increase their respective Capital Levies to offset any legislative reductions in actual value and assessed value, as further described below. Accordingly, it is not anticipated that the Taxing Districts will have reductions in property tax revenue resulting from SB 22-238, SB 23B-001, SB 24-233 or HB 24B-1001.

Permitted and Anticipated Adjustments to Capital Levies. The Capital Pledge Agreement requires the Taxing Districts to increase or decrease their respective Capital Levies to offset any changes in the State's method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement on or after January 1, 2006. Such language is intended to require the Taxing Districts to increase such mill levies if necessary to offset the loss of tax revenue which may occur due to certain changes in law. Resolution No. 2017-96 as adopted by the City Council on September 5, 2017, provides that the Districts may, and are required by the Capital Pledge Agreement with respect to the Taxing Districts, to adjust their respective Capital Levies for the changes to assessment rates and actual values, such as the adjustments provided in SB 21-293, SB 22-238 and SB 23B-001 described above.

As indicated in the definition of Capital Levies, the Boards of the Taxing Districts have determined that, as a result of the provisions of the Service Plans and Resolution No. 2017-96 pertaining to mill levy adjustments as described above, as of the date of issuance of the Series 2026 Bonds (i.e., for collection year 2026), the Capital Levy of District No. 4 of 25 mills has adjusted to 26.851 mills and the Capital Levy of District No. 5 of 40 mills has adjusted to 50.536 mills. These mill rates are based on the 2025 assessed valuations of the Taxing Districts, and take into account the reduction in assessment rates and actual values prescribed by Senate Bill 21-293, Senate Bill 22-238 and Senate Bill 23B-001, as described herein, and are reflected in the Bond Revenue Study. The Bond Revenue Study applies the assessment rates for levy year 2026 and millage rates for levy year 2025 across all future years of property tax estimates, based on the assumption that the millage rate may change from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. See "APPENDIX A—BOND REVENUE STUDY" and "—Risks Inherent in Bond Revenue Study" below.

See, however, "RISK FACTORS—Risks Related to Property Tax Revenue—*Changes to State Law Affecting Calculation of Assessed Valuation*" and "*—Anticipated Adjustments to Capital Levies; Possible Limitations*."

[1] For "qualified-senior primary residence real property", the assessment rate is 6.8% of the amount equal to the actual value of the property minus either 50% of the first $200,000 of that actual value plus the lesser of 10% of the actual value of the property or $70,000 (as increased by inflation in the first year of each subsequent reassessment cycle) or the amount that causes the valuation for assessment of the property to be $1,000.

Property Tax Limit Imposed by SB 24-233, as amended by HB24B-1001. Under HB 24B-1001, the property tax limit for a property tax year of a local governmental entity (such as the Taxing Districts) is equal to the base amount of the qualified property tax revenue increased by the total of the growth rate percentage and then increased by the carryover amount. "Base amount" is defined in HB 24B-1001 as the amount of qualified property tax revenue collected and lawfully retained from whichever property tax year in a previous reassessment cycle was the property tax year for which a local governmental entity collected and lawfully retained the most property tax revenue. "Carryover amount" is generally defined in HB 24B-1001 as the difference between the base amount of the qualified property tax revenue that was applicable for the most recent reassessment cycle increased by the growth rate percentage for that reassessment cycle, and the qualified property tax revenue from the year with the greatest qualified property tax revenue from the most recent reassessment cycle. "Growth rate percentage" is defined in HB 24B-1001 as 5.25% multiplied by the number of property tax years in the current reassessment cycle (currently each reassessment cycle contains two property tax years).

All property tax revenue is included in "qualified property tax revenue" for purposes of calculating the property tax limit, except for revenue that is specifically excluded by HB 24B-1001, such as (i) property tax revenues generated from increased assessed value attributed to new construction or to inclusion of additional land; (ii) an amount of property tax revenue used to provide for the payment of bonds that have both been approved by a majority of the local governmental entity's voters voting thereon and are outstanding as of November 5, 2024; and (iii) an amount of property tax revenue used to provide for the payment of bonds and other contractual obligations issued in accordance with existing voted authorization of a local governmental entity approved by a majority of the local governmental entity's voters voting thereon as of November 5, 2024 (which includes the obligations of the Taxing Districts under the Capital Pledge Agreement).

To prevent the local governmental entity's qualified property tax revenue from exceeding the property tax limit, the local governmental entity, such as each of the Taxing Districts, is required to either (i) enact a temporary property tax credit or (ii) temporarily reduce the mill levy imposed by the local governmental entity. If the local governmental entity does not comply with either (i) or (ii) in the preceding sentence, then it is required to refund any qualified property tax revenue in excess of the property tax limit for the property tax year.

HB 24B-1001 states that none of its provisions impair the existing voted authorization of a local governmental entity approved by a majority of its voters or the obligations of any bonds or other forms of indebtedness outstanding as of November 5, 2024 (which includes the obligations of the Taxing Districts under the Capital Pledge Agreement). Accordingly, it does not invalidate the Issuer or the Taxing Districts' voter authorization obtained at the 2006 Election, including their authorization to issue debt, to impose a property tax mill levy to pay the same and to retain all revenues received by the Issuer or the Taxing Districts' notwithstanding the revenue limitations imposed by Section 29-1-303 C.R.S. and TABOR. See "—Constitutional Amendment Limiting Taxes and Spending" below for a discussion of the revenue limitations of TABOR. HB 24B-1001 also authorizes a local governmental entity's governing body to submit to the local governmental entity's electors the question of whether the entity may waive the property tax limit established by HB 24B-1001.

The obligations of the Taxing Districts under the Capital Pledge Agreement are incurred in accordance with the existing voted authorization of the Taxing Districts, as described in "DEBT STRUCTURE—Required Elections." Accordingly, the property tax revenue generated from the Capital Levies imposed by the Taxing Districts pursuant to the Capital Pledge Agreement is not anticipated to be included in the calculation of either Taxing District's property tax limit pursuant to HB 24B-1001. However, property tax revenue produced by the operations and maintenance mill levies of the Taxing Districts may be included in the calculation of the Taxing Districts' annual property tax limit, unless the

Taxing Districts obtain subsequent voter approval to waive the property tax limit as provided in HB24B-1001. The voters of District No. 4 have voted to waive the property tax limit, but not such vote has been submitted to the voters of District No. 5.

Protests, Appeals, Abatements and Refunds. Beginning in May of each year each county assessor hears taxpayers' objections to property valuations, and the county board of equalization hears assessment appeals. The assessor is required to complete the assessment roll of all taxable property no later than August 25 each year. The abstract of assessment prepared therefrom is reviewed by the State property tax administrator. Assessments are also subject to review at various stages by the State board of equalization, the State board of assessment appeals and the State courts. Therefore, the Taxing Districts' assessed valuation may be subject to modification as a result of the review of such entities. In the instance of the erroneous levy of taxes, an abatement or refund must be authorized by the board of county commissioners; and in no case will an abatement or refund of taxes be made unless a petition for abatement or refund is filed within two years after January 1 of the year following the year in which the taxes were levied. Refunded or abated taxes are prorated among all taxing jurisdictions which levied a tax against the property.

Taxation Procedure. The assessed valuation and statutory "actual" valuation of taxable property within a special district is required to be certified by the county assessor to the special district no later than August 25 each year. Such value is subject to recertification by the county assessor prior to December 10. The board of such special district then determines a rate of levy which, when levied upon such certified assessed valuation, and together with other legally available revenues, will raise the amount required annually by such district to defray its operational and debt service expenditures during the ensuing fiscal year. In determining the rate of levy, the board must take into consideration the limitations on certain increases in property tax revenues as described in "—Constitutional Amendment Limiting Taxes and Spending" and "—Budget and Appropriation Procedure." The board must certify the special district's levy to the board of county commissioners no later than December 15.

Upon receipt of the tax levy certification of the special district and other taxing entities within the county, the board of county commissioners levies against the assessed valuation of all taxable property within the county the applicable property taxes. Such levies are certified by the board of county commissioners to the county assessor, who thereupon delivers the tax list and warrant to the county treasurer for the collection of taxes.

Property Tax Collections. Taxes levied in one year are collected in the succeeding year. Taxes certified in 2025, for example, are being collected in 2026. Taxes are due on January 1 in the year of collection; however, they may be paid in either one installment (not later than the last day of April) or two equal installments (not later than the last day of February and June 15) without interest or penalty. Taxes which are not paid within the prescribed time bear interest at the rate of 1% per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16 of the collection year. The county treasurer collects current and delinquent property taxes, as well as any interest, penalties, and other requirements and remits the amounts collected on behalf of a special district to the special district on a monthly basis.

All taxes levied on real and personal property, together with any interest and penalties prescribed by law, as well as other costs of collection, until paid, constitute a perpetual lien on and against the taxed property. Such lien is on a parity with the liens of other general taxes. It is the applicable county treasurer's duty to enforce the collection of delinquent real property taxes by sale of the tax lien on such realty in December of the collection year and of delinquent personal property taxes by the distraint, seizure and sale of such property at any time after October 1 of the collection year. There can be no assurance, however, that the value of taxes, penalty interest and costs due on the property can be recovered by the county treasurer or that tax liens will ultimately be sold. Further, the county treasurer may set a minimum total

amount below which competitive bids will not be accepted. Tax liens that remain unsold or for which acceptable bids are not received will be set off to the county. If a tax lien is set off to the county, then no taxes levied against such property are payable until the county has sold the tax lien or the property has been redeemed. Taxes on real and personal property may be determined to be uncollectible after a period of six years from the date of becoming delinquent and canceled by the board of county commissioners.

Ad Valorem Property Tax Data

Assessed Valuation. The Taxing Districts' assessed valuations and mill levies for levy years 2021 to 2026 (collection years 2022 through 2027) are set forth in the following tables. See "—Ad Valorem Property Taxes—*Assessment of Property*" above for a description of the assessment ratios for taxable property used in each of such years. See also "—Constitutional Amendment Limiting Taxes and Spending" below.

TABLE XII
History of Assessed Valuation and Mill Levies—District No. 4

			Mill Levies		
Levy/Collection Year	**Assessed Valuation**	**Percent Change**	**General Fund [1]**	**Debt Service Fund [2]**	**Total Mill Levy**
2021/2022	$36,339,280	--	35.000	25.000	60.000
2022/2023	36,807,960	1.29%	35.000	25.000	60.000
2023/2024 [3]	42,618,720	15.79	36.380	25.985	62.365
2024/2025	42,169,480	(1.05)	36.380	25.985	62.365
2025/2026	46,759,980	10.89	37.592	26.851	64.443
2026/2027 [4]	45,017,190 [5]	(3.73)	n/a	n/a	n/a

[1] General Fund mill levies are imposed for purposes of paying operations, maintenance and District administration costs and expenses, often referred to herein as an "operations mill levy" or "operations and maintenance mill levy."
[2] Debt Service Fund mill levies are referred to herein as a "Capital Levy" or "Capital Levies."
[3] A portion of property was excluded from District No. 4 and included into the Issuer, with an assessed valuation of $520. District No. 4 is required to continue to impose its mill levy on that portion of property for the payment of the Series 2007 Subordinate Bonds and the Series 2017 Bonds, but not the Series 2024 Bonds, the Series 2026 Bonds or any future bonds.
[4] Preliminary; subject to continual modification by the County Assessor, as allowed by State law, prior to the December 10, 2026 final certification date. Mill levies for 2026 (2027 collection year) are required to be certified until no later than December 15, 2026.
[5] From 2025-2026, assessment rates for nearly all non-residential property types declined, resulting in a decline in assessed value for real property in District No. 4, despite new construction occurring with District No. 4.
Source: State of Colorado, Colorado Department of Local Affairs, Division of Property Taxation, 2021 – 2025 State of Colorado Property Tax Annual Reports, and the County Assessor.

TABLE XIII
History of Assessed Valuation and Mill Levies—District No. 5

Levy/Collection Year	Assessed Valuation	Percent Change	Mill Levies General Fund [1]	Mill Levies Debt Service Fund [2]	Total Mill Levy
2021/2022	$ 7,672,350	--	11.132	44.531	55.663
2022/2023	7,449,160	(2.91)%	11.638	46.552	58.190
2023/2024	10,585,790	42.11	11.587	46.348	57.935
2024/2025	11,293,800	6.69	11.631	46.527	58.158
2025/2026	11,764,080	4.16	12.634	50.536	63.170
2026/2027 [3]	14,495,830	23.22	n/a	n/a	n/a

[1] General Fund mill levies are imposed for purposes of paying operations, maintenance and District administration costs and expenses, often referred to herein as an "operations mill levy" or "operations and maintenance mill levy."
[2] Debt Service Fund mill levies are referred to herein as a "Capital Levy" or "Capital Levies."
[3] Preliminary; subject to continual modification by the County Assessor, as allowed by State law, prior to the December 10, 2026 final certification date. Mill levies for 2026 (2027 collection year) are required to be certified until no later than December 15, 2026.
Source: State of Colorado, Colorado Department of Local Affairs, Division of Property Taxation, 2021 - 2025 State of Colorado Property Tax Annual Reports, and the County Assessor.

The following tables set forth the certified 2025 assessed and "actual" valuations and the 2026 preliminary certified assessed and "actual" valuations of specific classes of property within the Taxing Districts, as provided by the County Assessor.

TABLE XIV
2025 Assessed and "Actual" Valuation of Classes of Property in District No. 4

Class	Assessed Valuation	Percent of Assessed Valuation	"Actual" Valuation	Percent of "Actual" Valuation
Commercial	$40,031,380	85.61%	$148,264,437	85.61%
Commercial Renewable	38,330	0.08	141,981	0.08
Vacant	6,341,070	0.14	23,485,471	0.14
State Assessed	344,240	0.74	1,274,972	0.74
Agricultural	4,960	0.01	18,395	0.01
Total[1]	$46,759,980	100.00%	$173,185,256	100.00%

[1] Figures may not add due to rounding.
Source: County Assessor.

TABLE XV
2026 Preliminary Certified Assessed and "Actual" Valuation of Classes of Property in District No. 4

Class	Assessed Valuation	Percent of Assessed Valuation	"Actual" Valuation	Percent of "Actual" Valuation
Commercial	$38,358,180	85.21%	$152,506,861	85.62%
Commercial Renewable	37,920	0.08	145,832	0.08
Vacant	6,239,310	0.14	23,997,328	0.14
State Assessed	377,180	0.84	1,450,709	0.81
Agricultural	4,600	0.01	18,395	0.01
Total[1]	$45,017,190	100.00%	$178,119,125	100.00%

[1] Figures may not add due to rounding.
Source: County Assessor.

TABLE XVI
2025 Assessed and "Actual" Valuation of Classes of Property in District No. 5

Class	Assessed Valuation	Percent of Assessed Valuation	"Actual" Valuation	Percent of "Actual" Valuation
Commercial	$ 190,830	1.62%	$ 706,762	0.39%
Residential – Multi Family	9,198,670	78.19	147,178,797	81.39
Residential	1,964,340	0.17	31,428,150	0.17
State Assessed	250,620	2.13	928,234	0.51
Vacant	159,620	1.36	591,257	0.33
Total[1]	$11,764,080	100.00%	$180,833,200	100.00%

[1] Figures may not add due to rounding.
Source: County Assessor.

TABLE XVII
2026 Preliminary Certified Assessed and "Actual" Valuation of Classes of Property in District No. 5

Class	Assessed Valuation	Percent of Assessed Valuation	"Actual" Valuation	Percent of "Actual" Valuation
Commercial	$ 164,300	1.13%	$ 631,921	0.30%
Residential – Multi Family	11,780,880	81.27	173,248,272	83.60
Residential	2,168,410	0.15	31,888,035	0.15
State Assessed	298,760	2.06	1,149,107	0.55
Vacant	83,480	0.58	321,058	.015
Total[1]	$14,495,830	100.00%	$207,238,393	100.00%

[1] Figures may not add due to rounding.
Source: County Assessor.

Largest Taxpayers. Set forth in the following tables are the persons or entities which represent the largest taxpayers within the Taxing Districts for the 2025 levy year (2026 collection year), based on the 2025 certified assessed values of each of the Taxing Districts.

No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in Taxing Districts. Each of the Taxing Districts' mill levy is uniformly applicable to all of the properties included in the respective table, and thus taxes expected to be received by each of the Taxing Districts from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the mill levies of the other taxing entities which overlap the properties.

TABLE XVIII
2025 Largest Taxpayers Within District No. 4

Name	Assessed Valuation	Percent of Assessed Valuation [1]
THF Prairie Center Retail One, L.L.C.[2]	$9,905,390	21.18%
Target Corporation	3,954,310	8.46
HD Development of Maryland, Inc.	2,557,790	5.47
Comcast Cable Communications, LLC	2,405,800	5.14
Kohls Department Stores, Inc.	2,251,510	4.82
Penney Property Sub Holdings LLC	1,999,460	4.28
THF Prairie Center Development L.L.C.	1,305,360	2.79
Total	$24,379,620	52.14%

[1] The 2025 certified assessed valuation figure of District No. 4 used in computing the above was $46,759,980.
[2] Such property includes a portion owned by THF Perm One, however, the County Assessor categorizes such property as all being owned by THF Prairie Center Retail One, L.L.C.
Source: County Assessor.

TABLE XIX
2025 Largest Taxpayers Within District No. 5

Name	Assessed Valuation	Percent of Assessed Valuation [1]
Elements RS, LLC	$4,595,950	39.07%
Canvas PC Owner, LLC	2,392,360	20.34
Brighton SFR DST	2,210,360	18.79
United Power, Inc.	142,550	1.21
The Villas at Prairie Center	122,530	1.04
Public Service Company of Colorado	107,910	0.92
Elements at Prairie Center	68,300	0.58
Landsea Homes of Colorado LLC	43,980	0.37
Individual	31,690	0.27
Nesor RE LLC	31,690	0.27
Total	$9,747,320	82.86%

[1] The 2025 certified assessed valuation figure of District No. 5 used in computing the above was $11,764,080.
Source: County Assessor.

The following tables set forth a history of District No. 4's and District No. 5's ad valorem property tax collections from their respective Capital Levies for levy years 2021 through 2026 (collection years 2022 through 2026) on a calendar year basis.

TABLE XX
Historical Property Tax Collections for District No. 4 [1]

Levy/Collection Year	Total Taxes Levied	Total Taxes Collected	Percent of Levy Collected
2021/2022	$2,180,357	$2,179,771	99.97%
2022/2023	2,208,478	2,204,427	99.82
2023/2024	2,657,916	2,639,587	99.31
2024/2025	2,629,900	2,629,300	99.98
2025/2026 [2]	3,013,353	2,938,991	97.53

[1] "Property Tax" collections refers to ad valorem property tax revenue derived from imposition by District No. 4 of its Capital Levy, and is often referred to herein as "Capital Levies Revenue."
[2] Property tax collections through October 31, 2026.
Source: State of Colorado, Colorado Department of Local Affairs, Division of Property Taxation, 2021 – 2025 Annual Report; the County Treasurer, and the Issuer.

TABLE XXI
Historical Property Tax Collections for District No. 5 [1]

Levy/Collection Year	Total Taxes Levied	Total Taxes Collected	Percent of Levy Collected
2021/2022	$427,066	$427,282	100.00%
2022/2023	433,466	433,694	100.00
2023/2024	613,288	618,308	100.82
2024/2025	656,825	660,950	101.00
2025/2026 [2]	743,137	743,490	100.05

[1] "Property Tax" collections refers to ad valorem property tax revenue derived from imposition by District No. 5 of its Capital Levy, and is often referred to herein as "Capital Levies Revenue."
[2] Property tax collections through October 31, 2026.
Source: State of Colorado, Colorado Department of Local Affairs, Division of Property Taxation, 2021 – 2025 Annual Report; the County Treasurer, and the Issuer.

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Overlapping Mill Levies

Numerous entities located wholly or partially within District No. 4 and District No. 5 are authorized to levy taxes on property located within District No. 4 and District No. 5. According to the County Assessor's Office, there are currently 9 entities overlapping all or a portion of District No. 4 and District No. 5. The following table is representative of the total 2025 mill levy (for tax collection year 2026) attributable to taxpayers within District No. 4 and District No. 5. Additional taxing entities may overlap District No. 4 and District No. 5 in the future.

TABLE XXII
Total 2025 Mill Levies [1]

Taxing Entity	Mill Levy Within District No. 4	Mill Levy Within District No. 5
Adams County	27.479	27.479
City of Brighton	6.650	6.650
Brighton 27J School District	56.290	56.290
Central Colorado Water Conservancy District	0.980	0.980
Greater Brighton Fire Protection District	17.504	17.504
Rangeview Library District	3.715	3.715
Regional Transportation District	0.000	0.000
Urban Drainage & Flood Control District	0.900	0.900
Urban Drainage & Flood Control District South Platte	0.100	0.100
Prairie Center Metropolitan District No. 3	0.000	--
Total Overlapping Mill Levy	113.618	113.618
The Taxing District [2]	64.443	63.170
Total Mill Levy	178.061	176.788

[1] One mill equals 1/10 of one cent. Mill levies certified in 2025 are for the collection of ad valorem property taxes in 2026.
[2] District No. 4 and District No. 5.
Source: County Assessor.

Specific Ownership Taxes

Specific ownership taxes represent the amounts received by each District from the State pursuant to statute primarily on motor vehicle licensing. Such tax is collected by all counties and distributed to every taxing entity within a county, such as the Districts, in the proportion that the taxing entity's ad valorem taxes represents to the cumulative amount of ad valorem taxes levied county–wide. The portion of specific ownership taxes which is collected as a result of each District's general fund mill levy is anticipated to be applied to operational costs of the Districts. Those portions of specific ownership taxes which are allocable to the Capital Levies are pledged to the payment of the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds, and Series 2007 Subordinate Bonds, and are not available for other purposes. See "SOURCES OF PLEDGED REVENUE: SPECIFIC OWNERSHIP TAXES."

Historical Receipts of Pledged Revenue

The following table sets forth a history of collections by the Issuer and the Financing Districts of Property Taxes, Specific Ownership Taxes, Facilities Fees, PIF Revenues and Shared Sales Tax Increment Revenues.

TABLE XXIII
Summary of Historical Receipts of Pledged Revenue of Issuer and Financing Districts [1, 2]

Revenue	2021	2022	2023	2024	2025	2026 [3, 4]
Property Taxes/Specific Ownership Taxes [5]	$1,239,373	$1,323,613	$1,335,985	$1,649,055	$1,682,068	$1,810,669
Facilities Fees	2,288	--[6]	90,433	226,155	19,242	--
Credit PIF (PIF Sales) [7]	2,321,659	2,465,987	2,421,619	2,524,696	2,711,853	1,680,619
Credit PIF (Use Tax Activities) [7]	5,000	--[6]	139,811	195,253	40,739	--
Add-On PIF (PIF Sales) [7]	2,335,881	2,490,651	2,500,481	2,581,615	2,746,548	1,389,106
Add-On PIF (Use Tax Activities) [8]	5,000	--[6]	139,811	195,253	40,739	--
Shared Sales Tax Incremental Revenue	799,887	924,449	941,040	1,183,375	1,273,509	--
Total	$6,709,088	$7,204,700	$7,569,180	$8,557,426	$8,514,698	$4,880,394

[1] Reflects receipts of the Issuer (District No. 3) and the Financing Districts (District Nos. 4, 5 and 10) of the revenue streams specifically identified in this TABLE XXIII. The only revenues received by the Financing Districts and remitted to the Issuer are property tax and specific ownership tax revenues resulting from the imposition of the Capital Levies by the Taxing Districts. The Facilities Fees of the Financing Districts are received by the Issuer under the Facilities Fee Collection IGA.
[2] Represents receipts in the Debt Service Fund of the Issuer, and represents receipts in the Debt Service Fund of the Taxing District's Capital Levies Revenues net of County Treasurer's fees and Contingency, which are not transferred to the Issuer.
[3] Unaudited 2026 collections through June 30, 2026.
[4] Shared Sales Tax Incremental Revenue to be paid in the following year.
[5] Constitutes Capital Levies Revenue derived from the Taxing Districts (District Nos. 4 and 5). Does not include revenues received by any of the Districts from imposition of their general fund mill levy or revenues received by the Issuer under the Districts Operations Financing IGAs.
[6] No Credit PIF or Add-On PIF revenue was collected from Use Tax Activities in 2022 because no building permits subject to the Credit PIF or Add-On PIF on Use Tax Activities were issued in 2022. Further, no Facilities Fees were collected in 2018 or 2022 because no building permits subject to the Facilities Fees were issued in 2018 or 2022.
[7] Derived from imposition of the Credit PIF at a PIF rate of 1.00%, the revenue from which constitutes PIF Revenue pledged to the Series 2026 Bonds. Does not include the PRI Credit PIF Revenue derived from a PIF rate of 0.25%, which revenue is dedicated to the payment of Park and Recreation Primary Public Improvements and obligations issued to finance such costs. Credit PIF is only imposed by the Primary PIF Covenant and the Major Retail PIF Covenant and, therefore, Credit PIF revenue does not include and will not include any revenues from a Credit PIF upon the Bromley Park PIF Property.
[8] Derived from imposition of the Add-On PIF at a PIF rate of 1.00%.
Source: Issuer Audited Financial Statements, 2021 – 2025 and the Issuer.

Other Revenue

The Districts will also receive revenue from interest income on investments. Interest income resulting from investment of funds held by the Trustee under the Master Indenture is pledged to secure the Series 2026 Bonds, Series 2024 Bonds, Series 2017 Bonds and Series 2007 Subordinate Bonds. In addition, the Financing Districts may rely upon various other revenue sources as are authorized by law to offset the expenses of the construction, acquisition, operation and maintenance of public improvements, such as fees, rates, tolls, penalties and charges as provided in the Special District Act.

Accounting Policies and Financial Statements

The accounts of the Issuer and Financing Districts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of accounts that compromise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon purposes for which they are to be spent and the means by which spending is controlled.

The Issuer maintains five governmental funds, a General Fund, a Debt Service Fund – PPI/DPI, a Debt Service Fund – PRI, a Capital Projects Fund, and a Capital Projects Fund - Stormwater. District No.

4 and District No. 5 maintain General Funds and Debt Service Funds. The General Fund is the general operating fund of the Districts and is used to account for all financial resources not accounted for and reported in another fund. The Debt Service Fund is used to account for all the financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs. The Debt Service Fund – PPI/DPI is used to account for the resources accumulated and payments made for principal and interest on the Series 2007 Subordinate Bonds, the Series 2017 Bonds, the Series 2024 Bonds, and the Series 2026 Bonds. The Debt Service Fund – PRI is used to account for the resources and accumulated payments made for principal and interest on the Series 2018 PRI Bonds. The Capital Projects Fund and Capital Projects Fund – Stormwater are used to account for infrastructure costs of the Districts.

In accordance with Title 29, Article 1, Part 6, C.R.S., an annual audit is required to be made of each District's financial statements at the end of the fiscal year unless an exemption from audit has been granted by the State Auditor's Office. Audited Financial information for the Issuer and District No. 4 was prepared by Wipfli LLP, Denver, Colorado, and independent auditor, for the fiscal year ended December 31, 2025 and are attached hereto as "APPENDIX B-1—AUDITED FINANCIAL STATEMENTS OF THE ISSUER FOR THE YEAR ENDING DECEMBER 31, 2025" and "APPENDIX B-2—AUDITED FINANCIAL STATEMENTS OF DISTRICT NO. 4 FOR THE FISCAL YEAR ENDING DECEMBER 31, 2025." District No. 5 applied for and received Exemption from Audit approval from the State Auditor's Office for the fiscal years ended December 31, 2021 – 2025. Such audited financial statements are the most current available for the Issuer and the Taxing Districts and have been included herein without review or consent of the auditor.

Financial Statements and Historical Financial Information

Set forth hereafter is a comparative statement of revenues, expenditures, and changes in fund balances for each of the Issuer's and Taxing District's governmental funds, as appropriate. Such information should be read together with the audited financial statements and accompanying notes appended hereto. Preceding years' audited financial statements may be obtained from the sources noted in "MISCELLANEOUS—Additional Information."

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Issuer Historical Financial Information.

TABLE XXIV
Issuer – History of General Fund Revenues, Expenditures, and Changes in Fund Balances [1]

	2021	2022	2023	2024	2025
REVENUES					
Other revenue	$ 754	$ 736	$ 4,326	$ --	$10,286
Net investment income	--	--	5,508	16,300	48,474
Reimbursed expenditures	--	--	--	90,908	--
Transfer from other districts	4,960,082	2,369,051	2,972,386	3,165,928	2,945,209
Total Revenues	4,960,836	2,369,787	2,982,220	3,273,136	3,003,969
EXPENDITURES					
Accounting	102,806	94,244	126,395	113,485	112,323
Accounting – PIF Collection Fees	--	--	--	30,792	33,705
Audit	5,050	5,950	11,100	14,500	11,448
Bond refunding - consultants	--	--	90,908	--	--
District management	22,175	20,615	20,514	23,689	26,029
District asset management	36,000	36,000	36,000	36,000	36,000
Dues and memberships	3,476	3,478	4,479	4,845	2,725
Detention pond maintenance	13,539	--	29,924	39,659	49,757
Eagle monument maintenance	89,641	56,696	34,632		
Election expense	--	2,975	2,296		20,456
Electric—street lights and other	9,742	7,384	8,428	9,344	9,526
Insurance	40,269	38,836	47,463	47,323	58,618
Landscaping	141,230	197,060	166,390	153,587	185,123
Legal	21,899	71,737	89,782	80,863	38,326
Site lighting	--	--	19,910	28,571	37,985
Snow removal	125,435	200,093	130,511	89,031	55,286
Street repairs and maintenance	199,198	214,990	190,155	210,299	172,483
Street sweeping	11,458	12,096	12,096	--	
Miscellaneous/contingency	3,062	15,189	5,479	10,422	11,221
ROW mowing	--	--	--	--	26,050
Water feature maintenance	--	--	--	15,370	69,250
Water pump	--	--	--	17,182	--
Total Expenditures	824,980	977,343	1,026,462	924,962	956,311
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,135,856	1,392,444	1,955,758	2,348,174	2,047,658
Other Financing Sources (Uses)					
Transfers (to) from other funds	(4,250,000)	(1,550,000)	(1,750,000)	(2,650,120)	(1,714,000)
Total Other Financing Sources (Uses)	(4,250,000)	(1,550,000)	(1,750,000)	(2,650,120)	(1,714,000)
Net Change in Fund Balance	(114,144)	(157,556)	(127,298)	(301,946)	333,658
Beginning Fund Balance	709,625	595,481	437,925	643,683	341,737
Ending Fund Balance	$ 595,481	$ 437,925	$ 643,683	$ 341,737	$ 675,395

[1] Totals may not add due to rounding.
Source: Issuer Audited Financial Statements, 2021 – 2025.

TABLE XXV
Issuer – History of Debt Service Fund-PPI/DPI Revenues, Expenditures, and Changes in Fund Balances [1]

	2021	2022	2023	2024	2025
Revenues					
Credit PIF from retail sales	$2,321,659	$2,465,987	$2,421,619	$ 2,524,696	$ 2,711,853
Add-On PIF from retail sales	2,335,881	2,490,651	2,500,481	2,581,615	2,746,548
Credit PIF from building permits	5,000	--	139,811	195,253	40,739
Add-On PIF from building permits	5,000	--	139,811	195,253	40,739
Facilities Fees	2,288	--	90,433	226,155	19,242
Net investment income	2,178	145,413	414,524	569,026	488,577
Transfers from other districts [2]	1,239,373	1,323,613	1,335,984	1,649,055	1,682,068
Other revenue	4,500	--	--	--	--
Shared sales tax increment	799,887	924,449	941,040	1,183,375	1,273,509
Total Revenues	6,715,766	7,350,113	7,983,703	9,124,428	9,003,275
Expenditures					
Bond interest – Series 2007	2,841,610	3,752,763	4,523,586	4,627,895	2,928,424
Bond principal – Series 2007	--	--	--	795,000	410,000
Bond interest – Series 2017	2,308,256	2,269,750	2,228,106	1,145,000	2,136,025
Bond principal – Series 2017	925,000	1,000,000	1,065,000	2,183,737	1,220,000
Bond interest – Series 2024	--	--	--	1,528,546	2,302,413
Paying agent fees	6,000	6,000	6,000	6,000	7,000
Total Expenditures	6,080,866	7,028,513	7,822,692	10,286,178	9,003,862
Excess of Revenues Over (Under) Expenditures	634,900	321,600	161,011	(1,161,750)	(587)
Other Financing Sources (Uses)					
Transfers (to) other funds	--	--	--	4,883,912	39,791
Transfers from other funds	--	--	--	--	--
Total Other Financing Sources (Uses)	--	--	--	4,883,912	39,791
Net Change in Fund Balances	634,900	321,600	161,011	3,722,162	39,204
Beginning Fund Balance	5,561,711	6,196,611	6,518,211	6,679,222	10,401,384
Ending Fund Balance	$6,196,611	$6,518,211	$6,679,222	$10,401,384	$10,440,588

[1] Totals may not add due to rounding.
[2] Transfers from other districts is comprised of Capital Levies of the Taxing Districts.
Source: Issuer Audited Financial Statements, 2021 – 2025.

TABLE XXVI
Issuer – History of Debt Service Fund-PRI Revenues, Expenditures, and Changes in Fund Balances [1]

	2021	2022	2023	2024	2025
Revenues					
Credit PIF from retail sales	$580,415	$616,497	$605,405	$631,174	$676,635
Credit PIF from building permits	1,250	--	34,953	48,814	10,185
Net investment income	198	10,469	30,132	30,866	36,708
Total Revenues	581,863	626,966	670,490	710,854	723,528
Expenditures					
Bond principal – Series 2018	370,000	450,000	505,000	595,000	610,000
Bond interest – Series 2018	194,238	171,431	147,600	119,541	89,559
Paying agent fees	3,500	3,500	3,500	3,500	3,500
Total Expenditures	567,738	624,931	656,100	718,041	703,059
Net Change in Fund Balances	14,125	2,035	14,390	(7,187)	20,469
Beginning Fund Balance	500,979	515,104	517,139	531,529	524,342
Ending Fund Balance	$515,104	$517,139	$531,529	$524,342	$544,811

[1] Totals may not add due to rounding.
Source: Issuer Audited Financial Statements, 2021 – 2025.

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TABLE XXVII
Issuer – History of Capital Projects Fund Revenues, Expenditures, and Changes in Fund Balances [1]

	2021	2022	2023	2024	2025
Revenues:					
Net investment income	$ --	$ --	$27,542	$ 81,644	$ 278
Total Revenues	--	--	27,542	81,644	278
Expenditures:					
Primary public improvements	11,510	743,732	1,458,843	1,943,346	1,158,476
DPI overhead	34,594	74,011	128,255	44,945	51,011
PRI overhead	57	75	111	--	--
Bond issue costs	--	--	--	1,647,459	--
Total Expenditures	46,161	817,818	1,587,209	3,635,750	1,209,487
Excess of Revenues Over (Under) Expenditures	(46,161)	(817,818)	(1,559,667)	(3,554,106)	(1,209,209)
Other Financing Sources (Uses):					
Transfers from other funds	4,295,952	1,550,000	1,750,000	2,700,500	2,131,036
Transfers (to) other funds	--	--	--	(4,883,912)	(39,791)
Developer advances	--	--	--	44,945	51,011
Repayment of Developer advance	(3,100,000)	(800,000)	--	(34,623,716)	(900,000)
Bond issuance proceeds	--	--	--	39,190,000	--
Total other financing sources (uses)	1,195,952	750,000	1,750,000	2,427,817	1,242,256
Net Change in Fund Balances	1,149,791	(67,818)	190,333	(1,126,289)	33,047
Beginning Fund Balance	(213,615)	936,176	868,358	1,058,691	(67,598)
Ending Fund Balance	$ 936,176	$ 868,358	$1,058,691	$ (67,598)	$ (34,551)

[1] Totals may not add due to rounding.
Source: Issuer Audited Financial Statements, 2021 – 2025.

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TABLE XXVIII
Issuer – History of Capital Projects Fund-Stormwater Revenues, Expenditures, and Changes in Fund Balances [1]

	2021	2022	2023	2024	2025
Revenues:					
City reimbursement – Outfall Channel	$45,952	$--	$--	$50,380	$417,036
Total Revenues	45,952	--	--	50,380	417,036
Other Financing Sources (Uses):					
Transfers (to) other funds	(45,952)	--	--	(50,380)	(417,036)
Total other financing sources (uses)	(45,952)	--	--	(50,380)	(417,036)
Beginning Fund Balance	--	--	--	--	--
Ending Fund Balance	$--	$--	$--	$--	$--

[1] Totals may not add due to rounding.
Source: Issuer Audited Financial Statements, 2021 – 2025.

District No. 4 Historical Financial Information.

TABLE XXIX
District No. 4 – History of General Fund Revenues, Expenditures, and Changes in Fund Balances [1]

	2021	2022	2023	2024	2025
Revenues:					
Property taxes	$1,229,580	$1,271,533	$1,285,916	$1,539,777	$1,533,776
Specific ownership taxes	91,831	92,694	88,247	76,529	76,758
Other revenue	--	--	--	43,727	--
Interest income	1,825	1,629	3,828	691	1,624
Total Revenues	1,323,236	1,365,856	1,377,991	1,660,724	1,612,158
Expenditures:					
County treasurer's fees	18,486	19,068	19,318	23,120	23,031
Transfer to Issuer	1,304,750	1,346,788	1,358,673	1,637,604	1,589,127
Total Expenditures	1,323,236	1,365,856	1,377,991	1,660,724	1,612,158
Beginning Fund Balance	--	--	--	--	--
Ending Fund Balance	$--	$--	$--	$--	$--

[1] Totals may not add due to rounding.
Source: District No. 4 Audited Financial Statements, 2021 – 2025.

TABLE XXX
District No. 4 – History of Debt Service Fund Revenues, Expenditures, and Changes in Fund Balances [1]

	2021	2022	2023	2024	2025
Revenues:					
Property taxes	$878,271	$908,238	$918,511	$1,099,810	$1,095,524
Specific ownership taxes	65,594	66,210	63,034	54,662	54,826
Interest income	1,302	1,164	2,734	493	1,159
Total Revenues	945,167	975,612	984,279	1,154,965	1,151,509
Expenditures:					
County treasurer's fees	13,204	13,620	13,798	16,514	16,450
Transfer to Issuer	931,963	961,992	970,481	1,138,451	1,135,059
Total Expenditures	945,167	975,612	984,279	1,154,965	1,151,509
Beginning Fund Balance	--	--	--	--	--
Ending Fund Balance	$--	$--	$--	$--	$--

[1] Totals may not add due to rounding.
Source: District No. 4 Audited Financial Statements, 2021 – 2025.

District No. 5 Historical Financial Information. Historically, District No. 5 has maintained a General Fund and Debt Service Fund and received exemptions from audits for the years ended December 31, 2021 through 2025. The following information has been obtained from the audit exemptions as filed with the State Auditor's office.

TABLE XXXI
District No. 5 – History of General Fund Revenues, Expenditures, and Changes in Fund Balances [1]

	2021	2022	2023	2024	2025
Revenues:					
Property taxes	$71,608	$85,452	$86,739	$123,662	$132,183
Specific ownership taxes	6,313	6,228	5,937	5,976	6,531
Other revenue	--	--	--	990	12
Total Revenues	$77,921	$91,680	$92,676	$130,628	$138,726
Expenditures:					
County treasurer fees	$ 1,074	$ 1,280	$ 1,300	$ 1,986	$ 1,983
Transfer to Issuer	76,847	90,400	91,376	170,371	95,014
Total Expenditures	$77,921	$91,680	$92,676	$172,357	$96,997
Excess (Deficiency) of Revenues and Other Financing Sources over (Under Expenditures	--	--	--	$(41,729)	$41,729

[1] Totals may not add due to rounding.
Source: District No. 5 Exemptions From Audit for years ended December 31, 2021 – 2025.

TABLE XXXII
District No. 5 – History of Debt Service Fund Revenues, Expenditures, and Changes in Fund Balances [1]

	2021	2022	2023	2024	2025
Revenues:					
Property taxes	$286,454	$341,830	$346,955	$494,646	$528,767
Specific ownership taxes	25,252	24,915	23,751	23,902	26,126
Interest income	--	--	--	--	48
Total Revenues	$311,706	$366,745	$370,706	$518,548	$554,941
Expenditures:					
County treasurer fees	$ 4,296	$ 5,124	$ 5,202	$ 7,944	$ 7,932
Transfer to Issuer	307,410	361,621	365,504	510,604	547,009
Total Expenditures	$311,706	$366,745	$370,706	$518,548	$554,941

[1] Totals may not add due to rounding.
Source: District No. 5 Exemptions From Audit for years ended December 31, 2021 – 2025.

Budget and Appropriation Procedure

The Issuer's and Financing Districts' budgets are prepared on a calendar year basis as required by Article 1 of Title 29, C.R.S. The budgets must present a complete financial plan for the Issuer and Financing Districts setting forth all estimated expenditures, revenues, and other financing sources for the ensuing budget year, together with the corresponding figures for the previous fiscal year.

On or before October 15 of each year, the Issuer's and Financing Districts' budget officer must submit a proposed budget to the Board for the next fiscal year. Thereupon notice must be published or posted, as required, stating, among other things, that the proposed budget is open for inspection by the public and that interested electors may file or register any objection to the budget prior to its adoption.

Before the beginning of the calendar year, the applicable Board must enact an appropriation resolution which corresponds with the budget. The income of the Issuer and Financing Districts must be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting the expenditures authorized by the appropriation resolution. Issuer and Financing District expenditures may not exceed the amounts appropriated, except in the case of an emergency or a contingency which was not reasonably foreseeable. Under such circumstances, the applicable Board may authorize the expenditure of funds in excess of the budget by a resolution adopted by a two-thirds vote of the applicable Board following proper notice. If the Issuer or a Financing District receives revenues which were unanticipated or unassured at the time of adoption of the budget, the applicable Board may authorize the expenditure thereof by adopting a supplemental budget and appropriation resolution after proper notice and a hearing thereon. The transfer of budgeted and appropriated moneys within a fund or between funds may be accomplished only in accordance with State law.

The Boards of the Issuer and each Financing District adopted 2026 budgets and appropriation resolutions pursuant to the above described procedure and filed such budgets with the State division of local government.

The following tables set forth a comparison of the 2025 and 2026 budgets of the Issuer and Taxing Districts as compared to the 2025 year-end figures and 2026 year-to-date figures, including, for the Issuer, its General Fund, Debt Service Fund – PPI/DPI, Debt Service Fund – PRI, Capital Projects Fund, and

Capital Projects Fund – Stormwater and, for each Taxing District, its respective General Fund and Debt Service Fund.

Issuer Budget Summary and Comparisons.

TABLE XXXIII
Issuer–General Fund Budget Summary and Comparison [1]

	2025 Budget (as adopted)	2025 Year-End (audited)	2026 Budget (as amended)	2026 Year-to-Date (unaudited) [2]
Revenues[3]:				
Transfer from District No. 1	$ 771,426	$ --	$ 704,224	$ 688,438
Transfer from District No. 4	1,603,162	--	1,809,585	1,698,343
Transfer from District No. 5	137,269	--	152,810	149,396
Transfer from District No. 6	74,159	--	63,418	62,016
Transfer from District No. 10	357,485	--	359,782	351,781
Transfer from other districts	--	2,945,209		--
Interest income	10,000	48,474	30,000	13,873
Other Income	--	10,286	798	798
Total Revenues	2,953,501	3,003,969	3,120,617	2,964,644
Expenditures[3]:				
Accounting	118,000	112,323	112,000	52,670
Accounting – PIF collection fees	27,000	33,705	33,000	17,042
Audit	16,000	11,448	12,084	12,084
District management	35,000	26,029	32,000	16,037
District asset management	36,000	36,000	36,000	18,000
Dues and memberships	6,000	2,725	2,854	2,854
Insurance	57,000	58,618	60,849	60,849
Legal	85,000	38,326	65,000	11,490
Election expense	5,000	20,456	--	--
Miscellaneous	48,000	11,221	59,855	6,051
Water feature maintenance	30,000	69,250	35,000	16,111
Water pump	24,000	--	--	--
Detention pond maintenance	40,000	49,757	65,000	18,541
Landscaping	165,000	185,123	165,000	86,688
ROW mowing	--	26,050	25,000	--
Site lighting	28,000	37,985	50,000	33,590
Street lights electric	10,000	9,526	10,500	5,488
Streets repairs and maintenance	200,000	172,483	220,000	199,567
Snow removal	150,000	55,286	50,000	--
Underdrain system maintenance	--	--	--	--
Total Expenditures	1,080,000	956,311	1,034,142	557,062
Transfers to CPF	(2,150,000)	(1,714,000)	(2,640,858)	(1,565,000)
Beginning Fund Balance	770,412	341,737	675,395	675,395
Ending Fund Balance	$ 493,913	$ 675,395	$ 121,012	$1,517,977

[1] Figures may not add due to rounding.
[2] As of June 30, 2026.
[3] The 2025 budget separates revenues by District; the 2025 audit combines revenue from the Districts.
Source: Issuer's 2025 and 2026 budgets the Issuer.

TABLE XXXIV
Issuer–Debt Service Fund – PPI/DPI Budget Summary and Comparison[1]

	2025 Budget (amended)	2025 Year-End (audited)	2026 Budget (as amended)	2026 Year-to-Date (unaudited) [2]
Revenues[3]:				
Add-on public improvement fees – DPI	$ 2,692,000	$ 2,746,548	$ 2,874,000	$ 1,389,106
Add-on permit fees – DPI	45,000	40,739	--	--
Bond issuance proceeds	--	--	15,819,313	--
Credit public improvement fees – PPI	2,638,000	2,711,853	2,803,000	1,344,495
Credit permit fees – PPI	45,000	40,739	--	--
Facilities fees	20,000	19,242	--	--
Interest income	470,000	488,577	400,000	159,043
Shared sales tax increment	1,200,000	1,273,509	1,300,000	--
Transfer from District No. 4	1,134,575	--	1,292,540	1,213,083
Transfer from District No. 5	546,633	--	612,558	597,587
Transfer from other districts	--	1,682,068	--	--
Other revenue	--	--	--	1
Total Revenues	8,791,208	9,003,275	25,101,411	4,703,314
Expenditures:				
Bond interest – Series 2007	2,928,424	2,928,424	3,500,000	8,882
Bond interest – Series 2017	2,136,026	2,136,025	2,085,219	1,042,609
Bond interest – Series 2024	2,302,413	2,302,413	2,302,413	1,151,206
Bond principal – Series 2007	410,000	410,000	--	--
Bond principal – Series 2017	1,220,000	1,220,000	1,310,000	--
Bond principal – Series 2024	--	--	80,000	--
Bond issue costs	--	--	901,375	--
Refunding escrow	--	--	13,300,717	--
Contingency	44,137	--	110,276	--
Paying agent fees	9,000	7,000	10,000	6,000
Total Expenditures	9,050,000	9,003,862	23,600,000	2,208,698
Transfers In	39,791	39,791	--	--
Beginning Fund Balance	10,401,384	10,401,384	10,440,588	10,440,588
Ending Fund Balance	$10,182,383	$10,440,588	$11,941,999	$12,935,205

[1] Figures may not add due to rounding.
[2] As of June 30, 2026.
[3] The 2025 amended budget separates revenues by District; the 2025 audit combines revenue from the Districts.
Source: Issuer's 2025 and 2026 budgets and the Issuer.

TABLE XXXV
Issuer–Debt Service Fund–PRI Budget Summary[1]

	2025 Budget (as adopted)	2025 Year-End (audited)	2026 Budget (as amended)	2026 Year-to-Date (unaudited) [2]
Revenues				
Interest income	$ 20,000	$ 36,708	$ 22,000	$ 9,093
Credit public improvement fees – PRI	671,250	676,635	693,000	336,124
Credit permit fees – PRI	22,500	10,185	6,250	--
Other revenue	66,000	--	66,000	--
Total Revenues	779,750	723,528	787,250	345,216
Expenditures				
Bond principal – Series 2018	600,000	610,000	660,000	320,000
Bond interest – Series 2018	90,000	89,559	60,000	32,288
Contingency	66,500	--	66,500	--
Paying agent fees	3,500	3,500	3,500	3,500
Total Expenditures	760,000	703,059	790,000	355,788
Beginning Fund Balance	492,238	524,342	519,842	544,811
Ending Fund Balance	$511,988	$544,811	$517,092	$534,240

[1] Figures may not add due to rounding.
[2] As of June 30, 2026.
Source: Issuer's 2025 and 2026 budgets and the Issuer.

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TABLE XXXVI
Issuer – Capital Projects Fund Budget Summary and Comparison [1]

	2025 Budget (amended)	2025 Year-End (audited)	2026 Budget (as amended)	2026 Year-to-Date (unaudited) [2]
Revenues:				
Interest income	$ 300	$ 278	$ 100	$ 89
Other revenue	--	--	50,000	
Park impact fees	--	--	712,633	--
Developer advance – project management fee [3]	63,000	--	20,720	6,246
Total Revenues	63,300	278	783,453	6,335
Expenditures[3]:				
Repayment of developer advance	900,000	--	3,000,000	1,500,000
Contingency	44,447	--	50,000	--
Primary public improvements	--	1,158,476	--	--
Retail Two – road extension	15,000	--	9,000	3,185
Retail Four – road extension	30,000	--	10,000	4,504
Retail Five Phase 1 – district road	--	--	200,000	
Village Five Park	1,250,000	--	100,000	48,882
Lutz Reservoir	7,500	--	--	--
DPI overhead	--	51,011	--	--
DPI – project management	53,000	--	12,760	2,232
DPI – project management interest	10,000	--	8,000	4,014
Total Expenditures	2,309,947	1,209,487	3,389,760	1,562,816
Other Financing Sources (Uses)[4]:				
Transfer from CPF – Stormwater	417,036			--
Transfer from GF	1,937,000	--	2,640,858	1,565,000
Transfers from other funds	--	2,131,036	--	--
Transfers to other fund	(39,791)	(39,791)	--	--
Developer advances – Project Management Fee	--	51,011	--	--
Repayment of developer advances[3]	--	(900,000)		--
Total Transfers	2,314,245	1,242,256	2,640,858	1,565,000
Beginning Fund Balance	(67,598)	(67,598)	(34,551)	(34,552)
Ending Fund Balance	$ --	$ (34,551)	$ --	$ (26,033)

[1] Figures may not add due to rounding.
[2] As of June 30, 2026.
[3] The 2025 budget allocates repayment of developer advance to Expenditures; the 2025 audit allocates repayment of developer advance to Other Financing Sources (Uses); the 2025 budget separates PPI expenditures and DPI expenditures; the 2025 audit combines PPI expenditures and DPI expenditures.
[4] The 2025 budget separates transfers in by fund; the 2026 audit combines transfers in.
Source: Issuer's 2022, 2023 and 2024 Budget documents and the Issuer.

TABLE XXXVII
Issuer – Capital Projects Fund Stormwater Budget Summary and Comparison [1]

	2025 Budget (amended)	2025 Year-End (audited)	2026 Budget (as adopted)	2026 Year-to-Date (unaudited) [2]
Revenues:				
City reimbursement – Outfall Channel	$417,036	$417,036	$--	$--
Total Revenues	417,036	417,036	--	--
Transfers Out				
Transfer to CPF	417,036	417,036	--	--
Total Transfers	417,036	417,036	--	--
Beginning Fund Balance	--	--	--	--
Ending Fund Balance	$--	$--	$--	$--

[1] Figures may not add due to rounding.
[2] As of June 30, 2026.
Source: Issuer's 2025 and 2026 budgets and the Issuer.

District No. 4 Budget Summary and Comparisons.

TABLE XXXVIII
District No. 4 – General Fund Budget Summary and Comparison [1]

	2025 Budget (as adopted)	2025 Year-End (audited)	2026 Budget (as adopted)	2026 Year-to-Date (unaudited) [2]
Revenues				
Property Taxes	$1,534,126	$1,533,776	$1,757,801	$1,684,335
Specific Ownership Taxes	92,048	76,758	96,679	39,163
Interest income	--	1,624	--	111
Other revenue	50,000	--	90,000	--
Total	1,676,174	1,612,158	1,944,480	1,723,610
Expenditures				
County Treasurer's Fees	23,012	23,031	26,367	25,267
Contingency	50,000	--	90,000	--
Transfer to District No. 3	1,603,162	1,589,127	1,828,113	1,698,343
Total	1,676,174	1,612,158	1,944,480	1,723,610
Beginning Fund Balance	--	--	--	--
Ending Fund Balance	$--	$--	$--	$--

[1] Figures may not add due to rounding.
[2] As of June 30, 2026.
Source: District No. 4's 2025 and 2026 budgets and the Issuer.

TABLE XXXIX
District No. 4 – Debt Service Fund Budget Summary and Comparison [1]

	2025 Budget (as adopted)	2025 Year-End (audited)	2026 Budget (as adopted)	2026 Year-to-Date (unaudited) [2]
Revenues				
Property taxes	$1,095,774	$1,095,524	$1,255,552	$1,203,077
Specific ownership taxes	65,746	54,826	69,055	27,973
Interest income	--	1,159	--	80
Other revenue	40,000	--	60,000	--
Total	1,201,520	1,151,509	1,384,607	1,231,130
Expenditures				
County Treasurer's Fees	16,437	16,450	18,833	18,047
Contingency	40,000	--	60,000	--
Transfer to District No. 3	1,145,083	1,135,059	1,305,774	1,213,083
Total	1,201,520	1,151,509	1,384,607	1,231,130
Beginning Fund Balance	--	--	--	--
Ending Fund Balance	$ --	$ --	$ --	$ --

[1] Figures may not add due tot rounding.
[2] As of June 30, 2026.
Source: District No. 4's 2025 and 2026 budgets and the Issuer.

District No. 5 Budget Summary and Comparisons.

TABLE XL
District No. 5 – General Fund Budget Summary and Comparison[1]

	2025 Budget (as adopted)	2025 Year-End (audited)	2026 Budget (as adopted)	2026 Year-to-Date (unaudited) [2]
Revenues:				
Property taxes	$131,358	$132,183	$148,627	$148,297
Specific ownership taxes	7,881	6,531	8,174	3,318
Other revenue	5,000	12	10,000	5
Total	144,239	138,726	166,801	151,621
Expenditures:				
County treasurer's fees	1,970	1,983	2,229	2,225
Transfer to District No. 3	137,269	95,014	154,572	--
Contingency	5,000	--	10,000	149,396
Total	144,239	96,997	166,801	151,621
Beginning Fund Balance	--	--	--	--
Ending Fund Balance	$ --	$ 41,729	$ --	$ --

[1] Figures may not add due to rounding.
[2] As of June 30, 2026.
Source: District No. 5's 2025 and 2026 budgets and the Issuer.

TABLE XLI
District No. 5 – Debt Service Fund Budget Summary and Comparison [1]

	2025 Budget (as adopted)	2025 Year-End (audited)	2026 Budget (as adopted)	2026 Year-to-Date (unaudited) [2]
Revenues:				
Property taxes	$525,467	$528,767	$594,510	$593,191
Specific ownership taxes	31,528	26,126	32,698	13,272
Other revenue	15,000	48	30,000	22
Total	571,995	554,941	657,208	606,485
Expenditures:				
County treasurer's fees	7,882	7,932	8,918	8,898
Transfer to District No. 3	549,113	547,009	618,290	597,587
Contingency	15,000	--	30,000	--
Total	571,995	554,941	657,208	606,485
Beginning Fund Balance	--	--	--	--
Ending Fund Balance	$ --	$ --	$ --	$ --

[1] Figures may not add due to rounding.
[2] As of June 30, 2026.
Source: District No. 5's 2025 and 2026 budgets and the Issuer.

Deposit and Investment of District Funds

State statutes set forth requirements for the deposit of the Districts' funds in eligible depositaries and for the collateralization of such deposited funds. The Districts also may invest available funds in accordance with applicable State statutes. The investment of the proceeds of the Series 2026 Bonds is also subject to the provisions of the Code. See "TAX MATTERS."

Constitutional Amendment Limiting Taxes and Spending

On November 3, 1992, Colorado voters approved an amendment to the Colorado Constitution, which is commonly referred to as the Taxpayer's Bill of Rights, or Amendment One ("**TABOR**"), and now constitutes Article X, Section 20 of the Colorado Constitution. TABOR imposes various limits and new requirements on the State and all Colorado local governments which do not qualify as "enterprises" under TABOR (each of which is referred to in this section as a "**governmental unit**"). Any of the following actions, for example, now require voter approval in advance: (a) any increase in a governmental unit's spending from one year to the next in excess of the rate of inflation plus a "growth factor" based on the net percentage change in actual value of all real property in a governmental unit from construction of taxable real property improvements, minus destruction of similar improvements, and additions to, minus deletions from, taxable real property for government units other than school districts, and the percentage change in student enrollment for a school district; (b) any increase in the real property tax revenues of a local governmental unit (not including the State) from one year to the next in excess of inflation plus the appropriate "growth factor" referred to in clause (a) above; (c) any new tax, tax rate increase, mill levy above that for the prior year, valuation for assessment ratio increase for a property class, extension of an expiring tax or a tax policy change directly causing a net tax revenue gain; and (d) except for refinancing bonded indebtedness at a lower interest rate or adding new employees to existing pension plans, creation of any multiple-fiscal year direct or indirect debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years. Elections on such

matters may only be held on the same day as a State general election, at the governmental unit's regular biennial election or on the first Tuesday in November of odd numbered years, and must be conducted in accordance with procedures described in TABOR.

Revenue collected, kept or spent in violation of the provisions of TABOR must be refunded, with interest. TABOR requires a governmental unit to create an emergency reserve of 3% of its fiscal year spending (excluding bonded debt service) in 1995 and subsequent years. TABOR provides that "[w]hen [a governmental unit's] annual . . . revenue is less than annual payments on general obligation bonds, pensions, and final court judgments, the [voter approval requirement for mill levy and other tax increases referred to in clause (c) of the preceding paragraph and the voter approval requirement for spending and real property tax revenue increases referred to in clauses (a) and (b) of the preceding paragraph] shall be suspended to provide for the deficiency." The preferred interpretation of TABOR shall, by its terms, be the one that reasonably restrains most the growth of government.

De-Brucing.Pursuant to the 2006 Election, voters of the Issuer and each Financing District have approved an election question allowing each Taxing District to collect and expend each year all revenues without regard to the revenue and spending limitations of TABOR.

DEBT STRUCTURE

The following is a discussion of the Districts' authority to incur revenue obligations, general obligation indebtedness and other financial obligations and the amount of such obligations presently outstanding.

Required Elections

Various State constitutional and statutory provisions require voter approval prior to the incurrence of general obligation indebtedness by the Districts. Among such provisions, Article X, Section 20 of the Colorado Constitution requires that, except for refinancing bonded debt at a lower interest rate, a District must have voter approval in advance for the creation of any multiple fiscal year direct or indirect district debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years. The Issuer and the Financing Districts have received voter approval to issue debt for the purposes and in the amounts described below. See "USE OF PROCEEDS AND DEBT SERVICE REQUIREMENTS—Application of Bond Proceeds" and "FINANCIAL INFORMATION—Constitutional Amendment Limiting Taxes and Spending."

District Indebtedness

Statutory General Obligation Debt Limit. The Districts are subject to a statutory debt limitation established pursuant to §32-1-1101(6), C.R.S. Said limitation provides that, with specific exceptions, the total principal amount of general obligation debt issued by a special district shall not at the time of issuance exceed the greater of $2 million or 50% of the particular District's assessed valuation. Since, upon issuance of the Series 2026 Bonds, the general obligation indebtedness of the Issuer represented by the Series 2026 Bonds will exceed 50% of the Issuer's assessed valuation, the Issuer has determined to restrict the sale of the Series 2026 Bonds to "financial institutions or institutional investors" as such terms are defined in Section 32-1-103(6.5), C.R.S. to fit into an exception to the statutory debt limitation permitted by Section 32-1-1101(6), C.R.S. This exemption is also relied upon by the Taxing Districts with respect to the general obligation indebtedness represented by the Capital Pledge Agreement.

Voter Authorized but Unissued Debt. On May 2, 2006 and, in the case of the Issuer, District No. 4 and District No. 10, November 4, 2024, the Districts obtained voter authorization to incur debt or enter

into multiple fiscal year obligations for the purposes set forth in the following table. Notwithstanding the amounts voted by each District in each infrastructure category, pursuant to the Service Plans, the maximum principal of debt that may be incurred by all of the Districts in the aggregate is limited to $750,000,000 (the "**Service Plan Debt Limit**"), of which $611,140,826 is remaining.

Set forth below in "TABLE XLII—Total Voter-Approved Debt and Other Borrowing Authority" are schedules setting forth the voted authorization obtained by the Issuer, District No. 4 and District No. 10 at their respective elections held on November 5, 2024 (the "**2024 Election**") and the Financing Districts at the 2006 Election; and the allocation of such authorization to obligations issued to date by the Issuer and the Financing Districts. The principal amount of the Series 2026 Bonds exceeding the outstanding principal amount of the Series 2007A Subordinate Bonds being refunded will be applied against the voted refunding authorization of the Issuer's 2024 Election and the obligations of the Financing Districts pursuant to the Capital Pledge Agreement and the District No. 10 Pledge Agreement, as applicable, will be applied against the voted refunding authorization of each Financing District's 2006 Election. The Board of the Issuer has determined that refunding debt (such as the Series 2026 Bonds) does not reduce the Service Plan Debt Limit.

TABLE XLII
Total Voter-Approved Debt and Other Borrowing Authority of Issuer and District Nos. 4, 5 and 10

Issuer (District No. 3), District No. 4 and District No. 10 Authorization Used and Remaining From 2024 Election

Infrastructure Category/ Purpose	Authorization Received at the Election	Principal Amount Remaining
Streets	$750,000,000	$750,000,000
Parks and Recreation	750,000,000	750,000,000
Water	750,000,000	750,000,000
Sanitary Sewer	750,000,000	750,000,000
Transportation	750,000,000	750,000,000
Mosquito Control	20,000,000	20,000,000
Traffic and Safety	750,000,000	750,000,000
Fire Protection	750,000,000	750,000,000
Television Relay	20,000,000	20,000,000
Security	750,000,000	750,000,000
TOTAL[1]	$750,000,000 [1]	$750,000,000 [1]

[1] Amounts shown represent the total debt authorized by the eligible voters of the Issuer, District No. 4 and District No. 10 for each category of debt authorization. However, the Service Plan currently restricts the total debt incurred by the Issuer, District No. 4 and District No. 10 (and each other District) for all categories of debt authorization in the aggregate to $750,000,000.

District No. 4 Authorization Used and Remaining From 2006 Election

Purpose	Authorization Received at the Election	Principal Amount Allocated to the Series 2006 Bonds	Principal Amount Allocated to the Series 2007 Subordinate Bonds	Principal Amount Allocated to the Series 2017 Bonds	Principal Amount Allocated to the Series 2024 Bonds	Principal Amount Remaining
Street Facilities	$750,000,000	$18,180,000	$40,403,506	--	$27,877,041	$663,539,453
Water Facilities	750,000,000	13,089,600	559,022	--	9,666,297	726,685,081
Sanitation Facilities	750,000,000	5,090,400	1,269,163	--	--	743,640,437
Traffic/Safety Protection Facilities	750,000,000	--	533,238	--	--	749,466,762
Park and Recreation	750,000,000	--	750,071	--	--	749,249,929
Television Relay	20,000,000	--	--	--	--	20,000,000
Transportation	750,000,000	--	--	--	--	750,000,000
Mosquito Control	20,000,000	--	--	--	--	20,000,000
Refunding	750,000,000	--	--	$49,275,000	851,662	699,873,338
IGA Debt	750,000,000	--	--	--	--	750,000,000
Operations and Maintenance Debt	750,000,000	--	--	--	--	750,000,000
TOTAL[1]	$750,000,000	$36,360,000	$43,515,000	$49,275,000	$38,395,000	$582,455,000 [1]

[1] Pursuant to the Service Plans, the aggregate total amount of debt of the Districts is limited to $750,000,000.

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District No. 5 Authorization Used and Remaining From 2006 Election

Purpose	Authorization Received at the Election	Principal Amount Allocated to the Series 2006 Bonds	Principal Amount Allocated to the Series 2007 Subordinate Bonds	Principal Amount Allocated to the Series 2017 Bonds	Principal Amount Allocated to the Series 2024 Bonds	Principal Amount Remaining
Street Facilities	$750,000,000	$18,180,000	$40,403,506	--	$27,877,041	$663,539,453
Water Facilities	750,000,000	13,089,600	559,022	--	9,666,297	726,685,081
Sanitation Facilities	750,000,000	5,090,400	1,269,163	--	--	743,640,437
Traffic/Safety Protection Facilities	750,000,000	--	533,238	--	--	749,466,762
Park and Recreation	750,000,000	--	750,071	--	--	749,249,929
Television Relay	20,000,000	--	--	--	--	20,000,000
Transportation	750,000,000	--	--	--	--	750,000,000
Mosquito Control	20,000,000	--	--	--	--	20,000,000
Refunding	750,000,000	--	--	$49,275,000	851,662	699,873,338
IGA Debt	750,000,000	--	--	--	--	750,000,000
Operations and Maintenance Debt	750,000,000	--	--	--	--	750,000,000
TOTAL[1]	$750,000,000	$36,360,000	$43,515,000	$49,275,000	$38,395,000	$582,455,000 [1]

[1] Pursuant to the Service Plans, the aggregate total amount of debt of the Districts is limited to $750,000,000.

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District No. 10 Authorization Used and Remaining From 2006 Election

Purpose	Authorization Received at the Election	Principal Amount Allocated to the Series 2006 Bonds	Principal Amount Allocated to the Series 2007 Subordinate Bonds	Principal Amount Allocated to the Series 2017 Bonds	Principal Amount Allocated to the Series 2024 Bonds	Principal Amount Remaining
Street Facilities	$750,000,000	$18,180,000	$40,403,506	--	$27,877,041	$663,539,453
Water Facilities	750,000,000	13,089,600	559,022	--	9,666,297	726,685,081
Sanitation Facilities	750,000,000	5,090,400	1,269,163	--	--	743,640,437
Traffic/Safety Protection Facilities	750,000,000	--	533,238	--	--	749,466,762
Park and Recreation	750,000,000	--	750,071	--	--	749,249,929
Television Relay	20,000,000	--	--	--	--	20,000,000
Transportation	750,000,000	--	--	--	--	750,000,000
Mosquito Control	20,000,000	--	--	--	--	20,000,000
Refunding	750,000,000	--	--	$49,275,000	851,662	699,873,338
IGA Debt	750,000,000	--	--	--	--	750,000,000
Operations and Maintenance Debt	750,000,000	--	--	--	--	750,000,000
TOTAL[1]	$750,000,000	$36,360,000	$43,515,000	$49,275,000	$38,395,000	$582,455,000 [1]

[1] Pursuant to the Service Plans, the aggregate total amount of debt of the Districts is limited to $750,000,000.

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General Obligations

Upon issuance of the Series 2026 Bonds, the Taxing Districts will not have any outstanding general obligation debt outstanding, other than their obligations (including those related to the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds and the Series 2007 Subordinate Bonds) as Taxing Districts under the Capital Pledge Agreement.

Revenue and Other Financial Obligations

The following table sets forth the Issuer's outstanding revenue obligations upon issuance of the Series 2026 Bonds. Although the Issuer may issue additional Senior Bonds and Subordinate Obligations to fund public infrastructure as necessitated by development, subject to the limitations of the Master Indenture, the amount of, and schedule for, such future issuances is not known at this time. See "RISK FACTORS—Additional Senior Bonds."

TABLE XLIII
Outstanding Debt

Obligation	Outstanding Principal Amount [1]
Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A [2]	$ 30,855,000
Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B [3]	1,845,000
Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A	40,300,000
Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B	1,855,000
Special Revenue Bonds (Park and Recreation Improvements), Series 2018	1,260,000
Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A	29,320,000
Limited Property Tax Supported District Improvements Revenue Bonds, Series 2024B	9,870,000
Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026	16,055,000*
Total	**$115,305,000***

* Preliminary; subject to change.
[1] Upon issuance of the Series 2026 Bonds.
[2] Accrued and unpaid interest on the Series 2007A Subordinate Bonds in the amount of $28,490,941 was outstanding as of October 31, 2026. See "INTRODUCTION—Prior Bonds—*Series 2007 Subordinate Bonds*."
[3] Accrued and unpaid interest on the Series 2007B Subordinate Bonds in the amount of $144,484 was outstanding as of October 31, 2026. See "INTRODUCTION—Prior Bonds—*Series 2007 Subordinate Bonds*."
Source: The Underwriter.

LEGAL MATTERS

Sovereign Immunity

The Governmental Immunity Act, Title 24, Article 10, Part 1, C.R.S. (the "**Governmental Immunity Act**"), provides that, with certain specified exceptions, sovereign immunity acts as a bar to any action against a public entity, such as the Issuer or the Financing Districts, for injuries which lie in tort or could lie in tort.

The Governmental Immunity Act provides that sovereign immunity does not apply to injuries occurring as a result of certain specified actions or conditions. In general, public entities will not be held liable for willful and wanton acts or omissions or willful and wanton acts or omissions of its public employees which occurred during the performance of their duties and within the scope of their employment. However, if a plaintiff can meet the burden of proof required to show that any one of the exceptions specified in the Governmental Immunity Act applies, the public entity may be liable for injuries arising from an act or omission of the public entity, or an act or omission of its public employees, which was not willful and wanton, and which occur during the performance of their duties and within the scope of their employment. The maximum amounts that may be recovered under the Governmental Immunity Act, whether from one or more public entities and public employees, are as follows for claims accruing on or after January 1, 2022 and before January 1, 2026: (a) for any injury to one person in any single occurrence, the sum of $350,000 for claims accruing before January 1, 2018; or the sum of $387,000 for claims accruing on or after January 1, 2018 and before January 1, 2022; or the sum of $424,000 for claims accruing on or after January 1, 2022 and before January 1, 2026; or the sum of $505,000 for claims occurring on or after January 1, 2026 and before January 1, 2030; (b) for an injury to two or more persons in any single occurrence, the sum of $990,000 for claims accruing before January 1, 2018, except in such instance, no person may recover in excess of $350,000; or the sum of $1,093,000 for claims accruing on or after January 1, 2018, and before January 1, 2022, except in such instance, no person may recover in excess of $387,000; or the sum of $1,195,000 for claims accruing on or after January 1, 2022, and before January 1, 2026, except in such instance, no person may recover in excess of $424,000; or the sum of $1,421,000 for claims occurring on or after January 1, 2026 and before January 1, 2030. Those amounts will increase every four years pursuant to a formula based on the Denver-Boulder-Greeley Consumer Price Index. Suits against both the Issuer or the Financing Districts and a public employee do not increase such maximum amounts which may be recovered. The Issuer and the Financing Districts may not be held liable either directly or by indemnification for punitive or exemplary damages. In the event that the Issuer or the Financing Districts are required to levy an ad valorem property tax to discharge a settlement or judgment, such tax may not exceed a total of ten mills per annum for all outstanding settlements or judgments.

The Issuer and the Financing Districts may be subject to civil liability and may not be able to claim sovereign immunity for actions founded upon various federal laws. Examples of such civil liability include, but are not limited to, suits filed pursuant to 42 U.S.C. Section 1983 alleging the deprivation of federal constitutional or statutory rights of an individual. In addition, the Issuer and the Financing Districts may be enjoined from engaging in anti-competitive practices which violate the antitrust laws. However, the Governmental Immunity Act provides that it applies to any action brought against a public entity or a public employee in any Colorado State court having jurisdiction over any claim brought pursuant to any federal law, if such action lies in tort or could lie in tort.

Pending and Threatened Litigation Involving the Issuer

General Counsel to the Issuer is expected to render an opinion upon delivery of the Series 2026 Bonds stating that, to the best of its actual knowledge, there is no action, suit or proceeding now pending or threatened against the Issuer that will materially and adversely affect the financial condition or operations

of the Issuer, the Issuer's power to issue and deliver the Series 2026 Bonds, or execute and perform the obligations of the Master Indenture, or collect the Pledged Revenue and enforce the resolutions and agreements pursuant to which such Pledged Revenue is received.

In addition, it is anticipated that, in connection with the issuance of the Series 2026 Bonds, the Issuer will execute a certificate stating that there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body which has been served on the Issuer, or to the Issuer's knowledge, threatened against or affecting the Issuer to (a) restrain or enjoin the Issuer's participation in, or in any way contesting the exercise of the Issuer or the powers of the Issuer with respect to, the transactions contemplated by the Bond Resolution, the Master Indenture, the purchase contract to be entered into by the Issuer and the Underwriter and the Continuing Disclosure Agreement and the consummation of such transactions, the execution, issuance, or delivery of the Series 2026 Bonds, the Bond Resolution, the Master Indenture, the purchase contract to be entered into by the Issuer and the Underwriter and the Continuing Disclosure Agreement, or in any manner questioning the authority or proceedings for the Election, the issuance of the Series 2026 Bonds, or the execution and delivery of the Bond Resolution, the Master Indenture, the purchase contract to be entered into by the Issuer and the Underwriter and the Continuing Disclosure Agreement, or affecting the validity or enforceability of the Election, the Series 2026 Bonds, the Service Plan, the Bond Resolution, the Master Indenture, the purchase contract to be entered into by the Issuer and the Underwriter and the Continuing Disclosure Agreement, or (b) which, if successful, would materially and adversely affect the financial condition or operations of the Issuer, or the Issuer's power to receive the Pledged Revenue, to enforce the provisions of the Bond Resolution, the Master Indenture, the purchase contract to be entered into by the Issuer and the Underwriter and the Continuing Disclosure Agreement, to issue and deliver the Series 2026 Bonds or to perform its obligations under Bond Resolution, the Master Indenture, the purchase contract to be entered into by the Issuer and the Underwriter and the Continuing Disclosure Agreement.

Legal Representation

Legal matters relating to the issuance of the Series 2026 Bonds, as well as the treatment of interest on the Series 2026 Bonds for purposes of federal and State income taxation, are subject to the approving legal opinion of Barnes & Thornburg LLP, Denver, Colorado, as Bond Counsel. Such opinion will be dated as of and delivered at closing in substantially the form set forth in "APPENDIX F—FORM OF BOND COUNSEL OPINION." Barnes & Thornburg LLP has also assisted in the preparation of this Limited Offering Memorandum in its capacity as Disclosure Counsel to the Issuer. Barnes & Thornburg LLP represents the Underwriter from time to time on matters unrelated to the Districts or the Series 2026 Bonds. Barnes & Thornburg LLP does not represent the Underwriter or any other party in connection with the issuance of the Series 2026 Bonds. Certain legal matters pertaining to the Districts will be passed upon by its general counsel, McGeady Becher Cortese Williams P.C., Denver, Colorado. Certain legal matters will be passed upon by Otten, Johnson, Robinson, Neff & Ragonetti, P.C., Denver, Colorado, as counsel to the Developer; by Butler Snow LLP, Denver, Colorado, as counsel to the City; and by Hoffmann, Parker, Wilson & Carberry, P.C., Denver, Colorado, as counsel to BURA.

The legal opinions to be delivered concurrently with the delivery of the Series 2026 Bonds express the professional judgment of the attorneys rendering the opinions as to legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Master Indenture to Constitute Contract

The Master Indenture provides that after the Series 2026 Bonds are issued, such Master Indenture shall constitute a contract among the Issuer, the Trustee, and the Owners, and shall remain in full force and effect until the Series 2026 Bonds are no longer outstanding.

Future Changes in Laws

Various Colorado laws and constitutional provisions apply to the imposition, collection, and expenditure of ad valorem property taxes, fees and the operation of the Issuer and the Financing Districts. There is no assurance that there will not be any change in the interpretation of, or additions to applicable laws, provisions, and regulations which would have a material effect, directly or indirectly, on the affairs of the Issuer or the Financing Districts and the imposition, collection, and expenditure of ad valorem property taxes and fees.

Limitations on Remedies Available to Bondholders

The enforceability of the rights and remedies of the Owners, and the obligations incurred by the Issuer in issuing the Series 2026 Bonds, are subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers granted to it by the federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. In addition to other legal requirements in the Federal and State laws pertaining to municipal bankruptcy, under State law, however, the Special District Act provides that Colorado special districts can seek protection from creditors under the United States Bankruptcy Code only if the special district can demonstrate that, in order to meet its financial obligations as they come due, the special district would be required to certify a property tax mill levy of 100 mills or more. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Series 2026 Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.

TAX MATTERS

Federal Tax Matters

The Internal Revenue Code of 1986, as amended (the "**Code**"), imposes a number of rules and requirements in order for interest on the Bonds to be excluded from gross income for federal income tax purposes, including, without limitation, rules relating to (i) the proper use of the proceeds of the Series 2026 Bonds and the facilities financed or refinanced with such proceeds, (ii) the investment of proceeds of the Series 2026 Bonds, (iii) requirement for payments of arbitrage profits to the United States, (iv) the procedures for issuing the Series 2026 Bonds, and (v) filings with the Internal Revenue Service with respect to the issuance of the Series 2026 Bonds. The Issuer has covenanted to comply with all of the restrictions and requirements of the Code (the "**Tax Covenants**").

In the opinion of Barnes & Thornburg LLP, Denver, Colorado, Bond Counsel, interest on the Series 2026 Bonds is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Series 2026 Bonds, assuming the accuracy of the certifications of the Issuer and continuing compliance by the Issuer and other owners of the Public

Improvements, with the requirements of the Code. Interest on the Series 2026 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the "adjusted financial statement income" of "applicable corporations" for purposes of computing the alternative minimum tax imposed on such corporations, as such quoted terms are defined in the Code.

In rendering its opinion, Bond Counsel will rely on, and will assume the accuracy of, certain representations and certifications, and compliance by the Issuer with certain covenants, including the Tax Covenants. Bond Counsel will not independently verify the accuracy of the Issuer's representations and certifications. In addition, Bond Counsel has not been engaged, and will not undertake, to monitor compliance with the Tax Covenants or to inform any person as to whether the Tax Covenants are being complied with; nor has Bond Counsel undertaken to determine or to inform any person whether any actions taken or not taken, or events occurring or not occurring, after the date of issuance of the Series 2026 Bonds may affect the federal tax status of the interest on the Series 2026 Bonds. Failure to comply with certain of the Tax Covenants could result in the inclusion of the interest on the Bonds in the gross income of the owners for federal income tax purposes, retroactive to the date of issuance of the Series 2026 Bonds.

Certain requirements and procedures contained or referred to in the Master Indenture and certain other documents executed in connection with the issuance of the Series 2026 Bonds may be changed and certain actions (including, without limitation, defeasance of the Series 2026 Bonds) may be taken or omitted in the future if a legal opinion is rendered at the time to the effect that such action will not cause the interest on the Series 2026 Bonds to be included in the gross income of the owners for federal income tax purposes. The opinion of Bond Counsel rendered in connection with the initial issuance of the Series 2026 Bonds will not address any such actions.

Original Issue Discount. Certain of the Series 2026 Bonds may be offered at a discount ("**original issue discount**") equal generally to the difference between the public offering price and the principal amount. For federal income tax purposes, original issue discount on a Series 2026 Bond accrues periodically over the term of such Series 2026 Bond as interest with the same tax exemption and alternative minimum tax status as stated interest. The accrual of original issue discount increases the bondholder's tax basis in the Series 2026 Bond for determining taxable gain or loss upon sale or redemption prior to maturity. Bondholders should consult their tax advisers for an explanation of the accrual rules.

Original Issue Premium. Certain of the Series 2026 Bonds may be offered at a premium ("**original issue premium**") over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of a Series 2026 Bond through reductions in the bondholder's tax basis for the Series 2026 Bond for determining taxable gain or loss upon sale or redemption prior to maturity. Amortization of premium does not create a deductible expense or loss. Bondholders should consult their tax advisers for an explanation of the amortization rules.

No Other Opinions. Bond Counsel will express no opinion regarding other federal tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the Series 2026 Bonds.

Backup Withholding. A person making payments of tax-exempt interest to a bondholder is generally required to make an information report of the payments to the Internal Revenue Service and to perform "backup withholding" from the interest if the bondholder does not provide an IRS Form W-9 to the payor. "Backup withholding" means that the payor withholds tax from the interest payments at the backup withholding rate, currently 24%. Form W-9 sets forth the bondholder's taxpayer identification number or basis of exemption from backup withholding.

If a holder purchasing a Series 2026 Bond through a brokerage account has executed a Form W-9 in connection with the account, as generally can be expected, there should be no backup withholding from the interest on the Series 2026 Bond.

If backup withholding occurs, it does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

State of Colorado Tax Matters

In the opinion of Bond Counsel, under existing law as of the date of initial delivery of the Series 2026 Bonds, interest on the Series 2026 Bonds is exempt from taxation under the laws of the State of Colorado, except inheritance, estate and transfer taxes. Bond Counsel will express no opinion regarding other state or local tax consequences arising with respect to the Series 2026 Bonds, including whether interest on the Series 2026 Bonds is exempt from taxation under the laws of any jurisdiction other than the State of Colorado.

General

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2026 Bonds, and Bond Counsel will not express any opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

The foregoing is only a general summary of certain provisions of the Code as enacted and in effect on the date hereof and does not purport to be complete; holders of the Series 2026 Bonds should consult their own tax advisors as to the effects, if any, of the Code in their particular circumstances.

See "APPENDIX E—FORM OF BOND COUNSEL OPINION" hereto.

MISCELLANEOUS

No Rating

No rating has been or will be applied for with respect to this financing.

Registration of Series 2026 Bonds

Registration or qualification of the offer and sale of the Series 2026 Bonds (as distinguished from registration of the ownership of the Series 2026 Bonds) is not required under the federal Securities Act of 1933, as amended, the Colorado Securities Act, as amended, or the Colorado Municipal Bond Supervision Act, as amended, pursuant to exemptions from registration provided in such acts. THE ISSUER ASSUMES NO RESPONSIBILITY FOR QUALIFICATION OR REGISTRATION OF THE SERIES 2026 BONDS FOR SALE UNDER THE SECURITIES LAWS OF ANY JURISDICTION IN WHICH THE SERIES 2026 BONDS MAY BE SOLD, ASSIGNED, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED. The obligations of the Taxing Districts under the Capital Pledge Agreement are exempt under the "Colorado Municipal Bond Supervision Act," Article 59 of Title 11, C.R.S.

The "Colorado Municipal Bond Supervision Act," Article 59 of Title 11, C.R.S., generally provides for the Colorado Securities Commissioner (the "**Commissioner**") to regulate and monitor the

issuance of municipal securities by special districts and certain other entities. Among other things, the act requires that all bonds, debentures, or other obligations (defined in the act as "bonds") issued by a special district must first be registered with the Commissioner unless exempt under the act. The Series 2026 Bonds qualify for an exemption from registration because the Series 2026 Bonds are being issued in authorized denominations of not less than $500,000.

Undertaking To Provide Ongoing Disclosure

The Series 2026 Bonds are subject to the requirements of the Securities and Exchange Commission Rule 15c2-12 (17 CFR Part 240, Section 240.15c2-12) (the "**Rule**") and in connection therewith, the Issuer and the Developer will enter into a continuing disclosure agreement (the "**Continuing Disclosure Agreement**") for the benefit of the Owners of the Series 2026 Bonds to provide, with the cooperation of the Trustee, certain financial information on a semi-annual and annual basis, data on the status of development in the Initial Development on a semi-annual basis and notices of enumerated events subsequent to the issuance of the Series 2026 Bonds for dissemination to the Municipal Securities Rulemaking Board via its Electronic Municipal Market Access system. A form of the Continuing Disclosure Agreement setting forth such obligations is attached hereto as "APPENDIX E—FORM OF CONTINUING DISCLOSURE AGREEMENT."

A failure by the Issuer or the Developer to comply with the requirements of the Continuing Disclosure Agreement will not constitute an Event of Default under the Master Indenture (although Series 2026 Bond owners will be able to pursue an action to compel the Issuer's or the Developer's performance in the event of failure to comply with provisions of the Continuing Disclosure Agreement).

The Issuer agreed, pursuant to separate Continuing Disclosure Agreements entered into with respect to the Series 2006 Bonds, the Series 2007 Subordinate Bonds, the Series 2017 Bonds (the "**Series 2017 CDA**"), the Series 2018 PRI Bonds and the Series 2024 Bonds, with the cooperation and assistance of THF Development and THF Retail One (as previously defined, collectively, the "**Developer**") to provide certain financial information on a semi-annual and annual basis, data on the status of development and sales on a semi-annual basis and notices of enumerated events, as more particularly set forth therein (the "**MSRB**").

As further described under "INTRODUCTION—Prior Bonds—*Series 2007 Subordinate Bonds*," since 2009, the Issuer has failed to make certain scheduled payments of principal and interest on the Series 2007 Subordinate Bonds in the amounts required by the Master Indenture. The Issuer did not file material event notices for such principal and interest payment delinquencies in June 2022 or June 2023 as required by the Series 2007 CDA, but has done so in June 2023, 2024 and 2025.

In the previous five years, with respect to the Series 2017 CDA, semi-annual reports for the periods ending December 31, 2024, June 30, 2025, December 31, 2025 and June 30, 2026, were timely filed but not linked to one of the required CUSIPs. The Issuer has linked such reports to the required CUSIP.

Interest of Certain Persons Named in this Limited Offering Memorandum

The legal fees to be paid to Bond Counsel, Disclosure Counsel and counsel to the Underwriter are contingent upon the sale and delivery of the Series 2026 Bonds.

Independent Auditors

The basic financial statements of the Issuer and District No. 4 for the fiscal year ended December 31, 2025, which are appended hereto as APPENDIX B-1 and B-2, respectively, have been audited by

independent auditor, Wipfli LLP, Lakewood, Colorado, as stated in their reports appearing therein. Such statements have been included without review or consent of the auditor. District No. 5 applied for and received Exemption from Audit approval from the State Auditor's Office for the fiscal years ended December 31, 2021 – 2025.

Municipal Advisor

MuniCap, Inc., Columbia, Maryland, is acting as municipal advisor (the "**Municipal Advisor**") to the Issuer in connection with the issuance of the Series 2026 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Limited Offering Memorandum. The Municipal Advisor will act as an independent advisory firm and will not be engaged in underwriting or distributing the Series 2026 Bonds.

Underwriting

The Series 2026 Bonds are being sold by the Issuer to the Underwriter for a purchase price equal to $_____ (which is equal to the par amount of the Series 2026 Bonds, less the Underwriter's discount of $_____) pursuant to a purchase contract. See "USE OF PROCEEDS AND DEBT SERVICE REQUIREMENTS—Application of Bond Proceeds." Expenses associated with the issuance of the Series 2026 Bonds are being paid by the Issuer from proceeds of the issue. The right of the Underwriter to receive compensation in connection with this issue is contingent upon the actual sale and delivery of the Series 2026 Bonds. The Underwriter has initially offered the Series 2026 Bonds at the price set forth on the cover page of this Limited Offering Memorandum, plus accrued interest from the date of the Series 2026 Bonds. Such price may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other investment banking firms in offering the Series 2026 Bonds.

Additional Information

Copies of statutes, resolutions, opinions, contracts, agreements, financial and statistical data, and other related reports and documents described in this Limited Offering Memorandum are either publicly available or available upon request and the payment of a reasonable copying, mailing, and handling charge from the sources noted in the "INTRODUCTION—Additional Information" herein.

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Limited Offering Memorandum Certification

The preparation of this Limited Offering Memorandum and its distribution have been authorized by the Board. This Limited Offering Memorandum is hereby duly approved by the Board as of the date on the cover page hereof. This Limited Offering Memorandum is not to be construed as an agreement or contract between the Issuer and the purchasers or owners of any Series 2026 Bond.

PRAIRIE CENTER METROPOLITAN
DISTRICT NO. 3

By */s/*
Michael Tamblyn, President

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APPENDIX A

BOND REVENUE STUDY

(attached)

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PRAIRIE CENTER METROPOLITAN DISTRICT NUMBERS 3, 4, 5, AND 10 BOND REVENUE STUDY

PREPARED FOR:
Prairie Center Metropolitan District No. 3

PROJECT LOCATION:
Brighton, Colorado

November 6, 2026

PGAV PLANNERS
ST. LOUIS, MISSOURI

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SECTION I – OVERVIEW

Project Overview

Prairie Center Metropolitan District No. 3 ("**District No. 3**") retained PGAV Planners, LLC ("**PGAV**") to develop an independent analysis (the "**Study**") of the revenue generation potential of a portion of a mixed-use development called Prairie Center (the "**Project**") in connection with District No. 3's anticipated issuance of bonds (the "**Bonds**") secured by revenues pledged by Prairie Center Metropolitan District No. 4 ("**District No. 4**"), Prairie Center Metropolitan District No. 5 ("**District No. 5**"), and Prairie Center Metropolitan District No. 10 ("**District No. 10**") as well as certain public improvement fees and sales taxes as described in this Study. For the purposes of this Study, the term "**Districts**" is used to collectively refer to District No. 3, District No. 4, District No. 5, and District No. 10.

The Districts are located approximately 21 miles northeast of downtown Denver in Adams County, Colorado (the "**County**"). The Prairie Center Master Development encompasses approximately 2,150 acres located in the City of Brighton (the "**City**"), except for approximately 503 acres which are located in unincorporated Adams County, in the State of Colorado (the "**State**"). The Project encompasses approximately 547 acres in District Nos. 3, 4, 5, and 10. All of the property in District Nos. 3, 4, 5, and 10 is located within the City.

The Project is a major retail center, residential neighborhood, and commercial concentration containing a mix of housing, retail, food service, office, hospital, and hotel tenants serving the daily needs of local residents and visitors. The Districts were originally formed in 2006. All of the existing development and anticipated new development analyzed in this Study are located within District Nos. 4, 5, and 10, and include major retailers, food service outlets, fee simple single family detached homes, rental townhomes, hotels, and office space. Figure 2 shows a regional overview of the location of the Districts. Figure 3 shows a map of the Districts.

Project Summary

Table 1 and Table 2 provide a summary of the retail tenants located within the Project that opened prior to January 1, 2025 and are presumed to have stabilized sales (the "**Stabilized Retail Tenants**"). Stabilized Retail Tenants include approximately 917,400 square feet of space. Table 3 provides a summary of the retail tenants located within the Project that have opened since January 1, 2025 and have not yet fully stabilized (the "**Yet to Be Stabilized Retail Tenants**" and together with the Stabilized Retail Tenants, the "**Existing Retail Tenants**"). Yet to Be Stabilized Retail Tenants include approximately 28,000 square feet of space and their locations are shown in Figure 1. Table 4 below provides a summary of the existing residential developments located within the Project ("**Existing Residential Developments**"), including approximate date of opening and number of units.

The real and personal property associated with the Stabilized Retail Tenants, Yet to Be Stabilized Retail Tenants (with the exception of Valvoline Instant Oil), Existing Residential Developments, and any vacant land in District Nos. 4 and 5 are together referred to throughout this Study as "**Existing Property**". The assessed value of the real and personal property associated with the Existing Property is assumed in this Study to be fully assessed. The real and personal property associated with the Valvoline Instant Oil (the "**Valvoline**") is the only real and personal property recently developed in the Districts to not be fully assessed as of January 1, 2026. Therefore, the Valvoline is not included within the Existing Property.

Stabilized Retail Tenants, Yet to be Stabilized Retail Tenants, and Existing Residential Developments are together referred to throughout this Study as "**Existing Development**". Throughout this Study, Existing Development is inclusive of Valvoline, whereas Existing Property is not inclusive of Valvoline.

Three new retail developments are anticipated in the coming years and would include a grocery store, sports bar and restaurant, and a car wash (the "**Anticipated New Development**"). The current status of the Anticipated New Development is summarized in Table 5. The Anticipated New Development is anticipated to include approximately 94,000 square feet of out-lot commercial buildings.

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Table 1 – Stabilized Retail Tenants (Table 1 of 2)

Source: Districts, 2026.

Stabilized Retail Tenants (1)	Date of Completion	District Location	Approximate Square Feet
Large Format Retailers			
Super Target	October 1, 2006	4	173,900
The Home Depot	May 1, 2005	4	136,898
Dicks Sporting Goods	June 1, 2008	4	50,018
JC Penney	March 1, 2009	4	107,279
Kohl's Department Store	October 1, 2007	4	89,911
Daveco Wine & Spirits	October 1, 2016	4	56,112
Hobby Lobby	May 1, 2018	4	50,260
Office Depot	March 1, 2008	4	20,900
PetSmart	November 1, 2007	4	20,087
Michael's	October 1, 2008	4	21,691
Ross Dress for Less	September 1, 2014	4	25,000
Dollar Tree	October 1, 2007	4	11,172
General Retail			
America's Best Contacts & Eyeglasses	December 1, 2009	4	3,147
a Salon (formerly Rize Salon)	December 1, 2009	4	2,229
Verizon Wireless	January 1, 2007	4	3,832
GNC	January 1, 2008	4	1,157
Elite Nails	July 1, 2007	4	1,309
Sally Beauty Supply (2)	July 1, 2008	4	1,500
Zingano Brazilian Jiu-Jitsu	March 1, 2011	4	2,473
Connect Wireless (AT&T)	March 1, 2014	4	2,298
Famous Footwear	November 1, 2007	4	7,000
Ulta Beauty	September 1, 2017	4	10,300
T-Mobile	December 1, 2017	4	1,446
Comcast Xfinity	November 1, 2018	4	3,821
Red Wing Shoes	December 1, 2019	4	1,508
Watermill Express	December 1, 2012	4	400
Wings Credit Union (formerly Ent Credit Union)	October 1, 2020	4	5,378
Subtotal			**811,026**

Notes:
(1) Stabilized Retail Tenants opened prior to January 1, 2025.
(2) Sally Beauty Supply has signed an amendment to their lease to expand to 3,000 square feet.

Table 2 – Stabilized Retail Tenants (Table 2 of 2)

Source: Districts, 2026.

Stabilized Retail Tenants (1)	Date of Completion	District Location	Approximate Square Feet
Quick Service Restaurants			
Chick-Fil-A	December 1, 2007	4	4,205
Taco Bell	December 1, 2007	4	2,847
McDonald's	June 1, 2009	4	3,899
Subway	November 1, 2007	4	1,445
Heidi's Brooklyn Deli	November 1, 2015	4	2,100
Arby's	September 1, 2017	4	2,754
Crumbl Cookies	December 1, 2019	4	1,267
Freddy's Frozen Custard & Steakburgers	January 1, 2022	4	3,028
Chipotle	March 1, 2020	4	2,379
Popeye's	December 1, 2019	4	2,365
Panda Express	August 1, 2019	4	2,218
Kentucky Fried Chicken	December 1, 2009	10	3,100
Happy Lemon	February 1, 2023	4	1,223
Raising Cane's Chicken Fingers	December 1, 2024	4	3,218
Smoothie King	June 17, 2024	4	1,218
Full Service Restaurants			
Buffalo Wild Wings	April 1, 2009	4	6,092
Chili's	November 1, 2006	4	5,887
Old Chicago	June 1, 2017	4	5,251
Red Robin	July 1, 2017	4	5,673
Texas Roadhouse	February 1, 2020	4	7,491
Office/Medical Office			
My Kids/Brighton Modern Dentistry & Orthodontics	January 1, 2012	4	4,040
GRiN Pediatric Dentistry & Orthodontics of Brighton (2)	June 22, 2026	4	2,615
Brighton Police	June 1, 2010	4	1,269
ReMax	February 1, 2010	4	1,916
Kids City Dental & Braces	December 1, 2020	4	2,507
H&R Block	February 1, 2019	4	1,259
Auto Parts & Repair			
Discount Tire	August 1, 2011	10	7,334
Brakes Plus	April 1, 2015	10	4,834
Christian Brothers Automotive	May 1, 2021	4	5,635
Whistle Express Car Was (formerly Take 5 Car Wash)	December 1, 2019	4	4,272
Convenience			
7-Eleven	May 1, 2013	4	3,050
Subtotal			**106,391**
Total Stabilized Retail Tenants			**917,417**

Notes:
(1) Stabilized Retail Tenants opened prior to January 1, 2025.
(2) Opened after January 1, 2026, and replaced another dental office. As a result, it is anticipated this business opening will have a negligible impact in taxable sales.

Table 3 – Yet to Be Stabilized Retail Tenants

Source: Districts, 2026.

Yet to Be Stabilized Retail Tenants (1)	Date of Completion	District Location	Approximate Square Feet
General Retail			
Sport Clips (2)	April 24, 2026	4	1,217
Mattress Firm (2)	June 19, 2026	4	3,695
Area 51 Smoke and Vape Shop (2)	September 20, 2026	4	2,247
Quick Service Restaurants			
Dutch Bros Coffee (3)	October 28, 2025	4	800
In-N-Out Burger (3)	May 9, 2025	4	3,879
Full Service Restaurants			
VIN39 Wine Bar (2)	July 9, 2026	4	3,448
Olive Garden (3)	May 9, 2025	4	7,848
Office/Medical Office			
Aspen Dental (3)	October 23, 2025	4	3,500
Auto Parts & Repair			
Valvoline Instant Oil (4)	April 21, 2026	4	1,674
Total			**28,308**

Notes:
(1) Yet to Be Stabilized Retail Tenants opened after January 1, 2025.
(2) Four of the Yet to Be Stabilized Retail Tenants opened in vacant spaces within existing buildings.
(3) Four of the Yet to Be Stabilized Retail Tenants opened in new construction outlot buildings that were fully assessed as of January 1, 2026.
(4) Valvoline Instant Oil is the only Yet to Bet Stabilized Retail Tenant that opened in a newly constructed building that was not fully assessed as of January 1, 2026.

Table 4 – Existing Residential Developments

Source: Districts, 2026.

Existing Residential Developments	Date of Completion	District Location	Number of Units
Fee Simple Single Family Detached Homes			
Parkway at Prairie Center Village	November 1, 2024	5	77
Rental Townhomes			
Canvas at Prairie Center	January 1, 2025	5	192
Elements at Prairie Center	July 1, 2018	5	288
The Villas at Prairie Center	July 1, 2019	5	136

Table 5 – Anticipated New Development

Source: Districts, 2026.

Anticipated New Development (1)	Status	Anticipated Date of Completion	District Location	Approximate Square Feet
Large Format Retailers				
Grocery	Under Contract	September 1, 2028	4	84,000
Full Service Restaurants				
Sports Bar & Restaurant	Signed LOI	February 1, 2028	4	6,686
Auto Parts & Repair				
Car Wash	Under Contract	June 1, 2027	4	3,293
Total				**93,979**

Notes:
(1) Anticipated New Development is anticipated to open in the coming years and will require the new construction of out-lot buildings.

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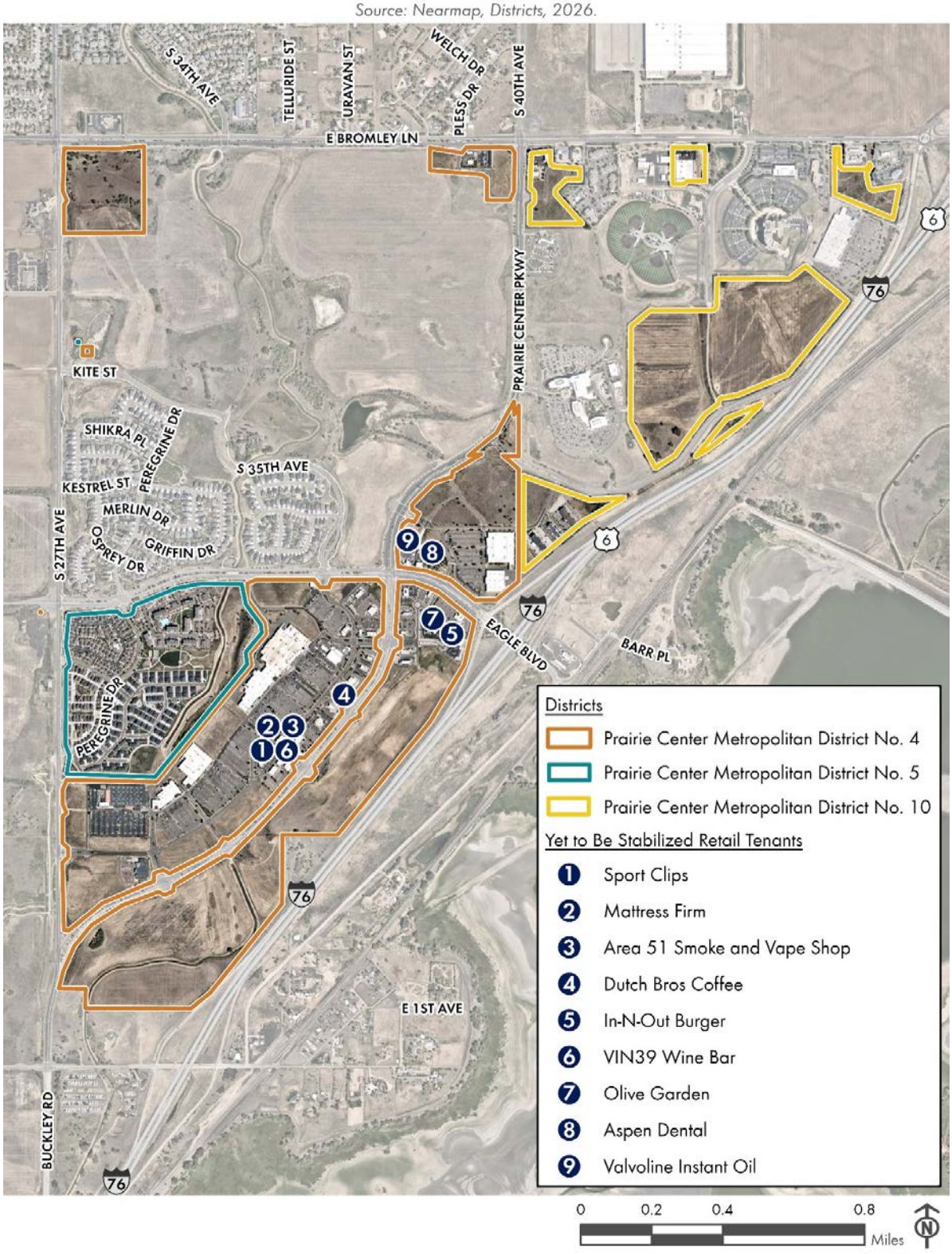
Figure 1 – Site Overview and Location of Yet to Be Stabilized Retail Tenants

Source: Nearmap, Districts, 2026.



Methodology

Real Property and Personal Property Statutory Actual Value Estimation

Property within the boundaries of Prairie Center Metropolitan District Nos. 4 and 5 are subject to a debt service levy (subject to adjustment). To determine a reasonable estimate of property tax generation for tenants currently operating within District Nos. 4 and 5, PGAV reviewed historic debt service levy collections. In order to determine a reasonable estimate of property tax generation for properties not yet built, comparable properties within the County were identified and their statutory actual values and personal property tax values collected from the County Assessor's Office ("**County Assessor**"). Estimates of statutory actual value for each subject property were adjusted based on location, age, marketability, and finish when appropriate.

Assessed value is estimated as of January 1 of a given year (the "**Assessment Year**"). Taxes are paid in arrears, with the bills mailed soon after January 1 of the year following the Assessment Year (the "**Collection Year**"). All Property Revenues (defined herein) in this Study are projected in the Collection Year, as this is also the year in which they are collected by District Nos. 4 and 5 and available for the repayment of the Bonds.

Taxable Sales Estimation

To determine a reasonable estimate of taxable sales for tenants currently operating within the Districts, PGAV reviewed historic sales tax collections and public improvement fee collections. To determine a reasonable estimate of taxable sales for businesses not yet stabilized or not yet operating within the Districts, taxable retail sales per square foot of retail store area were calculated using publicly available data for different types of retailers, such as 10-K annual reports, other annual reports published by companies, franchise disclosure documents, and sales figures reported in reputable news outlets. Where the exact tenant is unknown, a reasonable and conservative estimate for the tenant type has been used.

Projections of taxable sales are shown according to the year in which the sales occur (the "**Sales Year**"). Similar to Property Revenues (defined herein), all Sales Revenues (defined herein) in this Study are projected in the Collection Year, the year in which they are received or collected by the Districts and available for the repayment of the Bonds.

Figure 2 – Regional Overview and Districts Location

Source: US Census, ESRI, 2026.

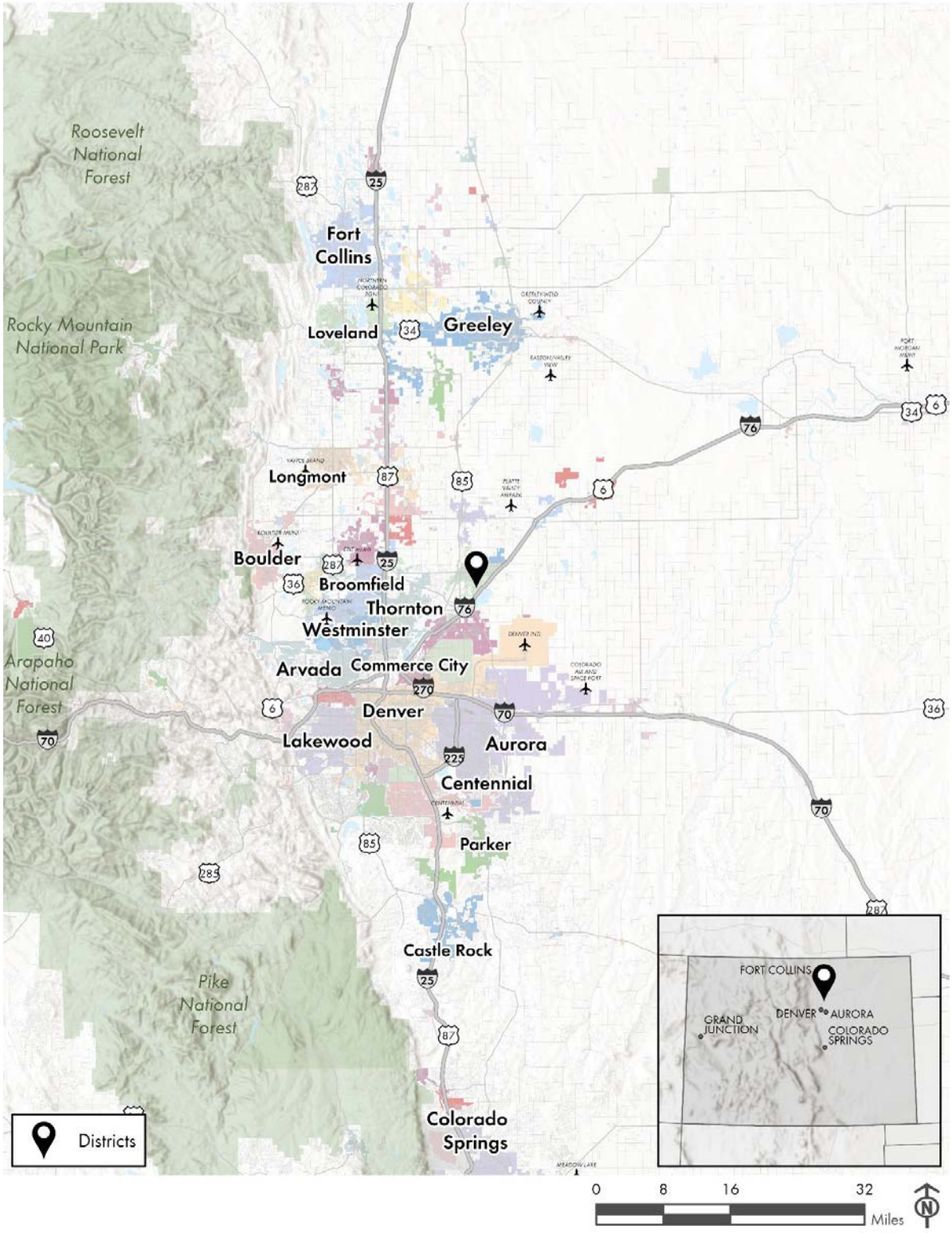
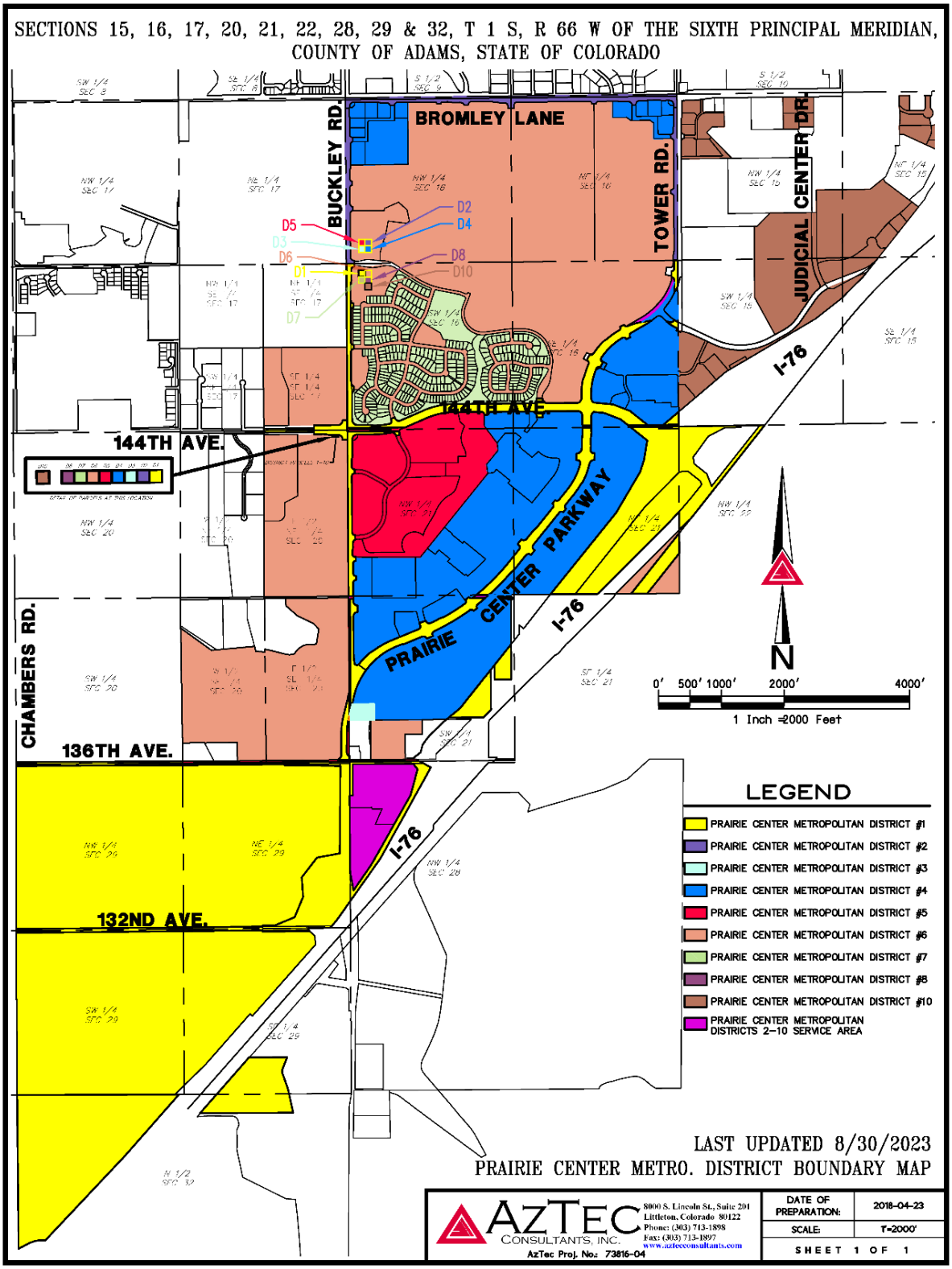


Figure 3 – Districts Map



SECTION II – DEMOGRAPHIC ANALYSIS

District Location

The Districts are located in the southeastern portion of the City, west of Interstate 76 and accessible from three interstate exits (East 136th Avenue, Eagle Boulevard, and Bromley Lane). Interstate 76 is a major north-east arterial that connects Denver, Colorado to surrounding northern rural and urban areas in the State. Eagle Boulevard is a major connector route to South 27th Avenue and Sable Boulevard, which connects to the downtown portion of the City. The District is located in the Denver-Aurora-Centennial, CO Metropolitan Statistical Area (the "**MSA**").

Trade Area Overview

For the purposes of demographic analysis, two trade areas were defined using drive-time data; a Primary Trade Area ("**PTA**"), consisting of the areas within a 15-minute drive of the Project, and a Secondary Trade Area ("**STA**"), consisting of the areas within a 30-minute drive of the Project. The PTA includes the City and several neighboring communities including Lochbuie, Todd Creek, and Commerce City—all located within the State. The District's proximity to multiple major interstates and highways results in an STA that extends as far south as Centennial, Colorado and as far north as almost to Greeley, Colorado. The STA extends west to Boulder, Colorado and east toward Bennett, Colorado. Figure 4 shows a map of the PTA and STA.

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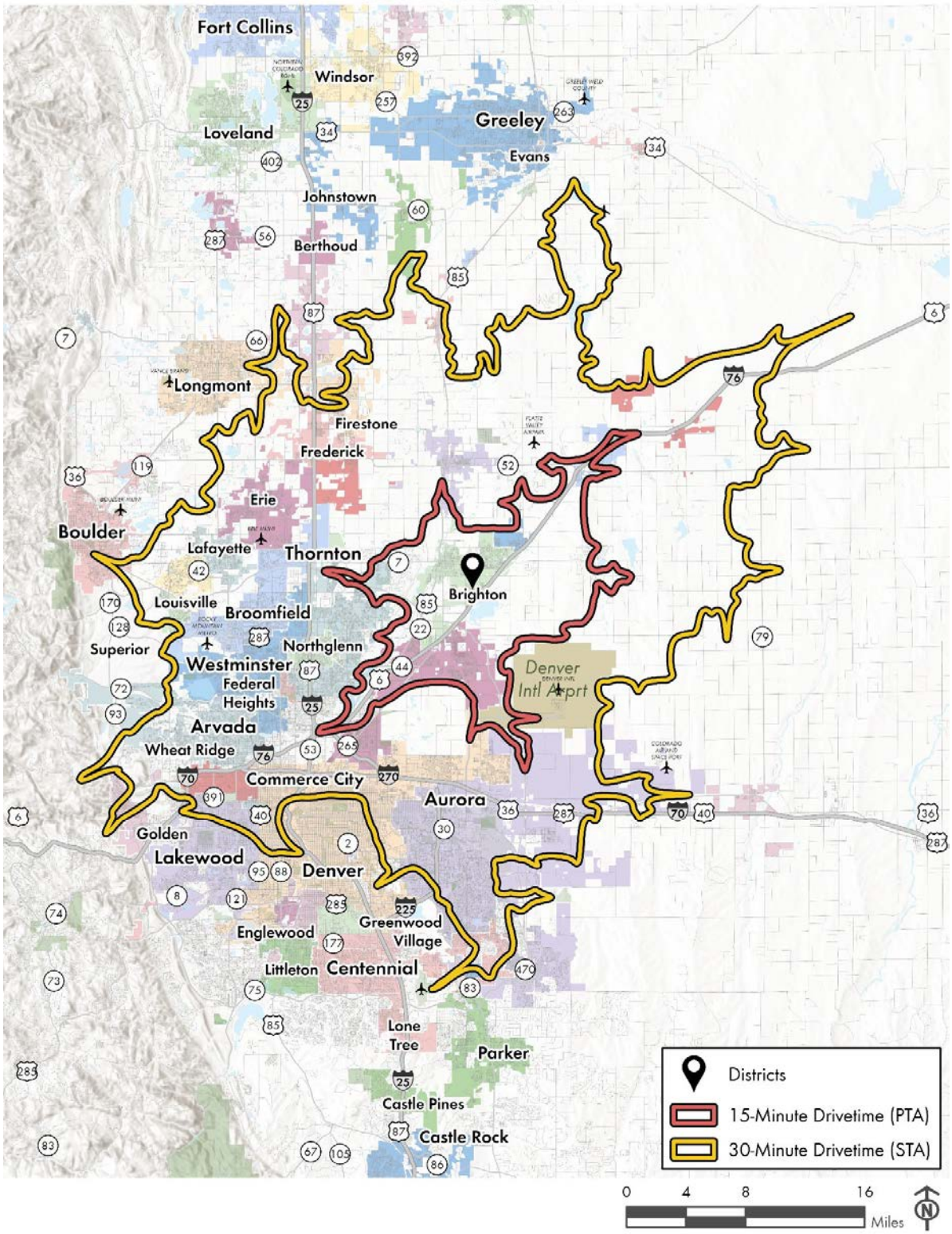
Figure 4 – Primary and Secondary Trade Areas

Source: US Census, ESRI, 2026.



Population and Household Trends

The City had approximately 46,700 residents in 2026. Between 2010 and 2026, the PTA grew at an average annual rate of 3.0%. During the same period, the City experienced an average annual increase in population of 2%, while the County grew at an average annual rate of 1.5%. The STA grew at a rate similar to that of the County, with population increasing at an average annual rate of 1.7% between 2010 and 2026. During the same period, the MSA experienced an average annual increase in population of 1.4%. Population trends are shown in Table 6.

Population growth is expected to slow over the next five years. The STA, City, County, and MSA are estimated to continue to grow at an average annual rate of approximately 1%, while the PTA is estimated to grow at a faster average annual rate of 1.7% over the next 5 years. This continued trend of significant population growth is expected to increase demand for housing, retail, and services in the coming years.

The geographic distribution of population and the areas with population changes are shown in Figure 5 and Figure 6. Population density in the PTA and STA is highest around the outskirts of Denver, Colorado and Aurora, Colorado to the south of the City. The PTA has experienced considerable population growth since 2010.

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Table 6 – Population Trends in the PTA, STA, City, County, MSA, and State

Source: U.S. Census, ESRI, 2026.

	PTA 15-Minute Drive Shed	STA 30-Minute Drive Shed	City of Brighton	Adams County	Denver-Aurora-Centennial, CO MSA	State of Colorado
Population Totals						
2010 Total Population	84,700	1,337,400	33,800	441,600	2,543,500	5,029,200
2020 Total Population	114,400	1,599,300	40,100	519,600	2,963,800	5,773,700
2026 Total Population	136,900	1,753,900	46,700	563,200	3,178,000	6,200,800
2031 Total Population (Est.)	148,800	1,851,000	49,000	594,100	3,328,300	6,486,500
Population Change						
Annual Pop. Change 2010 - 2026	3.0%	1.7%	2.0%	1.5%	1.4%	1.3%
Annual Pop. Change (Est.) 2026 - 2031	1.7%	1.1%	1.0%	1.1%	0.9%	0.9%
Population Density						
Area (Square Miles)	312	2,067	22	1,167	8,345	104,094
2010 Residents per Square Mile	270	650	1,570	380	300	50
2020 Residents per Square Mile	370	770	1,860	450	360	60
2026 Residents per Square Mile	440	850	2,170	480	380	60
Household Size						
2026 Average Household Size	3.04	2.56	2.94	2.85	2.49	2.48
Housing Units Needed						
Additional Residents by 2031 (Est.)	11,900	97,100	2,300	30,900	150,300	285,700
Housing Units Needed (Est.)	3,910	37,930	780	10,840	60,360	115,200

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Figure 5 – Population Distribution in the PTA and STA

Source: US Census, ESRI, 2026.

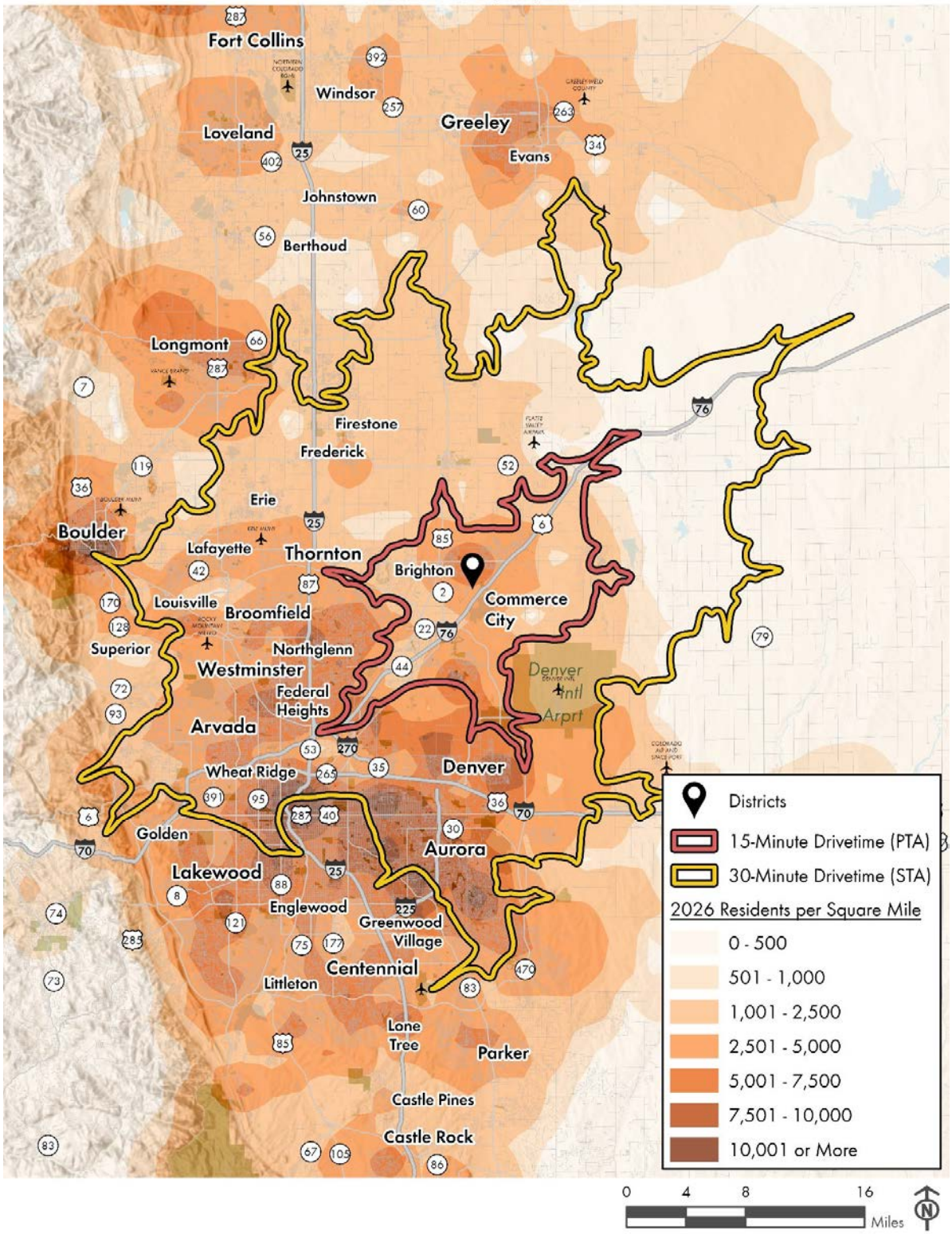
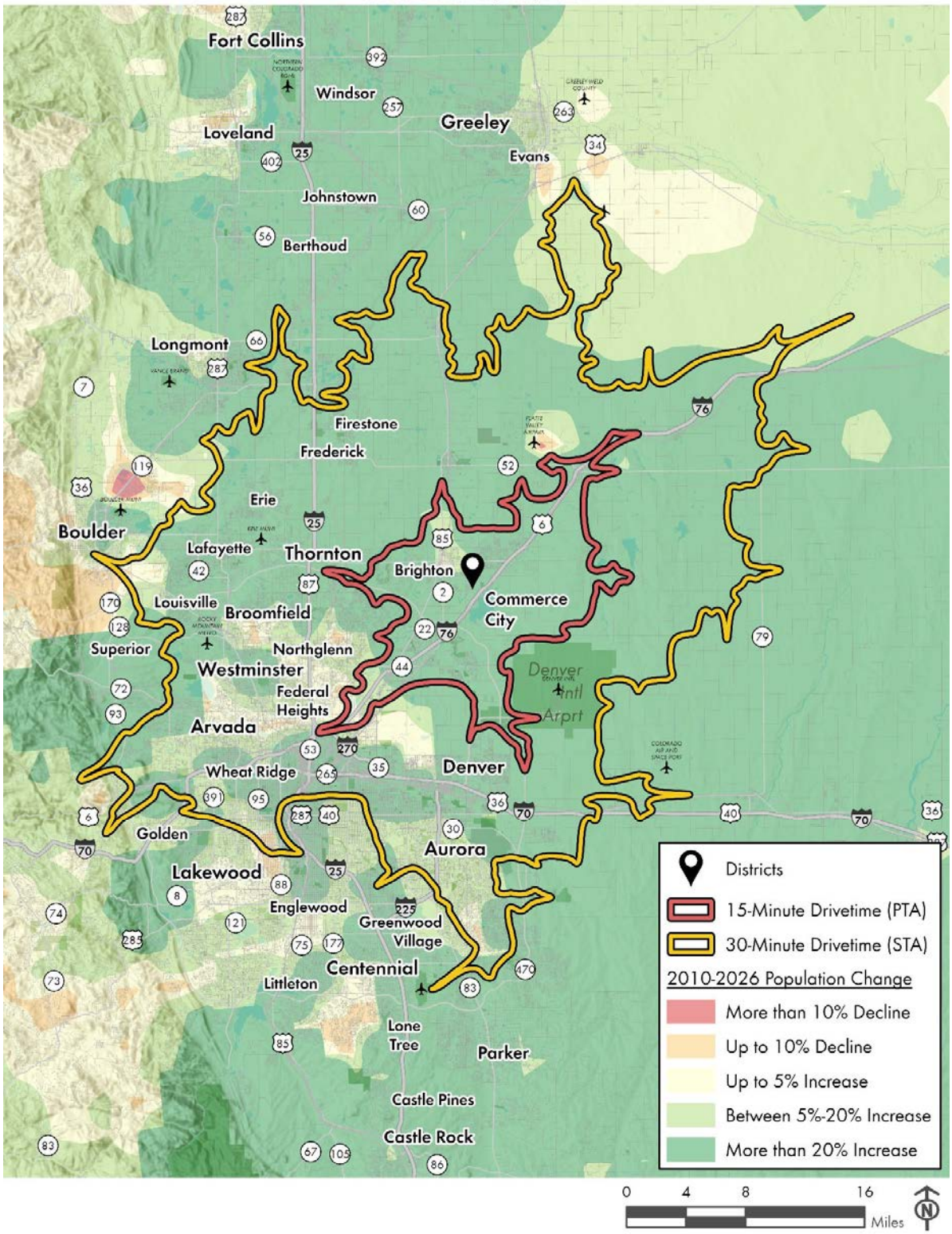


Figure 6 – Population Change in the PTA and STA

Source: US Census, ESRI, 2026.



Employment

Unemployment rates in the County, MSA, State, and nationally are relatively similar in 2025. The unemployment rate in the County in 2025 was 4.2%. Between 2016 and 2020, the unemployment rate in the County was consistently lower than the national unemployment rate. In more recent years, between 2020 and 2025, the unemployment rate across the analyzed geographies have been relatively similar to each other. Since 2022, the County, MSA, and State unemployment rates have steadily increased by approximately 1%. While the national average has also increased, it has only increased by 0.7%. Unemployment rate trends are summarized in Chart 1.

Chart 2 shows the labor force and unemployment rate trends in the County. The labor force has increased by 42,520 since 2016 which is a 16.2% increase. The County has experienced a higher percentage increase of labor force than the MSA (14.5%) and a lower percentage increase of labor force than the City (21.1%) over the same time period. An increase in labor force and increase in unemployment rates concludes more people are actively searching for employment, but the job creation is not keeping up with this demand.

Figure 7 displays the location of the major employment concentrations in the region surrounding the Districts as well as their locations relative to the Districts. High concentrations of employment are located in Denver, Colorado and Centennial, Colorado. A concentration of employment is also located at the Denver International Airport to the southeast of the City. While the PTA does not include high concentrations of employment, it does include small pockets of under 2,500 employees per square mile.

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Chart 1 – Local, State, and National Unemployment Rate Comparison

Source: Bureau of Labor Statistics, 2026.

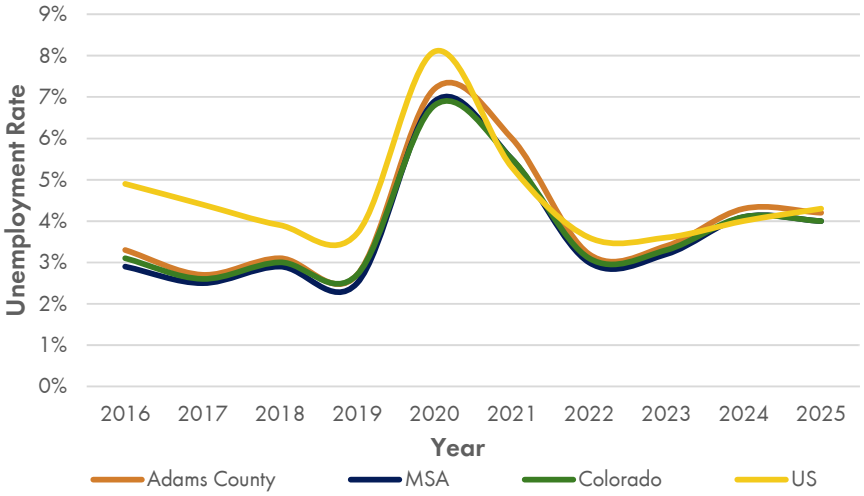


Chart 2 – Adams County Labor Force & Unemployment Rate Trends

Source: Bureau of Labor Statistics, 2026.

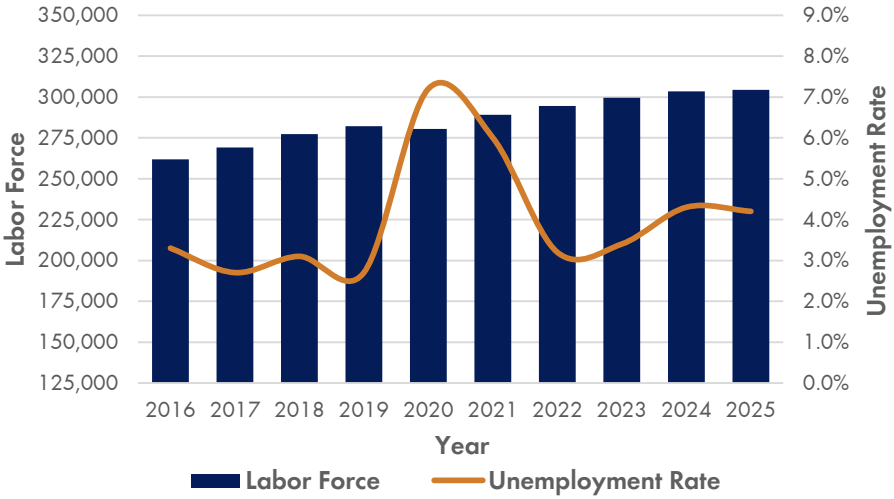
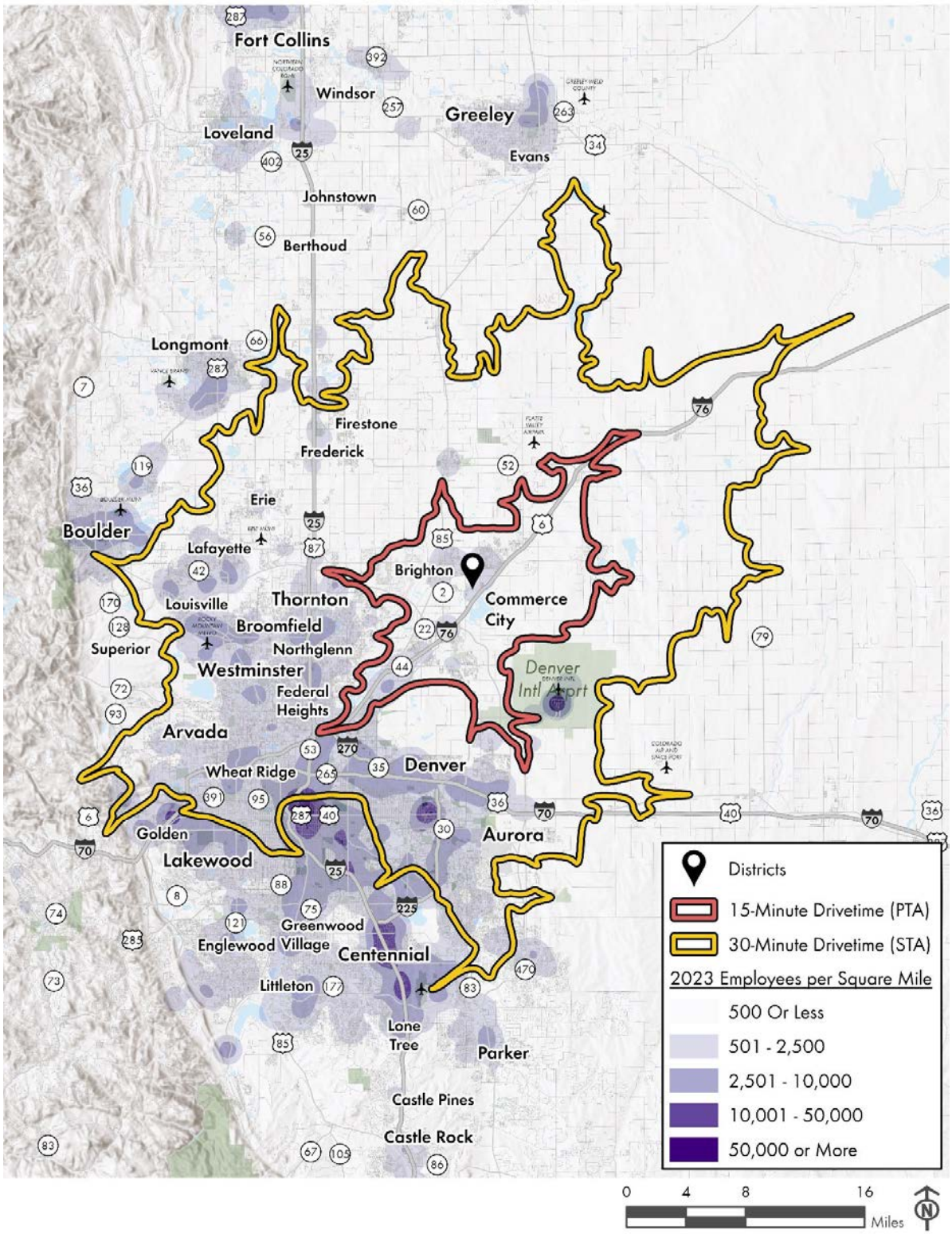


Figure 7 – Employment Concentrations in the PTA and STA

Source: US Census, ESRI, 2026.



Income

Table 7 shows household income trends in the PTA and STA relative to the City, County, MSA, and State. Of the analyzed geographies, the PTA has the largest percentage of high earning households with 39.5% of households earning more than $150,000. The PTA also has the smallest percentage of households earning less than $25,000 (5.7%). This increases significantly across the State where 10.7% of households earn less than $25,000.

Projected per capita income trends between 2026 and 2031 are expected to be positive across the analyzed geographies, ranging from an estimated average annual increase of 2.5% in the PTA to 2.8% in the STA. Projected household income trends, during the same time period, are also expected to be positive across the analyzed geographies, ranging from an estimated average annual increase of 2.4% in the PTA to 3.5% in the MSA. These estimated annual increases in per capita income and household income indicate continued economic growth is likely across the analyzed geographies.

Figure 8 shows the PTA, STA, and Districts in relation to areas of high and low median household income. The highest median household incomes are mostly concentrated in the western portion of the STA and south of the STA. The PTA includes mostly middle-income ranges of median household income with a large portion of the PTA reflecting the $120,000 to $160,000 range of median household income, mostly in areas southeast of Route 6 and the Districts.

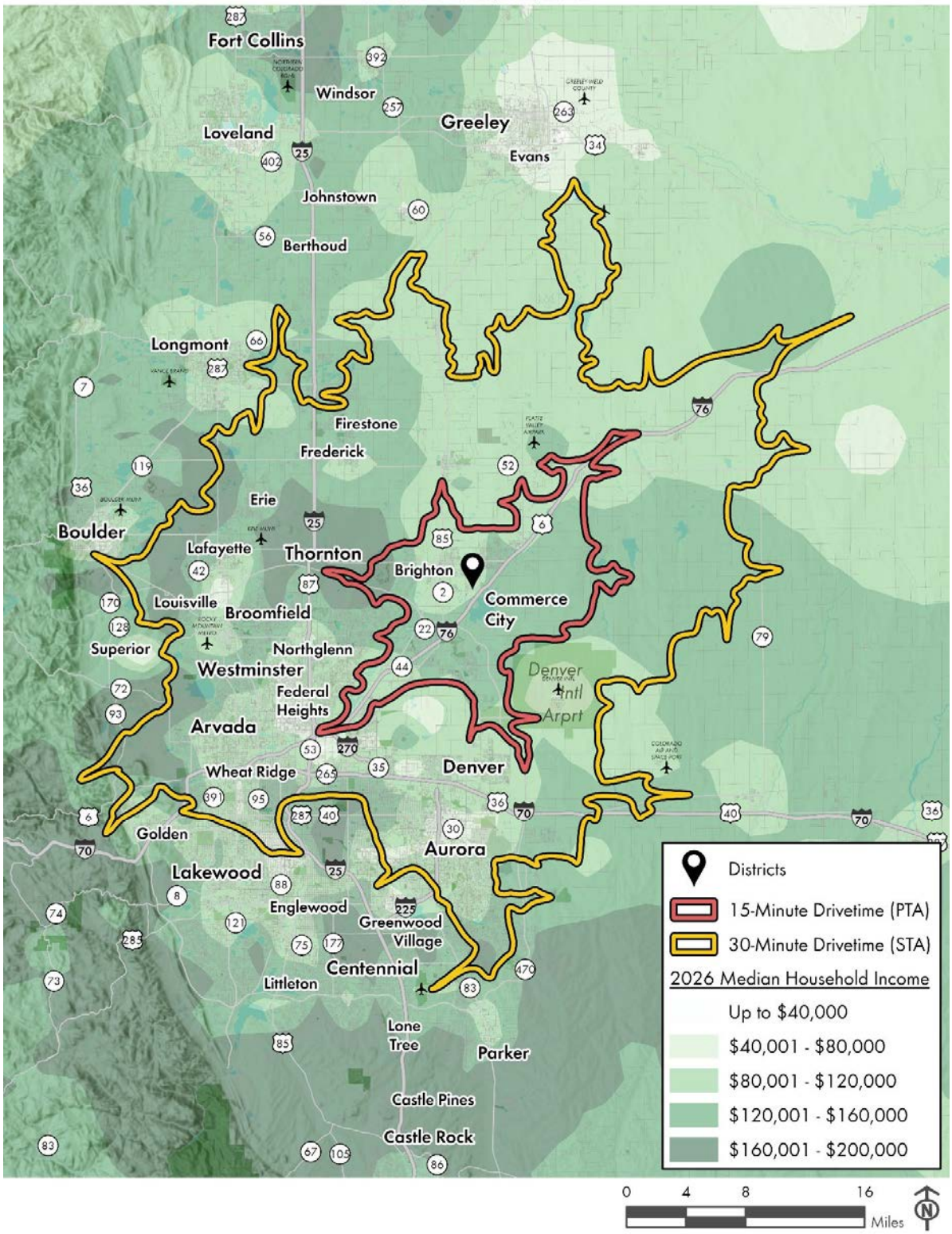
Table 7 – Household Income Trends in the PTA, STA, City, County, MSA, and State

Source: U.S. Census, ESRI, 2026.

	PTA 15-Minute Drive Shed	STA 30-Minute Drive Shed	City of Brighton	Adams County	Denver-Aurora-Centennial, CO MSA	State of Colorado
2026 Households by Income Range						
Less than $25,000	5.7%	9.7%	8.2%	9.3%	8.8%	10.7%
$25,000 to $49,999	7.3%	10.7%	9.1%	11.1%	10.4%	11.8%
$50,000 to $74,999	11.0%	13.2%	13.5%	13.8%	12.3%	13.9%
$75,000 to $99,999	11.2%	12.6%	11.2%	12.1%	12.0%	12.3%
$100,000 to $149,999	25.3%	19.7%	22.9%	22.3%	19.2%	18.9%
$150,000 or more	39.5%	34.1%	35.1%	31.3%	37.4%	32.4%
Per Capita Income Trends						
2026 Per Capita Income	$ 47,440	$ 54,150	$ 44,930	$ 45,150	$ 61,460	$ 55,220
2031 Per Capita Income (Est.)	$ 53,620	$ 62,260	$ 51,030	$ 51,460	$ 69,960	$ 62,890
Annual Increase (Est.) 2026 - 2031	2.5%	2.8%	2.6%	2.7%	2.6%	2.6%
Household Income Trends						
2026 Median Household Income	$ 127,190	$ 107,370	$ 114,960	$ 105,840	$ 114,340	$ 102,470
2031 Median Household Income (Est.)	$ 143,290	$ 126,900	$ 131,570	$ 120,430	$ 135,520	$ 119,770
Annual Increase (Est.) 2026 - 2031	2.4%	3.4%	2.7%	2.6%	3.5%	3.2%

Figure 8 – Median Household Income in the PTA and STA

Source: US Census, ESRI, 2026.



SECTION III – MARKET ANALYSIS & VALUATION

Commercial Development Analysis & Valuation

In order to determine a reasonable estimate of property tax generation for properties not yet built, PGAV reviewed the retail market of the PTA, STA, and MSA as well as comparable properties. This analysis is outlined in the following sections.

Retail Development Overview

Of the Yet to Be Stabilized Retail Tenants, four opened since January 1, 2025 in vacant spaces within existing buildings. Therefore, the valuation of these assets is captured in historic revenues. Another four Yet to Be Stabilized Retail Tenants opened since January 1, 2025 in new construction outlot buildings that were fully assessed as of January 1, 2026. Therefore, the valuation of these assets is captured in the 2026 assessed values for District No. 4. One of the Yet to Be Stabilized Retail Tenants, the Valvoline, opened in a new construction outlot building that was not fully assessed as of January 1, 2026.

The Anticipated New Development includes three prospective tenants currently under contract or negotiating a letter of intent. These three prospective tenants include a grocery store, a full-service sports bar and restaurant, and a car wash, and are anticipated to require the construction of new outlot buildings. The Anticipated New Development is anticipated to be constructed within District No. 4. Table 8 outlines when the new retail square footage attributed to the Anticipated New Development is anticipated to be completed.

Table 8 – Retail Development Program for the Anticipated New Development

Source: Districts, 2026.

Proposed Year	Proposed Square Feet
2027	3,293
2028	90,686
Total	**93,979**

Retail Market & Demand Analysis

Table 9 provides a summary of retail market trends in the PTA, STA, and MSA. Retail trends show a higher growth rate of net new square footage from 2010 to 2025 for the PTA compared to the STA or MSA. The STA and MSA have similar growth trends of 0.4% and 0.3% respectively, while the PTA has a

2.2% growth rate with an additional 67,600 square feet of new retail space constructed between 2010 and 2025. Construction of new retail space has been steady over the past 3 years, averaging approximately 25,000 square feet. The year-to-date square foot of new retail space in 2026 is a fraction of this at 5,200 square feet.

The STA has experienced a steady decline of the square footage of retail space under construction, with 600,000 square feet in 2023 and 400,000 square feet in 2025. The MSA, in comparison, has seen a major increase in square footage under construction. In 2025, the square footage under construction (1,242,900 square feet) was approximately double the square footage under construction in 2024 (541,000 square feet). Year-to-date square footage in 2026 has already surpassed total 2025 square footage.

The PTA, STA, and MSA all have strong occupancy rates. The PTA, as of September 2026, has an occupancy rate of 97.0%, with the STA at 95.9% and the MSA at 95.5%. While the average annual lease rate declined by 0.7% in the PTA between 2010 and 2025, the STA and MSA both increased (2.9% and 2.5%, respectively) which, along with the occupancy rates, corresponds to the growth and absorption of new retail space square footage.

PGAV estimates the growth rate for retail space in the PTA between 2025 and 2030 will be 2.0%, compared to 0.5% in both the STA and MSA. This corresponds to approximately 77,000 square feet constructed per year for the PTA, approximately 393,000 square feet for the STA, and approximately 829,000 square feet for the MSA. High occupancy rates, stable lease rates, and population growth are expected to sustain continued demand for new retail in the PTA.

Table 10 provides a demand capture rate of the square footage anticipated to be included in the Anticipated New Development against PGAV's estimated demand for retail square footage in the PTA and STA. The Anticipated New Development is anticipated to have a demand capture rate of 4% in 2027 and 118% in 2028, for an average of 61% across both years.

The Project is considered a "power center," a large retail center with three or more big box anchors surrounded by smaller inline and outlot retailers, typically accounting for 250,000 square feet or more of retail area. Power centers provide shoppers with the ability to visit multiple stores easily within a single trip. The Project is the only such power center located in the PTA and is competitively located to serve households in the growing communities of Brighton, Lockbuie, and northern Commerce City. The closest power centers to the Project are located in Northglenn, Thornton, and Aurora, which lie on the outer edges of the STA. Having established itself within the PTA, and without significant competitors in its immediate vicinity, it is anticipated that the Project continues to maintain its position as the foremost retail center in the northeast Denver metro in the upcoming years.

Table 9 – Retail Space Trends and Projected Demand

Source: CoStar, ESRI, PGAV, 2026.

	PTA 15-Minute Drive Shed	STA 30-Minute Drive Shed	Denver-Aurora-Centennial, CO MSA
Historic Square Footage ("SF")			
2010 Square Footage	2,677,900	72,997,100	156,495,800
2025 Square Footage	3,692,400	77,882,600	164,120,500
2026 YTD Square Footage	3,716,900	77,919,700	164,186,700
Avg. Annual Net New SF 2010 - 2025	67,600	325,700	508,300
Avg. Annual Growth Rate 2010 - 2025	2.2%	0.4%	0.3%
SF Under Construction			
2023	28,700	606,700	659,600
2024	27,100	481,200	541,000
2025	24,500	404,200	1,242,900
2026 YTD	5,200	375,100	1,600,500
Population Change			
2010 Total Population	84,700	1,337,400	2,543,500
2025 Total Population	136,900	1,753,900	3,178,000
2030 Total Population (Est.)	148,800	1,851,000	3,328,300
Annual Population Growth 2010 - 2025	3.3%	1.8%	1.5%
Annual Population Growth (Est.) 2025 - 2030	1.7%	1.1%	0.9%
Occupancy Rates			
2023	96.9%	95.5%	95.9%
2024	97.5%	97.0%	96.2%
2025	96.4%	96.2%	95.7%
2026 YTD	97.0%	95.9%	95.5%
Average Lease Rate per Square Foot			
2010	$17.83	$12.82	$14.44
2025	$16.13	$19.74	$20.88
2026 YTD	$15.32	$19.85	$20.91
Avg. Annual Change 2010 - 2025	-0.7%	2.9%	2.5%
Projected Annual Demand & Growth Rate			
Proj. Annual Growth Rate 2025 - 2030	2.0%	0.5%	0.5%
2030 Total Square Footage (Est.)	4,076,700	79,849,200	168,264,700
Total Five-Year Demand	384,300	1,966,600	4,144,200
Annual Demand at Estimated Growth Rate	**76,860**	**393,320**	**828,840**
Retail Square Feet per Resident			
2010	31.6	54.6	62
2025	27.0	44.4	52
2030	27.4	43.1	51

Notes:
(1) 2026 YTD data available through September 16, 2026.

Table 10 – Estimated Retail Demand Compared to the Anticipated New Development

Source: Districts, PGAV, 2026.

Proposed Year	Proposed Square Feet	Estimated Demand		Demand Capture Rate	
		Estimated Annual PTA Demand (Square Feet)	Estimated Annual STA Demand (Square Feet)	Proposed Square Feet as Percentage of Estimated Annual PTA Demand	Proposed Square Feet as Percentage of Estimated Annual STA Demand
2027	3,293	76,860	393,320	4%	1%
2028	90,686	76,860	393,320	118%	23%
Total	**93,979**	**153,720**	**786,640**	**61%**	**12%**

Retail Estimation of Market Value

The estimated real and personal property statutory actual values for the Valvoline and the Anticipated New Development in the Districts have been estimated using selected comparable properties with data obtained from the County Assessor. These comparable properties and estimated statutory actual values per square for the subject properties are shown in Table 11, Table 12, Table 13, and Table 14. Maps of these comparable properties are shown in Figure 9, Figure 10, Figure 11, and Figure 12. All comparable properties are located within the County.

Table 11 – Selected Comparable Oil Change Properties and Estimation of Value

Source: Districts, County Assessor, 2026.

	Location	Square Feet	Construction Year	Anticipated Statutory Actual Value Per Unit	Total Anticipated Statutory Actual Value	Anticipated Personal Property Actual Value Per Unit	Total Anticipated Personal Property Actual Value
Subject Property							
Valvoline Instant Oil	In Districts	1,674	2026	$ 625	$ 1,046,250	$ 25	$ 41,850
	Location	**Square Feet**	**Construction Year**	**2025 Statutory Actual Value Per Unit**	**2025 Total Statutory Actual Value**	**2025 Personal Property Actual Value Per Unit**	**2025 Total Personal Property Actual Value**
Selected Comparable Properties							
Valvoline Instant Oil 1	Thornton	2,092	2025	$ 722	$ 1,510,704	$ -	$ -
Jiffy Lube	Brighton	2,882	2018	$ 526	$ 1,517,253	$ -	$ -
Grease Monkey 1	Commerce City	4,886	2018	$ 451	$ 2,204,808	$ 54	$ 266,258
Grease Monkey 2	Thornton	4,112	2009	$ 451	$ 1,855,540	$ 9	$ 38,778
Valvoline Instant Oil 2	Thornton	4,854	2004	$ 526	$ 2,555,429	$ 89	$ 433,185
Grease Monkey 3	Brighton	2,500	2003	$ 656	$ 1,640,909	$ 14	$ 35,188

Notes:
(1) All properties are located within Adams County.

Figure 9 – Selected Comparable Oil Change Properties

Source: PGAV, ESRI, 2026.

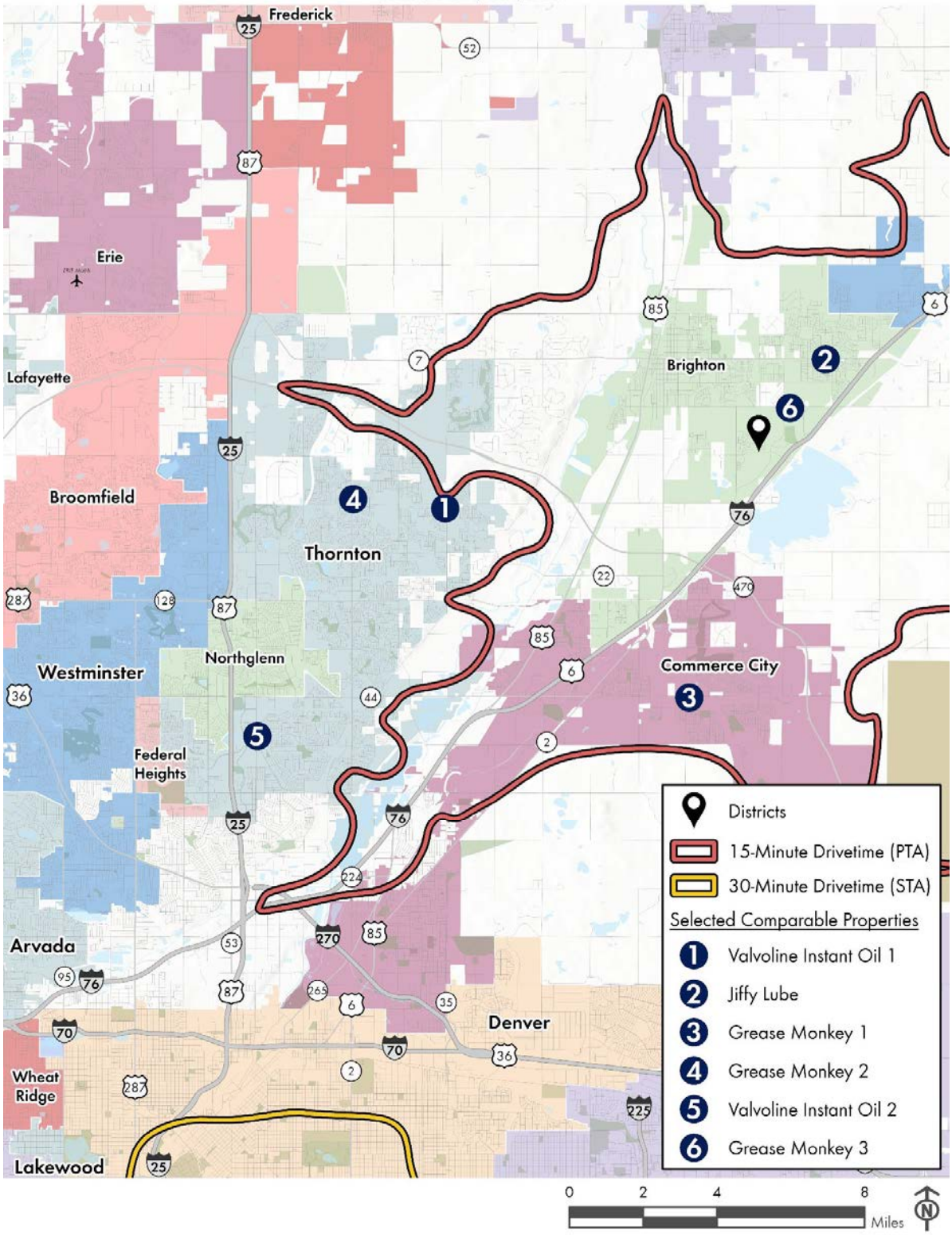


Table 12 – Selected Comparable Grocery Store Properties and Estimation of Value

Source: Districts, County Assessor, 2026.

	Location	Square Feet	Construction Year	Anticipated Statutory Actual Value Per Unit	Total Anticipated Statutory Actual Value	Anticipated Personal Property Actual Value Per Unit	Total Anticipated Personal Property Actual Value
Subject Property							
Grocery	In Districts	84,000	2028	$ 180	$ 15,120,000	$ 35	$ 2,940,000
	Location	**Square Feet**	**Construction Year**	**2025 Statutory Actual Value Per Unit**	**2025 Total Statutory Actual Value**	**2025 Personal Property Actual Value Per Unit**	**2025 Total Personal Property Actual Value**
Selected Comparable Properties							
King Soopers 1	Thornton	109,685	2021	$ 232	$ 25,462,874	$ 50	$ 5,471,087
Whole Foods	Westminster	35,708	2014	$ 265	$ 9,473,657	$ 37	$ 1,309,656
King Soopers 2	Brighton	123,627	2013	$ 146	$ 18,062,201	$ 21	$ 2,624,945
King Soopers 3	Commerce City	120,905	2011	$ 146	$ 17,693,439	$ 24	$ 2,843,150
King Soopers 4	Thornton	65,000	2003	$ 214	$ 13,930,314	$ 40	$ 2,580,703
Safeway	Thornton	58,296	2003	$ 178	$ 10,354,400	$ 40	$ 2,357,566
King Soopers 5	Brighton	65,492	2000	$ 213	$ 13,936,698	$ 43	$ 2,799,064

Notes:
(1) All properties are located within Adams County.

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Figure 10 – Selected Comparable Grocery Store Properties

Source: PGAV, ESRI, 2026.

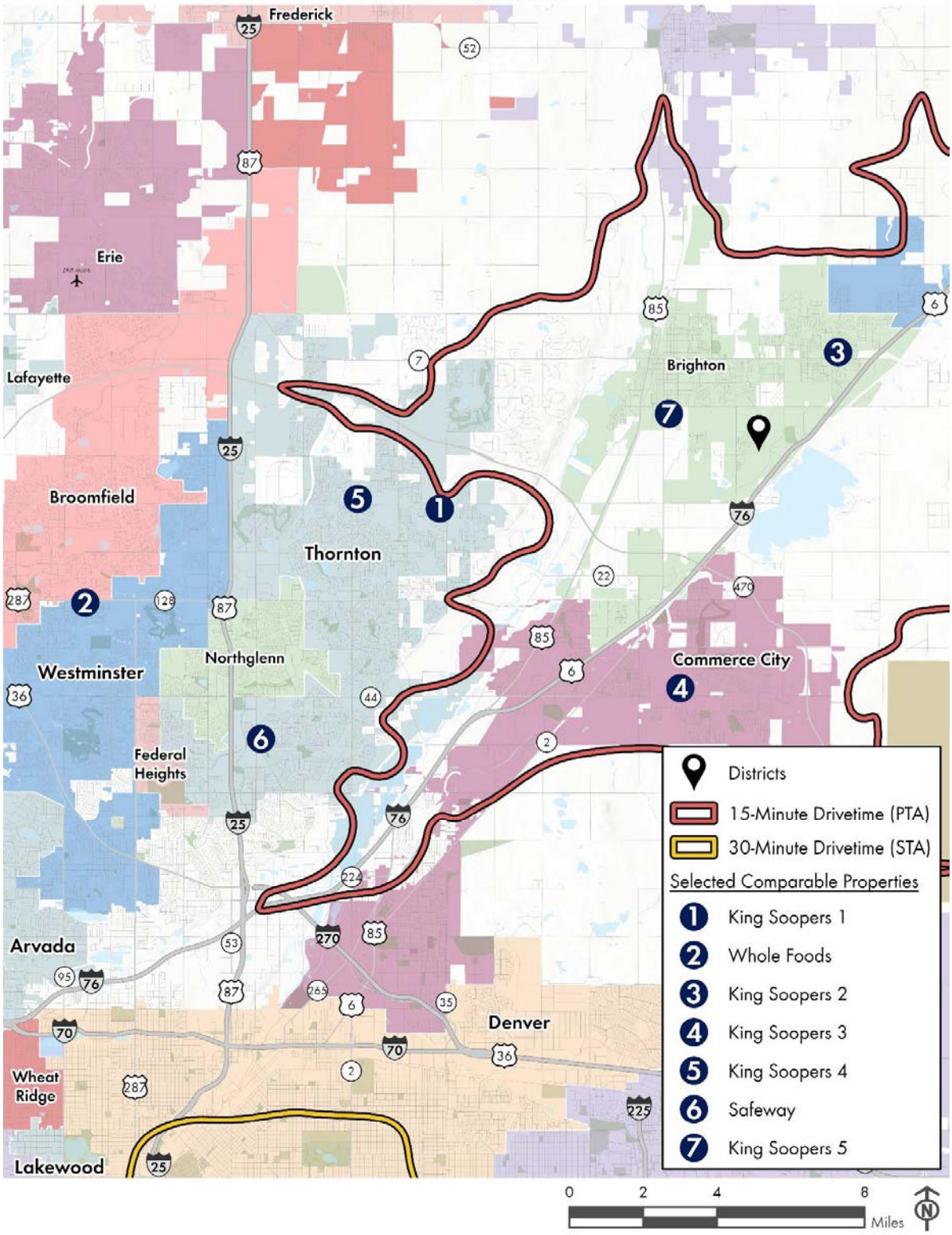

Table 13 – Selected Comparable Full-Service Restaurant and Estimation of Value

Source: Districts, County Assessor, 2026.

	Location	Square Feet	Construction Year	Anticipated Statutory Actual Value Per Unit	Total Anticipated Statutory Actual Value	Anticipated Personal Property Actual Value Per Unit	Total Anticipated Personal Property Actual Value
Subject Property							
Sports Bar & Restaurant	In Districts	6,686	2028	$ 400	$ 2,674,400	$ 40	$ 267,440
	Location	**Square Feet**	**Construction Year**	**2025 Statutory Actual Value Per Unit**	**2025 Total Statutory Actual Value**	**2025 Personal Property Actual Value Per Unit**	**2025 Total Personal Property Actual Value**
Selected Comparable Properties							
Olive Garden	Brighton (In Districts)	7,848	2024	$ 291	$ 2,282,945	$ -	$ -
Billy Birch Pub and Yard	Thornton	4,560	2024	$ 508	$ 2,316,598	$ -	$ -
Texas Roadhouse	Brighton (In Districts)	7,491	2019	$ 384	$ 2,876,232	$ 44	$ 329,913
Old Chicago Pizza & Taproom	Brighton (In Districts)	5,251	2017	$ 432	$ 2,269,744	$ 74	$ 387,249
Dion's Pizza	Commerce City	5,198	2016	$ 428	$ 2,222,145	$ 44	$ 229,277
LongHorn Steakhouse	Northglenn	6,242	2013	$ 356	$ 2,223,713	$ 29	$ 180,445
Buffalo Wild Wings	Brighton (In Districts)	6,092	2009	$ 432	$ 2,633,267	$ 31	$ 190,854

Notes:
(1) All properties are located within Adams County.

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Figure 11 – Selected Comparable Full-Service Restaurant Properties

Source: PGAV, ESRI, 2026.

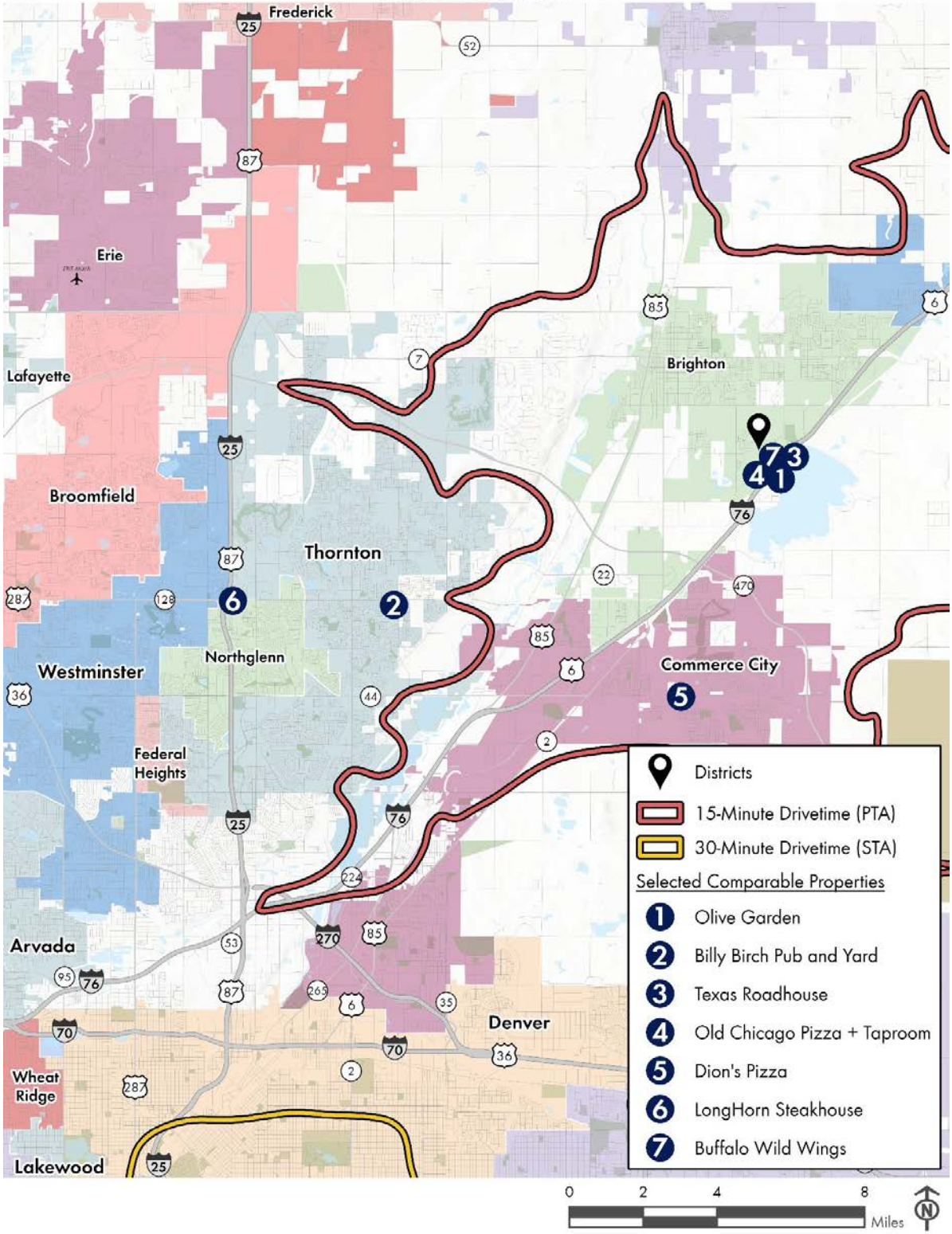

Table 14 – Selected Comparable Car Wash Properties and Estimation of Value

Source: Districts, County Assessor, 2026.

	Location	Square Feet	Construction Year	Anticipated Statutory Actual Value Per Unit	Total Anticipated Statutory Actual Value	Anticipated Personal Property Actual Value Per Unit	Total Anticipated Personal Property Actual Value
Subject Property							
Car Wash	In Districts	3,293	2027	$ 450	$ 1,481,850	$ 150	$ 493,950
	Location	**Square Feet**	**Construction Year**	**2025 Statutory Actual Value Per Unit**	**2025 Total Statutory Actual Value**	**2025 Personal Property Actual Value Per Unit**	**2025 Total Personal Property Actual Value**
Selected Comparable Properties							
Club Car Wash	Brighton	5,327	2024	$ 305	$ 1,624,835	$ 177	$ 944,398
Super Star Car Wash	Brighton	3,871	2023	$ 447	$ 1,728,899	$ 489	$ 1,892,504
Cobblestone Car Wash	Thornton	4,352	2023	$ 322	$ 1,399,409	$ 213	$ 926,026
Wash Fox Car Wash 1	Commerce City	5,019	2021	$ 311	$ 1,559,895	$ 173	$ 867,839
Wash Fox Car Wash 2	Thornton	5,621	2020	$ 300	$ 1,686,085	$ 143	$ 802,086
Whistle Express Car Wash	Brighton (In Districts)	4,272	2019	$ 462	$ 1,975,582	$ 96	$ 410,334

Notes:
(1) All properties are located within Adams County.

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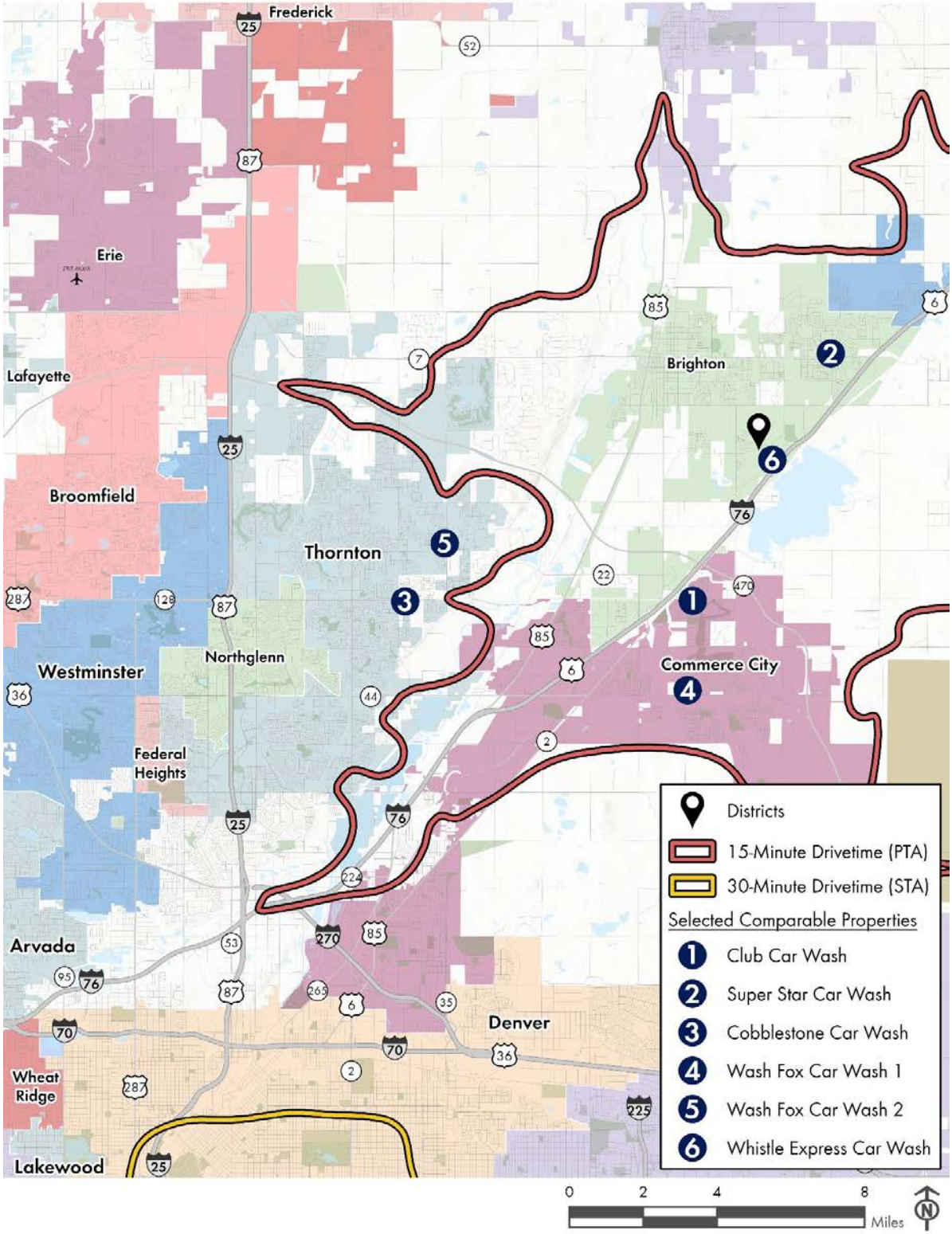
Figure 12 – Selected Comparable Car Wash Properties

Source: PGAV, ESRI, 2026.



SECTION IV – REVENUE PROJECTIONS

Revenue Sources Overview

There are multiple sources of revenue available to support the repayment of the Bonds (the "**Pledged Revenues**"). Pledged Revenues are the sum of the PIF Revenues (defined herein), SSTI Revenues (defined herein), SGFST Revenues (defined herein), the Capital Levies Revenues (defined herein), and the Facilities Fees Revenues (defined herein).

Sales Revenue Sources

The revenues generated from retail sales (the "**Sales Revenues**") include the SSTI Revenues (defined herein), SGFST Revenues (defined herein), and PIF Revenues (defined herein), which are described in the following sections.

Public Improvements Fee Revenues

The PIF Revenues (as defined herein) generally consists of revenue derived from a public improvements fee (a "**PIF**") privately imposed by landowners on certain taxable transactions occurring from or within property against which PIF covenants are recorded. A PIF is a privately imposed fee; it is not a tax, and it is not imposed through the exercise of any governmental taxing authority. A PIF may be imposed upon retail sales made by retailers within the designated area ("**PIF Sales**") and/or imposed upon activities subject to a use tax ("**Use Tax Activities**").

Three covenants govern the imposition of PIFs within the Districts (the "**PIF Covenants**"). The "**Major Retail PIF Covenant**" generally applies to the property comprising the Home Depot and Super Target retail sites (the "**Major Retail PIF Property**"). The "**Bromley Park PIF Covenant**" generally applies to property located within District No. 10 (the "**Bromley Park PIF Property**"). The "**Primary PIF Covenant**" generally applies to all other property located within the Project, which as of this date is undeveloped except for property in District No. 4 (excluding the Home Depot and Super Target sites), which is being developed for commercial retail and other non-residential uses and District No. 5 which is being developed for residential uses (the "**Primary PIF Property**", and collectively with the Major Retail PIF Property and the Bromley Park PIF Property, the "**PIF Property**"). A more detailed description of the property subject to each of the PIF Covenants can be found attached to the applicable PIF Covenant as recorded in the real property records of Adams County, Colorado. A map of the PIF Property is shown Figure 13.

The "**PIF Revenues**" consist of Add-On PIF Revenues (defined herein) and Credit PIF Revenues (defined herein). This Study does not project any revenues derived from Use Tax Activities. Pursuant to the PIF Covenants, the PIF Revenues are collected by District No. 3 and pledged to District No. 3 Bonds.

Add-On PIF

Generally, an add-on PIF is a public improvements fee imposed on specified transactions in addition to any taxes (such as sales or use tax) imposed on such transactions.

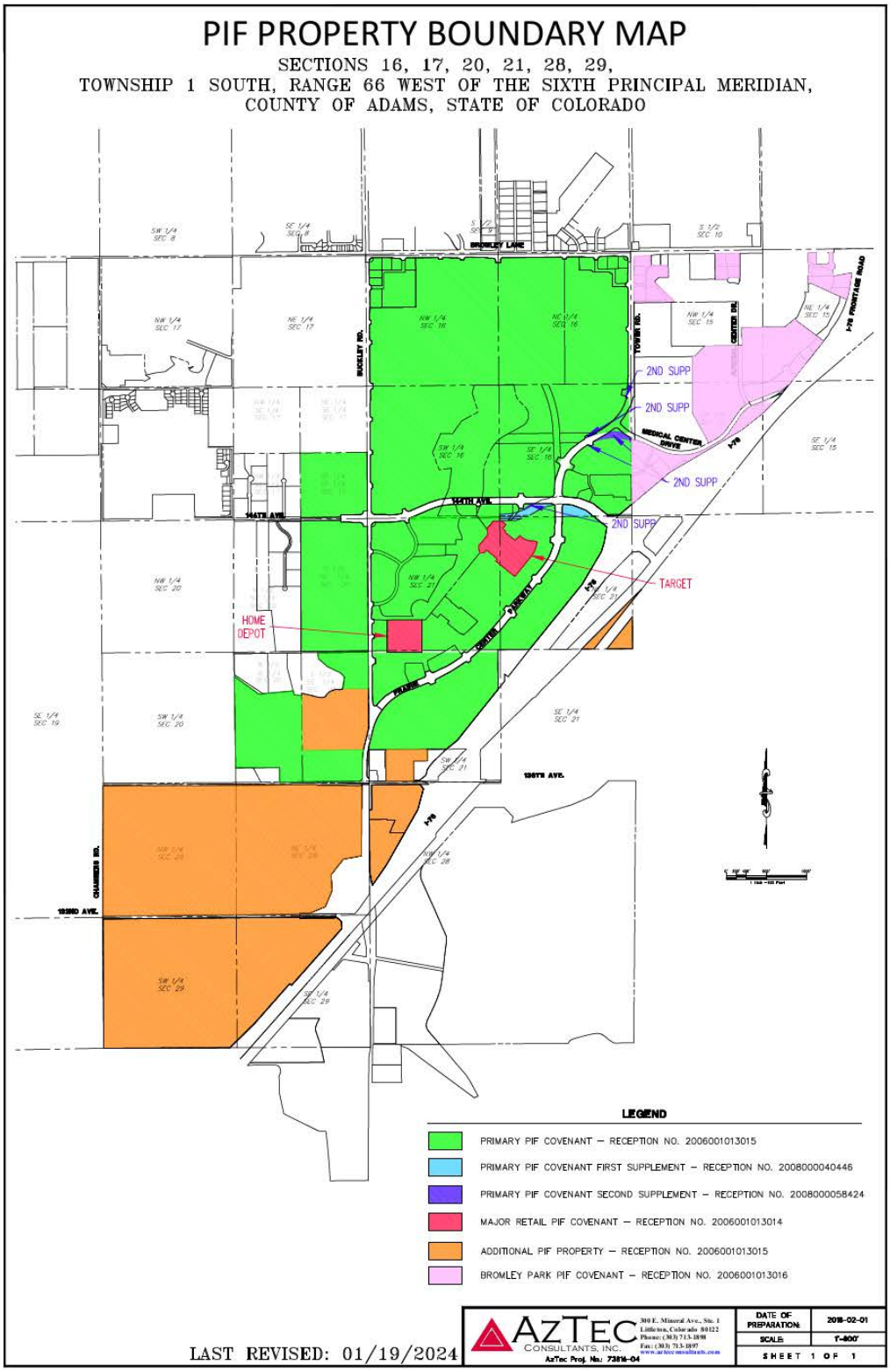
The "**Add-On PIF**" is a public improvements fee of 1.00% imposed on retail sales occurring on the PIF Property. The revenues generated by the Add-On PIF (the "**Add-On PIF Revenues**") are paid to and collected by District No. 3. The Add-On PIF does not apply to PIF Sales of Food for Home Consumption, notwithstanding that Food for Home Consumption is subject to City Sales Tax. Effective as of January 1, 2027, the Add-On PIF will apply to sales of items occurring within the PIF Property but delivered to locations outside the City, notwithstanding that such delivered items are not subject to City Sales Tax. Any fees associated with Add-On PIF collection and administration are paid from the District's general fund revenues; for this reason, this Study does not adjust projections to account for any administration fees.

Credit PIF

Generally, a credit PIF is a public improvements fee imposed on specified transactions in addition to any taxes (such as sales or use tax) imposed on such transactions; provided, however, that such fee will, when paid by the obligor, result in a credit by the applicable governmental entity (in this case, the City) against the particular tax then due and owing at the same rate of the PIF imposed and collected.

The "**Credit PIF**" is a public improvements fee of 1.25% imposed on sales subject to City Sales Tax occurring on the Major Retail PIF Property and the Primary PIF Property. Of this 1.25% Credit PIF, 0.25% is pledged to the payment of Park and Recreation Primary Public Improvements (as defined in the Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement, as amended, among the City, District No. 3, and certain other entities) and obligations issued to finance such costs, and, as a result, is not pledged to the Bonds. Therefore, the Credit PIF pledged to the Bonds is a public improvements fee of 1.00% (the "**Pledged Credit PIF**"). The revenues generated by the Pledged Credit PIF (the "**Credit PIF Revenues**") are paid to and collected by District No. 3. Sales occurring within the Bromley Park PIF Property are not subject to the Credit PIF. Any fees associated with Credit PIF collections and administration are paid from the District's general fund revenues; for this reason, this Study does not adjust projections to account for any administration fees.

Figure 13 – Map of PIF Property



Shared Sales Tax Incremental Revenues (SSTI Revenues)

The Brighton Urban Renewal Authority ("**BURA**") is a corporate body organized and existing as an urban renewal authority within the City, pursuant to Colorado Revised Statutes ("**C.R.S.**") Section 31-25-101, et seq. (the "**Urban Renewal Law**"). On April 3, 2012, the City Council of the City approved and adopted the Southeast Brighton Regional Plan (the "**Urban Renewal Plan**") for the Southeast Brighton Urban Renewal Project (the "**Urban Renewal Project**"). The Urban Renewal Plan designated 748 acres (excluding public rights-of-way) of property within the City as a tax increment area (the "**Plan Area**"). The Plan Area generally includes substantially all of the property within District No. 4; certain property within District No. 6; all of the property within District No. 10; a dedicated right-of-way in District No. 1; and some additional property which is not within the boundaries of the Districts but is within the Districts' Service Area (as defined in their respective service plans and generally includes all property within the Districts and other special districts organized to serve development of the Project, as shown in Figure 3). A map of the Plan Area is shown in Figure 14.

The City imposes a 2.0% general sales tax on eligible taxable sales throughout the City (the "**City General Fund Sales Tax**")[1]. Pursuant to the Urban Renewal Plan, the City allocated certain levels of incremental municipal sales taxes to BURA for use in financing the implementation of the Urban Renewal Project (the "**Allocated Increment Amount**"). The Allocated Increment Amount is computed each year as a percentage (as determined annually, the "**Applicable Shared Sales Tax Increment Percentage**" or the "**Applicable SSTI Percentage**") of the General Fund Sales Tax revenues occurring within the Plan Area for such year in excess of the Base Amount (as defined herein) for such year (the "**Incremental Sales Tax Revenues**").

The portion of the Allocated Increment Amount that is pledged to the Bonds (the "**Shared Sales Tax Incremental Revenues**" or the "**SSTI Revenues**") is equal to the Allocated Increment Amount less the Food Sales Tax BURA Rebate (defined herein) for the same year and the proportionate share of the City's reasonable and necessary costs and expenses of collecting and enforcing the City's General Fund Sales Tax attributable to the Plan Area (the "**City Expenses**"), plus the Interest Earnings (defined herein). This Study does not estimate or deduct City Expenses from estimated SSTI Revenues.

District No. 3 entered into a Cooperation Agreement with the City and BURA on July 18, 2012 (the "**Cooperation Agreement**"). The Cooperation Agreement carries out the provisions of the Urban Renewal Plan with respect to the tax increment revenue allocated by the City to BURA thereunder.

[1] The City's total sales tax rate is higher than 2.00%. However, only the portion of the City's sales tax that is credited to the City's General Fund (2.00%) is used to determine the Shared Sales Tax Incremental Revenues. For the purposes of determining the Shared Sales Tax Incremental Revenues, this 2.00% rate is not subject to an increase in the event the City's sales tax rate increases.

Pursuant to the Cooperation Agreement, BURA has pledged the Shared Sales Tax Incremental Revenues and agrees to transfer such revenues to District No. 3.

BURA's obligation to remit the SSTI Revenues to District No. 3 terminates on April 3, 2037, unless earlier terminated pursuant to the provisions of the Cooperation Agreement. This Study assumes that in 2038, the SSTI Revenues collected on 2037 sales will be calculated based on a full year of sales before being prorated. Therefore, this Study estimates the SSTI Revenues for Collection Year 2038 to be equivalent to one-quarter of a full year of SSTI Revenues.

Food Sales Tax BURA Rebate

Pursuant to the Brighton Municipal Code Section 3-28-15(d), City sales tax revenues that are attributable to sales of food for domestic home consumption[2] ("**Food for Home Consumption**") and that are credited to the City's General Fund may, in the sole discretion of the City Council, be rebated to eligible tax-paying residents of the City if the City Council determines that sufficient food tax revenue is available for rebate in a given year. Pursuant to the Cooperation Agreement, the City agrees that, at the time it remits the Allocated Increment Amount to BURA, the City will indicate in writing the amount of Allocated Increment Amount that is attributable to sales of Food for Home Consumption and eligible to be rebated (the "**Food Sales Tax Revenue**").

Upon receipt from the City of the Allocated Increment Amount, BURA agrees to deposit all Food Sales Tax Revenue, if any, into a "**Food Sales Tax Account**" for such fiscal year and deposit the remaining Allocated Increment Amount into a "**Shared Sales Tax Account**". After the City Council determines the annual rebate amount, if any, BURA will remit the Food Sales Tax Revenue due for the rebate (the "**Food Sales Tax BURA Rebate**") to the City. All amounts in the Food Sales Tax Account following such remittance to the City, if any, shall be transferred to the Shared Sales Tax Account.

This Study assumes that all SSTI Revenues generated from taxes collected on Food for Home Consumption will be rebated. The actual value of this rebate may vary from year to year. Estimated sales generated by Stabilized Retail Tenants exclude any Food for Home Consumption sales as sales estimates are based on taxable sales subject to the Add-On PIF, which exclude sales of Food for Home Consumption[3]. The Yet to Be Stabilized Retail Tenants are not anticipated to have any sales attributable to Food for Home Consumption. The taxable sales generated by the Anticipated New Development are

[2] The City follows the definition of food for domestic home consumption stated in 7 U.S.C. sec. 2012 (k), as amended, for purposes of the federal food stamp program, or any successor program, as defined in 7 U.S.C. sec. 2012 (l), as amended; except that "food" does not include carbonated water marketed in containers; chewing gum; seeds and plants to grow foods; prepared salads and salad bars; packaged and unpackaged cold sandwiches; deli trays; and hot or cold beverages served in unsealed containers or cups that are vended by or through machines or non-coin-operated coin-collecting food and snack devices on behalf of a vendor.

[3] The Add-On PIF does not apply to PIF Sales of Food for Home Consumption.

anticipated to include Food for Home Consumption which may be rebated and therefore have been deducted from the total estimated SSTI Revenues.

Interest earnings, if any, on amounts on deposit in the Food Sales Tax Account shall be transferred to the Shared Sales Tax Account. Interest earnings, if any, on amounts on deposit in the Shared Sales Tax Account or transferred from the Food Sales Tax Account (the "**Interest Earnings**"), shall contribute to Shared Sales Tax Incremental Revenues. This Study does not estimate Interest Earnings.

Applicable SSTI Percentage

The Applicable SSTI Percentage depends upon the total taxable sales volume in the Plan Area. Table 15 describes the relationship between the Applicable SSTI Percentage and the amount of taxable retail sales occurring within the Plan Area. Though the SSTI Percentage is determined based on sales volume, the SSTI Percentage is applied to Incremental Sales Tax Revenues.

If a "**Qualifying Retailer**", defined as Walmart, Sam's Club, or Costco, receives a Certificate of Occupancy (the "**Qualifying Retailer Condition**"), the Applicable SSTI Percentage would not decrease below 30% regardless of the amount of taxable retail sales in the Plan Area in any calendar year.

Table 15 – Applicable SSTI Percentage Thresholds

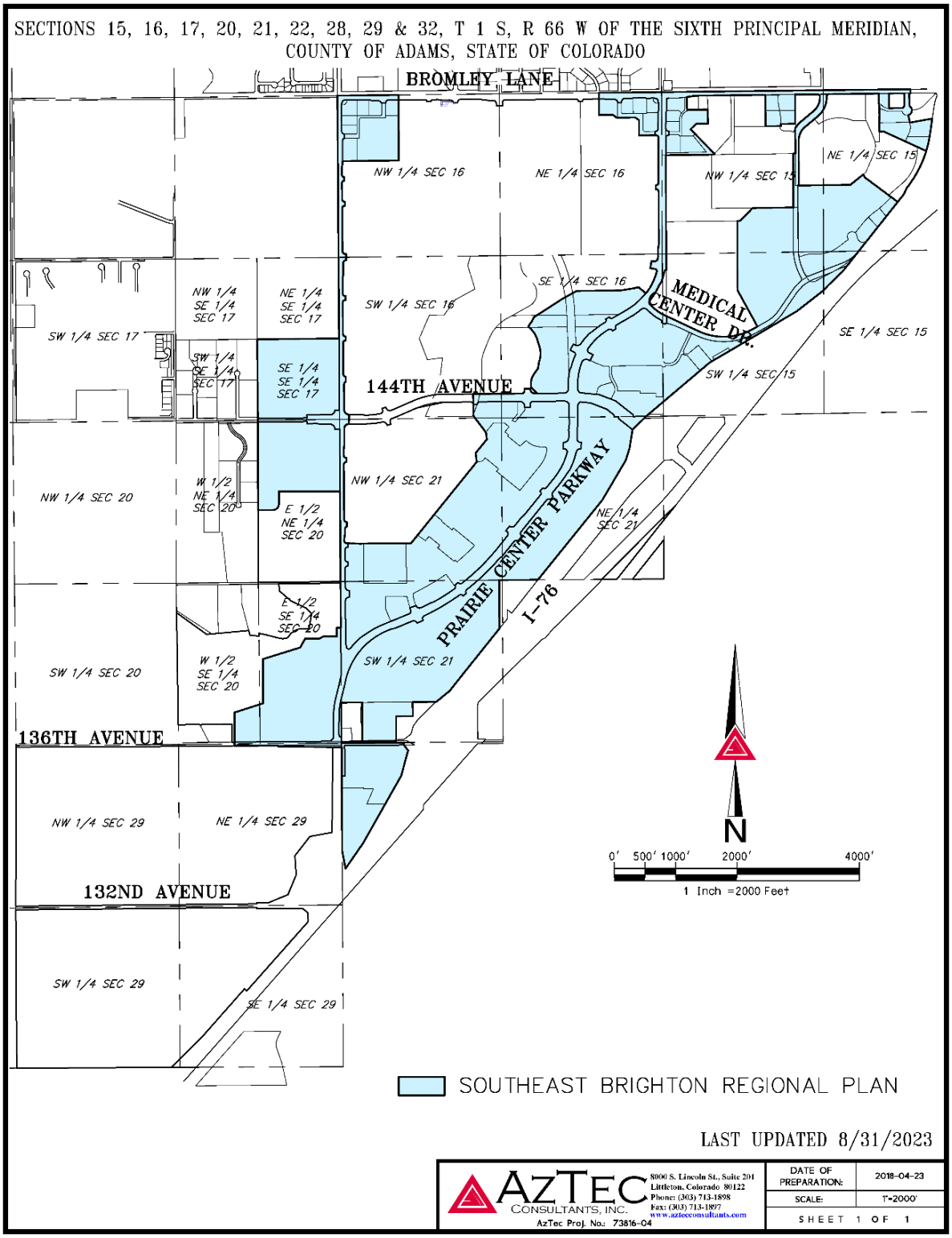
Source: Districts, 2026.

Taxable Retail Sales in Plan Area	Applicable SSTI Percentage
$0 to $149,999,999	0%
$150,000,000 to $199,999,999	30%
$200,000,000 to $249,999,999	35%
$250,000,000 to $299,999,999	40%
$300,000,000 or more	49%

Base Amount

In accordance with the Urban Renewal Law, the base amount for the purposes of calculating incremental sales tax is the amount of municipal sales taxes collected within the boundaries of the Plan Area in the twelve-month period ending on the last day of the month prior to the effective date of the approval of the Urban Renewal Plan, which were $2,273,417 (the "**Base Amount**").

Figure 14 – Plan Area Boundary Map for the Urban Renewal Plan



Shared General Fund Sales Tax Revenues (SGFST Revenues)

In order to produce shared sales tax revenues following the termination of the SSTI Revenues, the City and District No. 3 have entered into an agreement (the "**Sales Tax Sharing Agreement**"), pursuant to which the City has agreed, subject to annual appropriations, to pay District No. 3 a portion of the City General Fund Sales Tax revenues (the "**Shared General Fund Sales Tax Revenues**" or the "**SGFST Revenues**").

The SGFST Revenues are computed each year as a percentage (as determined annually, the "**Applicable SGFST Percentage**") of the taxable retail sales occurring within the Districts on property that is also located within the City (the "**SGFST Revenue Area**"). The boundary of the SGFST Revenue Area is shown in Figure 15.

The SGFST Revenues will be reduced by the proportionate share of the reasonable and necessary costs and expenses of collecting and enforcing the General Fund Sales Tax attributable to the SGFST Revenue Area (the "**SGFST City Expenses**"). This Study does not estimate or deduct SGFST City Expenses from estimated SSTI Revenues.

SGFST Revenues are anticipated to begin after the termination of SSTI Revenues on April 3, 2037. This Study assumes that in 2038, the SFGST Revenues collected on 2037 sales will be calculated based on a full year of sales before being prorated. Therefore, this Study estimates the SGFST Revenues for Collection Year 2038 to be equivalent to three-quarters of a full year of SGFST Revenues.

Applicable SGFST Percentage

The Applicable SGFST Percentage depends upon the total taxable sales volume in the SGFST Revenue Area. Table 16 describes the relationship between the Applicable SGFST Percentage and the amount of taxable retail sales occurring within the SGFST Revenue Area. The Applicable SGFST Percentage is then applied to the taxable retail sales. Once a particular threshold of taxable sales is reached, the Applicable SGFST Percentage corresponding to that threshold will remain in effect until the next increased threshold of taxable retail sales is met, regardless of whether taxable retail sales decrease in subsequent years.

Table 16 – Applicable SGFST Percentage Thresholds

Source: Districts, 2026.

Taxable Retail Sales in SGFST Revenue Area	Applicable SGFST Percentage
$0 to $149,999,999	0.00%
$150,000,000 to $299,999,999	0.50%
$300,000,000 or more	0.75%

Food Sales Tax City Rebate

Each year, the City will create a separate account (the "**Prairie Center Food Sales Tax Account**") to hold the portion of the SGFST Revenues that is attributable to Food for Home Consumption. The City Council will determine the annual rebate amount, if any, each year. The pro rata share of the rebate amount attributable to the Food for Home Consumption on deposit in the Prairie Center Food Sales Tax Account will be rebated as determined by the City Council (the "**Food Sales Tax City Rebate**"). Any remaining amounts on deposit in the Prairie Center Food Sales Tax Account after any such rebate will be remitted by the City to District No. 3.

This Study assumes that all SGFST Revenues generated from taxes collected on Food for Home Consumption will be rebated. The actual value of this rebate may vary from year to year. Estimated sales generated by Stabilized Retail Tenants exclude any Food for Home Consumption sales as sales estimates are based on taxable sales subject to the Add-On PIF, which exclude sales of Food for Home Consumption[4]. The Yet to Be Stabilized Retail Tenants are not anticipated to have any sales attributable to Food for Home Consumption. The taxable sales generated by the Anticipated New Development are anticipated to include Food for Home Consumption which may be rebated and therefore have been deducted from the total estimated SSGFST Revenues.

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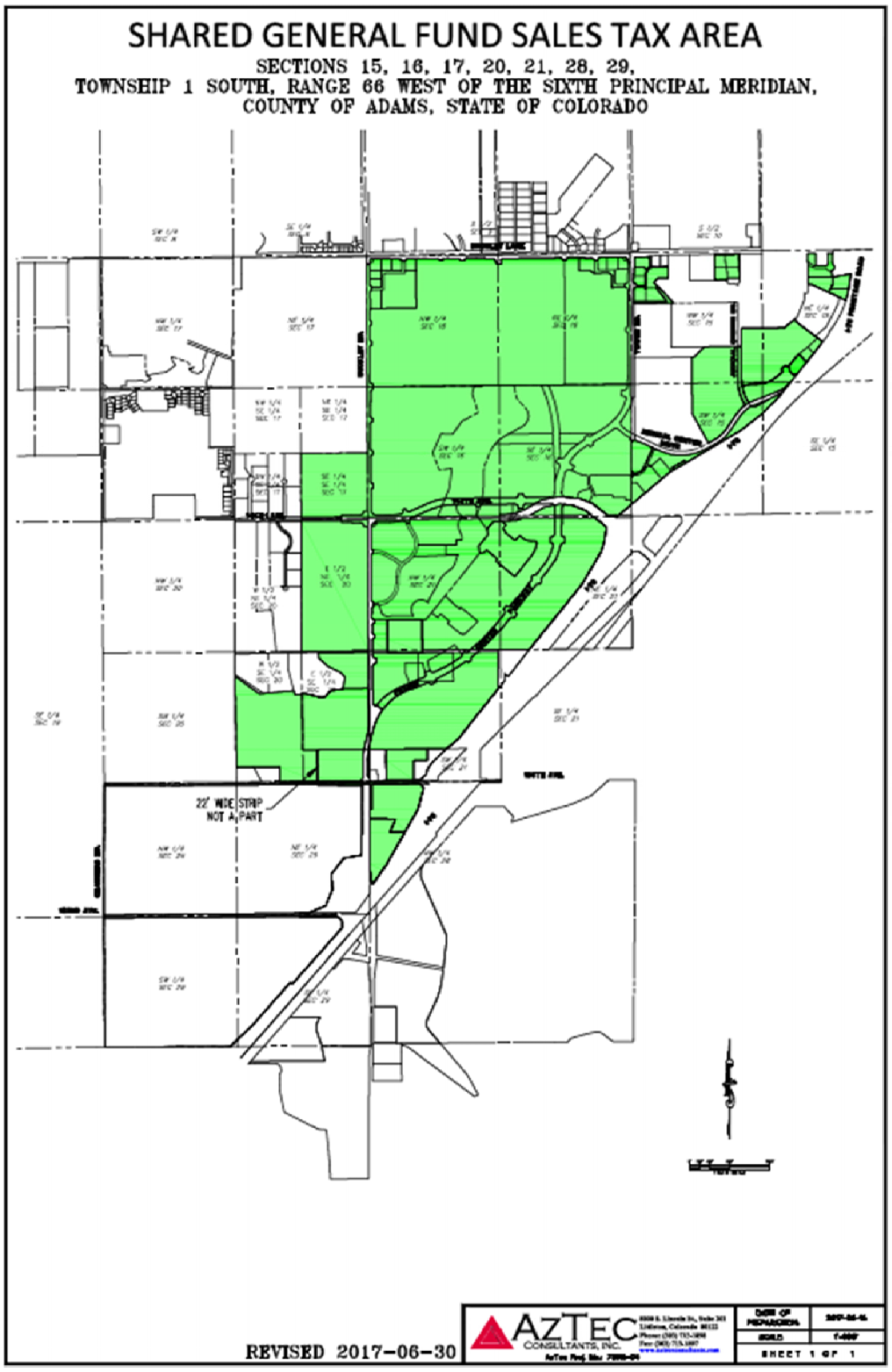
[4] The Add-On PIF does not apply to PIF Sales of Food for Home Consumption.

Figure 15 – SGFST Revenue Area



Property Revenue Sources

The revenues generated from real and personal property, rather than sales (the "**Property Revenues**") include the Capital Levies Revenues (defined herein) and the Facilities Fees Revenues (defined herein), which are described in the following sections.

Capital Levies Revenues

Each of the Districts has the power, subject to constitutional and statutory guidelines, to certify a levy for the collection of ad valorem taxes against all taxable property within each of the respective Districts. District Nos. 4 and 5 each impose a debt service levy (together, the "**Capital Levies**"). Both real and personal property located within the respective Districts are subject to taxation, unless exempt.

The Capital Levies may change from year to year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this Study applies the effective assessment rates for Assessment Year 2026 and millage rates for Assessment Year 2025 (Collection Year 2026) across all future years of property tax estimates. The Pledged Revenues estimated within this Study include Capital Levies Revenues, beginning with those collected in 2026 (from 2025 assessed values).

District No. 4 Levy

District No. 4 has pledged to the Bonds a property tax at a rate of 25 mills (subject to adjustment), which has been adjusted to 26.851 mills for Assessment Year 2025 due to changes in the method for calculating assessed valuation (the "**District No. 4 Levy**"). The "**District No. 4 Levy Revenues**" are revenues generated by the District No. 4 Levy.

District No. 5 Levy

District No. 5 has pledged to the bonds a property tax at a rate of 40 mills (subject to adjustment), which has been adjusted to 50.536 mills for Assessment Year 2025 due to changes in the method for calculating assessed valuation (the "**District No. 5 Levy**"). The "**District No. 5 Levy Revenues**" are revenues generated by the District No. 5 Levy.

Specific Ownership Tax Revenues

Pursuant to Section 42-3-107, C.R.S., specific ownership taxes are collected on motor vehicle licensing by all counties and distributed to every taxing entity within a county in the proportion that the taxing entity's ad valorem taxes represents of the cumulative amount of ad valorem taxes levied county-wide. Such tax is currently imposed at a graduated rate which varies from 2.1% of taxable value in the first year of ownership to $3 per year in the tenth year of ownership and thereafter.

Each of the Districts imposing a mill levy is entitled to receive a portion of the revenue of the specific ownership tax collected in connection with the registration of certain motor vehicles and other personal

property, apportioned on the basis of the amount of ad valorem taxes levied during the preceding calendar year.

This Study estimates that revenues collected on specific ownership taxes ("**Specific Ownership Tax Revenues**") are approximately 5% of total real and personal property taxes generated by the Capital Levies of District No. 4 and No. 5. This estimate is based on actual historic percentages from 2025 and 2026 Collection Years (2024 and 2025 Assessment Years) derived from records for District No. 4 and District No. 5. Only the portion of Specific Ownership Tax Revenues derived from the Capital Levies (and not the general fund mill levies of District No. 4 and District No. 5) is pledged to the Bonds.

The revenues generated by the Capital Levies and the Specific Ownership Tax Revenues collected as a result of the imposition of the Capital Levies, are pledged to the Bonds (the "**Capital Levies Revenues**").

Facilities Fees Revenues

The "**Commercial Facilities Fee**" is a one-time facilities fee imposed on all non-residential structures within the Districts in an amount not less than $0.75 per square foot of gross building area, payable on or before the date of issuance of a building permit for such structure.

The "**Residential Facilities Fee**" is a one-time facilities fee imposed on all residential buildings within the Districts in an amount not less than (i) $500 per apartment unit; (ii) $1,500 per townhome or condominium unit; and (iii) $3,000 per single-family detached dwelling unit, payable on or before the date of issuance of a building permit for such residential unit.

The revenues generated by the Residential Facilities Fee and Commercial Facilities Fee (the "**Facilities Fees Revenues**") are pledged to the Bonds.

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Projected Sales Revenues

The Sales Revenues are estimated in the following sections.

Historic Sales Revenues

Historic collections for the Add-On PIF and Credit PIF from 2013 to 2025 are shown in Table 17. Between 2013 and 2025, sales subject to the Add-On PIF and the Credit PIF grew annually by approximately 8.1% and 7.6%, respectively. During this time, numerous retailers opened within the Districts, contributing to this growth. More recently, between 2021 and 2025, sales subject to the Add-On PIF and the Credit PIF grew annually by approximately 4.1% and 4.0%, respectively. A handful of retail tenants opened during this time, contributing to this rate of growth.

Table 17 – Historic PIF Revenues and District Sales

Source: Districts, 2026.

Collection Year	Credit PIF Collections		Add-On PIF Collections		Estimated Sales		CPI (3)	
	Historic Credit PIF Revenues	Percent Change	Historic Add-On PIF Revenues	Percent Change	Est. Historic Taxable Sales Subject to Credit PIF (1)	Est. Historic Taxable Sales Subject to Add-On PIF (2)	Consumer Price Index	Percent Change
Historic Sales								
2013	$ 1,123,715		$ 1,080,905		$ 112,371,500	$ 108,090,500	233.00	
2014	$ 1,198,441	6.6%	$ 1,175,543	8.8%	$ 119,844,100	$ 117,554,300	237.00	1.7%
2015	$ 1,285,604	7.3%	$ 1,291,379	9.9%	$ 128,560,400	$ 129,137,900	242.00	2.1%
2016	$ 1,357,845	5.6%	$ 1,364,965	5.7%	$ 135,784,500	$ 136,496,500	246.97	2.1%
2017	$ 1,567,392	15.4%	$ 1,589,964	16.5%	$ 156,739,200	$ 158,996,400	251.00	1.6%
2018	$ 1,781,811	13.7%	$ 1,807,868	13.7%	$ 178,181,100	$ 180,786,800	256.26	2.1%
2019	$ 1,838,693	3.2%	$ 1,910,397	5.7%	$ 183,869,300	$ 191,039,700	261.76	2.1%
2020	$ 1,947,186	5.9%	$ 1,993,449	4.3%	$ 194,718,600	$ 199,344,900	266.90	2.0%
2021	$ 2,321,659	19.2%	$ 2,335,881	17.2%	$ 232,165,900	$ 233,588,100	276.57	3.6%
2022	$ 2,465,987	6.2%	$ 2,490,651	6.6%	$ 246,598,700	$ 249,065,100	295.11	6.7%
2023	$ 2,421,619	-1.8%	$ 2,500,481	0.4%	$ 242,161,900	$ 250,048,100	309.66	4.9%
2024	$ 2,524,696	4.3%	$ 2,581,615	3.2%	$ 252,469,600	$ 258,161,500	319.78	3.3%
2025	$ 2,711,853	7.4%	$ 2,746,548	6.4%	$ 271,185,300	$ 274,654,800	328.84	2.8%
Average Annual Percent Change 2013 to 2025								
	7.6%		**8.1%**				**2.9%**	

Notes:
(1) Calculated based on historic Credit PIF collections.
(2) Calculated based on historic Add-On PIF collections.
(3) Source: St. Louis Federal Reserve Bank economic data.

Estimated Retail Sales

The estimates of future retail sales and associated Sales Revenues are based on information provided by the Districts including Add-On PIF and Credit PIF collection data, as described above.

In estimating future sales tax revenues generated by the Stabilized Retail Tenants, this Study considers the regional and national economy as well as trends in retail activity and real estate development. Assumptions with respect to growth in sales activity over time consider the above with particular attention paid to growth trends in taxable sales within the Districts as evidenced by historical Add-On PIF and Credit PIF collections. To estimate the 2025 sales produced by the Stabilized Retail Tenants, PGAV estimated the sales volume attributable to the Yet to Be Stabilized Retail Tenants in 2025 and subtracted this from the actual 2025 Add-On PIF and Credit PIF collections reported by District No. 3. This Study estimates that sales from the Stabilized Retail Tenants would increase by 5% from 2025 to 2026. This projected growth rate is conservative with respect to the average annual growth in PIF collections of 7% from 2020-2025.

In estimating future taxable sales associated with the Yet to Be Stabilized Retail Tenants and the Anticipated New Development, this Study considers the types of retail businesses likely to commence operations within the Districts, the retail environment within the trade areas established by the Project, and the typical sales volumes associated with contemplated tenants. Table 18 and Table 19 show the estimated taxable sales for the Yet to Be Stabilized Retail Tenants and the Anticipated New Development.

This Study estimates taxable sales generated after stabilization by Stabilized Retail Tenants, Yet to Be Stabilized Retail Tenants, and the Anticipated New Development will grow at an annual rate of 2.00% through 2031, 1.5% from 2032-2041, and 1.0% for each year thereafter.

All Sales Revenues in this Study are projected in the Collection Year, the year in which they are received or collected by the Districts and available for the repayment of the Bonds. The Collection Year for SSTI Revenues and SGFST Revenues is anticipated to be the year following the Sales Year, while the Collection Year for PIF Revenues is anticipated to be the same year as the Sales Year.

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Table 18 – Estimated Taxable Retail Sales Generated by the Yet to Be Stabilized Retail Tenants

Yet to Be Stabilized Retail Tenants	Date of Completion	Square Feet	Estimated Taxable Sales per Square Foot	Estimated Stabilized Taxable Sales	Estimated Taxable Sales per Sales Year (1, 2)					
					2026	2027	2028	2029	2030	2031
Sport Clips (3)	April 24, 2026	1,217	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mattress Firm	June 19, 2026	3,695	$ 425	$ 1,570,375	$ 785,188	$ 1,413,338	**$ 1,570,375**	$ 1,601,783	$ 1,633,818	$ 1,666,495
Area 51 Smoke and Vape Shop	September 20, 2026	2,247	$ 300	$ 674,100	$ 224,700	$ 606,690	**$ 674,100**	$ 687,582	$ 701,334	$ 715,360
Dutch Bros Coffee	October 28, 2025	800	$ 3,125	$ 2,500,000	$ 2,250,000	**$ 2,500,000**	$ 2,550,000	$ 2,601,000	$ 2,653,020	$ 2,706,080
In-N-Out Burger	May 9, 2025	3,879	$ 1,550	$ 6,012,450	$ 5,411,205	**$ 6,012,450**	$ 6,132,699	$ 6,255,353	$ 6,380,460	$ 6,508,069
VIN39 Wine Bar	July 9, 2026	3,448	$ 250	$ 862,000	$ 431,000	$ 775,800	**$ 862,000**	$ 879,240	$ 896,825	$ 914,761
Olive Garden	May 9, 2025	7,848	$ 1,150	$ 9,025,200	$ 8,122,680	**$ 9,025,200**	$ 9,205,704	$ 9,389,818	$ 9,577,614	$ 9,769,167
Aspen Dental (3)	October 23, 2025	3,500	$ -	$ -	$ -	$ -	**$ -**	$ -	$ -	$ -
Valvoline Instant Oil	April 21, 2026	1,674	$ 900	$ 1,506,600	$ 1,004,400	$ 1,355,940	**$ 1,506,600**	$ 1,536,732	$ 1,567,467	$ 1,598,816
			Total Estimated Taxable Sales	**$ 22,150,725**	**$ 18,229,173**	**$ 21,689,418**	**$ 22,501,478**	**$ 22,951,508**	**$ 23,410,538**	**$ 23,878,748**

Notes:

(1) Bold sales values reflect projected sales at stabilization.

(2) After stabilization, taxable sales are projected to grow at a rate of 2.0% annually through 2031, 1.5% annually from 2032 to 2041, and 1.0% annually for each year thereafter.

(3) Sales are estimated to be mostly services and not taxable.

Table 19 – Estimated Taxable Retail Sales Generated by the Anticipated New Development

Anticipated New Development Retail Tenants	Anticipated or Actual Date of Completion	Square Feet	Estimated Taxable Sales per Square Foot	Estimated Stabilized Taxable Sales	Estimated Taxable Sales per Sales Year (1, 2)					
					2026	2027	2028	2029	2030	2031
Grocery - Food for Home Consumption (3)	September 1, 2028	84,000	$ 405	$ 34,020,000	$ -	$ -	$ 27,216,000	$ 30,618,000	**$ 34,020,000**	$ 34,700,400
Grocery - All Other Taxable Sales	September 1, 2028	84,000	$ 270	$ 22,680,000	$ -	$ -	$ 18,144,000	$ 20,412,000	**$ 22,680,000**	$ 23,133,600
Sports Bar & Restaurant	February 1, 2028	6,686	$ 400	$ 2,674,400	$ -	$ 1,560,067	$ 2,406,960	**$ 2,674,400**	$ 2,727,888	$ 2,782,446
Car Wash (4)	June 1, 2027	3,293	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Food for Home Consumption Sales				**$ 34,020,000**	**$ -**	**$ -**	**$ 27,216,000**	**$ 30,618,000**	**$ 34,020,000**	**$ 34,700,400**
All other Taxable Sales				**$ 25,354,400**	**$ -**	**$ 1,560,067**	**$ 20,550,960**	**$ 23,086,400**	**$ 25,407,888**	**$ 25,916,046**
Total Estimated Taxable Sales				**$ 59,374,400**	**$ -**	**$ 1,560,067**	**$ 47,766,960**	**$ 53,704,400**	**$ 59,427,888**	**$ 60,616,446**

Notes:

(1) Bold sales values reflect projected sales at stabilization.

(2) After stabilization, taxable sales are projected to grow at a rate of 2.0% annually through 2031, 1.5% annually from 2032 to 2041, and 1.0% annually for each year thereafter.

(3) Food for Home Consumption is estimated to be 40% of total grocery sales.

(4) Sales are estimated to be mostly services and not taxable.

PIF Revenues

Table 20 shows the estimated Add-On PIF Revenues and Credit PIF Revenues generated by Existing Retail Tenants.

Table 21 shows the estimated Add-On PIF Revenues and Credit PIF Revenues generated by the Anticipated New Development. All Anticipated New Development is anticipated to be located within the Primary PIF Property and will be subject to both the Add-On PIF and Credit PIF. Food for Home Consumption is not subject to the Add-On PIF in the PIF Property.

Table 22 summarizes the estimated Add-On PIF Revenues and Credit PIF Revenues generated by both the Existing Retail Tenants and the Anticipated New Development.

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Table 20 – Estimated PIF Revenues Generated by Existing Retail Tenants

Sales Year / Collection Year	Program Year	Credit PIF			Add-On PIF		
		Estimated Taxable Sales from Stabilized Retail Tenants	Estimated Taxable Sales from Yet to Be Stabilized Retail Tenants	Credit PIF Revenues	Estimated Taxable Sales from Stabilized Retail Tenants	Estimated Taxable Sales from Yet to Be Stabilized Retail Tenants	Add-On PIF Revenues
2026	0	$ 274,473,323	$ 18,229,173	$ 2,927,025	$ 278,116,298	$ 18,229,173	$ 2,963,455
2027	1	$ 279,962,789	$ 21,689,418	$ 3,016,522	$ 283,678,624	$ 21,689,418	$ 3,053,680
2028	2	$ 285,562,045	$ 22,501,478	$ 3,080,635	$ 289,352,196	$ 22,501,478	$ 3,118,537
2029	3	$ 291,273,286	$ 22,951,508	$ 3,142,248	$ 295,139,240	$ 22,951,508	$ 3,180,907
2030	4	$ 297,098,752	$ 23,410,538	$ 3,205,093	$ 301,042,025	$ 23,410,538	$ 3,244,526
2031	5	$ 303,040,727	$ 23,878,748	$ 3,269,195	$ 307,062,866	$ 23,878,748	$ 3,309,416
2032	6	$ 307,586,338	$ 24,236,930	$ 3,318,233	$ 311,668,809	$ 24,236,930	$ 3,359,057
2033	7	$ 312,200,133	$ 24,600,484	$ 3,368,006	$ 316,343,841	$ 24,600,484	$ 3,409,443
2034	8	$ 316,883,135	$ 24,969,491	$ 3,418,526	$ 321,088,998	$ 24,969,491	$ 3,460,585
2035	9	$ 321,636,382	$ 25,344,033	$ 3,469,804	$ 325,905,333	$ 25,344,033	$ 3,512,494
2036	10	$ 326,460,928	$ 25,724,194	$ 3,521,851	$ 330,793,913	$ 25,724,194	$ 3,565,181
2037	11	$ 331,357,841	$ 26,110,057	$ 3,574,679	$ 335,755,822	$ 26,110,057	$ 3,618,659
2038	12	$ 336,328,209	$ 26,501,708	$ 3,628,299	$ 340,792,159	$ 26,501,708	$ 3,672,939
2039	13	$ 341,373,132	$ 26,899,233	$ 3,682,724	$ 345,904,042	$ 26,899,233	$ 3,728,033
2040	14	$ 346,493,729	$ 27,302,722	$ 3,737,965	$ 351,092,602	$ 27,302,722	$ 3,783,953
2041	15	$ 351,691,135	$ 27,712,262	$ 3,794,034	$ 356,358,991	$ 27,712,262	$ 3,840,713
2042	16	$ 355,208,046	$ 27,989,385	$ 3,831,974	$ 359,922,581	$ 27,989,385	$ 3,879,120
2043	17	$ 358,760,127	$ 28,269,279	$ 3,870,294	$ 363,521,807	$ 28,269,279	$ 3,917,911
2044	18	$ 362,347,728	$ 28,551,972	$ 3,908,997	$ 367,157,025	$ 28,551,972	$ 3,957,090
2045	19	$ 365,971,205	$ 28,837,491	$ 3,948,087	$ 370,828,595	$ 28,837,491	$ 3,996,661
2046	20	$ 369,630,918	$ 29,125,866	$ 3,987,568	$ 374,536,881	$ 29,125,866	$ 4,036,627
2047	21	$ 373,327,227	$ 29,417,125	$ 4,027,444	$ 378,282,250	$ 29,417,125	$ 4,076,994
2048	22	$ 377,060,499	$ 29,711,296	$ 4,067,718	$ 382,065,073	$ 29,711,296	$ 4,117,764
2049	23	$ 380,831,104	$ 30,008,409	$ 4,108,395	$ 385,885,723	$ 30,008,409	$ 4,158,941
2050	24	$ 384,639,415	$ 30,308,493	$ 4,149,479	$ 389,744,581	$ 30,308,493	$ 4,200,531
TOTALS		**$ 8,351,198,153**	**$ 654,281,292**	**$ 90,054,794**	**$ 8,462,040,277**	**$ 654,281,292**	**$ 91,163,216**

Notes:
(1) Credit PIF Revenues and Add-On PIF Revenues are anticipated to be available in the same year in which the sales occur.
(2) Estimated taxable sales do not include taxable sales attributed to Anticipated New Development.
(3) 2026 sales associated with Stabilized Retail Tenants are projected to grow 5% over 2025 sales. This projected growth rate is conservative with respect to the average annual growth in PIF collections of approximately 7% from 2020-2025.
(4) Sales are projected to grow at a rate of 2.00% annually through 2031, 1.5% annually from 2032 to 2041, and 1.0% annually for each year thereafter.
(5) The Add-On PIF rate is 1.00%. The Credit PIF rate is 1.00%.
(6) The Add-On PIF is applicable to taxable sales occurring on the PIF Property except for sales of food for domestic home consumption. The Credit PIF is applicable to taxable sales occurring within the Major Retail PIF and the Primary PIF Property. Sales occurring within the Bromley Park PIF Property are not subject to the Credit PIF.

Table 21 – Estimated PIF Revenues Generated by the Anticipated New Development

Sales Year / Collection Year	Program Year	Credit PIF		Add-On PIF	
		Estimated Taxable Sales from Anticipated New Development	Credit PIF Revenues	Estimated Taxable Sales from Anticipated New Development	Add-On PIF Revenues
2026	0	$ -	$ -	$ -	$ -
2027	1	$ 1,560,067	$ 15,601	$ 1,560,067	$ 15,601
2028	2	$ 47,766,960	$ 477,670	$ 20,550,960	$ 205,510
2029	3	$ 53,704,400	$ 537,044	$ 23,086,400	$ 230,864
2030	4	$ 59,427,888	$ 594,279	$ 25,407,888	$ 254,079
2031	5	$ 60,616,446	$ 606,164	$ 25,916,046	$ 259,160
2032	6	$ 61,525,692	$ 615,257	$ 26,304,786	$ 263,048
2033	7	$ 62,448,578	$ 624,486	$ 26,699,358	$ 266,994
2034	8	$ 63,385,307	$ 633,853	$ 27,099,849	$ 270,998
2035	9	$ 64,336,086	$ 643,361	$ 27,506,346	$ 275,063
2036	10	$ 65,301,127	$ 653,011	$ 27,918,942	$ 279,189
2037	11	$ 66,280,644	$ 662,806	$ 28,337,726	$ 283,377
2038	12	$ 67,274,854	$ 672,749	$ 28,762,792	$ 287,628
2039	13	$ 68,283,977	$ 682,840	$ 29,194,233	$ 291,942
2040	14	$ 69,308,236	$ 693,082	$ 29,632,147	$ 296,321
2041	15	$ 70,347,860	$ 703,479	$ 30,076,629	$ 300,766
2042	16	$ 71,051,339	$ 710,513	$ 30,377,395	$ 303,774
2043	17	$ 71,761,852	$ 717,619	$ 30,681,169	$ 306,812
2044	18	$ 72,479,470	$ 724,795	$ 30,987,981	$ 309,880
2045	19	$ 73,204,265	$ 732,043	$ 31,297,861	$ 312,979
2046	20	$ 73,936,308	$ 739,363	$ 31,610,839	$ 316,108
2047	21	$ 74,675,671	$ 746,757	$ 31,926,948	$ 319,269
2048	22	$ 75,422,428	$ 754,224	$ 32,246,217	$ 322,462
2049	23	$ 76,176,652	$ 761,767	$ 32,568,680	$ 325,687
2050	24	$ 76,938,418	$ 769,384	$ 32,894,366	$ 328,944
TOTALS		**$ 1,547,214,525**	**$ 15,472,145**	**$ 662,645,626**	**$ 6,626,456**

Notes:
(1) Credit PIF Revenues and Add-On PIF Revenues are anticipated to be available in the same year in which the sales occur.
(2) Estimated taxable sales do not include taxable sales attributed to Existing Retail Tenants.
(3) Taxable sales are projected to grow at a rate of 2.00% annually through 2031, 1.5% annually from 2032 to 2041, and 1.0% annually for each year thereafter.
(4) The Add-On PIF rate is 1.00%. The Credit PIF rate is 1.00%.
(5) The Add-On PIF is applicable to taxable sales occurring on the PIF Property, except for sales of food for domestic home consumption. The Credit PIF is applicable to taxable sales occurring within the Major Retail PIF and the Primary PIF Property. Sales occurring within the Bromley Park PIF Property are not subject to the Credit PIF.

Table 22 – Estimated PIF Revenues Generated by Existing Retail Tenants and the Anticipated New Development

Sales Year / Collection Year	Program Year	Existing Retail Tenants		Anticipated New Development		Total PIF Revenues
		Credit PIF Revenues	Add-On PIF Revenues	Credit PIF Revenues	Add-On PIF Revenues	
2026	0	$ 2,927,025	$ 2,963,455	$ -	$ -	$ 5,890,480
2027	1	$ 3,016,522	$ 3,053,680	$ 15,601	$ 15,601	$ 6,101,404
2028	2	$ 3,080,635	$ 3,118,537	$ 477,670	$ 205,510	$ 6,882,351
2029	3	$ 3,142,248	$ 3,180,907	$ 537,044	$ 230,864	$ 7,091,063
2030	4	$ 3,205,093	$ 3,244,526	$ 594,279	$ 254,079	$ 7,297,976
2031	5	$ 3,269,195	$ 3,309,416	$ 606,164	$ 259,160	$ 7,443,936
2032	6	$ 3,318,233	$ 3,359,057	$ 615,257	$ 263,048	$ 7,555,595
2033	7	$ 3,368,006	$ 3,409,443	$ 624,486	$ 266,994	$ 7,668,929
2034	8	$ 3,418,526	$ 3,460,585	$ 633,853	$ 270,998	$ 7,783,963
2035	9	$ 3,469,804	$ 3,512,494	$ 643,361	$ 275,063	$ 7,900,722
2036	10	$ 3,521,851	$ 3,565,181	$ 653,011	$ 279,189	$ 8,019,233
2037	11	$ 3,574,679	$ 3,618,659	$ 662,806	$ 283,377	$ 8,139,521
2038	12	$ 3,628,299	$ 3,672,939	$ 672,749	$ 287,628	$ 8,261,614
2039	13	$ 3,682,724	$ 3,728,033	$ 682,840	$ 291,942	$ 8,385,539
2040	14	$ 3,737,965	$ 3,783,953	$ 693,082	$ 296,321	$ 8,511,322
2041	15	$ 3,794,034	$ 3,840,713	$ 703,479	$ 300,766	$ 8,638,991
2042	16	$ 3,831,974	$ 3,879,120	$ 710,513	$ 303,774	$ 8,725,381
2043	17	$ 3,870,294	$ 3,917,911	$ 717,619	$ 306,812	$ 8,812,635
2044	18	$ 3,908,997	$ 3,957,090	$ 724,795	$ 309,880	$ 8,900,761
2045	19	$ 3,948,087	$ 3,996,661	$ 732,043	$ 312,979	$ 8,989,769
2046	20	$ 3,987,568	$ 4,036,627	$ 739,363	$ 316,108	$ 9,079,667
2047	21	$ 4,027,444	$ 4,076,994	$ 746,757	$ 319,269	$ 9,170,463
2048	22	$ 4,067,718	$ 4,117,764	$ 754,224	$ 322,462	$ 9,262,168
2049	23	$ 4,108,395	$ 4,158,941	$ 761,767	$ 325,687	$ 9,354,790
2050	24	$ 4,149,479	$ 4,200,531	$ 769,384	$ 328,944	$ 9,448,338
TOTALS		**$ 90,054,794**	**$ 91,163,216**	**$ 15,472,145**	**$ 6,626,456**	**$ 203,316,612**

Notes:

(1) Credit PIF Revenues and Add-On PIF Revenues are anticipated to be available in the same year in which the sales occur.

(2) 2026 sales associated with Stabilized Retail Tenants are projected to grow 5% over 2025 sales. This projected growth rate is conservative with respect to the average annual growth in PIF collections of approximately 7% from 2020-2025.

(3) Sales are projected to grow at a rate of 2.00% annually through 2031, 1.5% annually from 2032 to 2041, and 1.0% annually for each year thereafter.

(4) The Add-On PIF rate is 1.00%. The Credit PIF rate is 1.00%.

(5) The Add-On PIF is applicable to taxable sales occurring on the PIF Property, except for sales of food for domestic home consumption. The Credit PIF is applicable to taxable sales occurring within the Major Retail PIF and the Primary PIF Property. Sales occurring within the Bromley Park PIF Property are not subject to the Credit PIF.

SSTI Revenues and SGFST Revenues

Table 23 shows the estimated SSTI Revenues and SGFST Revenues generated by Existing Retail Tenants. Table 24 shows the estimated SSTI Revenues and SGFST Revenues generated by both the Existing Retail Tenants and the Anticipated New Development.

Total taxable sales revenue for the Stabilized Retail Tenants was determined based on the Add-On PIF collections data. Sales estimated to be attributed to the Yet to Be Stabilized Retail Tenants were deducted from this sales estimate before applying a growth rate. This Study estimates that taxable sales generated after stabilization by the Stabilized Retail Tenants, Yet to Be Stabilized Retail Tenants, and the Anticipated New Development will grow at an annual rate of 2.00% through 2031, 1.5% from 2032-2041, and 1.0% for each year thereafter.

This Study assumes that all SSTI Revenues and SGFST Revenues generated from taxes collected on Food for Home Consumption will be rebated. The estimated taxable sales generated by the Stabilized Retail Tenants do not include sales of Food for Home Consumption.[5] None of the Yet to Be Stabilized Retail Tenants sell Food for Home Consumption. Therefore, only the Food for Home Consumption sales generated by the Anticipated New Development are shown to be rebated in this Study.

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[5] Of the Stabilized Retail Tenants, Target is the only retailer likely to generate sales on Food for Home Consumption. Target is located within the Major Retail PIF Property, where sales on Food for Home Consumption are not subject to the Add-On PIF. As a result, taxable sales attributable to the Stabilized Retail Tenants projected in this Study for the determination of SSTI Revenues and SGFST Revenues are assumed to already exclude any sales of Food for Home Consumption, since these projections are based on historic Add-On PIF collections.

Table 23 – Estimated SSTI Revenues and SGFST Revenues Generated by Existing Retail Tenants

Sales Year	Collection Year	Program Year	Estimated Taxable Sales from Stabilized Retail Tenants	Estimated Taxable Sales from Yet to Be Stabilized Retail Tenants	City General Fund Sales Tax Revenues (2%)	Base Amount	Incremental Sales Tax Revenues	Applicable SSTI Percentage	Applicable SGFST Percentage	Total Estimated SSTI Revenues and SGFST Revenues
2025	2026	0	$ 264,872,665	$ 9,782,135	$ 5,493,096	$ (2,273,417)	$ 3,219,679	40%		$ 1,287,872
2026	2027	1	$ 278,116,298	$ 18,229,173	$ 5,926,909	$ (2,273,417)	$ 3,653,492	40%		$ 1,461,397
2027	2028	2	$ 283,678,624	$ 21,689,418	$ 6,107,361	$ (2,273,417)	$ 3,833,944	49%		$ 1,878,632
2028	2029	3	$ 289,352,196	$ 22,501,478	$ 6,237,073	$ (2,273,417)	$ 3,963,656	49%		$ 1,942,192
2029	2030	4	$ 295,139,240	$ 22,951,508	$ 6,361,815	$ (2,273,417)	$ 4,088,398	49%		$ 2,003,315
2030	2031	5	$ 301,042,025	$ 23,410,538	$ 6,489,051	$ (2,273,417)	$ 4,215,634	49%		$ 2,065,661
2031	2032	6	$ 307,062,866	$ 23,878,748	$ 6,618,832	$ (2,273,417)	$ 4,345,415	49%		$ 2,129,253
2032	2033	7	$ 311,668,809	$ 24,236,930	$ 6,718,115	$ (2,273,417)	$ 4,444,698	49%		$ 2,177,902
2033	2034	8	$ 316,343,841	$ 24,600,484	$ 6,818,886	$ (2,273,417)	$ 4,545,469	49%		$ 2,227,280
2034	2035	9	$ 321,088,998	$ 24,969,491	$ 6,921,170	$ (2,273,417)	$ 4,647,753	49%		$ 2,277,399
2035	2036	10	$ 325,905,333	$ 25,344,033	$ 7,024,987	$ (2,273,417)	$ 4,751,570	49%		$ 2,328,269
2036	2037	11	$ 330,793,913	$ 25,724,194	$ 7,130,362	$ (2,273,417)	$ 4,856,945	49%		$ 2,379,903
2037	2038	12	$ 335,755,822	$ 26,110,057	$ 7,237,318	$ (2,273,417)	$ 4,963,901	49%	0.75%	$ 2,643,573
2038	2039	13	$ 340,792,159	$ 26,501,708	$ 7,345,877				0.75%	$ 2,754,704
2039	2040	14	$ 345,904,042	$ 26,899,233	$ 7,456,065				0.75%	$ 2,796,025
2040	2041	15	$ 351,092,602	$ 27,302,722	$ 7,567,906				0.75%	$ 2,837,965
2041	2042	16	$ 356,358,991	$ 27,712,262	$ 7,681,425				0.75%	$ 2,880,534
2042	2043	17	$ 359,922,581	$ 27,989,385	$ 7,758,239				0.75%	$ 2,909,340
2043	2044	18	$ 363,521,807	$ 28,269,279	$ 7,835,822				0.75%	$ 2,938,433
2044	2045	19	$ 367,157,025	$ 28,551,972	$ 7,914,180				0.75%	$ 2,967,817
2045	2046	20	$ 370,828,595	$ 28,837,491	$ 7,993,322				0.75%	$ 2,997,496
2046	2047	21	$ 374,536,881	$ 29,125,866	$ 8,073,255				0.75%	$ 3,027,471
2047	2048	22	$ 378,282,250	$ 29,417,125	$ 8,153,988				0.75%	$ 3,057,745
2048	2049	23	$ 382,065,073	$ 29,711,296	$ 8,235,527				0.75%	$ 3,088,323
2049	2050	24	$ 385,885,723	$ 30,008,409	$ 8,317,883				0.75%	$ 3,119,206
TOTALS			**$ 8,337,168,361**	**$ 633,754,934**	**$ 179,418,466**		**$ 55,530,555**			**$ 62,177,707**

Notes:

(1) SSTI Revenues and SGFST Revenues are anticipated to be available at the end of the first quarter of the year following the year in which the sales occur.

(2) 2026 sales associated with Stabilized Retail Tenants are projected to grow 5% over 2025 sales. This projected growth rate is conservative with respect to the average annual growth in PIF collections of approximately 7% from 2020-2025.

(3) Sales are projected to grow at a rate of 2.00% annually through 2031, 1.5% annually from 2032 to 2041, and 1.0% annually for each year thereafter.

(4) The Applicable SSTI Percentage varies annually based on the amount of Incremental Sales Tax Revenues generated within the Plan Area. The Applicable SGFST Percentage varies annually based on the amount of taxable sales volume occurring within the SGFST Revenue Area.

(5) SSTI Revenues are anticipated to terminate on April 3,2037. SGFST Revenues are anticipated to begin on April 4, 2037. This Study estimates that in 2038, revenues collected on 2037 sales will consist of one-quarter of a full-year of SSTI Revenues and three-quarters of a full-year of SGFST Revenues.

(6) All sales tax producing retailers are located within both the Plan Area and the SGFST Revenue Area and therefore taxable sales upon which the SSTI Revenues and SGFST Revenues are generated are the same.

(7) This Study assumes that all SSTI Revenues and SGFST Revenues generated from taxes collected on Foods for Home Consumption will be rebated. The actual value of this rebate may vary from year to year. Sales generated by the Stabilized Retail Tenants are assumed to exclude any Food for Home Consumption as sales estimates are based on taxable sales subject to the Add-On PIF. The Yet to Be Stabilized Retail Tenants are not anticipated to have any sales attributable to Food for Home Consumption.

(8) This analysis does not deduct City Expenses, which may be applicable.

Table 24 - Estimated SSTI Revenues and SGFST Revenues Generated by Existing Retail Tenants and the Anticipated New Development

Sales Year	Collection Year	Program Year	Estimated Taxable Sales from Stabilized Retail Tenants	Estimated Taxable Sales from Yet to Be Stabilized Retail Tenants	Estimated Sales from Anticipated New Development	City General Fund Sales Tax Revenues (2%)	Base Amount	Incremental Sales Tax Revenues	Applicable SSTI Percentage	Applicable SGFST Percentage	Total Estimated SSTI Revenues and SGFST Revenues
2025	2026	0	$ 264,872,665	$ 9,782,135	$ -	$ 5,493,096	$ (2,273,417)	$ 3,219,679	40%		$ 1,287,872
2026	2027	1	$ 278,116,298	$ 18,229,173	$ -	$ 5,926,909	$ (2,273,417)	$ 3,653,492	40%		$ 1,461,397
2027	2028	2	$ 283,678,624	$ 21,689,418	$ 1,560,067	$ 6,138,562	$ (2,273,417)	$ 3,865,145	49%		$ 1,893,921
2028	2029	3	$ 289,352,196	$ 22,501,478	$ 47,766,960	$ 7,192,413	$ (2,273,417)	$ 4,918,996	49%		$ 2,143,591
2029	2030	4	$ 295,139,240	$ 22,951,508	$ 53,704,400	$ 7,435,903	$ (2,273,417)	$ 5,162,486	49%		$ 2,229,562
2030	2031	5	$ 301,042,025	$ 23,410,538	$ 59,427,888	$ 7,677,609	$ (2,273,417)	$ 5,404,192	49%		$ 2,314,658
2031	2032	6	$ 307,062,866	$ 23,878,748	$ 60,616,446	$ 7,831,161	$ (2,273,417)	$ 5,557,744	49%		$ 2,383,231
2032	2033	7	$ 311,668,809	$ 24,236,930	$ 61,525,692	$ 7,948,629	$ (2,273,417)	$ 5,675,212	49%		$ 2,435,689
2033	2034	8	$ 316,343,841	$ 24,600,484	$ 62,448,578	$ 8,067,858	$ (2,273,417)	$ 5,794,441	49%		$ 2,488,934
2034	2035	9	$ 321,088,998	$ 24,969,491	$ 63,385,307	$ 8,188,876	$ (2,273,417)	$ 5,915,459	49%		$ 2,542,977
2035	2036	10	$ 325,905,333	$ 25,344,033	$ 64,336,086	$ 8,311,709	$ (2,273,417)	$ 6,038,292	49%		$ 2,597,832
2036	2037	11	$ 330,793,913	$ 25,724,194	$ 65,301,127	$ 8,436,385	$ (2,273,417)	$ 6,162,968	49%		$ 2,653,509
2037	2038	12	$ 335,755,822	$ 26,110,057	$ 66,280,644	$ 8,562,930	$ (2,273,417)	$ 6,289,513	49%	0.75%	$ 2,872,401
2038	2039	13	$ 340,792,159	$ 26,501,708	$ 67,274,854	$ 8,691,374				0.75%	$ 2,970,425
2039	2040	14	$ 345,904,042	$ 26,899,233	$ 68,283,977	$ 8,821,745				0.75%	$ 3,014,981
2040	2041	15	$ 351,092,602	$ 27,302,722	$ 69,308,236	$ 8,954,071				0.75%	$ 3,060,206
2041	2042	16	$ 356,358,991	$ 27,712,262	$ 70,347,860	$ 9,088,382				0.75%	$ 3,106,109
2042	2043	17	$ 359,922,581	$ 27,989,385	$ 71,051,339	$ 9,179,266				0.75%	$ 3,137,170
2043	2044	18	$ 363,521,807	$ 28,269,279	$ 71,761,852	$ 9,271,059				0.75%	$ 3,168,542
2044	2045	19	$ 367,157,025	$ 28,551,972	$ 72,479,470	$ 9,363,769				0.75%	$ 3,200,227
2045	2046	20	$ 370,828,595	$ 28,837,491	$ 73,204,265	$ 9,457,407				0.75%	$ 3,232,230
2046	2047	21	$ 374,536,881	$ 29,125,866	$ 73,936,308	$ 9,551,981				0.75%	$ 3,264,552
2047	2048	22	$ 378,282,250	$ 29,417,125	$ 74,675,671	$ 9,647,501				0.75%	$ 3,297,197
2048	2049	23	$ 382,065,073	$ 29,711,296	$ 75,422,428	$ 9,743,976				0.75%	$ 3,330,169
2049	2050	24	$ 385,885,723	$ 30,008,409	$ 76,176,652	$ 9,841,416				0.75%	$ 3,363,471
TOTALS			**$ 8,337,168,361**	**$ 633,754,934**	**$ 1,470,276,107**	**$ 208,823,988**		**$ 67,657,619**			**$ 67,450,852**

Notes:

(1) SSTI Revenues and SGFST Revenues are anticipated to be available at the end of the first quarter of the year following the year in which the sales occur.

(2) 2026 sales associated with Stabilized Retail Tenants are projected to grow 5% over 2025 sales. This projected growth rate is conservative with respect to the average annual growth in PIF collections of approximately 7% from 2020-2025.

(3) Sales are projected to grow at a rate of 2.00% annually through 2031, 1.5% annually from 2032 to 2041, and 1.0% annually for each year thereafter.

(4) The Applicable SSTI Percentage varies annually based on the amount of Incremental Sales Tax Revenues generated within the Plan Area. The Applicable SGFST Percentage varies annually based on the amount of taxable sales volume occurring within the SGFST Revenue Area.

(5) SSTI Revenues are anticipated to terminate on April 3,2037. SGFST Revenues are anticipated to begin on April 4, 2037. This Study estimates that in 2038, revenues collected on 2037 sales will consist of one-quarter of a full-year of SSTI Revenues and three-quarters of a full-year of SGFST Revenues.

(6) All sales tax producing retailers are located within both the Plan Area and the SGFST Revenue Area and therefore taxable sales upon which the SSTI Revenues and SGFST Revenues are generated are the same.

(7) This Study assumes that all SSTI Revenues and SGFST Revenues generated from taxes collected on Food for Home Consumption will be rebated. The actual value of this rebate may vary from year to year. Sales generated by the Stabilized Retail Tenants are assumed to exclude any Food for Home Consumption as sales estimates are based on taxable sales subject to the Add-On PIF. The Yet to Be Stabilized Retail Tenants are not anticipated to have any sales attributable to Food for Home Consumption. The taxable sales generated by New Development are anticipated to include Food for Home Consumption which may be rebated and therefore have been deducted from the total estimated SSTI and SGFST Revenues.

(8) This analysis does not deduct City Expenses, which may be applicable.

Projected Property Revenues

The Property Revenues are estimated in the following sections.

Historic Property Revenues

Historic assessed values and Capital Levies Revenues from Existing Property within District No. 4 and District No. 5 are shown in Table 25. From 2020 to 2025, assessed values in District No. 4 and District No. 5 grew on average by 6.0% and 10.7% annually, respectively. During that same time frame, Capital Levies Revenues, which includes both real property tax revenues and specific ownership tax revenues from both Districts, increased by an average of 9.1% annually.

Both District No. 4 and District No. 5 saw significant volumes of new construction occurring and stabilizing since 2019. In particular, numerous large residential developments were constructed in District No. 5. This new construction contributed to this increase in Capital Levies Revenues. Between 2025 and 2026, the assessment rates for nearly all non-residential property types declined, resulting in a decline in the assessed value for real property in District No. 4, despite new construction occurring within the District.

Estimated Property Valuations

The estimates of real and personal property assessed value in this Study are based on a review of historic certified assessed values for Existing Property within the Districts, as certified by the County Assessor. These values form the basis for this Study's estimates of assessed values for property in District No. 4 and District No. 5. Estimated statutory actual values for comparable properties were reviewed to estimate statutory actual values for the Valvoline and the Anticipated New Development.

Table 26 shows the estimated statutory actual values and assessed values for the Valvoline when it is fully assessed in 2027. Table 27 and Table 28 show the estimated assessed values for the Existing Property. Table 30 shows the estimated statutory actual values and assessed values for the Anticipated New Development.

This analysis anticipates that the assessed values associated with improved real property within District No. 4 and District No. 5 will grow over time. This Study estimates improved real property assessed values will grow 2% in each biennial reassessment period. This Study does not project any growth in personal property values or unimproved real property.

In the State, the statutory actual value represents the market value for the property as determined by the County Assessor. Real property is reappraised every odd numbered year. Appraised values will not change in the intervening years unless a significant change occurs to the property, such as new construction.

Assessed value is calculated as a percentage of the statutory actual value based on the use of the property for the purpose of taxation. This Study uses tax year 2026 assessment rates, which are 25% for improved commercial property and 26% for personal property to estimate the assessed values for the Valvoline and the Anticipated New Development.

Assessed value is estimated as of January 1 of a given Assessment Year. Real property notices of valuation are mailed by May 1 of each reappraisal year (or intervening years for properties that experience a change triggering reassessment). Property owners have a window during which they can appeal their assessment prior to its certification. In August of the Assessment Year, the County Assessor certifies the preliminary total assessed value for properties within each taxing authority and final certifications are provided in December.

All Property Revenues in this Study are projected in the Collection Year. Taxes are paid in arrears, with the bills mailed soon after January 1 of the year following the Assessment Year. Tax bills may be paid in one payment by April 30, or for bills exceeding $25, in two equal payments. The first half payment is due by the last day of February. The second half payment is due by June 15. If the bill is $25 or less, payment in full is due on April 30.

Capital Levies Revenues and Facilities Fees Revenues

Table 27, Table 28, and Table 29 show the estimated Capital Levies Revenues generated by vacant and improved real property as well as personal property associated with the Existing Development. Table 30, Table 31, and Table 32 show the estimated Capital Levies Revenues and Facilities Fees Revenues generated by the Anticipated New Development. Table 33 summarizes the estimated Capital Levies Revenues and Facilities Fees Revenues generated by the Existing Development and Anticipated New Development.

The Pledged Revenues estimated within this Study include Capital Levies Revenues collected in 2026 (from 2025 assessed values). Assessed values for improved real property associated with the Existing Development and the Anticipated New Development are projected to grow at a rate of 2.00% each reappraisal year. Vacant real property and personal property values are not projected to grow.

The Capital Levies imposed by District Nos. 4 and 5 may be adjusted to offset changes in assessment rates. This Study applies the Assessment Year 2025 mill levy to forward-looking estimates of property tax revenues. This Study also applies the Assessment Year 2026 assessment rates and does not project any future changes in assessment rates, as may happen from time to time. All estimated property tax revenues are net of a 1.5% collection fee retained by the County, prior to transmitting the revenues to the Districts.

This Study assumes that building permits will be issued one year prior to construction completion, triggering the payment of the Commercial Facilities Fee.

Table 25 – Historic Existing Property Assessed Values and Capital Levies Revenues

Source: County Assessor, Districts, 2026.

Assessment Year	Collection Year	District No. 4 Assessed Value (1, 2)	District No. 5 Assessed Value (1, 2)	Property Tax and Specific Ownership Tax Revenues (3)
2019	2020	$ 31,467,980	$ 6,801,180	$ 1,088,458
2020	2021	$ 35,599,220	$ 6,436,440	$ 1,239,373
2021	2022	$ 36,339,280	$ 7,672,350	$ 1,323,613
2022	2023	$ 36,807,960	$ 7,449,160	$ 1,335,985
2023	2024	$ 42,618,720	$ 10,585,790	$ 1,649,055
2024	2025	$ 42,169,480	$ 11,293,800	$ 1,682,068
2025	2026	$ 46,759,980	$ 11,764,080	$ 1,810,669
2026 (4)	2027	$ 45,017,190	$ 14,495,830	

Notes:

(1) Total assessed value includes real and personal property. For real property, this includes vacant land, improved land, exempt property, and State assessed property.

(2) Assessment rates for real property can change from year to year. From 2025 to 2026, assessment rates for nearly all non-residential property types declined, resulting in a decline in assessed value for real property in District No. 4, despite new construction occurring within the District.

(3) Constitutes Capital Levies Revenue derived from District No. 4 and District No. 5. Does not include revenues received by any of the districts from the imposition of their general fund mill levy or revenues derived by the Issuer under the Districts Operations Financing IGAs. Does not include revenues on exempt property.

(4) 2026 assessed values are preliminary. Such preliminary certified assessed values are subject to continual modification by the County Assessor, as allowed by State law, prior to the December 10, 2026 final certification date.

Table 26 – Estimated Statutory Actual Values and Assessed Values for Valvoline

Project Component	Date of Completion	Estimated Statutory Actual Value at Completion	Estimated Assessed Value at Completion	Estimated Assessed Value per Assessment Year						
				2025	2026	2027	2028	2029	2030	2031
Improved Real Property										
Valvoline Instant Oil	April 21, 2026	$ 1,046,250	$ 261,563	$ 194,443	$ 194,443	**$ 261,563**	$ 261,563	$ 266,794	$ 266,794	$ 272,130
Personal Property										
Valvoline Instant Oil	April 21, 2026	$ 41,850	$ 10,881	$ -	$ -	**$ 10,881**	$ 10,881	$ 10,881	$ 10,881	$ 10,881

Notes:
(1) Bold values reflect projected assessed value at stabilization.
(2) Commercial real property is assessed at a rate of 25% of actual value. Personal property is assessed at a rate of 26% of actual value.
(3) Improved real property assessed values are projected to grow at a rate of 2.00% each reappraisal year. Personal property assessed values are not projected to grow.
(4) In 2025 and 2026, the parcel on which the Valvoline Instant Oil was constructed was assessed at $194,443 as a vacant property.

Table 27 – Estimated Capital Levies Revenues Generated by Existing Development within District No. 4

Assessment Year	Collection Year	Program Year	Vacant Real Property Assessed Value (1)	Personal Property Assessed Value (2)	Improved Real Property Assessed Value (3)	Total Real and Personal Property Assessed Value	District No. 4 Levy Revenues	District No. 4 Specific Ownership Tax Revenues	Total District No. 4 Capital Levy Revenues
2025	2026	0	$ 6,341,070	$ 6,063,010	$ 34,355,900	$ 46,759,980	$ 1,236,719	$ 61,836	$ 1,298,555
2026	2027	1	$ 6,239,310	$ 6,364,300	$ 32,413,580	$ 45,017,190	$ 1,190,625	$ 59,531	$ 1,250,156
2027	2028	2	$ 6,044,867	$ 6,375,181	$ 33,323,414	$ 45,743,462	$ 1,209,834	$ 60,492	$ 1,270,326
2028	2029	3	$ 6,044,867	$ 6,375,181	$ 33,323,414	$ 45,743,462	$ 1,209,834	$ 60,492	$ 1,270,326
2029	2030	4	$ 6,044,867	$ 6,375,181	$ 33,989,882	$ 46,409,930	$ 1,227,461	$ 61,373	$ 1,288,834
2030	2031	5	$ 6,044,867	$ 6,375,181	$ 33,989,882	$ 46,409,930	$ 1,227,461	$ 61,373	$ 1,288,834
2031	2032	6	$ 6,044,867	$ 6,375,181	$ 34,669,680	$ 47,089,728	$ 1,245,440	$ 62,272	$ 1,307,712
2032	2033	7	$ 6,044,867	$ 6,375,181	$ 34,669,680	$ 47,089,728	$ 1,245,440	$ 62,272	$ 1,307,712
2033	2034	8	$ 6,044,867	$ 6,375,181	$ 35,363,074	$ 47,783,122	$ 1,263,779	$ 63,189	$ 1,326,968
2034	2035	9	$ 6,044,867	$ 6,375,181	$ 35,363,074	$ 47,783,122	$ 1,263,779	$ 63,189	$ 1,326,968
2035	2036	10	$ 6,044,867	$ 6,375,181	$ 36,070,335	$ 48,490,383	$ 1,282,485	$ 64,124	$ 1,346,609
2036	2037	11	$ 6,044,867	$ 6,375,181	$ 36,070,335	$ 48,490,383	$ 1,282,485	$ 64,124	$ 1,346,609
2037	2038	12	$ 6,044,867	$ 6,375,181	$ 36,791,742	$ 49,211,790	$ 1,301,565	$ 65,078	$ 1,366,643
2038	2039	13	$ 6,044,867	$ 6,375,181	$ 36,791,742	$ 49,211,790	$ 1,301,565	$ 65,078	$ 1,366,643
2039	2040	14	$ 6,044,867	$ 6,375,181	$ 37,527,577	$ 49,947,625	$ 1,321,027	$ 66,051	$ 1,387,078
2040	2041	15	$ 6,044,867	$ 6,375,181	$ 37,527,577	$ 49,947,625	$ 1,321,027	$ 66,051	$ 1,387,078
2041	2042	16	$ 6,044,867	$ 6,375,181	$ 38,278,128	$ 50,698,176	$ 1,340,877	$ 67,044	$ 1,407,921
2042	2043	17	$ 6,044,867	$ 6,375,181	$ 38,278,128	$ 50,698,176	$ 1,340,877	$ 67,044	$ 1,407,921
2043	2044	18	$ 6,044,867	$ 6,375,181	$ 39,043,691	$ 51,463,739	$ 1,361,125	$ 68,056	$ 1,429,181
2044	2045	19	$ 6,044,867	$ 6,375,181	$ 39,043,691	$ 51,463,739	$ 1,361,125	$ 68,056	$ 1,429,181
2045	2046	20	$ 6,044,867	$ 6,375,181	$ 39,824,565	$ 52,244,613	$ 1,381,778	$ 69,089	$ 1,450,867
2046	2047	21	$ 6,044,867	$ 6,375,181	$ 39,824,565	$ 52,244,613	$ 1,381,778	$ 69,089	$ 1,450,867
2047	2048	22	$ 6,044,867	$ 6,375,181	$ 40,621,056	$ 53,041,104	$ 1,402,844	$ 70,142	$ 1,472,986
2048	2049	23	$ 6,044,867	$ 6,375,181	$ 40,621,056	$ 53,041,104	$ 1,402,844	$ 70,142	$ 1,472,986
2049	2050	24	$ 6,044,867	$ 6,375,181	$ 41,433,477	$ 53,853,525	$ 1,424,331	$ 71,217	$ 1,495,547
TOTALS							**$ 32,528,103**	**$ 1,626,405**	**$ 34,154,509**

Notes:
(1) Vacant real property assessed value is anticipated to decrease in Tax Year 2027 (Collection Year 2028) when the Valvoline Instant Oil completed in 2026 is fully assessed as improved property.
(2) Personal property assessed value is anticipated to increase in Tax Year 2027 (Collection Year 2028) when the Valvoline Instant Oil completed in 2026 is fully assessed.
(3) Improved real property assessed value is anticipated to increase in Tax Year 2027 (Collection Year 2028) when the Valvoline Instant Oil completed in 2026 is fully assessed as improved property.
(4) Improved real property assessed values are projected to grow at a rate of 2.00% each reassessment year. Vacant real property assessed values and personal property assessed values are not anticipated to grow.
(5) District No. 4 has pledged to the bonds a property tax at a rate of 25 mills, subject to adjustment. This levy may vary from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this analysis applies the most recent mill levy from tax year 2025 of 26.851 mills to estimate future District No. 4 Levy revenues.
(6) All levy revenues are net of the 1.5% collection fee.
(7) Specific Ownership Tax Revenues are estimated to be 5.0% of levy revenues.

Table 28 – Estimated Capital Levies Revenues Generated by Existing Development within District No. 5

Assessment Year	Collection Year	Program Year	Vacant Real Property Assessed Value	Personal Property Value	Improved Real Property Assessed Value	Total Real and Personal Property Assessed Value	District No. 5 Levy Revenues	District No. 5 Specific Ownership Tax Revenues	Total District No. 5 Capital Levy Revenues
2025	2026	0	$ 159,620	$ 433,360	$ 11,171,100	$ 11,764,080	$ 585,592	$ 29,280	$ 614,871
2026	2027	1	$ 83,480	$ 453,400	$ 13,958,950	$ 14,495,830	$ 721,573	$ 36,079	$ 757,651
2027	2028	2	$ 83,480	$ 453,400	$ 14,238,129	$ 14,775,009	$ 735,470	$ 36,773	$ 772,243
2028	2029	3	$ 83,480	$ 453,400	$ 14,238,129	$ 14,775,009	$ 735,470	$ 36,773	$ 772,243
2029	2030	4	$ 83,480	$ 453,400	$ 14,522,892	$ 15,059,772	$ 749,645	$ 37,482	$ 787,127
2030	2031	5	$ 83,480	$ 453,400	$ 14,522,892	$ 15,059,772	$ 749,645	$ 37,482	$ 787,127
2031	2032	6	$ 83,480	$ 453,400	$ 14,813,349	$ 15,350,229	$ 764,103	$ 38,205	$ 802,308
2032	2033	7	$ 83,480	$ 453,400	$ 14,813,349	$ 15,350,229	$ 764,103	$ 38,205	$ 802,308
2033	2034	8	$ 83,480	$ 453,400	$ 15,109,616	$ 15,646,496	$ 778,851	$ 38,943	$ 817,793
2034	2035	9	$ 83,480	$ 453,400	$ 15,109,616	$ 15,646,496	$ 778,851	$ 38,943	$ 817,793
2035	2036	10	$ 83,480	$ 453,400	$ 15,411,809	$ 15,948,689	$ 793,893	$ 39,695	$ 833,588
2036	2037	11	$ 83,480	$ 453,400	$ 15,411,809	$ 15,948,689	$ 793,893	$ 39,695	$ 833,588
2037	2038	12	$ 83,480	$ 453,400	$ 15,720,045	$ 16,256,925	$ 809,237	$ 40,462	$ 849,698
2038	2039	13	$ 83,480	$ 453,400	$ 15,720,045	$ 16,256,925	$ 809,237	$ 40,462	$ 849,698
2039	2040	14	$ 83,480	$ 453,400	$ 16,034,446	$ 16,571,326	$ 824,887	$ 41,244	$ 866,131
2040	2041	15	$ 83,480	$ 453,400	$ 16,034,446	$ 16,571,326	$ 824,887	$ 41,244	$ 866,131
2041	2042	16	$ 83,480	$ 453,400	$ 16,355,135	$ 16,892,015	$ 840,850	$ 42,043	$ 882,893
2042	2043	17	$ 83,480	$ 453,400	$ 16,355,135	$ 16,892,015	$ 840,850	$ 42,043	$ 882,893
2043	2044	18	$ 83,480	$ 453,400	$ 16,682,237	$ 17,219,117	$ 857,133	$ 42,857	$ 899,989
2044	2045	19	$ 83,480	$ 453,400	$ 16,682,237	$ 17,219,117	$ 857,133	$ 42,857	$ 899,989
2045	2046	20	$ 83,480	$ 453,400	$ 17,015,882	$ 17,552,762	$ 873,741	$ 43,687	$ 917,428
2046	2047	21	$ 83,480	$ 453,400	$ 17,015,882	$ 17,552,762	$ 873,741	$ 43,687	$ 917,428
2047	2048	22	$ 83,480	$ 453,400	$ 17,356,200	$ 17,893,080	$ 890,681	$ 44,534	$ 935,215
2048	2049	23	$ 83,480	$ 453,400	$ 17,356,200	$ 17,893,080	$ 890,681	$ 44,534	$ 935,215
2049	2050	24	$ 83,480	$ 453,400	$ 17,703,324	$ 18,240,204	$ 907,960	$ 45,398	$ 953,358
TOTALS							**$ 20,052,103**	**$ 1,002,605**	**$ 21,054,708**

Notes:

(1) Improved real property assessed values are projected to grow at a rate of 2.00% each reassessment year. Vacant real property assessed values and personal property assessed values are not anticipated to grow.

(2) District No. 5 has pledged to the bonds a property tax at a rate of 40 mills, subject to adjustment. This levy may vary from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this analysis applies the most recent mill levy from tax year 2025 of 50.536 mills to estimate future District No. 5 Levy revenues.

(3) All levy revenues are net of the 1.5% collection fee.

(4) Specific Ownership Tax Revenues are estimated to be 5.0% of levy revenues.

Table 29 – Summary of Estimated Capital Levies Revenues Generated by Existing Development

Assessment Year	Collection Year	Program Year	Total District No. 4 Capital Levy Revenues	Total District No. 5 Capital Levy Revenues	Total Capital Levy Revenues
2025	2026	0	$ 1,298,555	$ 614,871	$ 1,913,426
2026	2027	1	$ 1,250,156	$ 757,651	$ 2,007,808
2027	2028	2	$ 1,270,326	$ 772,243	$ 2,042,569
2028	2029	3	$ 1,270,326	$ 772,243	$ 2,042,569
2029	2030	4	$ 1,288,834	$ 787,127	$ 2,075,961
2030	2031	5	$ 1,288,834	$ 787,127	$ 2,075,961
2031	2032	6	$ 1,307,712	$ 802,308	$ 2,110,020
2032	2033	7	$ 1,307,712	$ 802,308	$ 2,110,020
2033	2034	8	$ 1,326,968	$ 817,793	$ 2,144,761
2034	2035	9	$ 1,326,968	$ 817,793	$ 2,144,761
2035	2036	10	$ 1,346,609	$ 833,588	$ 2,180,197
2036	2037	11	$ 1,346,609	$ 833,588	$ 2,180,197
2037	2038	12	$ 1,366,643	$ 849,698	$ 2,216,342
2038	2039	13	$ 1,366,643	$ 849,698	$ 2,216,342
2039	2040	14	$ 1,387,078	$ 866,131	$ 2,253,209
2040	2041	15	$ 1,387,078	$ 866,131	$ 2,253,209
2041	2042	16	$ 1,407,921	$ 882,893	$ 2,290,814
2042	2043	17	$ 1,407,921	$ 882,893	$ 2,290,814
2043	2044	18	$ 1,429,181	$ 899,989	$ 2,329,170
2044	2045	19	$ 1,429,181	$ 899,989	$ 2,329,170
2045	2046	20	$ 1,450,867	$ 917,428	$ 2,368,294
2046	2047	21	$ 1,450,867	$ 917,428	$ 2,368,294
2047	2048	22	$ 1,472,986	$ 935,215	$ 2,408,201
2048	2049	23	$ 1,472,986	$ 935,215	$ 2,408,201
2049	2050	24	$ 1,495,547	$ 953,358	$ 2,448,905
TOTALS			**$ 34,154,509**	**$ 21,054,708**	**$ 55,209,217**

Notes:
(1) In Tax Year 2027 (Collection Year 2028) the Valvoline Instant Oil completed in 2026 is anticipated to be fully assessed as improved property. This reassessment is included in the estimate of District No. 4 Capital Levy Revenues.
(2) Capital Levy Revenues include levy revenues collected on real and personal property and Specific Ownership Tax Revenues. All levy revenues are net of the 1.5% collection fee. Specific Ownership Tax Revenues are estimated to be 5.0% of levy revenues.
(4) Improved real property assessed values are projected to grow at a rate of 2.00% each reassessment year. Vacant real property assessed values and personal property assessed values are not anticipated to grow.
(5) District No. 4 has pledged to the bonds a property tax at a rate of 25 mills, subject to adjustment. This levy may vary from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this analysis applies the most recent mill levy from tax year 2025 of 26.851 mills to estimate future District No. 4 Levy revenues.
(6) District No. 5 has pledged to the bonds a property tax at a rate of 40 mills, subject to adjustment. This levy may vary from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this analysis applies the most recent mill levy from tax year 2025 of 50.536 mills to estimate future District No. 5 Levy revenues.

Table 30 – Capital Levies Revenues and Facilities Fees Revenues Generated by the Anticipated New Development (Table 1 of 3)

Project Component		Assessment Year	2025	2026	2027	2028	2029	2030	2031	2032	2033
		Collection Year	2026	2027	2028	2029	2030	2031	2032	2033	2034
		Program Year	0	1	2	3	4	5	6	7	8
Anticipated New Development											
Grocery Store		Square Feet				84,000					
		Anticipated Statutory Actual Value per Square Foot				$ 180					
		Anticipated Personal Property Actual Value per Square Foot				$ 35					
		Anticipated Statutory Actual Value - Real Property	$ -	$ -	$ -	$ 3,780,000	$ 15,120,000	$ 15,120,000	$ 15,422,400	$ 15,422,400	$ 15,730,848
		Anticipated Statutory Actual Value - Personal Property	$ -	$ -	$ -	$ 735,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000
Sports Bar & Restaurant		Square Feet				6,686					
		Anticipated Statutory Actual Value per Square Foot				$ 400					
		Anticipated Personal Property Actual Value per Square Foot				$ 40					
		Anticipated Statutory Actual Value - Real Property	$ -	$ -	$ -	$ 2,005,800	$ 2,674,400	$ 2,674,400	$ 2,727,888	$ 2,727,888	$ 2,782,446
		Anticipated Statutory Actual Value - Personal Property	$ -	$ -	$ -	$ 200,580	$ 267,440	$ 267,440	$ 267,440	$ 267,440	$ 267,440
Car Wash		Square Feet			$ 3,293						
		Anticipated Statutory Actual Value per Square Foot			$ 450						
		Anticipated Personal Property Actual Value per Square Foot			$ 150						
		Anticipated Statutory Actual Value - Real Property	$ -	$ -	$ -	$ 1,481,850	$ 1,511,487	$ 1,511,487	$ 1,541,717	$ 1,541,717	$ 1,572,551
		Anticipated Statutory Actual Value - Personal Property	$ -	$ -	$ -	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950
Total Statutory Actual Value - Real Property			$ -	$ -	$ -	$ 7,267,650	$ 19,305,887	$ 19,305,887	$ 19,692,005	$ 19,692,005	$ 20,085,845
Total Statutory Actual Value - Personal Property			$ -	$ -	$ -	$ 1,429,530	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390
Total Assessed Value - Real Property		25%	$ -	$ -	$ -	$ 1,816,913	$ 4,826,472	$ 4,826,472	$ 4,923,001	$ 4,923,001	$ 5,021,461
Total Assessed Actual Value - Personal Property		26%	$ -	$ -	$ -	$ 371,678	$ 962,361	$ 962,361	$ 962,361	$ 962,361	$ 962,361
Total Assessed Value			**$ -**	**$ -**	**$ -**	**$ 2,188,590**	**$ 5,788,833**	**$ 5,788,833**	**$ 5,885,363**	**$ 5,885,363**	**$ 5,983,823**
Total District No. 4 Levy Revenues		0.026851	**$ -**	**$ -**	**$ -**	**$ 57,884**	**$ 153,104**	**$ 153,104**	**$ 155,657**	**$ 155,657**	**$ 158,262**
Specific Ownership Taxes		5%	$ -	$ -	$ -	$ 2,894	$ 7,655	$ 7,655	$ 7,783	$ 7,783	$ 7,913
Total District No. 4 Levy Capital Levy Revenues from Anticipated New Development			**$ -**	**$ -**	**$ -**	**$ 60,779**	**$ 160,760**	**$ 160,760**	**$ 163,440**	**$ 163,440**	**$ 166,175**
Facilities Fees		$0.75		$ 70,484							
Total Capital Levy Revenues and Facilities Fees from Anticipated New Development			**$ -**	**$ 70,484**	**$ -**	**$ 60,779**	**$ 160,760**	**$ 160,760**	**$ 163,440**	**$ 163,440**	**$ 166,175**

Notes:

(1) Commercial real property is assessed at a rate of 25% of actual value. Personal property is assessed at a rate of 26% of actual value.
(2) Improved real property assessed values are projected to grow at a rate of 2.00% each reappraisal year. Personal property assessed values are not projected to grow.
(3) All Anticipated New Development is anticipated to be constructed within District No. 4. District No. 4 has pledged to the bonds a property tax at a rate of 25 mills, subject to adjustment. This levy may vary from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this analysis applies the most recent mill levy from tax year 2025 of 26.851 mills to estimate future District No. 4 Levy revenues.
(4) All levy revenues are net of the 1.5% collection fee.
(5) Specific Ownership Tax Revenues are estimated to be 5.0% of levy revenues.

Table 31 – Capital Levies Revenues and Facilities Fees Revenues Generated by the Anticipated New Development (Table 2 of 3)

Project Component		Assessment Year	2034	2035	2036	2037	2038	2039	2040	2041	2042
		Collection Year	2035	2036	2037	2038	2039	2040	2041	2042	2043
		Program Year	9	10	11	12	13	14	15	16	17
Anticipated New Development											
Grocery Store		Square Feet									
		Anticipated Statutory Actual Value per Square Foot									
		Anticipated Personal Property Actual Value per Square Foot									
		Anticipated Statutory Actual Value - Real Property	$ 15,730,848	$ 16,045,465	$ 16,045,465	$ 16,366,374	$ 16,366,374	$ 16,693,702	$ 16,693,702	$ 17,027,576	$ 17,027,576
		Anticipated Statutory Actual Value - Personal Property	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000
Sports Bar & Restaurant		Square Feet									
		Anticipated Statutory Actual Value per Square Foot									
		Anticipated Personal Property Actual Value per Square Foot									
		Anticipated Statutory Actual Value - Real Property	$ 2,782,446	$ 2,838,095	$ 2,838,095	$ 2,894,857	$ 2,894,857	$ 2,952,754	$ 2,952,754	$ 3,011,809	$ 3,011,809
		Anticipated Statutory Actual Value - Personal Property	$ 267,440	$ 267,440	$ 267,440	$ 267,440	$ 267,440	$ 267,440	$ 267,440	$ 267,440	$ 267,440
Car Wash		Square Feet									
		Anticipated Statutory Actual Value per Square Foot									
		Anticipated Personal Property Actual Value per Square Foot									
		Anticipated Statutory Actual Value - Real Property	$ 1,572,551	$ 1,604,002	$ 1,604,002	$ 1,636,082	$ 1,636,082	$ 1,668,804	$ 1,668,804	$ 1,702,180	$ 1,702,180
		Anticipated Statutory Actual Value - Personal Property	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950
Total Statutory Actual Value - Real Property			$ 20,085,845	$ 20,487,562	$ 20,487,562	$ 20,897,313	$ 20,897,313	$ 21,315,259	$ 21,315,259	$ 21,741,564	$ 21,741,564
Total Statutory Actual Value - Personal Property			$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390
Total Assessed Value - Real Property		25%	$ 5,021,461	$ 5,121,890	$ 5,121,890	$ 5,224,328	$ 5,224,328	$ 5,328,815	$ 5,328,815	$ 5,435,391	$ 5,435,391
Total Assessed Actual Value - Personal Property		26%	$ 962,361	$ 962,361	$ 962,361	$ 962,361	$ 962,361	$ 962,361	$ 962,361	$ 962,361	$ 962,361
Total Assessed Value			**$ 5,983,823**	**$ 6,084,252**	**$ 6,084,252**	**$ 6,186,690**	**$ 6,186,690**	**$ 6,291,176**	**$ 6,291,176**	**$ 6,397,753**	**$ 6,397,753**
Total District No. 4 Levy Revenues		0.026851	$ 158,262	$ 160,918	$ 160,918	$ 163,627	$ 163,627	$ 166,391	$ 166,391	$ 169,209	$ 169,209
Specific Ownership Taxes		5%	$ 7,913	$ 8,046	$ 8,046	$ 8,181	$ 8,181	$ 8,320	$ 8,320	$ 8,460	$ 8,460
Total District No. 4 Levy Capital Levy Revenues from Anticipated New Development			**$ 166,175**	**$ 168,964**	**$ 168,964**	**$ 171,808**	**$ 171,808**	**$ 174,710**	**$ 174,710**	**$ 177,670**	**$ 177,670**
Facilities Fees		$ 0.75	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Capital Levy Revenues and Facilities Fees from Anticipated New Development			**$ 166,175**	**$ 168,964**	**$ 168,964**	**$ 171,808**	**$ 171,808**	**$ 174,710**	**$ 174,710**	**$ 177,670**	**$ 177,670**

Notes:

(1) Commercial real property is assessed at a rate of 25% of actual value. Personal property is assessed at a rate of 26% of actual value.
(2) Improved real property assessed values are projected to grow at a rate of 2.00% each reappraisal year. Personal property assessed values are not projected to grow.
(3) All Anticipated New Development is anticipated to be constructed within District No. 4. District No. 4 has pledged to the bonds a property tax at a rate of 25 mills, subject to adjustment. This levy may vary from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this analysis applies the most recent mill levy from tax year 2025 of 26.851 mills to estimate future District No. 4 Levy revenues.
(4) All levy revenues are net of the 1.5% collection fee.
(5) Specific Ownership Tax Revenues are estimated to be 5.0% of levy revenues.

Table 32 – Capital Levies Revenues and Facilities Fees Revenues Generated by the Anticipated New Development (Table 3 of 3)

Project Component			Assessment Year	2043	2044	2045	2046	2047	2048	2049
			Collection Year	2044	2045	2046	2047	2048	2049	2050
			Program Year	18	19	20	21	22	23	24
Anticipated New Development										
Grocery Store			Square Feet							
			Anticipated Statutory Actual Value per Square Foot							
			Anticipated Personal Property Actual Value per Square Foot							
			Anticipated Statutory Actual Value - Real Property	$ 17,368,127	$ 17,368,127	$ 17,715,490	$ 17,715,490	$ 18,069,800	$ 18,069,800	$ 18,431,196
			Anticipated Statutory Actual Value - Personal Property	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000	$ 2,940,000
Sports Bar & Restaurant			Square Feet							
			Anticipated Statutory Actual Value per Square Foot							
			Anticipated Personal Property Actual Value per Square Foot							
			Anticipated Statutory Actual Value - Real Property	$ 3,072,045	$ 3,072,045	$ 3,133,486	$ 3,133,486	$ 3,196,156	$ 3,196,156	$ 3,260,079
			Anticipated Statutory Actual Value - Personal Property	$ 267,440	$ 267,440	$ 267,440	$ 267,440	$ 267,440	$ 267,440	$ 267,440
Car Wash			Square Feet							
			Anticipated Statutory Actual Value per Square Foot							
			Anticipated Personal Property Actual Value per Square Foot							
			Anticipated Statutory Actual Value - Real Property	$ 1,736,223	$ 1,736,223	$ 1,770,948	$ 1,770,948	$ 1,806,367	$ 1,806,367	$ 1,842,494
			Anticipated Statutory Actual Value - Personal Property	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950	$ 493,950
Total Statutory Actual Value - Real Property				$ 22,176,396	$ 22,176,396	$ 22,619,924	$ 22,619,924	$ 23,072,322	$ 23,072,322	$ 23,533,769
Total Statutory Actual Value - Personal Property				$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390	$ 3,701,390
Total Assessed Value - Real Property		25%		$ 5,544,099	$ 5,544,099	$ 5,654,981	$ 5,654,981	$ 5,768,081	$ 5,768,081	$ 5,883,442
Total Assessed Actual Value - Personal Property		26%		$ 962,361	$ 962,361	$ 962,361	$ 962,361	$ 962,361	$ 962,361	$ 962,361
Total Assessed Value				**$ 6,506,460**	**$ 6,506,460**	**$ 6,617,342**	**$ 6,617,342**	**$ 6,730,442**	**$ 6,730,442**	**$ 6,845,804**
Total District No. 4 Levy Revenues		0.026851		$ 172,084	$ 172,084	$ 175,017	$ 175,017	$ 178,008	$ 178,008	$ 181,059
Specific Ownership Taxes		5%		$ 8,604	$ 8,604	$ 8,751	$ 8,751	$ 8,900	$ 8,900	$ 9,053
Total District No. 4 Levy Capital Levy Revenues from Anticipated New Development				**$ 180,689**	**$ 180,689**	**$ 183,768**	**$ 183,768**	**$ 186,909**	**$ 186,909**	**$ 190,112**
Facilities Fees		$ 0.75		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Capital Levy Revenues and Facilities Fees from Anticipated New Development				**$ 180,689**	**$ 180,689**	**$ 183,768**	**$ 183,768**	**$ 186,909**	**$ 186,909**	**$ 190,112**

Notes:

(1) Commercial real property is assessed at a rate of 25% of actual value. Personal property is assessed at a rate of 26% of actual value.
(2) Improved real property assessed values are projected to grow at a rate of 2.00% each reappraisal year. Personal property assessed values are not projected to grow.
(3) All Anticipated New Development is anticipated to be constructed within District No. 4. District No. 4 has pledged to the bonds a property tax at a rate of 25 mills, subject to adjustment. This levy may vary from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this analysis applies the most recent mill levy from tax year 2025 of 26.851 mills to estimate future District No. 4 Levy revenues.
(4) All levy revenues are net of the 1.5% collection fee.
(5) Specific Ownership Tax Revenues are estimated to be 5.0% of levy revenues.

Table 33 – Summary of Capital Levies Revenues and Facilities Fees Revenues Generated by Existing Development and the Anticipated New Development

Assessment Year	Collection Year	Program Year	Total Capital Levies Revenues from District No. 4 and District No. 5 from Existing Development	Total Capital Levies Revenues from District No. 4 from Anticipated New Development	Total Capital Levies Revenues from District No. 5 from Anticipated New Development	Total Facilities Fees Revenues from District No. 4 and District No. 5 from Anticipated New Development	Total
2025	2026	0	$ 1,913,426	$ -	$ -	$ -	$ 1,913,426
2026	2027	1	$ 2,007,808	$ -	$ -	$ 70,484	$ 2,078,292
2027	2028	2	$ 2,042,569	$ -	$ -	$ -	$ 2,042,569
2028	2029	3	$ 2,042,569	$ 60,779	$ -	$ -	$ 2,103,347
2029	2030	4	$ 2,075,961	$ 160,760	$ -	$ -	$ 2,236,720
2030	2031	5	$ 2,075,961	$ 160,760	$ -	$ -	$ 2,236,720
2031	2032	6	$ 2,110,020	$ 163,440	$ -	$ -	$ 2,273,461
2032	2033	7	$ 2,110,020	$ 163,440	$ -	$ -	$ 2,273,461
2033	2034	8	$ 2,144,761	$ 166,175	$ -	$ -	$ 2,310,936
2034	2035	9	$ 2,144,761	$ 166,175	$ -	$ -	$ 2,310,936
2035	2036	10	$ 2,180,197	$ 168,964	$ -	$ -	$ 2,349,161
2036	2037	11	$ 2,180,197	$ 168,964	$ -	$ -	$ 2,349,161
2037	2038	12	$ 2,216,342	$ 171,808	$ -	$ -	$ 2,388,150
2038	2039	13	$ 2,216,342	$ 171,808	$ -	$ -	$ 2,388,150
2039	2040	14	$ 2,253,209	$ 174,710	$ -	$ -	$ 2,427,919
2040	2041	15	$ 2,253,209	$ 174,710	$ -	$ -	$ 2,427,919
2041	2042	16	$ 2,290,814	$ 177,670	$ -	$ -	$ 2,468,483
2042	2043	17	$ 2,290,814	$ 177,670	$ -	$ -	$ 2,468,483
2043	2044	18	$ 2,329,170	$ 180,689	$ -	$ -	$ 2,509,859
2044	2045	19	$ 2,329,170	$ 180,689	$ -	$ -	$ 2,509,859
2045	2046	20	$ 2,368,294	$ 183,768	$ -	$ -	$ 2,552,062
2046	2047	21	$ 2,368,294	$ 183,768	$ -	$ -	$ 2,552,062
2047	2048	22	$ 2,408,201	$ 186,909	$ -	$ -	$ 2,595,110
2048	2049	23	$ 2,408,201	$ 186,909	$ -	$ -	$ 2,595,110
2049	2050	24	$ 2,448,905	$ 190,112	$ -	$ -	$ 2,639,018
TOTALS			**$ 55,209,217**	**$ 3,720,674**	**$ -**	**$ 70,484**	**$ 59,000,375**

Notes:
(1) In Tax Year 2027 (Collection Year 2028) the Valvoline Instant Oil completed in 2026 is anticipated to be fully assessed as improved property. This reassessment is included in the estimate of District No. 4 Capital Levy Revenues.
(2) Capital Levy Revenues include levy revenues collected on real and personal property and Specific Ownership Tax Revenues. All levy revenues are net of the 1.5% collection fee. Specific Ownership Tax Revenues are estimated to be 5.0% of levy revenues.
(4) Improved real property assessed values are projected to grow at a rate of 2.00% each reassessment year. Vacant real property assessed values and personal property assessed values are not anticipated to grow.
(5) District No. 4 has pledged to the bonds a property tax at a rate of 25 mills, subject to adjustment. This levy may vary from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this analysis applies the most recent mill levy from tax year 2025 of 26.851 mills to estimate future District No. 4 Levy revenues.
(6) District No. 5 has pledged to the bonds a property tax at a rate of 40 mills, subject to adjustment. This levy may vary from year-to-year if the assessment rate changes so that the effective rate of taxation remains the same. For this reason, this analysis applies the most recent mill levy from tax year 2025 of 50.536 mills to estimate future District No. 5 Levy revenues.

Total Pledged Revenues

Table 34 summarizes the Pledged Revenues anticipated to be generated by the Existing Development and pledged to the Bonds. Table 35 summarizes the revenues anticipated to be generated by the Project, including the Anticipated New Development.

Table 34 – Summary of Pledged Revenues Generated by Existing Development

Collection Year	Program Year	Existing Development				Total Revenues
		Capital Levies Revenues	Credit PIF Revenues	Add-On PIF Revenues	SSTI Revenues and SGFST Revenues	
2026	0	$ 1,913,426	$ 2,927,025	$ 2,963,455	$ 1,287,872	**$ 9,091,778**
2027	1	$ 2,007,808	$ 3,016,522	$ 3,053,680	$ 1,461,397	**$ 9,539,407**
2028	2	$ 2,042,569	$ 3,080,635	$ 3,118,537	$ 1,878,632	**$ 10,120,373**
2029	3	$ 2,042,569	$ 3,142,248	$ 3,180,907	$ 1,942,192	**$ 10,307,916**
2030	4	$ 2,075,961	$ 3,205,093	$ 3,244,526	$ 2,003,315	**$ 10,528,894**
2031	5	$ 2,075,961	$ 3,269,195	$ 3,309,416	$ 2,065,661	**$ 10,720,232**
2032	6	$ 2,110,020	$ 3,318,233	$ 3,359,057	$ 2,129,253	**$ 10,916,564**
2033	7	$ 2,110,020	$ 3,368,006	$ 3,409,443	$ 2,177,902	**$ 11,065,372**
2034	8	$ 2,144,761	$ 3,418,526	$ 3,460,585	$ 2,227,280	**$ 11,251,153**
2035	9	$ 2,144,761	$ 3,469,804	$ 3,512,494	$ 2,277,399	**$ 11,404,458**
2036	10	$ 2,180,197	$ 3,521,851	$ 3,565,181	$ 2,328,269	**$ 11,595,499**
2037	11	$ 2,180,197	$ 3,574,679	$ 3,618,659	$ 2,379,903	**$ 11,753,438**
2038	12	$ 2,216,342	$ 3,628,299	$ 3,672,939	$ 2,643,573	**$ 12,161,153**
2039	13	$ 2,216,342	$ 3,682,724	$ 3,728,033	$ 2,754,704	**$ 12,381,802**
2040	14	$ 2,253,209	$ 3,737,965	$ 3,783,953	$ 2,796,025	**$ 12,571,151**
2041	15	$ 2,253,209	$ 3,794,034	$ 3,840,713	$ 2,837,965	**$ 12,725,920**
2042	16	$ 2,290,814	$ 3,831,974	$ 3,879,120	$ 2,880,534	**$ 12,882,442**
2043	17	$ 2,290,814	$ 3,870,294	$ 3,917,911	$ 2,909,340	**$ 12,988,358**
2044	18	$ 2,329,170	$ 3,908,997	$ 3,957,090	$ 2,938,433	**$ 13,133,691**
2045	19	$ 2,329,170	$ 3,948,087	$ 3,996,661	$ 2,967,817	**$ 13,241,736**
2046	20	$ 2,368,294	$ 3,987,568	$ 4,036,627	$ 2,997,496	**$ 13,389,985**
2047	21	$ 2,368,294	$ 4,027,444	$ 4,076,994	$ 3,027,471	**$ 13,500,202**
2048	22	$ 2,408,201	$ 4,067,718	$ 4,117,764	$ 3,057,745	**$ 13,651,428**
2049	23	$ 2,408,201	$ 4,108,395	$ 4,158,941	$ 3,088,323	**$ 13,763,860**
2050	24	$ 2,448,905	$ 4,149,479	$ 4,200,531	$ 3,119,206	**$ 13,918,121**
TOTALS		**$ 55,209,217**	**$ 90,054,794**	**$ 91,163,216**	**$ 62,177,707**	**$ 298,604,934**

Notes:

(1) Real and personal property is estimated as of January 1 of the Assessment Year. Property taxes on real and personal property are paid in arrears in the Collection Year.

(2) For Sales Revenues, the Collection Year represents the year in which the Sales Revenues are available to the Districts for the repayment of the Bonds. The Collection Year for PIF Revenues is the same as the year in which the sales occur, while the Collection Year for SSTI Revenues and SGFST Revenues is anticipated to be the year following when the sales occur.

Table 35 – Summary of Revenues Generated by Existing Development and the Anticipated New Development

Collection Year	Program Year	Existing Development and Anticipated New Development					Total Revenues
		Capital Levies Revenues	Facilities Fees Revenues	Credit PIF Revenues	Add-On PIF Revenues	SSTI Revenues and SGFST Revenues	
2026	0	$ 1,913,426	$ -	$ 2,927,025	$ 2,963,455	$ 1,287,872	**$ 9,091,778**
2027	1	$ 2,007,808	$ 70,484	$ 3,032,123	$ 3,069,281	$ 1,461,397	**$ 9,641,093**
2028	2	$ 2,042,569	$ -	$ 3,558,305	$ 3,324,046	$ 1,893,921	**$ 10,818,841**
2029	3	$ 2,103,347	$ -	$ 3,679,292	$ 3,411,771	$ 2,143,591	**$ 11,338,002**
2030	4	$ 2,236,720	$ -	$ 3,799,372	$ 3,498,605	$ 2,229,562	**$ 11,764,258**
2031	5	$ 2,236,720	$ -	$ 3,875,359	$ 3,568,577	$ 2,314,658	**$ 11,995,314**
2032	6	$ 2,273,461	$ -	$ 3,933,490	$ 3,622,105	$ 2,383,231	**$ 12,212,286**
2033	7	$ 2,273,461	$ -	$ 3,992,492	$ 3,676,437	$ 2,435,689	**$ 12,378,078**
2034	8	$ 2,310,936	$ -	$ 4,052,379	$ 3,731,583	$ 2,488,934	**$ 12,583,832**
2035	9	$ 2,310,936	$ -	$ 4,113,165	$ 3,787,557	$ 2,542,977	**$ 12,754,636**
2036	10	$ 2,349,161	$ -	$ 4,174,862	$ 3,844,370	$ 2,597,832	**$ 12,966,225**
2037	11	$ 2,349,161	$ -	$ 4,237,485	$ 3,902,036	$ 2,653,509	**$ 13,142,191**
2038	12	$ 2,388,150	$ -	$ 4,301,048	$ 3,960,567	$ 2,872,401	**$ 13,522,165**
2039	13	$ 2,388,150	$ -	$ 4,365,563	$ 4,019,975	$ 2,970,425	**$ 13,744,113**
2040	14	$ 2,427,919	$ -	$ 4,431,047	$ 4,080,275	$ 3,014,981	**$ 13,954,222**
2041	15	$ 2,427,919	$ -	$ 4,497,513	$ 4,141,479	$ 3,060,206	**$ 14,127,116**
2042	16	$ 2,468,483	$ -	$ 4,542,488	$ 4,182,894	$ 3,106,109	**$ 14,299,974**
2043	17	$ 2,468,483	$ -	$ 4,587,913	$ 4,224,723	$ 3,137,170	**$ 14,418,289**
2044	18	$ 2,509,859	$ -	$ 4,633,792	$ 4,266,970	$ 3,168,542	**$ 14,579,162**
2045	19	$ 2,509,859	$ -	$ 4,680,130	$ 4,309,639	$ 3,200,227	**$ 14,699,856**
2046	20	$ 2,552,062	$ -	$ 4,726,931	$ 4,352,736	$ 3,232,230	**$ 14,863,959**
2047	21	$ 2,552,062	$ -	$ 4,774,200	$ 4,396,263	$ 3,264,552	**$ 14,987,078**
2048	22	$ 2,595,110	$ -	$ 4,821,942	$ 4,440,226	$ 3,297,197	**$ 15,154,475**
2049	23	$ 2,595,110	$ -	$ 4,870,162	$ 4,484,628	$ 3,330,169	**$ 15,280,069**
2050	24	$ 2,639,018	$ -	$ 4,918,863	$ 4,529,474	$ 3,363,471	**$ 15,450,827**
TOTALS		**$ 58,929,891**	**$ 70,484**	**$ 105,526,940**	**$ 97,789,672**	**$ 67,450,852**	**$ 329,767,839**

Notes:

(1) Real and personal property is estimated as of January 1 of the Assessment Year. Property taxes on real and personal property are paid in arrears in the Collection Year.

(2) For Sales Revenues, the Collection Year represents the year in which the Sales Revenues are available to the Districts for the repayment of the Bonds. The Collection Year for PIF Revenues is the same as the year in which the sales occur, while the Collection Year for SSTI Revenues and SGFST Revenues is anticipated to be the year following when the sales occur.

SECTION V – CONDITIONS AND ASSUMPTIONS

This Study is intended solely for the internal use of the Districts, or the Districts' legal counsel, underwriter, and bond counsel. Neither this Study nor its contents may be referred to or quoted, in whole or in part, for any purpose including, but not limited to, any bond document, loan prospectus, offering statement, registration statement, or documentation associated with any other financial instrument without prior review and written approval by PGAV. Prior to issuing any document associated with any financial instrument a document must be signed by a representative of PGAV which document constitutes PGAV's written consent to this Study's reference in such document.

The conditions and assumptions that apply to the development and revenue projections in this document are stated throughout. A negative change in the conditions that form the basis of the assumptions used in developing the projections contained in this Study could adversely affect the estimates of the Pledged Revenues available to support bonds or other financial obligations. In order to project future revenues that may be generated within the Districts, certain assumptions must be made with regard to actions by private businesses and landowners, national and local economic conditions, public support, and legislative changes. The contents of this document are forward-looking and involve certain assumptions and judgments regarding uncertainties in the future.

No professional standards or guidance relevant to the preparation of this Study exist, but PGAV has prepared this Study based on standards and methodology the firm has developed over the course of preparing dozens of similar analyses of historical trends and projections associated with various types of special taxing districts in support of bond financings throughout the country over the past 25 years.

PGAV's methodology for preparing this Study includes the review of economic and demographic data, both current and historic, in order to develop assumptions about future growth. In light of this information, PGAV develops reasonable and conservative assumptions about future growth and applies those assumptions to the projections of future revenue in this Study. The terms of PGAV's engagement for this Study do not provide for reporting on events subsequent to the date of this Study. Therefore, PGAV accepts no responsibility to either update or revise this Study subsequent to its issuance.

This Study and the projections contained herein are based on estimates, assumptions, and information provided by the Districts, the County Assessor, and various other sources considered to be reliable. PGAV neither verified nor audited the information that was provided by others. Information provided by others is assumed to be reliable, but PGAV assumes no responsibility for its accuracy or certainty. This Study is based, in part, on assumptions and conditions provided by these various sources. PGAV believes that the assumptions used in this Study constitute a reasonable basis for its preparation.

Although the projections formulated in this Study are based on currently available information, they are also based on assumptions about the future state of the national and regional economy and the local real estate markets, as well as assumptions about future actions by various parties, which cannot be assured or guaranteed. The ability to achieve the results described herein is contingent upon the timing

and probability of a number of complex conditions being met in the future and certain assumptions holding true. PGAV makes no assertions as to the degree of impact that changes in any of these conditions would have upon the development and revenue projections included herein.

These projections are not provided as predictions or assurances that a certain level of performance will be achieved or that certain events will occur. The actual results will vary from the projections described herein, and the variations may be material. Because the future is uncertain, there is risk associated with achieving the results projected. PGAV assumes no responsibility for any degree of risk involved. PGAV assumes no liability should market conditions change. Accordingly, PGAV does not express an opinion as to whether or not the Districts will achieve the results projected herein if economic, environmental, legislative, or physical events or conditions occur that would significantly affect the projected revenue streams. Any event or action that alters an assumed event, assumption, or condition used to achieve the projections contained herein shall be considered a cause to void all financial projections contained in this Study. These assumptions include such conditions as listed below.

Development Project

It is assumed that existing development within the Districts will continue to operate and that the Anticipated New Development will be developed as described within the Districts.

Real Property and Personal Property Taxes

The Capital Levies are debt service levies imposed by District Nos. 4 and 5. Both real and personal property located within the respective Districts are subject to taxation, unless exempt. The Capital Levies may change from year to year if the assessment rate changes so that the effective rate of taxation remains the same. Future changes to the Capital Levies cannot be predicted with any certainty. For this reason, this Study applies the effective assessment rates for Assessment Year 2026 and millage rates for Assessment Year 2025 (Collection Year 2026) across all future years of property tax estimates.

Personal Property Taxes

Personal property is subject to depreciation, meaning the valuation of all personal property is anticipated to decline over time. This Study does not consider depreciation for any components of the anticipated personal property within District Nos. 4 and 5.

Personal Property Reporting

The primary tool for reporting taxable personal property is a form submitted by or on behalf of the taxpayer. If taxpayers do not accurately describe and report all taxable personal property to the County Assessor, the assessed value projections set forth in this Study may not be realized, and such difference may be material.

Assessed Value Appeals

Any successful appeal of the assessed value of property located in the District Nos. 4 and 5 could have a negative impact on the available amount of Pledged Revenues.

Failure to Pay

Any failure to pay the sales taxes and/or PIFs owed on the taxable sales within the Districts will have a negative impact on the amount of Sales Revenues collected therein. Any failure to pay the real property taxes, personal property taxes, and/or fees owed on the property within the Districts will have a negative impact on the amount of Property Revenues generated therein.

Continued Public Support

The success of the Districts, successful ongoing administration of the statutory mechanisms generating revenues associated with the Project, and the successful ongoing maintenance of the funds containing the revenues will require the commitment of the Districts, the City, and the County, without which many essential tasks of administering the funds and allocating monies toward the retirement of bonds would be hindered or brought to a halt. Likewise, it is assumed that the State legislature will not make any changes to statutes related to the Districts or pass other legislation that will negatively affect the Districts.

Court Action

The results of future court decisions, unknown at this time, could impact, either positively or negatively, the future performance of the Districts as envisioned.

Competent Staff Support

The future success of the administration of the Districts will depend to a great degree on the presence of competent support of a number of entities to execute the administrative duties required by the cooperative agreement and adopted procedures on the part of the City and County. These entities include, without limitation:

- City management, staff, and consultants;
- County Assessor; and
- The Districts.

Natural Disasters

Future success of the Project could be affected by pandemics, fires, floods, storms, or other "Acts of God" which could interrupt, halt, or otherwise disturb development and operational activity as described herein. Additionally, these "Acts of God" could alter the value of physical improvements in the Project and have a negative impact on the revenue stream.

Economic and Market Stability

National, regional, and local economic stability will need to prevail over the timeline of development described herein and the life of the Districts as well as continue to support economic activity in the City, the Districts, and the Project. In addition, prolonged labor strikes, pandemics, or terrorist attacks at the national, regional, or local level could adversely affect the business environment or business productivity within the Districts.

APPENDIX B-1

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025 FOR THE ISSUER

(attached)

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PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
Adams County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
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WIPFLI

Board of Directors
Prairie Center Metropolitan District No. 3
Adams County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Prairie Center Metropolitan District No. 3 (the "District"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Prairie Center Metropolitan District No. 3 as of December 31, 2025, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

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Other Matters

Required Supplemental Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Wipfli LLP

Wipfli LLP
Denver, Colorado

July 28, 2026

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BASIC FINANCIAL STATEMENTS

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Cash and Investments	$ 565,796
Cash and Investments - Restricted	9,084,411
Prepaid Expenses	60,849
Accounts Receivable - Add-On Public Improvement Fees from Retail Sales	318,497
Accounts Receivable - Credit Public Improvement Fees from Retail Sales	393,280
Accounts Receivable - Shared Sales Tax Increment	1,273,509
Due from Other Districts	16,122
Capital Assets, Not Being Depreciated	9,943,402
Capital Assets, Net	8,445,375
Total Assets	30,101,241
LIABILITIES	
Accounts Payable	60,784
Retainage Payable	25,437
Project Management Fee Payable	90,281
Project Management Fee Interest Payable	6,528
Accrued Interest Payable - Bonds	26,352,717
Noncurrent Liabilities:	
Due Within One Year	16,195,000
Due in More than One Year	117,009,589
Total Liabilities	159,740,336
NET POSITION	
Net Investment in Capital Assets	(4,639,352)
Restricted for:	
Emergency Reserves	90,200
Unrestricted	(125,089,943)
Total Net Position	$ (129,639,095)

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Change in Net Position: Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	$ 1,704,244	$ -	$ 2,945,209	$ -	1,240,965
Interest and Related Costs on Long-Term Debt	9,498,531	-	-	2,974,819	(6,523,712)
Total Governmental Activities	$ 11,202,775	$ -	$ 2,945,209	$ 2,974,819	(5,282,747)
GENERAL REVENUES					
Credit Public Improvement Fees from Retail Sales					3,388,488
Add-On Public Improvement Fees from Retail Sales					2,746,548
Add-On Public Improvement Fees from Building Permits					40,739
Credit Public Improvement Fees from Building Permits					50,924
Net Investment Income					574,037
Other Revenue					10,286
Total General Revenues					6,811,022
CHANGE IN NET POSITION					1,528,275
Net Position - Beginning of Year					(131,167,370)
NET POSITION - END OF YEAR					$ (129,639,095)

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
BALANCE SHEET –
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service PPI/DPI	Debt Service PRI	Capital Projects	Total Governmental Funds
ASSETS					
Cash and Investments	$ 549,328	$ -	$ -	$ 16,468	$ 565,796
Cash and Investments - Restricted	90,200	8,528,056	466,155	-	9,084,411
Prepaid Expenses	60,849	-	-	-	60,849
Accounts Receivable - Add-On Public Improvement Fees from Retail Sales	-	318,497	-	-	318,497
Accounts Receivable - Credit Public Improvement Fees from Retail Sales	-	314,624	78,656	-	393,280
Accounts Receivable - Shared Sales Tax Increment	-	1,273,509	-	-	1,273,509
Due from Other Districts	10,220	5,902	-	-	16,122
Total Assets	$ 710,597	10,440,588	$ 544,811	$ 16,468	$ 11,712,464
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 35,202	$ -	$ -	$ 25,582	$ 60,784
Retainage Payable	-	-	-	25,437	25,437
Total Liabilities	35,202	-	-	51,019	86,221
FUND BALANCES					
Nonspendable:					
Prepaid Expenses	60,849	-	-	-	60,849
Restricted for:					
Emergency Reserves	90,200	-	-	-	90,200
Debt Service	-	10,440,588	544,811	-	10,985,399
Unassigned:					
General Government	524,346	-	-	(34,551)	489,795
Total Fund Balances	675,395	10,440,588	544,811	(34,551)	11,626,243
Total Liabilities and Fund Balances	$ 710,597	$ 10,440,588	$ 544,811	$ 16,468	$ 11,712,464

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2025

Fund Balances - Total Governmental Funds	$ 11,626,243
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital Assets, Not Being Depreciated	9,943,402
Capital Assets, Net	8,445,375
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Developer Advance Payables	(2,066,963)
Accrued Interest Payable - Developer Advances	(14,415,924)
Project Management Fee Payable	(90,281)
Project Management Fee Interest Payable	(6,528)
Bonds Payable	(115,305,000)
Accrued Interest Payable - Bonds	(26,352,717)
Bonds Discount	145,574
Funding Fees on Developer Advances	(1,562,276)
Net Position of Governmental Activities	$ (129,639,095)

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service PPI/DPI	Debt Service PRI	Capital Projects	Capital Projects Stormwater	Total Governmental Funds
REVENUES						
Credit Public Improvement Fees from Retail Sales	$ -	$ 2,711,853	$ 676,635	$ -	$ -	$ 3,388,488
Add-On Public Improvement Fees from Retail Sales	-	2,746,548	-	-	-	2,746,548
Add-On Public Improvement Fees from Building Permits	-	40,739	-	-	-	40,739
Credit Public Improvement Fees from Building Permits	-	40,739	10,185	-	-	50,924
Facilities Fees	-	19,242	-	-	-	19,242
Net Investment Income	48,474	488,577	36,708	278	-	574,037
City Reimbursement (Stormwater IGA)	-	-	-	-	417,036	417,036
Other Revenue	10,286	-	-	-	-	10,286
Shared Sales Tax Increment	-	1,273,509	-	-	-	1,273,509
Transfer from Other Districts	2,945,209	1,682,068	-	-	-	4,627,277
Total Revenues	3,003,969	9,003,275	723,528	278	417,036	13,148,086
EXPENDITURES						
General and Operating	956,311	-	-	-	-	956,311
Debt Service	-	9,003,862	703,059	-	-	9,706,921
Capital Outlay	-	-	-	1,209,487	-	1,209,487
Total Expenditures	956,311	9,003,862	703,059	1,209,487	-	11,872,719
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,047,658	(587)	20,469	(1,209,209)	417,036	1,275,367
OTHER FINANCING SOURCES (USES)						
Transfers to Other Funds	(1,714,000)	-	-	(39,791)	(417,036)	(2,170,827)
Transfers from Other Funds	-	39,791	-	2,131,036	-	2,170,827
Developer Advances - Project Management Fee	-	-	-	51,011	-	51,011
Repayment of Developer Advances	-	-	-	(900,000)	-	(900,000)
Total Other Financing Sources (Uses)	(1,714,000)	39,791	-	1,242,256	(417,036)	(848,989)
NET CHANGE IN FUND BALANCES	333,658	39,204	20,469	33,047	-	426,378
Fund Balances - Beginning of Year	341,737	10,401,384	524,342	(67,598)	-	11,199,865
FUND BALANCES - END OF YEAR	$ 675,395	$ 10,440,588	$ 544,811	$ (34,551)	$ -	$ 11,626,243

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Net Change in Fund Balances - Total Governmental Funds		$ 426,378
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.		
Capital Outlay		1,209,487
Depreciation		(747,933)
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.		
City Reimbursement - Outfall Channel		(417,036)
The issuance of long-term debt (e.g., bonds, Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds record the effect of premiums, discounts, and similar items when debt is first issued as expenditures, whereas these amounts are deferred and amortized in the statement of activities.		
Bond Discount Amortization		(15,058)
Bond Principal - Series 2017		1,220,000
Bond Principal - Series 2018		610,000
Bond Principal - Series 2007		410,000
Developer Advances - Project Management Fee		(45,336)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Developer Advances - Project Management Fee Interest - Change in Liability	(5,675)	
Funding Fees on Developer Advances	(119,134)	
Accrued Interest on Developer Advances - Change in Liability	(761,737)	
Accrued Interest on Bonds - Change in Liability	(235,681)	(1,122,227)
Change in Net Position of Governmental Activities		$ 1,528,275

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Net Investment Income	$ 10,000	$ 48,474	$ 38,474
Other Revenue	-	10,286	10,286
Transfer from Other Districts	2,943,501	2,945,209	1,708
Total Revenues	2,953,501	3,003,969	50,468
EXPENDITURES			
Accounting	118,000	112,323	5,677
Accounting - PIF Collection Fees	27,000	33,705	(6,705)
Audit	16,000	11,448	4,552
Detention Pond Maintenance	40,000	49,757	(9,757)
District Asset Management	36,000	36,000	-
District Management	35,000	26,029	8,971
Dues and Memberships	6,000	2,725	3,275
Election Expense	5,000	20,456	(15,456)
Insurance	57,000	58,618	(1,618)
Landscaping	165,000	185,123	(20,123)
Legal	85,000	38,326	46,674
Miscellaneous/Contingency	48,000	11,221	36,779
ROW Mowing	-	26,050	(26,050)
Site Lighting	28,000	37,985	(9,985)
Snow Removal	150,000	55,286	94,714
Street Lights Electric	10,000	9,526	474
Street Repairs and Maintenance	200,000	172,483	27,517
Water Feature Maintenance	30,000	69,250	(39,250)
Water Pump	24,000	-	24,000
Total Expenditures	1,080,000	956,311	123,689
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,873,501	2,047,658	174,157
OTHER FINANCING SOURCES (USES)			
Transfers (to) Other Funds	(2,150,000)	(1,714,000)	436,000
Total Other Financing Sources (Uses)	(2,150,000)	(1,714,000)	436,000
NET CHANGE IN FUND BALANCE	(276,499)	333,658	610,157
Fund Balance - Beginning of Year	770,412	341,737	(428,675)
FUND BALANCE - END OF YEAR	$ 493,913	$ 675,395	$ 181,482

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Prairie Center Metropolitan District No. 3 (District) is a quasi-municipal corporation located in the City of Brighton, Adams County, Colorado and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized on June 6, 2006, to serve as the Operating District, concurrently with Prairie Center Metropolitan District Nos. 4-10 (the Taxing Districts), pursuant to an order and decree of the Adams County District Court. The Service Plan for the District was approved by the City of Brighton on February 21, 2006, modified on November 13, 2006, and amended and restated on November 4, 2008, and modified on April 14, 2013. Prior to the organization of the District, Prairie Center Metropolitan Districts Nos. 1 and 2 (respectively, District No. 1 and District No. 2) were organized and commenced development and construction of initial phases of public improvements. In order to increase development flexibility and to avoid unfairly burdening existing development with the costs of public infrastructure required in future phases, District Nos. 3-10 were formed, and several inclusions and exclusions of property were completed to generally locate commercial/retail property in District No. 4 and multi-family property in District No. 5. Subsequent to the formation of the District, the obligations of District No. 1 and District No. 2 were assumed by the District as were the assets constructed by those Districts, with the exception of improvements related to the London Mine Water Tunnel and Extension Tunnel Facility and the rights and obligations related to the operation of such Facility. Such rights and obligations were assumed by District No. 9 on January 1, 2008 and were conveyed by District No. 9 to a private entity in 2016. District No. 9 was dissolved in 2019.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including streets, transportation, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translation and mosquito and pest control services. The District is authorized to operate and maintain any improvements not otherwise conveyed to the City or other entities.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees, and all operations and administrative functions are contracted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes, public improvement fees, and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are public improvement fees and intergovernmental revenues. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is due.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund – PPI/DPI accounts for the resources accumulated and payments made for principal and interest on the Series 2007 and Series 2017 long-term debt of the governmental funds.

The Debt Service Fund – PRI accounts for the resources accumulated and payments made for principal and interest on the Series 2018 long-term debt of the government funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The Capital Projects Fund – Stormwater is used to account for financial resources to be used for the acquisition and construction of stormwater improvements which are reimbursed by the City through certain stormwater impact fees.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District has amended its annual budget for the year ended December 31, 2025.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Original Issue Discount/Premium

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Capital Assets

Capital assets, which include property and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Capital assets which are anticipated to be conveyed to other governmental entities, as well as capital assets being constructed which the District may operate and maintain, are recorded as construction in progress/not yet conveyed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements that will be dedicated to other governmental entities are not depreciated. Improvements to be owned by the District are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Streets	20 Years
Detention Pond Improvements	25 Years
Monumentation/Signage	15 to 20 Years

Facilities Fees

The District assesses and charges a facilities fee for use of the District's improvements and service system. The facilities fee for nonresidential structures is seventy-five cents ($0.75) per square foot of gross building space. The facilities fee for dwelling units follows: a) three thousand dollars ($3,000) per single-family, detached dwelling unit, b) one thousand five hundred dollars ($1,500) per townhome or condominium, and c) five hundred dollars ($500) per apartment. The facilities fee is due on or before the date of issuance of a building permit by the City of Brighton or County of Adams.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Net Position

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balances is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures (Statement 102)*. Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2025, are classified in the accompanying financial statements as follows:

Statement of Net Position:		
Cash and Investments	$	565,796
Cash and Investments - Restricted		9,084,411
Total Cash and Investments	$	9,650,207

Cash and investments as of December 31, 2025, consist of the following:

Deposits with Financial Institutions	$	23,999
Investments		9,626,208
Total Cash and Investments	$	9,650,207

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2025, the District's cash deposits had a bank balance of $400,372 and carrying balance of $23,999.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

The District has adopted a formal investment policy wherein the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
* Local government investment pools

As of December 31, 2025, the District had the following investments:

Investment	Maturity	Amount
Colorado Surplus Asset Trust Fund (CSAFE)	Weighted-Average Under 60 Days	$ 9,626,208

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

CSAFE

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers two portfolios – CSAFE CASH FUND and CSAFE CORE.

CSAFE CASH FUND operates similar to a money market fund, with each share valued at $1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper, any security allowed under CRS 24-75-601.

CSAFE CORE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $2.00 transactional share price. CSAFE CORE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE CASH FUND is rated AAAmmf and CSAFE CORE is rated AAAf/S1 by Fitch Ratings. CSAFE records its investments at amortized cost and the District records its investments in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

NOTE 4 CAPITAL ASSETS

The following is an analysis of the changes in the District's capital assets for the year ended December 31, 2025:

	Balance - December 31, 2024	Increases	Decreases	Balance - December 31, 2025
Capital Assets, Not Being Depreciated:				
Construction in Progress/ Not Yet Conveyed	$ 8,733,915	$ 1,209,487	$ -	$ 9,943,402
Total Capital Assets, Not Being Depreciated	8,733,915	1,209,487	-	9,943,402
Capital Assets, Being Depreciated:				
Streets	9,684,835	-	-	9,684,835
Detention Pond Improvements	3,523,907	-	-	3,523,907
Monumentation/Signage	3,032,366	-	-	3,032,366
Total Capital Assets, Being Depreciated	16,241,108	-	-	16,241,108
Less Accumulated Depreciation For:				
Streets	(4,410,890)	(484,242)	-	(4,895,132)
Detention Pond Improvements	(1,409,560)	(140,956)	-	(1,550,516)
Monumentation/Signage	(1,227,350)	(122,735)	-	(1,350,085)
Total Accumulated Depreciation	(7,047,800)	(747,933)	-	(7,795,733)
Total Capital Assets, Being Depreciated, Net	9,193,308	(747,933)	-	8,445,375
Governmental Activities Capital Assets, Net	$ 17,927,223	$ 461,554	$ -	$ 18,388,777

Depreciation expense was charged to functions/programs of the primary government as follows:

General Government	$ 747,933

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2025:

	Balance - December 31, 2024	Additions	Retirements	Balance - December 31, 2025	Current Portion
Bonds Payable:					
Bonds Payable - Series 2017	$ 43,375,000	$ -	$ 1,220,000	$ 42,155,000	$ 1,310,000
Bond Discount - Series 2017	(135,579)	-	(11,872)	(123,707)	-
Bonds Payable - Series 2018	1,870,000	-	610,000	1,260,000	305,000
Bond Discount - Series 2018	(25,053)	-	(3,186)	(21,867)	-
Bonds Payable - Series 2024	39,190,000	-	-	39,190,000	80,000
Bonds Payable - Series 2007	33,110,000	-	410,000	32,700,000	14,500,000
Subtotal of Bonds Payable	117,384,368	-	2,224,942	115,159,426	16,195,000
Other Debts:					
Developer Advance - Debt Service	2,066,963	-	-	2,066,963	-
Accrued Interest on Developer Advance - Debt Service	3,916,098	639,543	-	4,555,641	-
Accrued Interest on Developer Advance - Capital	9,738,089	1,022,194	900,000	9,860,283	-
Funding Fee Payable	1,443,142	119,134	-	1,562,276	-
Subtotal of Other Debts	17,164,292	1,780,871	900,000	18,045,163	-
Total Long-Term Obligations	$ 134,548,660	$ 1,780,871	$ 3,124,942	$ 133,204,589	$ 16,195,000

$47,095,000 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A, and $2,180,000 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B

On October 26, 2017, the District issued its Series 2017A and Series 2017B Bonds (the Series 2017 Refunding Bonds) in the total amount of $49,275,000. The proceeds from the Series 2017 Refunding Bonds were used to refund all of the Series 2006 Bonds and a portion of the Series 2007 Subordinate Bonds. The Series 2017 Refunding Bonds are special limited obligations of the District secured by and payable from pledged revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, revenues generated from the commercial and residential facilities fees imposed by Prairie Center Metropolitan Districts No. 4 (District No. 4), No. 5 (District No. 5), and No. 10 (District No. 10), from the imposition by District No. 4 and District No. 5 of ad valorem property taxes not in excess of 50 mills subject to adjustment caused by changes in the method of determining assessed valuation by the state of Colorado, and the related specific ownership taxes, and a portion of City sales tax revenues (such sales tax revenue sharing in accordance with the Cooperation Agreement and General Fund Sales Tax Sharing Agreement, each of which are described in Note 8).

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$47,095,000 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A, and $2,180,000 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B (Continued)

The Series 2017 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds in the required amounts of $3,409,143 for Series 2017A Bonds and $163,500 for the Series 2017B Bonds.

The Series 2017A Bonds are term bonds maturing as follows: $9,370,000 due December 15, 2027, at an interest rate of 4.125% and $37,725,000 due December 15, 2041, at an interest rate of 5.00%. The Series 2017B Bonds of $2,180,000 are term bonds due December 15, 2041, at an interest rate of 5.00%. Bonds are subject to optional redemption in whole or in part at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest with no redemption premium, with respect to the Series 2017 Bonds commencing on December 15, 2026. Bonds are subject to mandatory sinking redemption equal to the scheduled amounts plus accrued interest with respect to Series 2017A Bonds maturing in 2027 beginning on December 15, 2018, Series 2017A Bonds maturing in 2041 beginning on December 15, 2028, and Series 2017B Bonds beginning on December 15, 2018. The Series 2017 Bonds are subject to special mandatory redemption on a pro rata basis on any interest payment date on when funds on deposit are sufficient to pay 100% of the amount to be redeemed plus accrued interest. The Series 2017 Refunding Bonds are not subject to early termination.

Event of Default occurs if the District fail to collect the Pledged Revenue, or to apply the Pledged Revenues as required by the Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture. There is no acceleration of the payment of the Series 2017 Refunding Bonds upon occurrence of an Event of Default under the Indenture.

The Series 2017A Bonds principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 1,250,000	$ 1,992,469	$ 3,242,469
2027	1,325,000	1,940,906	3,265,906
2028	1,415,000	1,886,250	3,301,250
2029	1,515,000	1,815,500	3,330,500
2030	1,625,000	1,739,750	3,364,750
2031-2035	9,935,000	7,363,250	17,298,250
2036-2040	16,285,000	4,354,500	20,639,500
2041	6,950,000	347,500	7,297,500
Total	$ 40,300,000	$ 21,440,125	$ 61,740,125

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$47,095,000 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A, and $2,180,000 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B (Continued)

The Series 2017B Bonds principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 60,000	$ 92,750	$ 152,750
2027	65,000	89,750	154,750
2028	70,000	86,500	156,500
2029	75,000	83,000	158,000
2030	80,000	79,250	159,250
2031-2035	490,000	330,500	820,500
2036-2040	805,000	181,250	986,250
2041	210,000	10,500	220,500
Total	$ 1,855,000	$ 953,500	$ 2,808,500

$4,510,000 Special Revenue Bonds (Park and Recreation Improvements) Series 2018

On March 8, 2018, the District issued its $4,510,000 Special Revenue Bonds (Park and Recreation Improvements), Series 2018 (2018 PRI Bonds). The proceeds of the 2018 PRI Bonds were used to reimburse the Developer for a portion of advances made to the District under the Facilities Funding and Acquisition Agreement for construction of Park and Recreation Improvements. The 2018 PRI Bonds are special limited revenue obligations of the District secured by and payable from pledged revenues, consisting of revenues attributable to privately imposed public improvements fees payable with respect to certain retail sales transactions and construction activities occurring within the development. The 2018 PRI Bonds are also secured by funds to be held by the Trustee in the Reserve Fund in the required amount of $346,706.

The 2018 PRI Bonds are term bonds due December 15, 2042, at an interest rate of 5.125%. The 2018 PRI Bonds are subject to mandatory redemption on any interest payment date on which there are sufficient funds to redeem at least one bond in the denomination of $5,000. The 2018 PRI Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part, on any date on or after December 15, 2023, at a redemption price equal to 100% of the principal amount thereof plus interest and a redemption premium until December 15, 2026, after which there is no redemption premium. The 2018 PRI Bonds are also subject to special redemption in whole on any interest payment date when fund on deposit is sufficient to pay 100% of the principal amount then outstanding with interest.

The principal and interest payments for the 2018 PRI Bonds are based on the amount of funds available on 45 calendar days preceding each interest payment date.

Event of Default occurs if the District fail to collect the Pledged Revenue, or to apply the Pledged Revenues as required by the Indenture and does not comply with other customary terms and conditions consistent with normal municipal financing as described in the Indenture. There is no acceleration of the payment of the 2018 PRI Bonds upon occurrence of an Event of Default under the Indenture.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$4,510,000 Special Revenue Bonds (Park and Recreation Improvements) Series 2018 (Continued)

The Series 2018 Bonds principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 305,000	$ 64,575	$ 369,575
2027	320,000	48,944	368,944
2028	345,000	32,544	377,544
2029	290,000	14,863	304,863
Total	$ 1,260,000	$ 160,926	$ 1,420,926

$40,610,000 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A, and $2,905,000 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B

On June 7, 2007, the District issued its Series 2007A and 2007B Bonds (collectively, Series 2007 Subordinate Bonds) in the total amount of $43,515,000. The proceeds from the Series 2007 Subordinate Bonds were used for the purposes of funding public infrastructure costs, funding reserve and capitalized interest accounts, and paying bond issuance costs. The Series 2007 Subordinate Bonds are special limited obligations of the District secured by and payable from the pledged revenues, subject in all respects to the prior lien in favor of the senior bonds, which consist of the 2017 Refunding Bonds as well as any additional senior bonds that may be issued in the future. Pledged revenues consist primarily of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the Development, revenues generated from the commercial and residential Facilities Fee imposed by District No. 4, District No. 5, and District No. 10, and from the imposition of ad valorem property taxes by District No. 4 and District No. 5 not in excess of 50 mills so long as the statutory mill levy limitation set forth in Section 32.1.1101(6)(b) of the Colorado Revised Statutes is applicable and, if not, subject to adjustment caused by changes in the method of determining assessed valuation by the state of Colorado, and the related specific ownership taxes.

The Series 2007A Bonds are term bonds maturing as follows: $40,610,000 due December 15, 2031, at an interest rate of 8.75% through December 14, 2007, and 9.50% thereafter. The Series 2007B Bonds of $2,905,000 are term bonds due December 15, 2031, at an interest rate of 8.75% through December 14, 2007, and 9.50% thereafter. Bonds are subject to optional redemption in whole or in part at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest with no redemption premium, with respect to the Series 2007 Subordinate Bonds on any date. The Series 2007A and 2007B Subordinate Bonds are subject to mandatory sinking fund redemption equal to the scheduled amounts plus accrued interest beginning December 15, 2017.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$40,610,000 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A, and $2,905,000 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B (Continued)

Pursuant to the indenture for the bonds, due to the limited nature of the revenues pledged, the failure to pay interest and principal when due does not, in itself, create an event of default if the District is otherwise in compliance with the bond documents. Any unpaid amount is not subject to compounding interest. A portion of the Series 2007 Subordinate Bonds were refunded by the issuance of the District's Series 2017 Bonds and Series 2024 Bonds.

The Subordinate Bonds Series 2007A principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 13,460,000	$ 19,248,230	$ 32,708,230
2027	2,905,000	1,613,575	4,518,575
2028	3,130,000	1,337,600	4,467,600
2029	3,375,000	1,040,250	4,415,250
2030	3,645,000	719,625	4,364,625
2031	3,930,000	373,350	4,303,350
Total	$ 30,445,000	$ 24,332,630	$ 54,777,630

The Subordinate Bonds Series 2007B principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 1,040,000	$ 1,323,946	$ 2,363,946
2027	205,000	115,425	320,425
2028	225,000	95,950	320,950
2029	240,000	74,575	314,575
2030	260,000	51,775	311,775
2031	285,000	27,075	312,075
Total	$ 2,255,000	$ 1,688,746	$ 3,943,746

$29,320,000 Limited Property Tax Supported Revenue Bonds, Series 2024A, and $9,870,000 Subordinate Limited Property Tax Supported Revenue Bonds, Series 2024B

On April 16, 2024, the District issued Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A, in the amount of $29,320,000 (Series 2024A Bonds) and Limited Property Tax Supported District Improvements Revenue Bonds, Series 2024B, in the amount of $9,870,000 (Series 2024B Bonds). Proceeds of the Series 2024 Bonds were used to finance construction of public improvements, including reimbursement of a portion of advances under the Facilities Funding and Acquisition Agreement. A portion of the Series 2024A Bonds was applied to refund a portion of the Series 2007 Subordinate Bonds.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$29,320,000 Limited Property Tax Supported Revenue Bonds, Series 2024A, and $9,870,000 Subordinate Limited Property Tax Supported Revenue Bonds, Series 2024B (Continued)

The Series 2024A Bonds and Series 2024B Bonds (collectively, the Series 2024 Bonds) are special limited obligations of the District secured by and payable from the pledged revenues that secure the Series 2017 Refunding Bonds (described above). The Series 2024 Bonds were issued on a parity lien basis with the Series 2017 Refunding Bonds and on a senior lien basis to the Series 2007 Subordinate Bonds. The Series 2024 Bonds are also secured by funds held by the Trustee in the Reserve Funds in the required amounts of $2,583,825 for the Series 2024A Bonds and $869,793 for the Series 2024B Bonds.

The Series 2024 Bonds bear interest at a rate of 5.875% payable semi-annually on December 15 and June 15, beginning on December 15, 2024. The Series 2024 Bonds are subject to optional redemption in whole or in part at a redemption price of 100% of the principal amount to be redeemed plus accrued interest with no redemption premium commencing on December 15, 2033. The Series 2024 Bonds are subject to mandatory sinking redemption equal to the schedule amounts plus accrued interest with respect to bonds maturing in 2037 beginning on December 2026. The Series 2024 Bonds are subject to special mandatory redemption on a pro rata basis with and subject to the same terms as the Series 2017 Refunding Bonds. Events of Default are as described for the Series 2017 Refunding Bonds. The Series 2024 Bonds are not subject to early termination. There is no acceleration of payment of the Series 2024 Bonds upon occurrence of an Event of Default.

The Series 2024A principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 60,000	$ 1,722,550	$ 1,782,550
2027	120,000	1,719,025	1,839,025
2028	180,000	1,711,975	1,891,975
2029	230,000	1,701,400	1,931,400
2030	290,000	1,687,888	1,977,888
2031-2035	2,460,000	8,107,794	10,567,794
2036-2040	4,110,000	7,161,625	11,271,625
2041-2045	17,225,000	4,765,800	21,990,800
2046	4,645,000	272,894	4,917,894
Total	$ 29,320,000	$ 28,850,950	$ 58,170,950

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

$29,320,000 Limited Property Tax Supported Revenue Bonds, Series 2024A, and $9,870,000 Subordinate Limited Property Tax Supported Revenue Bonds, Series 2024B (Continued)

The Series 2024B principal and interest will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2026	$ 20,000	$ 579,863	$ 599,863
2027	40,000	578,688	618,688
2028	60,000	576,338	636,338
2029	75,000	572,813	647,813
2030	100,000	568,406	668,406
2031-2035	825,000	2,730,406	3,555,406
2036-2040	1,385,000	2,412,275	3,797,275
2041-2045	5,800,000	1,604,756	7,404,756
2046	1,565,000	91,944	1,656,944
Total	$ 9,870,000	$ 9,715,488	$ 19,585,488

Debt Authorization Limit

The District was organized to provide services to the same service area with Prairie Center Metropolitan District Nos. 1, 2, 4, 5, 6, 7, 8 and 10 (collectively, the "Districts"). The Services Plans for the Districts limit the aggregate amount of debt the Districts may issue to a total amount of $750,000,000 (the Service Plan Debt Issuance Limit). In no event is the District authorized to issue debt, which in aggregate with the debt issued by the other Districts, in an amount that is in excess of the Service Plan Debt Issuance Limit. Of the $750,000.000 in Service Plan Debt Issuance Limit: the District has issued to date a total of $172,850,000 in bonds, District No. 4 has issued to date a total of $129,150,000 of the Service Plan Debt Issuance Limit in bonds, District No. 5 has issued to date a total of $129,150,000 of the Service Plan Debt Issuance Limit in bonds, District No.10 has issued to date a total of $129,150,000 of the Service Plan Debt Issuance Limit in bonds, and District No. 7 has issued $16,215,000 of the Service Plan Debt Issuance Limit in bonds. Therefore, the amount within the Service Plan Debt Issuance Limit for the Districts combined is $173,485,000.

At elections on May 2, 2006, and November 5, 2024, the District authorized total indebtedness in excess of the Service Plan Debt Issuance Limit because, at the time of the election, the actual costs of construction were not known. Without knowing the costs of construction or the amount of debt to be issued by the other Districts, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer or streets) or to each District. Therefore, the Service Plan Debt Issuance Limit of $750,000,000 was voted in almost every power, as well as for each of debt refunding and debt related to intergovernmental agreements or contracts with other public entities.

In the future, the District may issue a portion or all of the remaining authorized by general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Developer Advances

The District has entered into the Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreement (Agreement) with the Developer wherein the District agrees to reimburse the Developer for advances made on behalf of the District.

As of December 31, 2025, outstanding advances under the Agreement totaled $2,066,963 for debt service costs, and $-0- for capital costs. Accrued interest on Developer advances as of December 31, 2025, totaled $4,555,641 for debt service costs, and $9,860,283 for capital costs.

Funding Fee

Under the Agreement, at the Developer's discretion, the District shall pay an additional funding fee on outstanding Developer advances, subject to annual appropriation. As of December 31, 2025, the outstanding Funding Fee is $1,562,276.

NOTE 6 NET POSITION

The District has net position consisting of three components – net investments in capital interests, restricted, and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

As of December 31, 2025, the District had the following net investment in capital assets, calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	$ 8,445,375
Less Capital Related Debt:	
Current Portion of Long-Term Obligations	(2,803,669)
Noncurrent Portion of Long-Term Obligations	(15,970,166)
Net Investment in Capital Assets	$ (10,328,461)

The restricted component of net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position at December 31, 2025, as follows:

	Governmental Activities
Restricted Net Position:	
Emergency Reserves	$ 90,200
Total Restricted Net Position	$ 90,200

NOTE 6 NET POSITION (CONTINUED)

The District has a deficit in unrestricted net position. This deficit amount is a result of the District being responsible for the repayment of bonds issued for public improvements, a portion of which have been conveyed and/or will be conveyed to other governmental entities.

NOTE 7 INTERFUND TRANSFERS

The transfer from the General Fund to Capital Projects Fund was made to support budgeted capital expenditures and repayment of Developer advances.

The transfer from the Capital Projects Fund – Stormwater to the Capital Projects Fund was due to the reimbursement of funding provided from the Capital Projects Fund to the Capital Projects Fund – Stormwater as permitted by the Stormwater IGA.

The transfer from the Capital Projects Fund to the Debt Service Fund was made to reallocate the remaining balance in the Cost of Issuance fund to the 2024A Interest Fund.

NOTE 8 AGREEMENTS

Facilities Funding, Construction, and Operations Agreement (FFCO)

On November 8, 2006, the District entered into the Facilities Funding, Construction and Operations Agreement (as amended on May 11, 2017, the FFCO) with District Nos. 2 and 4-10 establishing certain expectations as to the financing, construction, operation and maintenance of improvements as contemplated in the Service Plans for the purpose of providing, in a timely and coordinated fashion, essential services within the Districts. By Notice dated December 19, 2017, District No. 7 terminated its participation as a party to the FFCO and was released from any obligations thereunder by the other Districts. Effective September 4, 2019, District No. 9 gave notice of its termination as a party to the FFCO, and District No. 9 was subsequently dissolved on September 26, 2019.

Pursuant to the FFCO, the District is designated as the Operating District and agrees to provide the following: 1) project administration services (generally comprised of contracting for and supervising the acquisition, construction, operation and maintenance of public improvements), and 2) district administration services (including, but not limited to, serving as the depository for district records, coordinating board meetings, filing and notices, preparing financial reports and budgets and coordinating legal, accounting, management, engineering and other professional services) for the other Districts which remain parties to the FFCO (Taxing Districts). The FFCO anticipates that the District will enter into intergovernmental agreements with the respective Taxing Districts whereby the Taxing Districts will agree to share in the Districts' administration costs Operations IGAs and/or pledge certain revenues to pay capital projects costs incurred and/or to repay bonds issued by the District (Capital Pledge Agreements).

NOTE 8 AGREEMENTS (CONTINUED)

Comprehensive Agreement

The Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement and Intergovernmental Agreement for Prairie Center (Comprehensive Agreement) was made and entered into, in December 2005, by and between the City of Brighton (City), the City of Brighton Water, Sewer and Drainage Enterprise, THF Prairie Center Development L.L.C., THF Prairie Center Retail One L.L.C., Prairie Center Metropolitan District No. 1 (District No. 1), and Prairie Center Metropolitan District No. 2 (District No. 2) (collectively the Districts). The Comprehensive Agreement establishes the framework for the construction and financing of public infrastructures required by the Prairie Center Development and sets forth the terms and provisions pertaining to the imposition, collection and application of the privately imposed Credit Public Improvement Fee (Credit PIF) and privately imposed Add-On Public Improvement Fee (Add-On PIF), and the implementation of the City Sales/Use Tax Credit. The Agreement categorizes the public infrastructure required by the Development and legally permitted to be funded by the Districts into: 1) Primary Public Improvements (PPI), such as major and minor arterial streets and related landscaping and trails, collector streets and related landscaping and trails, traffic signals, certain potable and nonportable water distribution lines, regional/community/ neighborhood parks, trails and open spaces; 2) Parks and Recreation Public Improvements (PRI); and 3) District Public Improvements (DPI) which is comprised of all other improvements that may be provided by the Districts. The Comprehensive Agreement provides that the Districts' receipt of the 1.25% Credit PIF (for which the City grants a credit against the municipal sales and use taxes that would otherwise be payable on sales and use tax transactions) may only be used for PPI improvements.

Further, the Comprehensive Agreement allows the Districts to receive a 1% Add-On PIF to finance any other public improvements or services (DPI) that the Districts are authorized by statute and its Service Plans to provide.

On November 8, 2006, an Assignment of Agreement was made between and among District No. 1, District No. 2, and the District. As of the date of the assignment, District No. 1 and District No. 2 assigned to the District, and the District assumed, all their rights, benefits, obligations and duties under the Agreement, with the exception of District No. 1's rights and obligations related to the operation of the London Mine Water Tunnel and Extension Tunnel Facility and activities related to such operation. Such rights and obligations were assigned to District No. 9 on January 1, 2008 and were conveyed by District No. 9 to a private entity in 2016. District No. 9 was dissolved in 2019.

In July 2009, the First Amendment to the Comprehensive Agreement was executed to include certain properties to the Incorporated Property for all purposes under the Comprehensive Agreement and to increase maximum amount of PPI costs that the Districts can finance with Credit PIF Revenues (Cap Amount) from $125,000,000 to $146,476,240.

NOTE 8 AGREEMENTS (CONTINUED)

Comprehensive Agreement (Continued)

In February 2012, the Second Amendment to the Comprehensive Agreement was executed to modify certain terms of the Agreement. The Second Amendment, among other matters, redefined Shared Revenues to include Credit PIF Revenues, Shared City Fees, Shared Sales Tax Incremental Revenues (see Cooperation Agreement below), Shared General Fund Sales Taxes (see General Fund Sales Tax Sharing Agreement below), and other City or Brighton Urban Renewal Authority (BURA) revenues that the parties agree are to be shared by the City or BURA with the District to pay or reimburse Eligible Costs. The terms as to when and how the new Revenues (such as General Fund Sales Taxes) will be shared were also explained in the Second Amendment. Further, the Second Amendment restated and clarified the definitions of Eligible Costs, which is comprised of Hard Costs, Soft Costs, Interest Costs, and Financing Costs, that can be paid from Shared Revenues. With regard to the Interest Costs incurred by the District in connection with a Developer Advance and payable from Shared Revenues, the Second Amendment allows a simple rate of 5% per annum accruing from the date of such Developer Advance.

The Third Amendment to the Comprehensive Agreement was entered into as of June 16, 2015. The Third Amendment reduced the principal amount of the 1.25% Credit PIF to be applied to PRI Improvements from $14 million to $9 million and requires that $2.5 million of such revenues be paid to the City for design and/or construction of the second phase of an adult recreation center and relieved the District of its obligations under the original Cooperation Agreement related to the initial phase of the adult recreation center. The Third Amendment also provides for the City to rebate portions of certain City bridge/crossing and traffic impact fees paid with respect to development of the phase of residential single-family dwelling units known as Prairie Center Residential Village One in the total amount of $2.5 million, which rebated fees shall be applied to specified street improvements and shall count against the Cap Amount. The rebated use tax and rebated building permit fees (or any other rebated fees approved by Council) do not need to be applied to eligible costs related to primary public improvements and do not count against the Cap Amount.

On November 19, 2024, the Fourth Amendment to the Comprehensive Agreement was executed. The Fourth Amendment relieved the District of the obligation to construct, operate and maintain a non-potable water system. It also established the terms pursuant to which certain non-potable water and trail improvements constructed by the District would be transferred to the City and integrated into the non-potable water system to be provided by the City. Additionally, it set milestones (dates) when the City is obligated to construct and connect trails to Prairie Center and have an operating non-potable water irrigation system in place. Such terms included City certification of the amount of Eligible Costs incurred by the District for the subject improvements that may be paid or reimbursed from Shared Revenues.

NOTE 8 AGREEMENTS (CONTINUED)

Cooperation Agreement

On July 18, 2012, the District entered into the Cooperation Agreement with the City and BURA. Pursuant to the Cooperation Agreement, to the extent that the District designs, finances and constructs Primary Public Improvements to serve the Southeast Brighton Regional Urban Renewal Plan Area, BURA will reimburse the District for Eligible Costs, according to the terms and provisions of the Comprehensive Agreement and this Cooperation Agreement, by a pledge of certain General Fund Sales Tax Incremental Revenues, subject to the Cap Amount initially commencing when taxable retail sales within the Plan Area are at least $150 million or at least one Qualifying Retailer opens for business. The City shall be obligated to transfer to BURA only the Allocated Increment Amount, which initially shall be equal to 30% (and increase to 49% as additional development triggers are met) of the City's General Fund Sales Tax of two percent (2.0%) after deduction of (i) the General Fund Sales Tax Base Amount ($2,273,417) and (ii) the proportionate share of costs and expenses related to the collection of the General Fund Sales Tax in the Plan Area. BURA's obligation to remit the Allocated Increment Amount to the District terminates upon the earlier of (i) the District's repayment of bonds and Developer Advances for Primary Public Improvement Costs, (ii) receipt of Credit PIF, General Fund Sales Tax Incremental Revenues and other Shared Revenues (defined in the Comprehensive Agreement) up to the Cap Amount, or (iii) April 3, 2037.

On September 14, 2017, the District entered into a Memorandum of Understanding (MOU) with the City of Brighton and BURA setting forth the terms for administration of the collection and sharing of sales tax incremental revenues to further the intent of the Southeast Brighton Regional Urban Renewal Plan, the Second Amendment to the Comprehensive Agreement, and the Cooperation Agreement. The MOU describes the method for determination of such revenues and when transfers of such revenues are to be made.

General Fund Sales Tax Sharing Agreement

The District entered into the General Fund Sales Tax Sharing Agreement (Sharing Agreement) with the City on July 18, 2012. Pursuant to the Sharing Agreement, the term of this Agreement commences upon the termination or expiration of the Cooperation Agreement to the extent that the District has not repaid in full bonds and Developer Advances for Primary Public Improvement Costs and the Cap Amount has not been fully utilized. Under the Sharing Agreement, the City agrees on an annual appropriation basis to remit to the District Shared General Fund Sales Taxes after retail sales of taxable goods and services equal (i) at least $150 million in any calendar year, one-half of one percent (0.50%) as a portion of the City's 2.0% General Fund Sales Tax collected from the project, and (ii) at least $300 million in any calendar year, three-quarters of one percent (0.75%) as a portion of the City's 2.0% General Fund Sales Tax collected from the project.

The City's obligation to remit Shared General Fund Sales Taxes is subject to annual appropriation and terminates upon the earlier of (i) the District's repayment of bonds and Developer advances for Primary Public Improvements, or (ii) receipt of Shared General Sales Taxes and other Shared Revenues up to Cap Amount.

NOTE 8 AGREEMENTS (CONTINUED)

Intergovernmental Agreement Regarding Design, Financing, and Construction of Regional Drainage Improvements

In May 2011, the District entered into the Intergovernmental Agreement Regarding Design, Financing, and Construction of Regional Drainage Improvements (Stormwater IGA) with the City. Pursuant to the Stormwater IGA, the District will design, finance, and construct drainage improvements subject to reimbursement from the City to the District from certain stormwater impact fees for certain of the District's costs to design, finance, and construct such drainage improvements. With respect to the Over-Detention Ponds, the eligible costs which the City may reimburse the District totaled $1.2 million. With respect to the Outfall Channel/Fulton Ditch Improvements, the eligible costs which the City may reimburse the District will not exceed $3,000,000. The Stormwater IGA also provides the procedures for certifying costs, requesting reimbursement and calculation of applicable interest.

In January 2012, the First Amendment to the Intergovernmental Agreement Regarding Design, Financing, and Construction of Regional Drainage Improvements was executed to, among other matters, amend the District's commencement of construction of the Fulton Ditch Improvements, and increase the maximum costs of the Outfall Channel/Fulton Ditch Improvements to an amount not to exceed $3,600,000.

Capital Pledge Agreement with District Nos. 4 and 5 and 10

On October 1, 2017, the District entered into an Amended and Restated Capital Pledge Agreement with UMB Bank, District No. 4 and District No. 5 (each a Taxing District; and collectively the Taxing Districts) (Pledge Agreement), which superseded in its entirety a prior Capital Pledge Agreement among the parties dated December 1, 2006 as amended in 2009 and 2010. Pursuant to the Pledge Agreement, the District shall issue Bonds as necessary to finance and construct Improvements for the benefit of the Taxing Districts. The Pledge Agreement obligates the Taxing Districts to impose annually in each years through 2040 a mill levy at a rate of 25.000 mills for District No. 4 and 40.000 mills for District No. 5, subject to certain adjustments, and remit to the District's Trustee tax revenues derived from such mill levies, together with facilities fees and a portion of specific ownership taxes collected by the Taxing Districts, to repay the Bonds. The Taxing Districts' obligation to pay such revenues to the District constitute an irrevocable lien on such revenues, and each Taxing District has agreed not to issue or incur Bonds, notes or other obligations payable in whole or in part from, or constituting a lien upon, the revenues pledged to the District without the District's prior consent. The rate of maximum mill levy permitted to be levied by each Taxing District is 50.000 mills, subject to certain adjustments.

On April 1, 2024, the District entered into a First Amendment to Amended and Restated Capital Pledge Agreement with Districts No. 4 and 5. This amendment updated the 2017 Pledge Agreement to incorporate the issuance of new bonds—Series 2024A and 2024B—totaling $39.19 million. The amendment supports ongoing infrastructure development and reimbursement obligations to developers under the FFCO.

NOTE 8 AGREEMENTS (CONTINUED)

Capital Pledge Agreement with District Nos. 4 and 5 and 10 (Continued)

On October 1, 2017, the District entered into an Amended and Restated Capital Pledge Agreement with District No. 10 (Second Pledge Agreement), which superseded in its entirety a prior Capital Pledge Agreement between the parties dated March 1, 2009. Pursuant to the Second Pledge Agreement, the District agrees to finance a portion of the costs of public improvements within District No. 10 through the issuance of bonds; and District No. 10 agrees to pledge to the District, for purposes of paying debt service on the bonds, if needed, and otherwise for funding certain improvements, revenues resulting from the imposition of facilities fees. Prior to March 1, 2009, facilities fees collected by District No. 10 were not pledged to the District for debt service.

On April 1, 2024, the District entered into a First Amendment to Amended and Restated Capital Pledge Agreement with District No. 10. This amendment updated the 2017 Pledge Agreement to: Include District No. 10's pledge of Facilities Fees to support new bond issuances, incorporate the issuance of the Series 2024A and 2024B Bonds by the Issuing District, and confirm that these bonds are considered "Additional Bonds" under the 2017 Indenture.

Operations Financing Intergovernmental Agreements

On May 11, 2017, the District entered into Amended and Restated Operations Financing IGAs (IGAs), separately, with each of District No. 4 and District No. 5. The IGAs, which superseded in their entirety prior Operations Financing IGAs dated December 19, 2006, require that District No. 4 and District No. 5 impose, collect, and remit to the District an operations mill levy in order to pay for certain administrative and management costs incurred by the District. The operational mill levy imposed individually by District No. 4 and District No. 5, cannot exceed the maximum mill levy for operations and maintenance authorized by the Districts' Service Plans less the number of mills the applicable Taxing District has pledged to levy for payment of debt service under any Capital Pledge Agreement.

On December 4, 2008, the District and District No. 10 entered into an Operations Financing IGA, which requires District No. 10 to impose, collect, and remit an operations mill levy to the District for administrative and management costs. Total mills to be levied by District No. 10 may not exceed 60.000 mills for operations and maintenance and debt service.

On December 7, 2022, the District entered into an Operations Financing IGA with Prairie Center Metropolitan District No. 1 (District No. 1), which requires District No. 1 to impose, collect and remit an operations mill levy to the District for administrative and maintenance costs. The operations mill levy imposed by District No. 1 cannot exceed the maximum mill levy for operations and maintenance authorized by its Service Plan less the number of mills, if any, it has pledged for payment of debt service.

NOTE 8 AGREEMENTS (CONTINUED)

Operations Financing Intergovernmental Agreements (Continued)

On December 4, 2024, the District entered into an Operations Financing Intergovernmental Agreement (IGA) with Prairie Center Metropolitan District No. 6 (District No. 6). The IGA, effective January 1, 2024, requires District No. 6 to impose, collect, and remit to the District an operations mill levy to fund its share of administrative and management costs incurred by the District. The operations mill levy imposed by District No. 6 must be reasonably calculated to cover its Allocated Management Costs and cannot exceed the maximum mill levy for operations and maintenance authorized by its Service Plan, less any mills pledged for debt service under a Capital Pledge Agreement. The agreement also includes provisions for the allocation of reimbursable management costs, financial reporting, and remedies in the event of noncompliance.

Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreement

On December 26, 2006, the District entered into the Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreements (Funding Agreement) with THF Prairie Center Development L.L.C. and THF Prairie Center Retail One L.L.C. (collectively the Developer). Pursuant to the Funding Agreement, the Developer agrees to advance funds to the District to pay for capital and operational expenses when the District's revenues are not sufficient to pay for such expenses. The District will pay the Developer interest compounding semi-annually, from the date of each Developer advance, at the rate of three percent (3%) per annum above the rate announced by Bank of America, N.A., St. Louis, Missouri. In addition, at the Developer's discretion, the District shall pay an additional funding fee of one percent (1%) on amounts outstanding twenty-four (24) months from the funding date, said fee being charged once every twenty-four (24) months while the amounts remain outstanding. The District's payment of Developer advances under this Agreement is subject to annual appropriation.

Upon execution of the Funding Agreement, the District assumed the obligation to acquire certain public infrastructure constructed and financed by the Developer. Additionally, the District assumed the repayment obligations of District No. 1 and District No. 2 under a prior funding agreement with the Developer.

Construction Management Agreement

On June 28, 2018, the District entered into the Construction Management Agreement, with an effective date of July 1, 2018, with R.G. Brinkman Company for Prairie Center Village I Subdivision, Filing No. 1, to supervise the construction of public improvements. This agreement supersedes the previous Construction Management Agreement dated January 18, 2007, as amended September 8, 2015. Under this agreement, the Construction Manager's duties include, but are not limited to, conducting the competitive bid process for public improvements; provide oversight and construction management services and monitoring the progress of the project and budget. In consideration of the Construction Manager's services, the District shall pay, on a monthly basis, a fee of five percent (5%) of the aggregate payments the District makes to approved contractors. Commencing July 2018, the District shall additionally pay the Construction Manager $11,929 per month for certain administrative, equipment, and materials expenses incurred in course of performing the work.

NOTE 8 AGREEMENTS (CONTINUED)

Facilities Management Agreement

The District entered into the Facilities Management Agreement, effective as of July 1, 2006, with Prairie Management, L.L.C. (Facilities Manager), an entity affiliated with the Developer, pursuant to which the Facilities Manager shall manage the operation, maintenance and repair of public improvements owned by the District or for which the District has operation and maintenance responsibilities. The compensation paid to the Facilities Manager is $3,000 per month.

Project Management Agreement

On August 2, 2006, the District entered into the Project Management Agreement (Project Agreement) with Prairie Management L.L.C. (Project Manager), an entity affiliated with the Developer. Pursuant to the Project Agreement, the Project Manager shall provide all management services relating to the planning, design, construction, and installation of and obtaining municipal approval of the public improvements. The Project Manager's duties also include supervision, on behalf of the District, of the Construction Manager. As compensation for services provided by the Project Manager, the District shall pay, on a monthly basis, a fee of four percent (4%) of the actual cost of public improvements. Any unpaid fees will accrue interest at the rate of two percent (2%) per annum above the prime rate announced by Bank of America, N.A., St. Louis, Missouri. The Agreement is for one year and shall renew annually thereafter for a period of twenty (20) years. As of December 31, 2025, the outstanding balances of the project management fees and related interest are $90,281 and $6,528, respectively.

Intergovernmental Agreement Regarding Facilities Fee Collection

On November 13, 2007, the District entered into the Intergovernmental Agreement Regarding Facilities Fee Collection with District Nos. 2 and 4-10; agreeing to have the District administer and collect facilities fees imposed by District Nos. 2 and 4-10; provided, however, that the revenue derived from facilities fees of a specific District shall remain the property and subject to the control of such District's Board of Directors. To the extent required by any Capital Pledge Agreement, the District will deposit facilities fees collected on behalf of said Districts with the applicable bond trustee. The agreement was amended on September 4, 2019 to remove District No. 9 as a party, due to that District's dissolution. Pursuant to the Intergovernmental Agreement Regarding Assignment of Revenues between the District and District No. 7 (described below), the District will remit to District No. 7 certain assigned revenues, including facilities fees, collected by Prairie Center Village I Subdivision No. 1 (Village I).

NOTE 8 AGREEMENTS (CONTINUED)

Prairie Center Major Retail 4 Subdivision Development Agreement

On May 15, 2018, the District entered into the Prairie Center Major Retail 4 Subdivision Development Agreement, with an effective date of May 15, 2018, with the City and THF Prairie Center Development, L.L.C., a Colorado limited liability company (the Developer). Under this Agreement, the Developer shall pay all fees related to: development of the Property; engineering services; maintenance of all improvements for one-year from the date of acceptance by the City; inspection or testing; securing any necessary land, right-of ways, or easements; the coordination and installation of all utilities; and those fees related to street improvements. The Developer is compensated based upon the verified costs submitted and approved by the City.

Infrastructure Reimbursement Agreement

On November 6, 2018, the District entered into the Infrastructure Reimbursement Agreement, effective November 6, 2018, with the Developer, Bromley & Buckley, L.L.C. and Case 238, L.L.C. (collectively, the Developers), and the City. Under this Agreement, the Parties agreed that in the event the District advanced more than its pro rata share for financing the design and construction of public improvements that benefitted other property or were over-sized to serve the projected growth of the City, the District would be eligible for reimbursement. The City will collect this reimbursement amount from those benefitted landowners on a pro rata basis, to be paid to the District or Developers as needed. The Developers, THF Prairie Center Development, LLC, and the District agree that Developer's pro rata share of cost of the public improvements is $231,628 as of November 6, 2018.

Intergovernmental Agreement Regarding Assignment of Revenues (IGA)

On May 23, 2019, the District and District No. 7 entered into an Intergovernmental Agreement Regarding Assignment of Revenues (the IGA). On July 22, 2020, the District amended and restated the IGA, with an effective date of December 19, 2017. Per the IGA, the District agrees to transfer to District No. 7 its rights to receive revenues as set forth in the IGA that are directly attributable to Village I. The District is relieved from providing any public improvements or management services related to Village I as it is being developed by District No. 7, separately from the remaining development.

NOTE 9 RELATED PARTIES

The developer of the property which constitutes the District is collectively THF Prairie Center Development, L.L.C., a Colorado limited liability company, and THF Prairie Center Retail One, L.L.C., a Missouri limited liability company. All members of the Board of Directors are officers or employees of an entity affiliated with the Developer or the majority owner of the Developer and may have conflicts of interest in dealing with the District (see Note 8).

In September 2010, THF Prairie Center Development, L.L.C. purchased and became the owner of the District's Series 2007 Subordinate Bonds. Such bonds were partially refunded by the issuance of the District's Series 2017A and Series 2017B Bonds.

NOTE 9 RELATED PARTIES (CONTINUED)

The Developer advanced funds to the District pursuant to following agreements (see Note 5 Long-Term Obligations and Note 8 Agreements for additional information):

Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreement

- Purpose: To fund public improvements within the District.
- Parties: The District and GKT Brighton Residential Development, L.L.C.
- Effective Date: December 26, 2006.
- Interest Rate: 3% per annum above the rate announced by Bank of America, N.A., St. Louis, Missouri, compounding semi-annually, not to exceed 9%.
- Principal Balance at December 31, 2025: $-0-.
- Accrued Interest Balance at December 31, 2025: $9,860,283.

The Developer holds the Series 2007A and 2007B Bonds, issued by the District on June 7, 2007, with a combined principal amount of $43,515,000 and maturing on December 31, 2031. The bonds bear interest of 8.75-9.50% per annum and are structured as cash flow bonds meaning there are no scheduled payments of principal and interest. Principal and interest are payable from available pledged revenues. As of December 31, 2025, the principal balance on these bonds payable totaled $32,700,000 and accrued interest total $26,021,376 (see Note 5 Long-Term Obligations for additional information).

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the state of Colorado and all local governments, except Enterprises.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or benefit increases.

On May 2, 2006, a majority of the District's electors authorized the District to increase property taxes $10,000,000 annually, without limitation to rate, to pay the District's operations and maintenance costs. Additionally, the District's voters authorized the District to collect, retain and spend all revenue in excess of TABOR spending, revenue raising or other limitations.

The District's management has taken steps it believes are necessary to comply with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

SUPPLEMENTARY INFORMATION

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND – PPI/DPI – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Credit Public Improvement Fees from Retail Sales	$ 2,685,000	$ 2,638,000	$ 2,711,853	$ 73,853
Add-On Public Improvement Fees from Retail Sales	2,736,000	2,692,000	2,746,548	54,548
Add-On Public Improvement Fees from Building Permits	90,000	45,000	40,739	(4,261)
Credit Public Improvement Fees from Building Permits	90,000	45,000	40,739	(4,261)
Facilities Fees	80,000	20,000	19,242	(758)
Net Investment Income	400,000	470,000	488,577	18,577
Transfer from Other Districts	1,694,196	1,681,208	1,682,068	860
Shared Sales Tax Increment	1,000,000	1,200,000	1,273,509	73,509
Other Revenue	130,000	-	-	-
Total Revenues	8,905,196	8,791,208	9,003,275	212,067
EXPENDITURES				
Bond Interest - Series 2007	3,000,000	2,928,424	2,928,424	-
Bond Interest - Series 2017	2,136,025	2,136,025	2,136,025	-
Bond Interest - Series 2024	2,302,413	2,302,413	2,302,413	-
Bond Principal - Series 2017	1,220,000	1,220,000	1,220,000	-
Bond Principal - Series 2007	-	410,000	410,000	-
Contingency	135,562	44,138	-	44,138
Paying Agent Fees	6,000	9,000	7,000	2,000
Total Expenditures	8,800,000	9,050,000	9,003,862	46,138
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	105,196	(258,792)	(587)	258,205
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	-	39,791	39,791	-
Total Other Financing Sources (Uses)	-	39,791	39,791	-
NET CHANGE IN FUND BALANCE	105,196	(219,001)	39,204	258,205
Fund Balance - Beginning of Year	9,854,512	10,401,384	10,401,384	-
FUND BALANCE - END OF YEAR	$ 9,959,708	$ 10,182,383	$ 10,440,588	$ 258,205

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND – PRI – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Credit Public Improvement Fees from Retail Sales	$ 671,250	$ 676,635	$ 5,385
Credit Public Improvement Fees from Building Permits	22,500	10,185	(12,315)
Net Investment Income	20,000	36,708	16,708
Other Revenue	66,000	-	(66,000)
Total Revenues	779,750	723,528	(56,222)
EXPENDITURES			
Bond Principal - Series 2018	600,000	610,000	(10,000)
Bond Interest - Series 2018	90,000	89,559	441
Contingency	66,500	-	66,500
Paying Agent Fees	3,500	3,500	-
Total Expenditures	760,000	703,059	56,941
NET CHANGE IN FUND BALANCE	19,750	20,469	719
Fund Balance - Beginning of Year	492,238	524,342	32,104
FUND BALANCE - END OF YEAR	$ 511,988	$ 544,811	$ 32,823

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Net Investment Income	$ -	$ 300	$ 278	$ (22)
Total Revenues	-	300	278	(22)
EXPENDITURES				
Primary Public Improvements	745,000	1,302,500	1,158,476	144,024
DPI Overhead	40,000	63,000	51,011	11,989
Miscellaneous/Contingency	-	44,447	-	44,447
Total Expenditures	785,000	1,409,947	1,209,487	200,460
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(785,000)	(1,409,647)	(1,209,209)	200,438
OTHER FINANCING SOURCES (USES)				
Transfers (to) Other Funds	-	(39,791)	(39,791)	-
Transfers from Other Funds	2,250,000	2,354,036	2,131,036	(223,000)
Developer Advances - Project Management Fee	40,000	63,000	51,011	(11,989)
Repayment of Developer Advances	(1,505,000)	(900,000)	(900,000)	-
Total Other Financing Sources (Uses)	785,000	1,477,245	1,242,256	(234,989)
NET CHANGE IN FUND BALANCE	-	67,598	33,047	(34,551)
Fund Balance - Beginning of Year	-	(67,598)	(67,598)	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ (34,551)	$ (34,551)

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND – STORMWATER – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
City Reimbursement (Stormwater IGA)	$ 100,000	$ 417,036	$ 417,036	$ -
Total Revenues	100,000	417,036	417,036	-
OTHER FINANCING SOURCES (USES)				
Transfers (to) Other Funds	(100,000)	(417,036)	(417,036)	-
Total Other Financing Sources (Uses)	(100,000)	(417,036)	(417,036)	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2025

Bonds and Interest Maturing in the Year Ending December 31,	$40,610,000 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A Dated June 7, 2007 Interest Rate at 8.75% - 9.50% Interest Payable June 15 and December 15 Principal Due December 15			$2,905,000 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B Dated June 7, 2007 Interest Rate at 8.75% - 9.50% Interest Payable June 15 and December 15 Principal Due December 15			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	$ 13,870,000	$ 19,287,180	$ 33,157,180	$ 630,000	$ 1,284,996	$ 1,914,996	$ 14,500,000	$ 20,572,176	$ 35,072,176
2027	2,905,000	1,613,575	4,518,575	205,000	115,425	320,425	3,110,000	1,729,000	4,839,000
2028	3,130,000	1,337,600	4,467,600	225,000	95,950	320,950	3,355,000	1,433,550	4,788,550
2029	3,375,000	1,040,250	4,415,250	240,000	74,575	314,575	3,615,000	1,114,825	4,729,825
2030	3,645,000	719,625	4,364,625	260,000	51,775	311,775	3,905,000	771,400	4,676,400
2031	3,930,000	373,350	4,303,350	285,000	27,075	312,075	4,215,000	400,425	4,615,425
2032	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-
Total	$ 30,855,000	$ 24,371,580	$ 55,226,580	$ 1,845,000	$ 1,649,796	$ 3,494,796	$ 32,700,000	$ 26,021,376	$ 58,721,376

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2025

Bonds and Interest Maturing in the Year Ending December 31,	$47,095,000 Limited Property Tax Supported Revenue Bonds, Series 2017A Dated October 26, 2017 Interest Rate at 4.125% - 5.000% Interest Payable June 15 and December 15 Principal Due December 15			$2,180,000 Limited Property Tax Supported Revenue Bonds, Series 2017B Dated October 26, 2017 Interest Rate at 5.000% Interest Payable June 15 and December 15 Principal Due December 15			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	$ 1,250,000	$ 1,992,469	$ 3,242,469	$ 60,000	$ 92,750	$ 152,750	$ 1,310,000	$ 2,085,219	$ 3,395,219
2027	1,325,000	1,940,906	3,265,906	65,000	89,750	154,750	1,390,000	2,030,656	3,420,656
2028	1,415,000	1,886,250	3,301,250	70,000	86,500	156,500	1,485,000	1,972,750	3,457,750
2029	1,515,000	1,815,500	3,330,500	75,000	83,000	158,000	1,590,000	1,898,500	3,488,500
2030	1,625,000	1,739,750	3,364,750	80,000	79,250	159,250	1,705,000	1,819,000	3,524,000
2031	1,735,000	1,658,500	3,393,500	85,000	75,250	160,250	1,820,000	1,733,750	3,553,750
2032	1,860,000	1,571,750	3,431,750	90,000	71,000	161,000	1,950,000	1,642,750	3,592,750
2033	1,975,000	1,478,750	3,453,750	100,000	66,500	166,500	2,075,000	1,545,250	3,620,250
2034	2,115,000	1,380,000	3,495,000	105,000	61,500	166,500	2,220,000	1,441,500	3,661,500
2035	2,250,000	1,274,250	3,524,250	110,000	56,250	166,250	2,360,000	1,330,500	3,690,500
2036	2,615,000	1,161,750	3,776,750	130,000	50,750	180,750	2,745,000	1,212,500	3,957,500
2037	2,780,000	1,031,000	3,811,000	140,000	44,250	184,250	2,920,000	1,075,250	3,995,250
2038	3,305,000	892,000	4,197,000	165,000	37,250	202,250	3,470,000	929,250	4,399,250
2039	3,675,000	726,750	4,401,750	180,000	29,000	209,000	3,855,000	755,750	4,610,750
2040	3,910,000	543,000	4,453,000	190,000	20,000	210,000	4,100,000	563,000	4,663,000
2041	6,950,000	347,500	7,297,500	210,000	10,500	220,500	7,160,000	358,000	7,518,000
Total	$ 40,300,000	$ 21,440,125	$ 61,740,125	$ 1,855,000	$ 953,500	$ 2,808,500	$ 42,155,000	$ 22,393,625	$ 64,548,625

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2025

Bonds and Interest Maturing in the Year Ending December 31,	$4,510,000 Special Revenue Bonds Series 2018 Dated March 8, 2018 Interest Rate at 5.125% Interest Payable June 15 and December 15 Principal Due December 15			Totals		
	Principal	Interest	Total	Principal	Interest	Total
2026	$ 305,000	$ 64,575	$ 369,575	$ 16,115,000	$ 22,721,970	$ 38,836,970
2027	320,000	48,944	368,944	4,820,000	3,808,600	8,628,600
2028	345,000	32,544	377,544	5,185,000	3,438,844	8,623,844
2029	290,000	14,863	304,863	5,495,000	3,028,188	8,523,188
2030	-	-	-	5,610,000	2,590,400	8,200,400
2031	-	-	-	6,035,000	2,134,175	8,169,175
2032	-	-	-	1,950,000	1,642,750	3,592,750
2033	-	-	-	2,075,000	1,545,250	3,620,250
2034	-	-	-	2,220,000	1,441,500	3,661,500
2035	-	-	-	2,360,000	1,330,500	3,690,500
2036	-	-	-	2,745,000	1,212,500	3,957,500
2037	-	-	-	2,920,000	1,075,250	3,995,250
2038	-	-	-	3,470,000	929,250	4,399,250
2039	-	-	-	3,855,000	755,750	4,610,750
2040	-	-	-	4,100,000	563,000	4,663,000
2041	-	-	-	7,160,000	358,000	7,518,000
Total	$ 1,260,000	$ 160,926	$ 1,420,926	$ 76,115,000	$ 48,575,927	$ 124,690,927

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY (CONTINUED)
DECEMBER 31, 2025

Bonds and Interest Maturing in the Year Ending December 31,	$29,320,000 Limited Property Tax Supported Revenue Bonds, Series 2024A Dated April 16, 2024 Interest Rates: 5.875% Interest Payable June 15 and December 15 Principal Due December 15			$9,870,000 Subordinate Limited Property Tax Supported Revenue Bonds, Series 2024B Dated April 16, 2024 Interest Rates: 5.875% Interest Payable June 15 and December 15 Principal Due December 15			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	$ 60,000	$ 1,722,550	$ 1,782,550	$ 20,000	$ 579,863	$ 599,863	$ 80,000	$ 2,302,413	$ 2,382,413
2027	120,000	1,719,025	1,839,025	40,000	578,688	618,688	160,000	2,297,713	2,457,713
2028	180,000	1,711,975	1,891,975	60,000	576,338	636,338	240,000	2,288,313	2,528,313
2029	230,000	1,701,400	1,931,400	75,000	572,813	647,813	305,000	2,274,213	2,579,213
2030	290,000	1,687,888	1,977,888	100,000	568,406	668,406	390,000	2,256,294	2,646,294
2031	350,000	1,670,850	2,020,850	115,000	562,531	677,531	465,000	2,233,381	2,698,381
2032	420,000	1,650,288	2,070,288	140,000	555,775	695,775	560,000	2,206,063	2,766,063
2033	485,000	1,625,613	2,110,613	165,000	547,550	712,550	650,000	2,173,163	2,823,163
2034	565,000	1,597,119	2,162,119	190,000	537,856	727,856	755,000	2,134,975	2,889,975
2035	640,000	1,563,925	2,203,925	215,000	526,694	741,694	855,000	2,090,619	2,945,619
2036	745,000	1,526,325	2,271,325	250,000	514,063	764,063	995,000	2,040,388	3,035,388
2037	830,000	1,482,556	2,312,556	280,000	499,375	779,375	1,110,000	1,981,931	3,091,931
2038	865,000	1,433,794	2,298,794	290,000	482,925	772,925	1,155,000	1,916,719	3,071,719
2039	800,000	1,382,975	2,182,975	270,000	465,888	735,888	1,070,000	1,848,863	2,918,863
2040	870,000	1,335,975	2,205,975	295,000	450,025	745,025	1,165,000	1,786,000	2,951,000
2041	1,495,000	1,284,863	2,779,863	505,000	432,694	937,694	2,000,000	1,717,556	3,717,556
2042	3,540,000	1,197,031	4,737,031	1,190,000	403,025	1,593,025	4,730,000	1,600,056	6,330,056
2043	3,785,000	989,056	4,774,056	1,275,000	333,113	1,608,113	5,060,000	1,322,169	6,382,169
2044	4,060,000	766,688	4,826,688	1,370,000	258,206	1,628,206	5,430,000	1,024,894	6,454,894
2045	4,345,000	528,163	4,873,163	1,460,000	177,719	1,637,719	5,805,000	705,881	6,510,881
2046	4,645,000	272,894	4,917,894	1,565,000	91,944	1,656,944	6,210,000	364,838	6,574,838
	$ 29,320,000	$ 28,850,950	$ 58,170,950	$ 9,870,000	$ 9,715,488	$ 19,585,488	$ 39,190,000	$ 38,566,438	$ 77,756,438

APPENDIX B-2

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025 FOR DISTRICT NO. 4

(attached)

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PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
Adams County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2025

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
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WIPFLI

Board of Directors
Prairie Center Metropolitan District No. 4
Adams County, Colorado

Independent Auditor's Report

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Prairie Center Metropolitan District No. 4 (the "District"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Prairie Center Metropolitan District No. 4 as of December 31, 2025, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

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Other Matters

Required Supplemental Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in our report. The other information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and, accordingly, we do not express an opinion or provide any assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Wipfli LLP

Wipfli LLP
Denver, Colorado

July 24, 2026

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BASIC FINANCIAL STATEMENTS

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Receivable from County Treasurer	$ 9,574
Property Tax Receivable	3,013,353
Total Assets	3,022,927
LIABILITIES	
Due to District No.3	9,574
DEFERRED INFLOWS OF RESOURCES	
Deferred Property Tax	3,013,353
NET POSITION	
Total Net Position	$ -

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position: Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	$ 1,612,158	$ -	$ -	$ -	$ (1,612,158)
Interest on Long-Term Debt and Related Costs	1,151,509	-	-	-	(1,151,509)
Total Governmental Activities	$ 2,763,667	$ -	$ -	$ -	(2,763,667)
GENERAL REVENUES					
Property Taxes					2,629,300
Specific Ownership Taxes					131,584
Interest Income					2,783
Total General Revenues					2,763,667
CHANGES IN NET POSITION					-
Net Position - Beginning of Year					-
NET POSITION - END OF YEAR					$ -

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
ASSETS			
Receivable from County Treasurer	$ 5,585	$ 3,989	$ 9,574
Property Tax Receivable	1,757,801	1,255,552	3,013,353
Total Assets	$ 1,763,386	$ 1,259,541	$ 3,022,927
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Due to District No.3	$ 5,585	$ 3,989	$ 9,574
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax	1,757,801	1,255,552	3,013,353
FUND BALANCES			
Total Fund Balances	-	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,763,386	$ 1,259,541	$ 3,022,927

Amounts reported for governmental activities in the Statement of Activities are the same as above.

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2025

	General	Debt Service	Total Governmental Funds
REVENUES			
Property Taxes	$ 1,533,776	$ 1,095,524	$ 2,629,300
Specific Ownership Taxes	76,758	54,826	131,584
Interest Income	1,624	1,159	2,783
Total Revenues	1,612,158	1,151,509	2,763,667
EXPENDITURES			
Current:			
County Treasurer's Fee	23,031	16,450	39,481
Transfers To District No. 3	1,589,127	1,135,059	2,724,186
Total Expenditures	1,612,158	1,151,509	2,763,667
NET CHANGE IN FUND BALANCES	-	-	-
Fund Balances - Beginning of Year	-	-	-
FUND BALANCES - END OF YEAR	$ -	$ -	$ -

Amounts reported for governmental activities in the Statement of Activities are the same as above.

See accompanying Notes to Basic Financial Statements.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 1,534,126	$ 1,533,776	$ (350)
Specific Ownership Taxes	92,048	76,758	(15,290)
Interest Income	-	1,624	1,624
Other Revenue	50,000	-	(50,000)
Total Revenues	1,676,174	1,612,158	(64,016)
EXPENDITURES			
County Treasurer's Fee	23,012	23,031	(19)
Transfers To District No. 3	1,603,162	1,589,127	14,035
Contingency	50,000	-	50,000
Total Expenditures	1,676,174	1,612,158	64,016
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

Prairie Center Metropolitan District No. 4 (the District) is a quasi-municipal corporation located in the City of Brighton, Adams County, Colorado and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized on June 6, 2006, concurrently with Prairie Center Metropolitan District Nos. 3 and 5-10, pursuant to an order and decree of the Adams County District Court. The Service Plan for the District was approved by the City of Brighton on February 21, 2006, modified on November 13, 2006, and amended and restated on November 4, 2008, and modified on April 14, 2013.

District Nos. 3-10 were established to provide financing for the design, acquisition, installation, construction, and completion of public improvements and services, including streets, transportation, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translation, and mosquito and pest control services.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees, and all operations and administrative functions are contracted.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred, or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and transferred to District No. 3 (Operating District) for the payment of principal, interest, and other related costs on bonds issued by the Operating District for the benefit of the District.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, *Certain Risk Disclosures (Statement 102).* Statement 102 requires note disclosure when (a) a concentration or constraint is known prior to issuance of the financial statements, (b) it makes the reporting unit vulnerable to the risk of a substantial impact, and (c) an event associated with the concentration or constraint has occurred, has begun to occur, or is more-likely-than-not to begin to occur within 12 months of issuance.

The District adopted the requirements of the guidance effective January 1, 2025, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management performed the analysis required under Statement 102 and did not identify any concentrations or constraints that require disclosure.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Facilities Fees

The District assesses and charges a facilities fee for use of the District's improvements and service system. The facilities fee for nonresidential structures is seventy-five cents ($0.75) per square foot of gross building space. The facilities fee for dwelling units follows: a) three thousand dollars ($3,000) per single-family, detached dwelling unit, b) one thousand five hundred dollars ($1,500) per townhome or condominium, and c) five hundred dollars ($500) per apartment. The facilities fee is due on or before the date of issuance of a building permit by the City of Brighton or County of Adams.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax,* is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balances is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2025, the District had no cash deposits.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments

The District has adopted a formal investment policy wherein the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2025, the District had no investments.

NOTE 4 AUTHORIZED DEBT

The District was organized to provide services to the same service area with Prairie Center Metropolitan District Nos. 1, 2, 3, 5, 6, 7, 8, and 10 (collectively, the Districts). The Services Plans for the Districts limit the aggregate amount of debt the Districts may issue to a total amount of $750,000,000 (the Service Plan Debt Issuance Limit). In no event is the District authorized to issue debt, which in aggregate with the debt issued by the other Districts, in an amount that is in excess of the Service Plan Debt Issuance Limit. Of the $750,000.000 in Service Plan Debt Issuance Limit the District has issued to date a total of $129,150,000 in debt, District No. 3 has issued to date a total of $172,850,000 of the Service Plan Debt Issuance Limit in bonds, District No. 5 has issued to date a total of $129,150,000 of the Service Plan Debt Issuance Limit in bonds, District No.10 has issued to date a total of $129,150,000 of the Service Plan Debt Issuance Limit in bonds, and District No. 7 has issued $16,215,000 of the Service Plan Debt Issuance Limit in bonds. Therefore, the amount within the Service Plan Debt Issuance Limit for the Districts combined is $173,485,000.

At elections on May 2, 2006, November 5, 2024, and May 6, 2025 the District authorized total indebtedness in excess of the Service Plan Debt Issuance Limit because, at the time of the election, the actual costs of construction were not known. Without knowing the costs of construction or the amount of debt to be issued by the other Districts, it is not possible to allocate the Service Plan Debt Issuance Limit by power (such as water, sewer, or streets) or to each District. Therefore, the Service Plan Debt Issuance Limit of $750,000,000 was voted in almost every power, as well as for each of debt refunding and debt related to intergovernmental agreements or contracts with other public entities.

In the future, the District may issue a portion or all of the remaining authorized by general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

NOTE 5 AGREEMENTS

Facilities Funding, Construction, and Operations Agreement (FFCO)

On November 8, 2006, the District entered into the Facilities Funding, Construction, and Operations Agreement (as amended on May 11, 2017, the FFCO) with District Nos. 2-3 and 5-10 establishing certain expectations as to the financing, construction, operation, and maintenance of improvements as contemplated in the Service Plans for the purpose of providing, in a timely and coordinated fashion, essential services within the Districts. The FFCO sets forth the agreement among such Districts relating to the provision of improvements contemplated in the Service Plans. By Notice dated September 4, 2019, from District No. 9 and by Notice dated December 19, 2017, from District No. 7, District Nos. 9 and 7 terminated their participation as parties to the FFCO and were released from any obligations thereunder by the other Districts.

NOTE 5 AGREEMENTS (CONTINUED)

Facilities Funding, Construction, and Operations Agreement (FFCO) (Continued)

Pursuant to the FFCO, District No. 3 is designated as the Operating District and agrees to provide the following: 1) project administration services (generally comprised of contracting for and supervising the acquisition, construction, operation, and maintenance of public improvements), and 2) district administration services (including, but not limited to, serving as the depository of district records, coordinating board meetings, filing and notices, preparing financial reports and budgets, and coordinating legal, accounting, management, engineering, and other professional services) for the other Districts that remain parties to the FFCO (Taxing Districts). The FFCO anticipates that District No. 3 will enter into intergovernmental agreements with the respective Taxing Districts whereby the Taxing Districts will agree to share in the District No. 3's administration costs (Operations IGAs) and/or pledge certain revenues to pay capital projects costs incurred and/or to repay bonds issued by District No. 3 (Capital Pledge Agreements).

Intergovernmental Agreement Regarding Facilities Fee Collection

On November 13, 2007, the District entered into the Intergovernmental Agreement Regarding Facilities Fee Collection with District Nos. 2-3 and 5-10, whereby District No. 3 agrees to administer and collect facilities fees imposed by District Nos. 2 and 4-10; provided, however, that the revenue derived from facilities fees of a specific District shall remain the property and subject to the control of such District's Board of Directors. To the extent required by any Capital Pledge Agreement, the District will deposit facilities fees collected on behalf of said Districts with the applicable bond trustee. The Agreement was amended on September 4, 2019 to remove District No. 9 as a party, due to that District's dissolution.

Capital Pledge Agreement

On October 1, 2017, District No. 3 entered into an Amended and Restated Capital Pledge Agreement with UMB Bank, n.a., the District and District No. 5 (each a Taxing District; and, collectively, the Taxing Districts) (the Agreement), which superseded in its entirety a prior Capital Pledge Agreement among the parties dated December 1, 2006, as amended in 2009 and 2010. Pursuant to the Agreement, District No. 3 shall issue Bonds as necessary to finance and construct Improvements for the benefit of the Taxing Districts. The Agreement obligates the Taxing Districts to impose annually in each year through 2040 a mill levy at a rate of 25.000 mills for the District and 40.000 mills for District No. 5, subject to certain adjustments, and remit to the Trustee for bonds issued by District No. 3 tax revenues derived from such mill levies, together with facilities fees and a portion of specific ownership taxes collected by the Taxing Districts, to repay District No. 3 bonds.

The Taxing Districts' obligation to pay such revenues to the District constitute an irrevocable lien on such revenues, and each Taxing District has agreed not to issue or incur bonds, notes or other obligations payable in whole or in part from, or constituting a lien upon, the revenues pledged to District No. 3 without District No. 3's prior consent. The rate of maximum mill levy permitted to be levied by each Taxing District is 50.000 mills, subject to certain adjustments.

NOTE 5 AGREEMENTS (CONTINUED)

Capital Pledge Agreement (Continued)

On April 1, 2024, the District entered into a First Amendment to Amended and Restated Capital Pledge Agreement with District No. 3, District No. 5, and UMB Bank, n.a., which extends through 2046 the term during which the Taxing Districts' obligation to pay certain revenues to District No. 3 to repay bonds issued by District No. 3 in furtherance of District No. 3's issuance of bonds in 2025.

Operations Financing Intergovernmental Agreement

On May 11, 2017, the District entered into an Amended and Restated Operations Financing Intergovernmental Agreement (IGA) with District No. 3. The IGA, which supersedes in its entirety the prior Operations Financing IGA between the parties, dated December 19, 2006, requires that the District impose, collect, and remit to District No. 3 operations mill levy in order to pay for certain administrative and management costs incurred by District No. 3. The operations mill levy imposed by the District, cannot exceed the maximum mill levy for operations and maintenance authorized by the District's Service Plan less the number of mills the District has pledged to levy for payment of debt service under any Capital Pledge Agreement.

NOTE 6 RELATED PARTIES

The developer of the property which constitutes the District is collectively THF Prairie Center Development, L.L.C., a Colorado limited liability company, and THF Prairie Center Retail One, L.L.C., a Missouri limited liability company (the Developer). All members of the Board of Directors are officers or employees of an entity affiliated with the Developer or the majority owner of the Developer and may have conflicts of interest in dealing with the District.

In September 2010, THF Prairie Center Development, L.L.C. purchased and became the owner of District No. 3's (the Operating District) Series 2007 Subordinate Bonds, in the amount of $43,515,000. Such bonds were partially refunded by the issuance of District No. 3's Series 2017A and 2017B Bonds.

NOTE 7 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

NOTE 7 RISK MANAGEMENT (CONTINUED)

The District pays annual premiums to the Pool for liability and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 8 TAX, SPENDING, AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. As of December 31, 2025, the District has not provided for an emergency reserve fund equal to at least 3% of fiscal year spending, as defined under TABOR, because net tax revenue is transferred to District No. 3, which provides for the required reserve amount.

On May 2, 2006, a majority of the District's electors authorized the District to increase property taxes $10,000,000 annually, without limitation to rate, to pay the District's operations and maintenance costs. Additionally, the District's voters authorized the District to collect, retain, and spend all revenue in excess of TABOR spending, revenue raising, or other limitations.

The District's management has taken steps it believes are necessary to comply with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

Section 29-1-1702, C.R.S., contains limitations on revenues generated from property tax revenues that apply to certain local governments within the state of Colorado.

On May 6, 2025, the qualified electors of the District approved an election question to waive the 5.25% property tax limit established under Section 29-1-1702, C.R.S. for 2026 and all future budget years.

SUPPLEMENTARY INFORMATION

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2025

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property Taxes	$ 1,095,774	$ 1,095,524	$ (250)
Specific Ownership Taxes	65,746	54,826	(10,920)
Interest Income	-	1,159	1,159
Other Revenue	40,000	-	(40,000)
Total Revenues	1,201,520	1,151,509	(50,011)
EXPENDITURES			
County Treasurer's Fee	16,437	16,450	(13)
Transfers to District No. 3	1,145,083	1,135,059	10,024
Contingency	40,000	-	40,000
Total Expenditures	1,201,520	1,151,509	50,011
NET CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2025

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2021	$ 35,599,220	35.000	25.000	$ 2,135,953	$ 2,107,851	98.68 %
2022	36,339,280	35.000	25.000	2,180,357	2,179,771	99.97
2023	36,807,960	35.000	25.000	2,208,478	2,204,427	99.82
2024	42,618,720	36.380	25.985	2,657,916	2,639,587	99.31
2025	42,169,480	36.380	25.985	2,629,900	2,629,300	99.98
Estimated for Year Ending December 31,						
2026	$ 46,759,980	37.592	26.851	$ 3,013,353		

Note to Schedule:

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years or the abatement of taxes levied.

APPENDIX C

SELECTED DEFINITIONS

"*Base Amount*" means the amount of $2,273,417, representing the City General Fund Sales Tax (as defined in the Cooperation Agreement) collected within the a boundaries of the Plan Area in the twelve-month period ending on March 31, 2012, which was the last day of the month prior to the effective date of the approval of the Urban Renewal Plan.

"*Bond Documents*" as defined in the Capital Pledge Agreement and the District No. 10 Pledge Agreement, means, the Master Indenture, any supplemental indenture, resolution or other agreement entered into or adopted by the Issuer in connection with the issuance of the Series 2024 Bonds, the Series 2017 Bonds, the Series 2007 Subordinate Bonds and any refunding obligations (which include the Series 2026 Bonds).

"*Comprehensive Funding Plan*" means certain provisions of the Comprehensive Agreement relating to, among other things, Shared Revenue, Add-On PIF Revenues, the implementation of Shared Revenues, the issuance of bonds, the Districts, and verification of eligible costs by the City.

"*Credit PIF Revenue*" means revenue generated from the imposition of the Credit PIF at the Credit PIF rate during the Credit PIF Period, including all late fees and penalties payable in accordance with the PIF Covenants and attributable to the Credit PIF, as well as any sales and use tax revenues remitted by the City to the Issuer pursuant to the provision of the Comprehensive Agreement regarding the audit of retailers and enforcement. While any PRI Obligations are outstanding under the documents pursuant to which they were issued, any PRI Credit PIF Revenue is not to constitute Credit PIF Revenue.

"*District No. 1*" means Prairie Center Metropolitan District No. 1, in unincorporated Adams County, Colorado, and its successors and assigns.

"*District No. 2*" means Prairie Center Metropolitan District No. 2, in the City of Brighton, Adams County, Colorado, and its successors and assigns.

"*District No. 3*" or the "*Issuer*" means Prairie Center Metropolitan District No. 3, in the City of Brighton, Adams County, Colorado, and its successors and assigns.

"*District No. 4*" means Prairie Center Metropolitan District No. 4, in the City of Brighton, Adams County, Colorado, and its successors and assigns.

"*District No. 5*" means Prairie Center Metropolitan District No. 5, in the City of Brighton, Adams County, Colorado, and its successors and assigns.

"*District No. 6*" means Prairie Center Metropolitan District No. 6, in the City of Brighton, Adams County, Colorado, and its successors and assigns.

"*District No. 7*" means Prairie Center Metropolitan District No. 7, in the City of Brighton, Adams County, Colorado, and its successors and assigns.

"*District No. 8*" means Prairie Center Metropolitan District No. 8, in the City of Brighton, Adams County, Colorado, and its successors and assigns.

"*District No. 10*" means Prairie Center Metropolitan District No. 10, in the City of Brighton, Adams County, Colorado, and its successors and assigns.

"*Financing Districts*" has the following meanings: (a) within the meaning of the Master Indenture, "Financing Districts" means, initially, District No. 4 and District No. 5 which are parties to the Capital Pledge Agreement, District No. 10 which is a party to the District No. 10 Pledge Agreement and any other Related District that becomes a party to a Capital Pledge Agreement and (b) within the meaning of this Limited Offering Memorandum, "Financing Districts" means, collectively, the Taxing Districts and District No. 10.

"*Levy Year*" means the calendar year in which a Taxing District certifies its ad valorem mill levy for collection in the calendar year in which the revenues resulting from the imposition of such ad valorem mill levy are collected, which is the year that immediately follows the Levy Year.

"*PIF Rate Establishment Resolutions*" means, collectively, that certain Resolution No. 2026 -10-__ Amended and Restated Resolution Regarding Public Improvement Fees (Primary PIF Property and Major Retail PIF Property) and Resolution No. 2026 -10-__ Amended and Restated Resolution Regarding Public Improvement Fees (Bromley Park PIF Property), each as adopted by the Issuer's Board of Directors on October 26, 2026.

"*Public Improvements*" means, within the meaning and context of the Comprehensive Agreement, any and all public improvements and services as determined by a District's or District No. 1's Board of Directors to be in the best interests of such District and which are permitted by the Special District Act, C.R.S., Sections 32-1-101, *et seq*., including, but not limited to, the Primary Public Improvements, other roads and traffic control devices, public parking, drainage systems, infrastructure for the provision of water (potable and non-potable) and sanitary sewer services, parks, open space, trails and recreation facilities.

"*Public Improvements*" means, within the meaning and context of the Service Plan, a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Special District Act, except as specifically limited in the Service Plan, to serve the future taxpayers and inhabitants of the Service Area as determined by the Board of the District.

"*Special Fund*" means the fund by that name established under the Cooperation Agreement.

Definitions Related to the PIF Covenants

"*Affiliates*" means any entity associated with or acting at the direction or on behalf of the Declarant.

"*Bond Requirements*" means the principal, redemption or purchase price, premium, if any, interest, reserves and other amounts required to be paid with respect to Bonds outstanding from time to time.

"*Bond Trustee*" means the trustee or trustees for the holders of any Bonds appointed pursuant to the Public Financing Documents. For purposes of this Limited Offering Memorandum, the Bond Trustee refers to UMB Bank, n.a., in its capacity as trustee for the Series 2024 Bonds under the Master Indenture.

"*Bonds*" means any of the bonds or refundings thereof issued from time to time by the Service District, other District or District No. 1, the proceeds of which are issued to pay Public Improvements Costs or reimburse any Public Improvement Costs that have already been paid by the Declarant, any of its Affiliates or any other party.

"*Bromley Park PIF Covenant*" means the Declaration of Covenants Imposing and Implementing the Bromley Park Public Improvements Fee made as of December 26, 2006, by THF Prairie Center Development, L.L.C., as declarant, recorded on December 28, 2006 at Reception No. 2006001013016 of the County records.

"*Declarant*" means THF Prairie Center Development, L.L.C., a Colorado limited liability company, in its capacity as the "declarant" under the PIF Covenants, and any successor to such entity designated as the "Declarant" under the PIF Covenants in a written instrument records in the real property records of the County.

"*Default Interest*" means interest at the Default Rate accrued on each and every PIF not paid when due under the PIF Covenants.

"*Default Rate*" means the rate of 12% per annum, but if such rate exceeds the maximum interest rate permitted by applicable law, such rate will be reduced to the highest rate allowed by applicable law under the circumstances.

"*Enforcement Costs*" means, collectively, all costs of enforcement and collection of a PIF not paid when due under the PIF Covenants, including, without limitation, reasonable attorneys' fees and costs, and all amounts awarded and recovered from a defaulting PIF Obligor and all costs and expenses incurred by an Enforcing Party in successfully enforcing the obligation of a delinquent PIF Obligor under the PIF Covenants in any legal proceedings brought (or defended) by such Enforcing Party. **No PIF Revenue is to be used for payment of Enforcement Costs.**

"*Enforcing Party*" means the Declarant; the Issuer; the PIF Collecting Agent; any Bond Trustee (as defined in APPENDIX C) and any other third party designated as such by any of the foregoing.

Late Charge" means, if a PIF Obligor fails to pay any Public Improvements Fee when due and such failure continues for more than 10 days after notice thereof is given to such PIF Obligor by the PIF Collecting Agent, a late charge in an amount equal to the greater of 10% of the delinquent Public Improvements Fee or $100.00.

"*Major Retail PIF Covenant*" means the Amended and Restated Declaration of Covenants Imposing and Implementing the Prairie Center Public Improvements Fee made as of December 26, 2006, by THF Prairie Center Development, L.L.C., as declarant, recorded on December 28, 2006, at Reception No. 2006001013014 of the County records.

"*Occupant*" means any Person, including without limitation each Owner, who has the legal right, pursuant to a deed, lease, sublease, license, concession, easement or other occupancy agreement of any type or nature, to possess or occupy any portion of the PIF Property, including, without limitation, any space within any building constructed on any PIF Property; provided that a mortgagee, a trustee under or beneficiary of a deed of trust, or any other Person who has such a right of possession primarily for the purpose of securing a debt or other obligation owed to such Person, will not constitute an "Occupant" unless and until such Person becomes an Owner or a mortgagee in possession or otherwise possesses or occupies a portion of the PIF Property pursuant to such right by an intentional or voluntary act of its own, whereupon the subject mortgagee, trustee, beneficiary or other Person will be an "Occupant" under the applicable PIF Covenant.

"*Owned/Leased PIF Property*" means, with respect to any Owner, the portion of the PIF Property to which such Owner owns fee simple title and, with respect to any Occupant, the portion of the PIF

Property such Occupant has the right to possess or occupy pursuant to its lease, sublease, license, concession or other occupancy agreement.

"*Owner*" means, with respect to the PIF Covenants, any Person who owns fee simple title to any portion of the PIF Property.

"*Person*" means any individual, partnership, corporation, limited liability company, association, trust or other type of entity or organization.

"*PIF Collecting Agent*" means the Service District or such other entity as may be designated as such by the Service District in accordance with the provisions of the PIF Covenants. For purposes of this Limited Offering Memorandum, the PIF Collecting Agent refers to CliftonLarsonAllen LLP, a Minnesota limited liability partnership, or any successor thereof.

"*PIF Obligor*" means a Sales PIF Retailer or Use PIF Obligor, as applicable.

"*PIF Revenues Joint Resolution*" means the Amended and Restated Joint Resolution of Prairie Center Metropolitan District No. 1, Prairie Center Metropolitan District No. 2, Prairie Center Metropolitan District No. 4, Prairie Center Metropolitan District No. 5, Prairie Center Metropolitan District No. 6, Prairie Center Metropolitan District No. 7, Prairie Center Metropolitan District No. 8, Prairie Center Metropolitan District No. 9, and Prairie Center Metropolitan District No. 10 Regarding Public Improvements Fee Revenues adopted by the Boards of Directors of all of the foregoing districts.

"*PIF Sales*" means any exchange of goods or services for money or other media of exchange initiated, consummated, conducted, transacted or otherwise occurring from or within any portion of the PIF Property upon which the Sales Tax (defined below) is payable (or any portion thereof is payable in the event there is a Sales Tax Credit that applies within the PIF Property) pursuant to the Sales Tax Ordinance (defined below), *excluding those transactions* that the Issuer, in its capacity as the "Service District," expressly *excludes* from the definition of PIF Sales in the guidelines established by the Issuer from time to time pursuant to the provisions of the PIF Covenants, but *including additional transactions* that the Issuer expressly *includes* within the definition of PIF Sales in the guidelines established by the Issuer from time to time pursuant to the provisions of the applicable PIF Covenant (which additionally included transactions may include, but are not limited to, retail sales occurring within the PIF Property for items that are to be delivered to a location outside the City which, for that reason, may not be subject to the Sales Tax). Notwithstanding the foregoing, pursuant to the PIF Rate Establishment Resolutions, the Add-On PIF will *not* apply to PIF Sales of food for domestic home consumption (as defined in Section 39-26-1024.5, C.R.S., as amended) occurring within the PIF Property.

"*PRI Credit PIF Revenue*" generally means one-fifth (1/5) of the Credit PIF revenue derived from the initial Credit PIF rate of 1.25%, together with the allocable Default Interest and Late Charges paid under the applicable PIF Covenant, if any, and any amounts paid by the City as a result of a failure of a PIF Obligor to pay one-fifth (1/5) of the Credit PIF revenue on PIF Sales or Use Tax Activities, as applicable, occurring within the Primary PIF Property or the Major Retail PIF Property.

"*Primary PIF Covenant*" means the Declaration of Covenants Imposing and Implementing the Prairie Center Primary Public Improvements Fee made as of December 26, 2006, by THF Prairie Center Development, L.L.C., as declarant, recorded on December 28, 2006, at Reception No. 2006001013015 of the County records, as amended by the First Supplement to Declaration of Covenants Imposing and Implementing the Prairie Center Primary Public Improvements Fee made by THF Prairie Center Development, L.L.C., as declarant, as of March 27, 2008, recorded on May 20, 2008, at Reception No. 2008000040446 of the County records, and as further amended by the Second Supplement to Declaration of

Covenants Imposing and Implementing the Prairie Center Primary Public Improvements Fee made by THF Prairie Center Development, L.L.C., as declarant, as of June 11, 2008, recorded on July 15, 2008, at Reception No. 2008000056424 of the County records.

"*Public Financing*" means the sale of Bonds or other acquisition of funds to finance or otherwise reimburse the Districts, Declarant or any Affiliate for any of the Public Improvements Costs.

"*Public Financing Documents*" means any documents executed or delivered in connection with the closing or arrangement of any Public Financing, including, without limitation, the Comprehensive Agreement.

"*Public Improvements Costs*" means the costs of planning, designing, engineering, financing, acquiring, constructing, managing construction of and installing the Public Improvements, together with all land or interests in land necessary for the completion of the Public Improvements (whether acquired by the Districts or District No. 1 or dedicated by the Declarant or another Person), and all other costs and expenses incurred or advanced in connection with financing, acquisition, construction and completion of the Public Improvements, including, without limitation, maintenance, repair and replacement costs incurred for the Public Improvements, expenses incurred or advanced for the Districts' or District No. 1's organization, operation or management, and all Bond Requirements. *By way of clarification*, this definition of "Public Improvements Costs" is limited to the costs of improvements being financed or refinanced with obligations issued under the Master Indenture, and payment of such obligations is subject to certain restrictions of the Comprehensive Agreement which have been implemented by the Master Indenture.

"*Public Improvements*" as defined in the PIF Covenants, means the infrastructure improvements necessary to develop and serve the property encumbered by the PIF Covenants, as the same may be supplemented from time to time pursuant to the PIF Covenants, including, without limitation, public streets, sidewalks, utilities (both dry and wet), parking facilities, storm water management facilities, trail systems, parks and open space and associated land acquisitions. *By way of clarification*, so long as the PIF Revenue is pledged under the Master Indenture, this definition of "Public Improvements" means the improvements being financed or refinanced with obligations issued thereunder.

"*Sales PIF*" means the PIF imposed on PIF Sales.

"*Sales PIF Retailer*" means any Occupant who is a seller or provider of goods or services who engages in any PIF Sales initiated, consummated, conducted, transacted or otherwise occurring from or within any portion of the PIF Property.

"*Sales Tax*" means the tax levied by the City pursuant to the Sales Tax Ordinance.

"*Sales Tax Credit*" means a credit against collection of the City's Sales Tax in the form of a reduction in the applicable City Sales Tax rate in an amount equivalent to the rate of the Credit PIF granted pursuant to the Sales/Use Tax Credit Ordinance to each person or entity obligated to pay, collect or remit the sales tax on the sale or provision of goods or services which are subject to the City's Sales Tax occurring within the Primary PIF Property and the Major Retail PIF Property.

"*Sales Tax Ordinance*" means Section 1 of the City of Brighton Sales Tax Ordinance as codified in Chapter 3, Article 28 of the City of Brighton Municipal Code, and any regulations promulgated pursuant thereto, as they exist, with respect to the subject portion of the PIF Property applicable to the Major Retail PIF Covenant and the Primary PIF Covenant, on the date on which the applicable PIF Covenant was recorded in the real estate records of Adams County, Colorado. See "APPENDIX I—City Sales Tax Code" appended hereto.

"*Service District*" as defined in the PIF Covenants, means the Issuer, acting in the capacity of the Service District under the PIF Covenants.

"*Shopping Center Property*" means, generally, the retail shopping center in which Target and Home Depot are located but *excluding* the Target and Home Depot properties; and specifically, means Lots 1 and 2, Block 1, Prairie Center – Major Retail 2 Subdivision, according to the recorded plat thereof, City of Brighton, County of Adams, State of Colorado, all as set forth on Exhibit D to the Major Retail PIF Covenant.

"*Use PIF*" means the PIF imposed on Use Tax Activities occurring within the PIF Property.

"*Use PIF Obligor*" means any Person who engages in a Use Tax Activity, or hires another to do so, and is therefore obligated to pay the Use PIF within the PIF Property.

"*Use Tax*" means the use tax levied by the City pursuant to the Use Tax Ordinance.

"*Use Tax Activity*" or "*Use Tax Activities*" means the use of building and construction materials for incorporation into any of the following: (i) initial construction (including the initial installation of tenant improvements within an existing commercial building) of any building or structure; (ii) an addition to an existing commercial building or residential structure which results in a net increase in the "floor area" (as defined below in this paragraph) of such building or structure; (iii) the complete replacement of existing tenant improvements within the core and shell of an existing leased premises with new tenant improvements; or (iv) "substantial reconstruction" (as defined below in this paragraph) of any commercial or residential improvements, in each case to the same extent that the use of such building and construction materials are subject to the Use Tax. The term "substantial reconstruction" means any reconstruction or renovation for which the total costs of the project as indicated on the application for a City building permit are equal to or more than 25%, with respect to the Primary PIF Property and the Bromley Park PIF Property, and 50%, with respect to the Major Retail PIF Property, of the actual value of the existing structure as listed in the records of the Adams County Assessor (and not taking into account any diminution in such actual value caused by a casualty that is being repaired as part of such reconstruction or renovation). The term "floor area" has the meaning given to such term in the City's Zoning Regulations, as amended from time to time. Except as expressly provided above, the PIF will not apply to subsequent improvements or renovations to existing commercial or residential improvements such as tenant finish remodels, HVAC system installations, homeowner improvements or similar activities.

"*Use Tax Credit*" means a credit against the collection of the City's Use Tax (on building materials only) in the form of a reduction in the applicable City Use Tax rate in an amount equivalent to the rate of the Credit PIF granted to each applicant for a building permit within the Primary PIF Property and the Major Retail PIF Property pursuant to the Sales/Use Tax Credit Ordinance.

"*Use Tax Ordinance*" means Section 2 of the City of Brighton Sales Tax Ordinance as codified in Chapter 3, Article 32 of the City of Brighton Municipal Code, and any regulations promulgated pursuant thereto, as they exist, with respect to the subject portion of the PIF Property applicable to the Major Retail PIF Covenant, the Primary PIF Covenant and the Bromley Park PIF Covenant, on the date on which the applicable PIF Covenant was recorded in the real estate records of Adams County, Colorado.

APPENDIX D

ECONOMIC AND DEMOGRAPHIC INFORMATION

The following information was prepared and provided by the Metro Denver Economic Development Corporation to give prospective investors general information concerning selected economic and demographic conditions existing in the geographic area within which the Issuer and Financing Districts are located. The statistics have been obtained from the referenced sources and represent the most current information available as of September 2026 from the sources indicated; however, since certain information is released with a significant time lag, the information in some cases will not be indicative of existing or future economic and demographic conditions. Further, the reported data has not been adjusted to reflect economic trends, notably inflation. Finally, other economic and demographic information not presented herein may be available concerning the area in which the Issuer and Financing Districts are located, and prospective investors may want to review such information prior to making their investment decision. The following information is not to be relied upon as a representation or guarantee of the Issuer, the Financing Districts, or their officers, employees, or advisors.

Overview

Colorado (the "**State**"), the most populous state in the Rocky Mountain region, has three distinct geographic and economic areas. The eastern half of the State consists of the eastern plains, which are flat, open, and largely devoted to agriculture. The Front Range lies along the eastern base of the Rocky Mountains and contains most of the State's metropolitan areas. The western half of the State – which includes the Rocky Mountains and the Western Slope – includes many acres of national park and forest land and significant reserves of minerals, natural gas, and other resources.

The State's population and wealth are concentrated in the Front Range, principally in four major metropolitan areas: Fort Collins/Greeley, Denver/Boulder, Colorado Springs, and Pueblo. This report presents data for the City of Brighton and Adams County, which are located in the Denver-Aurora-Lakewood Metropolitan Statistical Area ("**Denver MSA**"), consisting of 10 Colorado counties, which are Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park. The Issuer and the Financing Districts serve a portion of Adams County. Adams County represents 9.1% of the State's population and 8.5% of its jobs. Adams County is a prime area for business and industry growth, with top industries including transportation and warehousing, healthcare and social assistance, and construction.

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Population

The following table sets forth population statistics for the City of Brighton, Adams County, the Denver MSA, the State, and the United States (the "**U.S.**").

Population Estimates (as of July 1)

	City of Brighton		Adams County		Denver-Aurora-Lakewood MSA		Colorado		United States	
	Population	% Change	Population	% Change	Population	% Change	Population	% Change	Population	% Change
1990	14,203	--	265,708	--	1,656,004	--	3,304,042	--	249,464,396	--
2000	21,326	50.2%	351,734	32.4%	2,193,965	32.5%	4,338,801	31.3%	282,162,411	13.1%
2010	33,446	56.8	443,711	26.1	2,556,278	16.5	5,050,332	16.4	309,327,143	9.6
2015	37,293	11.5	490,351	10.5	2,803,668	9.7	5,446,593	7.8	320,738,994	3.7
2016	38,012	1.9	497,822	1.5	2,845,456	1.5	5,529,629	1.5	323,071,755	0.7
2017	39,215	3.2	503,706	1.2	2,878,197	1.2	5,599,589	1.3	325,122,128	0.6
2018	40,033	2.1	511,422	1.5	2,916,502	1.3	5,676,913	1.4	326,838,199	0.5
2019	40,288	0.6	516,481	1.0	2,945,226	1.0	5,734,909	1.0	328,329,953	0.5
2020	40,293	0.0	520,489	0.8	2,970,222	0.8	5,786,877	0.9	331,578,104	1.0
2021	40,755	1.1	523,505	0.6	2,978,215	0.3	5,813,551	0.5	332,100,166	0.2
2022	41,753	2.4	528,201	0.9	2,991,322	0.4	5,850,121	0.6	333,996,304	0.6
2023	42,431	1.6	535,901	1.5	3,020,225	1.0	5,900,420	0.9	336,755,052	0.8
2024	43,185	1.8	543,760	1.5	3,052,304	1.1	5,956,729	1.0	340,003,797	1.0
2025	--	--	--	--	--	--	--	--	341,784,857	0.5

Sources: U.S. Census Bureau, Decennial Census; Colorado Division of Local Government, State Demography Office; U.S. Census Bureau, Population Estimates Program.

Income

The following tables set forth historical median household income and per capita personal income for the City of Brighton, Adams County, the Denver MSA, the State, and the U.S.

Median Household Income

	City of Brighton		Adams County		Denver-Aurora-Lakewood MSA		Colorado		United States	
	Income	% Change	Income	% Change	Income	% Change	Income	% Change	Income	% Change
2019	$75,355	--	$71,202	--	$79,664	--	$72,331	--	$62,843	--
2020	74,813	-0.7%	73,817	3.7%	83,289	4.6%	75,231	4.0%	64,994	3.4%
2021	79,280	6.0	78,304	6.1	88,512	6.3	80,184	6.6	69,021	6.2
2022	86,975	9.7	86,297	10.2	96,920	9.5	87,598	9.2	75,149	8.9
2023	100,134	15.1	91,387	5.9	102,339	5.6	92,470	5.6	78,538	4.5
2024	107,679	7.5	94,571	3.5	105,762	3.3	95,470	3.2	80,734	2.8

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates.

Per Capita Personal Income in Current Dollars[1]

	Adams County		Denver-Aurora-Lakewood MSA		Colorado		United States	
	Income	% Change	Income	% Change	Income	% Change	Income	% Change
2019	$45,004	--	$67,590	--	$61,278	--	$55,567	--
2020	48,468	7.7%	71,295	5.5%	64,704	5.6%	59,151	6.4%
2021	53,186	9.7	79,690	11.8	71,928	11.2	64,692	9.4
2022	56,627	6.5	86,187	8.2	76,685	6.6	66,298	2.5
2023	58,328	3.0	89,347	3.7	80,169	4.5	70,002	5.6
2024	60,273	3.3	92,174	3.2	83,055	3.6	73,204	4.6

[1]Per capita personal income is total personal income divided by the July 1 population estimate.
Source: U.S. Bureau of Economic Analysis.

School Enrollment

The following table presents a multi-year history of public-school enrollment for select school districts serving the City of Brighton.

School District Historical Enrollment[1]

	School District 27J	
	Enrollment	% Change
2020-21	19,188	--
2021-22	20,338	6.0%
2022-23	22,687	11.5
2023-24	23,108	1.9
2024-25	24,014	3.9
2025-26	24,290	1.1

[1]The City of Brighton is entirely served by School District 27J.
Note: Enrollment reflects grades pre-kindergarten through 12.
Source: Colorado Department of Education.

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Housing Stock

The following table sets forth a comparison of housing units within the City of Brighton, Adams County, the Denver MSA, the State, and the U.S.

Housing Units (as of July 1)

	City of Brighton		Adams County		Denver-Aurora-Lakewood MSA		Colorado		United States	
	Units	% Change	Units	% Change	Units	% Change	Units	% Change	Units	% Change
2019	13,565	--	183,751	--	1,225,570	--	2,460,839	--	139,684,244	--
2020	14,064	3.7%	187,474	2.0%	1,251,855	2.1%	2,507,775	1.9%	140,811,440	0.8%
2021	14,515	3.2	191,465	2.1	1,272,089	1.6	2,548,639	1.6	142,172,055	1.0
2022	15,172	4.5	195,556	2.1	1,293,120	1.7	2,590,429	1.6	143,799,370	1.1
2023	15,498	2.1	199,295	1.9	1,316,858	1.8	2,636,118	1.8	145,359,015	1.1
2024	15,868	2.4	203,379	2.0	1,337,370	1.6	2,678,831	1.6	146,770,711	1.0

Sources: Colorado Division of Local Government, State Demography Office; U.S. Census Bureau, Annual Estimates of Housing Units.

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Residential Building Permit Activity

The following tables set forth a history of building permit activity and valuation for the City of Brighton, Adams County, the Denver MSA, the State, and the U.S.

Single-Family Detached Building Permit Activity

	City of Brighton		Adams County		Denver-Aurora-Lakewood MSA		Colorado		United States	
	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation
2020	647	$140,078,957	2,796	$709,524,600	11,234	$3,241,916,000	26,636	$8,289,036,000	979,360	$243,423,623,000
2021	371	114,051,884	2,823	801,397,950	13,113	3,910,829,000	30,246	9,850,482,000	1,115,360	295,965,122,000
2022	375	134,180,961	2,046	667,261,699	10,099	3,120,221,000	23,728	8,437,484,000	975,584	281,550,739,000
2023	398	126,506,168	1,863	569,686,691	9,012	2,902,528,000	19,641	7,459,002,000	919,973	274,471,070,000
2024	583	230,265,022	1,956	723,470,513	9,263	3,260,711,961	20,561	8,781,836,000	981,834	302,818,118,000
2025	483	157,497,980	2,029	673,876,469	7,604	2,761,154,460	17,544	7,719,863,000	909,280	290,172,108,000
2026[1]	88	$37,019,977	970	334,853,710	3,873	1,385,549,642	9,231	3,905,877,000	465,301	149,695,000,000

Single-Family Attached Building Permit Activity

	City of Brighton		Adams County		Denver-Aurora-Lakewood MSA		Colorado		United States	
	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation
2020	-	-	88	$12,689,231	353	$66,617,000	1,125	$192,694,000	47,200	$6,596,671,000
2021	3	$571,717	355	60,663,086	865	170,033,000	1,996	373,815,000	52,853	8,142,354,000
2022	-	-	132	23,324,581	568	117,865,000	1,531	323,048,000	54,831	8,632,265,000
2023	-	-	38	10,341,362	276	67,736,000	1,006	215,503,000	54,716	8,962,263,000
2024	-	-	-	-	129	23,295,100	834	163,285,000	54,374	9,105,314,000
2025	-	-	4	1,151,872	128	25,344,099	584	113,031,000	55,101	9,153,481,000
2026[1]	-	-	19	4,194,623	138	36,070,364	439	86,404,000	25,644	4,460,591,000

Multi-Family Building Permit Activity

	City of Brighton		Adams County		Denver-Aurora-Lakewood MSA		Colorado		United States	
	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Valuation
2020	180	$13,639,182	1,143	$150,872,225	8,145	$1,123,222,000	12,708	$1,784,811,000	444,539	$57,189,609,000
2021	-	-	1,509	250,704,972	16,028	2,151,365,000	24,282	3,519,593,000	568,769	75,928,711,000
2022	288	44,791,763	633	106,007,049	12,342	1,882,904,000	23,580	4,019,340,000	634,673	90,523,821,000
2023	-	-	916	168,072,922	11,362	2,017,438,000	18,757	3,369,491,000	536,413	81,939,710,000
2024	72	10,488,364	343	54,861,537	6,505	1,027,608,848	10,807	2,266,489,000	435,159	70,793,450,000
2025	-	-	689	104,302,526	8,317	1,538,757,761	15,496	2,920,657,000	461,785	77,431,453,000
2026[1]	-	-	180	25,432,508	4,495	853,383,838	7,314	1,426,422,000	230,107	38,145,578,000

[1]2026 figure is the year-to-date total through Q2 2026.
Note[1]: Single-Family Attached includes 2 family units and 3-4 family units. Multi-Family includes 5+ units.
Note[2]: Permits count the number of units permitted in a year, not the number of structures permitted.
Source: U.S. Census Bureau.

Home Price Index

The following table provides the Standard and Poor's (S&P) CoreLogic Case-Shiller Home Price Indices for the Denver MSA, the 20-City Composite, and the U.S. According to the S&P CoreLogic Case-Shiller Indices, U.S. home prices have increased over the month for the past five consecutive months. The national Home Price Index, covering all nine U.S. census divisions, increased 0.4% from May to June 2026. From June 2025 to June 2026, home prices were up 1.5%. The 20-City Composite Index also rose over the year, increasing 2.1%.

Data is available monthly for 20 major U.S. metropolitan areas. In June 2026, home prices rose over the month in 14 of the 20 major metropolitan areas, with New York, NY posting the largest increase

of 1.0%. Seattle, WA posted the largest over-the-month decrease of 0.5%. Compared with the same time last year, home prices appreciated in 12 of the 20 metropolitan areas. Over the year, price increases were greatest in Chicago, IL (+6.9%) and New York, NY (+4.8%). Among the 20 MSAs, the Denver MSA ranked 17th for over-the-year growth, falling 1.2%.

S&P CoreLogic Case-Shiller Home Price Index

	Denver-Aurora-Lakewood MSA		20-City Composite		United States	
	Index	**% Change**	**Index**	**% Change**	**Index**	**% Change**
Jun-25	321.59	--	343.01	--	331.61	--
Jul-25	319.95	-0.5%	341.92	-0.3%	330.95	-0.2%
Aug-25	317.42	-0.8	339.95	-0.6	329.86	-0.3
Sep-25	315.18	-0.7	338.31	-0.5	328.89	-0.3
Oct-25	311.89	-1.0	337.41	-0.3	328.25	-0.2
Nov-25	310.69	-0.4	337.48	0.0	327.87	-0.1
Dec-25	308.52	-0.7	337.20	-0.1	327.04	-0.3
Jan-26	308.02	-0.2	336.91	-0.1	326.75	-0.1
Feb-26	309.54	0.5	338.49	0.5	327.79	0.3
Mar-26	313.56	1.3	342.14	1.1	330.28	0.8
Apr-26	316.22	0.8	345.62	1.0	333.11	0.9
May-26	316.98	0.2	348.69	0.9	335.43	0.7
Jun-26	317.59	0.2	350.20	0.4	336.66	0.4
YOY	-1.2%		2.1%		1.5%	

Source: Standard & Poor's.

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Foreclosure Activity

The following table provides a multi-year history of foreclosure filings in Adams County, the Denver MSA, the State, and the U.S. Foreclosure filing is the event that begins the foreclosure process. In general, a borrower who is at least three months delinquent will receive a filing notice from the Public Trustee for the county in which the property is located. At this point, the property is in foreclosure.

Because a foreclosure filing can be cured or withdrawn before the home is sold at auction, not all filings result in foreclosure sales. Foreclosure sales at auction generally proceed between 110 and 125 days after the initial filing. Once a foreclosure sale is completed, the eviction process begins.

Foreclosure Filings[1]

	Adams County		Denver-Aurora-Lakewood MSA		Colorado[2]		United States	
	Number of Foreclosures Filed	% Change	Number of Foreclosures Filed	% Change	Number of Foreclosures Filed	% Change	Number of Foreclosures Filed	% Change
2020	207	--	974	--	1,671	--	214,323	--
2021	102	-50.7%	495	-49.2%	853	-48.9%	151,153	-29.5%
2022	691	577.5	2,507	406.5	4,291	402.8	324,237	114.5
2023	618	-10.6	2,416	-3.6	4,110	-4.2	357,062	10.1
2024	625	1.1	2,478	2.6	3,884	-5.5	322,103	-9.8
2025	779	24.6	3,111	25.5	5,911	52.2	367,460	14.1
2026[3]	425	--	1,662	--	3,943	--	227,548	--

[1]Some filings may have been subsequently cured or withdrawn and did not result in a sale at auction.
[2]Estimated Colorado value based on Denver MSA growth rate for 2021-2023.
[3]2026 figure is the year-to-date total through Q2 2026.
Sources: Individual County Public Trustees; Colorado Division of Housing; RealtyTrac/AttomData.

The decline in foreclosures in 2020 was due to the foreclosure moratorium in effect in Colorado from April 20 to July 13, 2020, due to the COVID-19 pandemic. Further, homeowners with a federally backed mortgage, which covers two-thirds of residential mortgages across the U.S., were protected from foreclosure until February 28, 2021.

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Retail Activity

The retail trade sector employs a large portion of the area's workforce and is important to the area's economy. The following table provides a multi-year history of retail sales activity in Adams County, the Denver MSA, and the State, as reported for state sales tax purposes.

Total Retail Sales ($000s)

	Adams County		Denver-Aurora-Lakewood MSA		Colorado	
	Retail Sales	**% Change**	**Retail Sales**	**% Change**	**Retail Sales**	**% Change**
2020	$25,843,396	--	$123,226,572	--	$228,812,220	--
2021	30,179,393	16.8%	145,015,860	17.7%	268,328,759	17.3%
2022	36,062,791	19.5	161,841,806	11.6	299,923,778	11.8
2023	32,560,977	-9.7	161,634,645	-0.1	302,570,432	0.9
2024	31,350,572	-3.7	164,012,064	1.5	306,519,355	1.3
2025	32,477,103	3.6	168,225,992	2.6	316,183,730	3.2
2026[1]	16,465,504	--	82,225,367	--	155,100,443	--

[1]2026 figure is the year-to-date total through Q2 2026.
Source: State of Colorado, Department of Revenue, Sales Tax Statistics.

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Employment

The following table sets forth employment statistics by industry for Adams County. Industry designations are based on the North American Industrial Classification System. Employment includes only those workers covered by unemployment insurance; most workers in the state are covered.

Average Number of Employees by Industry – Adams County

Industry[1]	Q1 2025	Q1 2026	Absolute Change	% Change
Private Sector				
Agriculture, Forestry, Fishing, and Hunting	860	714	-146	-17.0%
Mining	1,005	1,002	-3	-0.3
Utilities	749	748	-1	-0.1
Construction	25,748	25,366	-382	-1.5
Manufacturing	13,674	13,747	73	0.5
Wholesale Trade	18,097	18,121	24	0.1
Retail Trade	21,257	21,020	-237	-1.1
Transportation and Warehousing	28,246	26,715	-1,531	-5.4
Information	2,132	2,086	-46	-2.2
Finance and Insurance	3,395	3,360	-35	-1.0
Real Estate and Rental and Leasing	3,607	3,424	-183	-5.1
Professional and Technical Services	9,444	9,635	191	2.0
Management of Companies and Enterprises	1,931	1,809	-122	-6.3
Administrative and Waste Services	16,246	14,977	-1,269	-7.8
Educational Services	1,169	1,221	52	4.4
Health Care and Social Assistance	24,046	26,158	2,112	8.8
Arts, Entertainment, and Recreation	2,072	2,169	97	4.7
Accommodation and Food Services	18,535	18,544	9	0.0
Other Services	7,278	6,636	-642	-8.8
Unclassified	2	130	128	6400.0
Government	48,207	46,169	-2,038	-4.2
Total[2]	**247,698**	**243,749**	**-3,949**	**-1.6%**

[1]Information provided herein reflects only those employers who are subject to State unemployment insurance law.
[2]Industry data may not add to all-industry total due to rounding, suppressed data, and employment that cannot be assigned to an industry.
Source: Colorado Department of Labor and Employment, Labor Market Information, Quarterly Census of Employment and Wages (QCEW).

The following table provides labor force and unemployment statistics for Adams County, the Denver MSA, the State, and the U.S.

Labor Force Estimates

	Adams County		Denver-Aurora-Lakewood MSA		Colorado		United States	
	Labor Force	Unemployment Rate	Labor Force	Unemployment Rate	Labor Force	Unemployment Rate	Labor Force	Unemployment Rate
2020	280,410	7.2%	1,664,718	6.9%	3,079,767	6.8%	160,742,333	8.1%
2021	289,205	6.0	1,708,067	5.5	3,142,134	5.5	161,203,917	5.3
2022	294,580	3.2	1,736,366	3.0	3,181,559	3.1	164,287,167	3.6
2023	299,606	3.4	1,761,037	3.2	3,230,056	3.3	167,116,417	3.6
2024	303,570	4.3	1,777,277	4.1	3,265,465	4.1	168,106,167	4.0
2025	304,561	4.2	1,783,033	4.0	3,260,396	4.0	170,841,417	4.3
2026[1]	297,018	4.2	1,738,897	3.9	3,185,153	4.0	169,911,167	4.4

[1]2026 figure is the year-to-date total through Q2 2026.
Source: U.S. Bureau of Labor Statistics.

The following table sets forth the major employers in Metro Denver as of September 2026. No independent investigation has been made and no representation is made herein as to the financial condition of the employers listed below or the likelihood that these employers will maintain their status as major employers in the area. Employment counts for these businesses may have changed since this table was compiled, and other large employers may exist in the area that are not included in the table.

Major Non-Retail Employers in Metro Denver[1]

Rank	Employer	Product or Service	Estimated Employees[2]
1	UCHealth	Healthcare, Research	15,000
2	Amazon	Warehousing & Distribution, Web Services	14,000
3	HCA HealthOne	Healthcare	13,000
4	Lockheed Martin Corporation	Aerospace & Defense Related Systems	13,000
5	United Airlines	Airline	11,300
6	Intermountain Healthcare	Healthcare	8,800
7	CommonSpirit Health	Healthcare	8,500
8	Children's Hospital Colorado	Healthcare	8,000
9	Kaiser Permanente	Healthcare	6,600
10	Southwest Airlines	Airline	6,600

[1]Metro Denver defined as 7-county region including Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson counties.
[2]Figures include full- and part-time employees.
Source: Compiled by the Metro Denver EDC; various sources.

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

(attached)

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CONTINUING DISCLOSURE AGREEMENT

Dated as of [CLOSING DATE], 2026

AMONG

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3,

THF PRAIRIE CENTER DEVELOPMENT, L.L.C.,

THF PRAIRIE CENTER RETAIL ONE, L.L.C.,

And

UMB BANK, N.A.

$[PAR]
PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
(IN THE CITY OF BRIGHTON)
ADAMS COUNTY, COLORADO
LIMITED PROPERTY TAX SUPPORTED PRIMARY IMPROVEMENTS REVENUE REFUNDING BONDS,
SERIES 2026

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated as of [CLOSING DATE], 2026 (the **"Continuing Disclosure Agreement"**), is executed and delivered by and among Prairie Center Metropolitan District No. 3, a quasi-municipal corporation and municipal subdivision of the State of Colorado (the **"Issuer"**), THF Prairie Center Development, L.L.C., a Colorado limited liability company (**"THF Development"**), THF Prairie Center Retail One, L.L.C., a Missouri limited liability company (**"THF Retail One,"** and, together with THF Development, the **"Developers"**), and UMB Bank, n.a., as dissemination agent (the **"Dissemination Agent"**).

RECITALS

1. This Continuing Disclosure Agreement is executed and delivered in connection with the issuance by the Issuer of its $[PAR] aggregate principal amount of Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026 (the **"Bonds"**), pursuant to an Amended and Restated Trust Indenture dated as of October 1, 2017, as amended and supplemented by an Amendment to the Amended and Restated Trust Indenture dated as of March 4, 2024, as supplemented by the First Supplemental Trust Indenture dated as of April 1, 2024, and as supplemented by the Second Supplemental Trust Indenture dated as of [CLOSING MONTH] 1, 2026 (as supplemented, the **"Indenture"**), between the Issuer and UMB Bank, n.a. as trustee.

2. The Issuer, the Developers and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 (the **"Rule"**) of the Securities and Exchange Commission (the **"SEC"**), to the extent applicable. The Issuer is an "obligated person" with responsibility for continuing disclosure hereunder. The Developers are not "obligated persons," but are assisting the Issuer with its obligation to provide continuing disclosure.

In consideration of the mutual covenants and agreements herein, the Issuer, the Developers and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report filed by the Issuer pursuant to, and as described in, **Section 2(a)** of this Continuing Disclosure Agreement.

"Beneficial Owner" means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" means UMB Bank, n.a., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the 12-month period beginning on January 1 and ending on December 31 or any other 12-month period selected by the Issuer or District No. 4 as the Fiscal Year of the Issuer or District No. 4, as applicable, for financial reporting purposes.

"Material Events" means any of the events listed in **Section 3(a)** of this Continuing Disclosure Agreement.

"**MSRB"** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the SEC in accordance with the Rule.

"Participating Underwriter" means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Semi–Annual Report" means a document or set of documents, in substantially the form attached as **Exhibit A** hereto. Any or all of the items listed above may be incorporated by reference from other documents, including offering documents of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet Web Site or filed with the SEC. The Issuer shall clearly identify each such document incorporated by reference.

"Semi–Annual Report Date" means February 15 for each semi-annual period ending December 31 and August 15 for each semi-annual period ending June 30, commencing on February 15, 2027.

"Taxing District(s)" means any one or more of District No. 4 and District No. 5.

Section 2. Provision of Annual Reports and Semi–Annual Reports.

(a) The Issuer shall, or shall direct the Dissemination Agent in writing, not later than August 15, commencing on August 15, 2027, to file with the MSRB, through EMMA, the following financial information and operating data (the **"Annual Report"**):

(i) The regularly prepared, approved and audited financial statements for the prior Fiscal Year, prepared in accordance with accounting principles generally accepted in the United States of America of the Issuer, District No. 4 and, with respect to any other Taxing District, of such Taxing District if required to prepare audited financial statements under applicable State law. If such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Continuing Disclosure Agreement, the Annual Report shall contain approved unaudited financial statements of the Issuer or District No. 4, as applicable and, as applicable, any other Taxing District, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

If the Fiscal Year of the Issuer or any Taxing District changes, the Issuer shall give notice of such change in the same manner as for a Material Event under **Section 3**.

(ii) Not later than the date specified in subsection (a) for providing the Annual Report to the MSRB, the Issuer shall either (A) provide the Annual Report to the Dissemination Agent, with written instructions to file the Annual Report as specified in subsection (a), or (B) provide written notice to the Dissemination Agent that the Issuer has filed the Annual Report with the MSRB (or will do so prior to the deadline specified in subsection (a)).

(iii) If the Dissemination Agent has not received either an Annual Report with filing instructions or a written notice from the Issuer that it has filed an Annual Report with the MSRB by the date required in subsection (a), the Dissemination Agent shall, within 10 Business Days of such date, send a notice to the MSRB in substantially the form attached as **Exhibit B**.

(iv) The Dissemination Agent shall, unless the Issuer has filed the Annual Report with the MSRB, promptly following receipt of the Annual Report and instructions required in subsection (ii) above, file the Annual Report with the MSRB and file a report with the Issuer certifying that the Annual Report has been filed pursuant to this Continuing Disclosure Agreement, stating the date it was filed with the MSRB.

(b) The Dissemination Agent shall send notice, no later than December 1 and June 1 of each year, commencing June 1 2027, to the Issuer and the Developers, of their respective obligations to provide to the Dissemination Agent the information required for the Semi–Annual Report. The Dissemination Agent will assist the Issuer in providing the information required by Section 6 of **Exhibit A**. If the Dissemination Agent is not the Trustee, the Dissemination Agent direct the Trustee in writing to assist the Issuer in providing the information required by Section 6 of **Exhibit A**.

(i) The Issuer and the Developers hereby agree to provide the Semi–Annual Reports to the Dissemination Agent with the written direction to file with the MSRB not later than each Semi–Annual Report Date, and the Dissemination Agent shall provide the Semi–Annual Report to the MSRB within 10 Business Days after receipt thereof from the Issuer. The parties hereto agree that the Developers are solely responsible for providing the information in Sections 1 and 2 of **Exhibit A** and that the Issuer is solely responsible for providing the information required by Sections 3, 4, 5 and 6 of **Exhibit A.**

(ii) The Dissemination Agent shall provide the Issuer and the Trustee (if the Trustee is not the Dissemination Agent) written confirmation that the Semi–Annual Report was provided to the MSRB in accordance with **Section 2(b)(i)** hereof.

(iii) If the Dissemination Agent shall not have received the Semi–Annual Reports by the Semi–Annual Report Date, the Dissemination Agent shall so notify the MSRB within 10 Business Days of the Semi–Annual Report Date. Such notice shall be in substantially the form attached hereto as **Exhibit B**.

(c) In addition to the foregoing requirements of this Section, the Issuer agrees to provide copies

of the most recent Annual Report and/or Semi–Annual Report to any requesting bondowner or prospective bondowner, but only after the same have been delivered to the MSRB.

Section 3. Reporting of Material Events.

(a) No later than 10 Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("**Material Events**"):

i. principal and interest payment delinquencies;
ii. non-payment related defaults, if material;
iii. unscheduled draws on debt service reserves reflecting financial difficulties;
iv. unscheduled draws on credit enhancements reflecting financial difficulties;
v. substitution of credit or liquidity providers, or their failure to perform;
vi. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
vii. modifications to rights of security holders, if material;
viii. bond calls, if material, and, whether or not material, tender offers;
ix. defeasances;
x. release, substitution or sale of property securing repayment of the securities, if material;
xi. rating changes;
xii. bankruptcy, insolvency, receivership or similar event of the obligated person;
xiii. the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, or the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
xiv. the appointment of a successor or additional trustee, whether or not material, or the change of name of a trustee, if material;
xv. incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
xvi. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact a director of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the Issuer promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). If in response to a request under this subsection (b), the Issuer determines that the event does not constitute a Material Event, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (d).

(c) Whenever the Issuer obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Issuer shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent receives written instructions from the Issuer to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence to the MSRB, with a copy to the Issuer.

Section 4. Termination of Reporting Obligation. The Issuer's and the Developers' obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the obligations of the Issuer or the Developers under this Continuing Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Agreement in the same manner as if it were the Issuer or the Developers, as the case may be, and the Issuer or the Developers, as applicable, shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the Issuer. At any time there is no Dissemination Agent, the Issuer shall serve as the Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Agreement. The Dissemination Agent shall not be responsible for the Issuer's or the Developers' failure to submit a complete an Annual Report or Semi-Annual Report and shall not be liable for any act or omission hereunder except its negligence or willful misconduct (as determined by a court of competent jurisdiction). The initial Dissemination Agent is UMB Bank, n.a.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Issuer, the Developers and the Dissemination Agent may amend this Continuing Disclosure Agreement and any provision of this Continuing Disclosure Agreement may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer and the Dissemination Agent with its written opinion that the undertaking of the Issuer and the Developers contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement and provided further that no change or modification of this Continuing Disclosure Agreement shall be valid unless the same is in writing and signed by each party to this Continuing Disclosure Agreement and no waiver of any provision of this Continuing Disclosure Agreement shall be valid unless in writing and signed by the party against whom it is sought to be enforced.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting

principles to be followed in preparing financial statements, (a) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (b) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Issuer shall not have any obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer, the Developers or the Dissemination Agent fails to comply with any provision of this Continuing Disclosure Agreement, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer, the Developers or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an event of default under the Indenture or the Bonds, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Issuer, the Developers or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 9. Duties and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement and no implied covenants or obligations shall be read into this Agreement against the Trustee, and, to the extent permitted by law and under the terms of the Indenture, the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer and the Developers under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Issuer shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Continuing Disclosure Agreement. The Dissemination Agent may consult legal counsel in the event of any dispute or question as to the construction of any provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in good faith in accordance with the opinion or instructions of such counsel. The Dissemination Agent shall not be responsible for ensuring the compliance with any rule or regulation applicable to the Issuer or participating underwriter in connection with the filing of information herein but is merely responsible for the filing of any such information provided to the Dissemination Agent by the Issuer and Developers.

Section 10. Notices. Any notices or communications to or among any of the parties to this Continuing Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the Issuer:

Prairie Center Metropolitan District No. 3
Attention: Diana Garcia
225 Union Blvd., Suite 100
Lakewood, Colorado 80228
Telephone: (303) 987-0835
Facsimile: (303) 987-2032

with a copy to:

Paula Williams, Esq.
McGeady Becher Cortese Williams P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Telephone: (303) 592-4380
Email: legalnotices@specialdistrictlaw.com

To the Dissemination Agent:

UMB Bank, n.a.
1670 Broadway
Denver, Colorado 80202
Attention: Corporate Trust & Escrow Services
Email: john.wahl@umb.com
Facsimile: 303-764-3699

To the Developers:

THF Prairie Center Development, L.L.C.
THF Prairie Center Retail One, L.L.C.
c/o The Kroenke Group
17295 Chesterfield Airport Road, Suite 230
Chesterfield, Missouri 63005
Telephone: 636-778-5317
Email: bjakubeck@thekroenkegroup.com

With a copy to:

Otten, Johnson, Robinson, Neff & Ragonetti, P.C.
950 17th Street, Suite 1600
Denver, Colorado 80202
Attn: Kimberly Martin
Telephone: (303) 825-8400
Facsimile: (303) 825-6525

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 11. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the Issuer, the Developers, the Dissemination Agent, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 12. Severability. If any provision in this Continuing Disclosure Agreement, the Indenture or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15. Governing Law. This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

Section 16. Days Which Are Not Business Days. In any case in which a date specified herein for the taking of action required hereunder shall be a day which is not a Business Day, then such action shall be taken on the next succeeding Business Day.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the Issuer, the Developers and the Dissemination Agent have caused this Continuing Disclosure Agreement to be executed as of the day and year first above written.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

ATTEST:

By: _____
Name: Michael Tamblyn
Title: President

_____
Secretary

UMB BANK, N.A., as Dissemination Agent

By: _____
Title: Authorized Officer

THF PRAIRIE CENTER DEVELOPMENT, L.L.C., a Colorado limited liability company

By: THF Prairie Center Investors, L.L.C., a Missouri limited liability company, its Manager

By: Milan Green Management, L.L.C., its Manger

By: _____
Robert J. Jakubeck
Manager

THF PRAIRIE CENTER RETAIL ONE, L.L.C., a Missouri limited liability company

By: THF Prairie Center Development, L.L.C., a Colorado limited liability company, Manager

By: THF Prairie Center Investors, L.L.C., a Missouri limited liability company, Manager

By: Milan Green Management, L.L.C., its Manger

By:_____
Robert J. Jakubeck
Manager

EXHIBIT A

FORM OF ANNUAL & SEMI-ANNUAL REPORT

**[SEMI-ANNUAL REPORT FOR PERIOD ENDING JUNE 30, 20__
AND ANNUAL REPORT FOR THE PERIOD ENDING DECEMBER 31, 20__]**

**[SEMI-ANNUAL REPORT
FOR PERIOD ENDING DECEMBER 31, 20__]**

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

$[PAR]
PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
(IN THE CITY OF BRIGHTON)
ADAMS COUNTY, COLORADO
LIMITED PROPERTY TAX SUPPORTED
PRIMARY IMPROVEMENTS REVENUE REFUNDING BONDS, SERIES 2026

Date of Report: **February 15, 20__ for the six months ended December 31, 20__**
August 15, 20__ for the six months ended June 30, 20__ and Annual Report for the year ended December 31, 20__

All capitalized terms used and not otherwise defined in this report shall have the respective meanings assigned in the Continuing Disclosure Agreement (**"Agreement"**) entered into as of [CLOSING DATE], 2026 by and among Prairie Center Metropolitan District No. 3, in the City of Brighton, Colorado (the **"District"**), THF Prairie Center Development, L.L.C., a Colorado limited liability company (**"THF Development"**) and THF Prairie Center Retail One, L.L.C., a Missouri limited liability company (**"THF Retail"** and, together with THF Development and their respective affiliates, the **"Developers"**), and UMB Bank N.A., as dissemination agent (the **"Dissemination Agent"**) for the above captioned bonds (the **"Bonds"**).

Section 1. Commercial Development Information.

A. Certificates of Occupancy

	Previous Years Cumulative	Present Year January 1 to June 30	Present Year July 1 to December 31	Present Year	All Years Cumulative
Square feet of commercial property in District No. 4 for which certificates of occupancy were issued					
Acres of commercial property in District No. 4 sold by Developers					

Square feet of commercial property in District No. 10 for which certificates of occupancy					
Acres of commercial property in District No. 10 sold by Developers					

B. Conveyances of Commercial Property

As of the date hereof, there is approximately _____ acres of property in District No. 4 zoned for commercial use, of which _____ acres are owned by the Developers, _____ are owned by operators of retail establishments and _____ are owned by commercial developers leasing to retail operators.

As of the date hereof, there is approximately _____ acres of property in District No. 10 zoned for commercial use, of which _____ acres are owned by the Developers, _____ are owned by operators of retail establishments and _____ are owned by commercial developers leasing to retail operators.

C. Leasing Status

(i) The total square footage of gross leasable area in commercial properties within District No. 4 as of the date hereof is _____ (excluding operator-owned space described in the following item).

(ii) The total square footage of commercial space owned by the retail operators thereof is _____.

(iii) The percentage of gross leasable area in commercial properties within District No. 4 leased as of the date hereof is _____%.

(iv) The current list of tenants leasing commercial property from the Developers within District No. 4, the actual or anticipated opening date, approximate square footage of leased area, expiration date of each such lease, and anticipated use (general business or product category) is as follows:

Occupant	Actual/Anticipated Opening Date	Approximate Gross Square Footage	Permitted Use	Approximate Term

(v) The total square footage of gross leasable area in commercial properties within District No 10 as of the date hereof is _____ (excluding operator-owned space described in the following item).

(vi) The total square footage of commercial space owned by the retail operators thereof is _____.

(vii) The percentage of gross leasable area in commercial properties within District No. 10 leased as of the date hereof is _____%**.**

(viii) The current list of tenants leasing commercial property from the Developers within District No. 10, the actual or anticipated opening date, approximate square footage of leased area, expiration date of each such lease, and anticipated use (general business or product category) is as follows:

Occupant	Actual/Anticipated Opening Date	Approximate Gross Square Footage	Permitted Use	Approximate Term

Section 2. Residential Development Information.

	Previous Year	Present Year January 1 to June 30	Present Year July 1 to December 31	Present Year	All Years Cumulative
Residential units in District No. 5 for which certificates of occupancy were issued					
Residential building permits issued in District No. 5					

Sections 3. **Issuer Revenues** (received by the Issuer, the Taxing Districts or by the Trustee on behalf of the Issuer) as follows:

REVENUES PLEDGED TO DEBT SERVICE					
	Previous Years Cumulative	**Present Year January 1 to June 30**	**Present Year July 1 to December 31**	**Present Year**	**All Years Cumulative**
Revenues Based on Facility Fees					
Facility Fees for Residential Property					
Facility Fees for Non-Residential Property					
Revenues Based on Sales					
Amount of Sales Subject to Add-On PIF					
Add-On PIF Revenues Based on Sales					
Delinquent Add-On PIF Revenues Due					
Amount of Sales Subject to Credit PIF					
Credit PIF Revenues Based on Sales					
Delinquent Credit PIF Revenues Due					
Revenues Based on Use Tax					
Credit PIF Revenues Based on Use Tax					
Add-On PIF Revenues Based on Use tax					
Sale/Use Tax resulting from failure of certain retailers or builders to pay Credit PIF					
Revenues Based on Property Tax					
Property Tax Revenues for Debt Service (net of fees)					
Other Revenues					
Shared Sales Tax Incremental Revenues					
Shared General Fund Sales Tax Revenues					
Specific Ownership Taxes for Debt Service (net of fees)					
Total Revenues					
OTHER REVENUES NOT PLEDGED TO DEBT SERVICE					
Revenues Based on Property Tax					
Property Tax Revenues for Operations and Maintenance costs (net of fees)					
Other Revenues					
Specific Ownership Taxes for Operations and Maintenance (net of fees)					

Advances by Developers for Capital Projects outstanding [1]					
Advances by Developers for Operations and Maintenance outstanding					
Total Revenues					

(1) The "Previous Years Cumulative" Advances by the Developers for Capital Projects include $_____and $_____ noncash Developers advances accepted and recorded in the ___ audit.

A. The Issuer certifies that the total amount of Facilities Fees set forth in the table above have been deposited with the Trustee for credit to the appropriate funds and accounts in accordance with the Indenture.

Section 4. Assessed Value; Actual Value; and Mill Levies.

A. Assessed Valuation

(i) The current assessed values of District No. 4 and District No. 5, as published or certified by the county assessor of Adams County, Colorado (the "Assessor") are $_____ and $_____, respectively, as of _____ __, 20__.

(ii) The assessed values set forth in subsection (i) above is the District's ___ [preliminary certified] ___ [final certified] assessed value.

B. Actual Value.

(i) The current "actual values" of District No. 4 and District No. 5, as such terms is used and published or certified by the Assessor are $_____ and $_____ respectively, as of _____ __, 20__.

(ii) The actual values set forth in subsection (b)(i) above is the District's ___ [preliminary certified] ___ [final certified] assessed value.

C. *Mill Levy Certification.* District No. 4 and District No. 5 certified mill levies of _____ mills and _____ mills, respectively, on _____ __, 20__ to the Assessor, comprised of: (i) for District No. 4, _____ mills for debt service and _____ mills for operations and maintenance; and (ii) for District No. 5, _____ mills for debt service and _____ mills for operations and maintenance.

D. *Percent of Levy Collected.* As of December 31, for collection year 20__, District No. 4 collected ___% of total taxes levied and District No. 5 collected ___% of total taxes levied.

Section 5. Attached Financial Information. Each of the information items set forth below must be provided with the Semi-Annual Report filed by February 15 or August 15, commencing February 15, 2027. In addition, Audited Annual Financial Statements of the Issuer, District No. 4 and, if required by statute, District No. 5, shall be provided with the Annual and Semi-Annual Report filed by August 15, commencing August 15, 2027.

A. Unaudited annual financial statements of the Issuer and Taxing Districts for the year ending 20__ ___ *attached to this Semi-Annual Report* ___ *attached to prior Semi-Annual Repor[1]*

B. Annual budget of the Issuer and Taxing Districts for fiscal year 20__. Such annual budget has/has not been adopted by the Board of Directors of such Districts.
___ *attached to this Semi-Annual Report* ___ *attached to prior Semi-Annual Report*

C. Report(s) of the Districts' auditor issued since the last Semi-Annual Report, if any.

D. Any other report(s) relating to the Districts' activities or its condition submitted to any governmental agency or prepared for delivery to a third party since the last Semi-Annual Report.

Section 6. Fund and Account Balances. The amount on deposit in each of the funds held under the Indenture as of _____ __, 20__**.**

UMB Bank

UMB Acct	**Description**	**[6/30/__][12/31/___] Balance**

The undersigned hereby certify, respectively, that they are authorized representatives of the Issuer and the Developers and, further, the Developers hereby certify that the information contained in Sections 1 and 2 of the foregoing Annual Report is, to the best of its knowledge, true, accurate and complete and the Issuer hereby certifies that the information contained in Sections 3, 4, 5 and 6 of the foregoing Annual Report is, to the best of its knowledge, true, accurate and complete.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

By: _____
Name: Michael Tamblyn
Title: President

THF PRAIRIE CENTER DEVELOPMENT, L.L.C., a Colorado limited liability company

By: THF Prairie Center Investors, L.L.C., a Missouri limited liability company, its Manager

By: Milan Green Management, L.L.C., its Manger

By:_____
Robert J. Jakubeck
Manager

THF PRAIRIE CENTER RETAIL ONE, L.L.C., a Missouri limited liability company

By: THF Prairie Center Development, L.L.C., a Colorado limited liability company, Manager

By: THF Prairie Center Investors, L.L.C., a Missouri limited liability company, Manager

By: Milan Green Management, L.L.C., its Manger

By:_____
Robert J. Jakubeck
Manager

EXHIBIT B

NOTICE OF FAILURE TO FILE [ANNUAL] [SEMI–ANNUAL] REPORT

Name of Issuer:	Prairie Center Metropolitan District No. 3 (in the City of Brighton) in Adams County, Colorado
Name of Bond Issue:	$[PAR] aggregate principal amount of Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026
Name of Obligated Person:	Prairie Center Metropolitan District No. 3 (in the City of Brighton) in Adams County, Colorado
Date of Issuance:	[CLOSING DATE], 2026

NOTICE IS HEREBY GIVEN that the Prairie Center Metropolitan District No. 3 (the "Issuer") has not filed [an Annual] [a Semi–Annual] Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated as of [CLOSING DATE], 2026, among the Issuer, THF Prairie Center Development, L.L.C., THF Prairie Center Retail One, L.L.C. and UMB Bank, n.a., as Dissemination Agent. [The Issuer has informed the Dissemination Agent that the Issuer anticipates that the [Annual Report] [Semi–Annual Report] will be filed by _____.]

Dated: _____ ___, _____

UMB BANK, N.A., as Dissemination Agent, on behalf of the Prairie Center Metropolitan District No. 3

cc: Prairie Center Metropolitan District No. 3

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APPENDIX F

FORM OF BOND COUNSEL OPINION

December __, 2026

Prairie Center Metropolitan District No. 3
c/o McGeady Becher Cortese Williams P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203

$[_____]
Prairie Center Metropolitan District No. 3
Limited Property Tax Supported
Primary Improvements Revenue Bonds
Series 2026

Ladies and Gentlemen:

We have acted as bond counsel to Prairie Center Metropolitan District No. 3, in the City of Brighton, Adams County, Colorado (the "**Issuer**") in connection with the issuance of the above-referenced bonds (the "**Bonds**"), pursuant to a resolution adopted by the Board of Directors (the "**Board**") of the Issuer on November 2, 2026 (the "**Resolution**") and an Amended and Restated Trust Indenture dated as of October 1, 2017 (the "**Original Indenture**"), as amended and supplemented by an Amendment to Amended and Restated Trust Indenture dated as of March 4, 2024 and as further amended and supplemented by a First Supplemental Trust Indenture dated as of April 1, 2024 and a Second Supplemental Trust Indenture dated as of December 1, 2026 (collectively, the "**Indenture**") between the Issuer and UMB Bank, n.a., as trustee (the "**Trustee**"). *Capitalized terms used and not defined herein shall have the meanings set forth in the Indenture.*

The Bonds are issuable as fully registered bonds, dated as of the date of their delivery, in denominations of $500,000 each, and in integral multiples above $500,000 of not less than $5,000 each. The Bonds mature, bear interest, are payable and are subject to redemption prior to maturity, in the manner and upon the terms set forth therein and in the Indenture. The Underwriter has certified that the Bonds are being offered solely to "financial institutions or institutional investors" within the meaning of the Special District Act, constituting Section 32-1-101 *et seq.*, Colorado Revised Statutes, as amended (the "**Special District Act**").

The Indenture provides that the Bonds are special, limited revenue obligations of the Issuer and shall be secured solely by, subject to the priorities described in the Indenture, a pledge of the Pledged Revenue (subject to the exceptions and limitations provided in the Indenture), on a parity with the Series 2017 Bonds, the Series 2024 Bonds, and any future Senior Bonds, and other sources provided therefor in the Indenture.

We have examined the law and such certified proceedings and other instruments as we deem necessary to form an appropriate basis for us to render this opinion letter, including, without limitation, portions of the Internal Revenue Code of 1986, as amended (the "**Code**") relevant to the opinions set forth in paragraph 4; the Special District Act; Section 11-56-101 et seq., Colorado Revised Statutes, as amended;

Section 11-57-201 et seq., Colorado Revised Statutes, as amended; an order and decree of the District Court of Adams County, Colorado (the "**County**") recorded on June 6, 2006; a certified record of the results of elections of the eligible electors of the Issuer held on May 2, 2006 and November 5, 2024; a certified transcript of the record of proceedings of the Board taken preliminary to and in connection with the authorization of the Bonds; a form of the Bonds; and certificates of the Issuer, specifically including a tax certificate, and of others delivered in connection with the issuance of the Bonds.

In our examination of such proceedings, certificates, consents and other instruments, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the accuracy and completeness of all documents submitted to us, the authenticity of all original documents and the conformity to authentic original documents of all documents submitted to us as copies (including telecopies). We also have assumed the authenticity and completeness of the foregoing certifications and accuracy of the statements of fact contained therein, on which we are relying, and have made no independent investigations thereof. In rendering our opinion set forth in paragraphs 1 and 2 below as to the execution and delivery of the Indenture and the Bonds, we note that we did not witness the actual execution of the same and are relying instead on a review of the incumbency statements in the omnibus certificate of the Issuer and the final executed Indenture and the Bonds.

We have not been engaged and have not undertaken to consider the adequacy of the Pledged Revenue or other financial resources of the Issuer or its ability to provide for payment of the Bonds, and we express no opinion herein as to such matters. We also express no opinion herein with respect to the accuracy, completeness or sufficiency of the Preliminary Limited Offering Memorandum dated November __, 2026, the Limited Offering Memorandum dated _____, 2026 or other offering materials relating to the Bonds. As to factual matters, we have relied, without independent investigation, upon the representations of the Issuer, Prairie Center Metropolitan District Nos. 4, 5 and 10 (collectively, the "**Financing Districts**"), THF Prairie Center Development, L.L.C., a Colorado limited liability company, and THF Prairie Center Retail One, L.L.C., a Missouri limited liability company (collectively, the "**Developers**"), the Underwriter, and the Trustee, and other parties contained in certified proceedings, including the Resolution and the Indenture, and in the aforesaid certificates and other instruments. We have also reviewed the opinions of McGeady Becher Cortese Williams P.C., Denver, Colorado, counsel to the Issuer and the Financing Districts; Otten, Johnson, Robinson, Neff & Ragonetti, P.C., Denver, Colorado, counsel to the Developers; Robert Jakubeck, Esq., Chesterfield, Missouri, general counsel to the Developers, Butler Snow LLP, Denver, Colorado, counsel to the City, Alicia Calderon, Brighton, Colorado, City Attorney; and Hoffmann, Parker, Wilson & Carberry, P.C., Denver, Colorado, counsel to the Brighton Urban Renewal Authority, copies of which opinions have been delivered to the Trustee.

Based on the foregoing, it is our opinion that, as of the date hereof and under existing law:

1. The Indenture has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Trustee, constitutes a valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its terms.

2. The Bonds have been duly authorized, executed and delivered by the Issuer and constitute valid and binding special, limited revenue obligations of the Issuer, payable solely from and to the extent of, subject to the priorities described in the Indenture, the Pledged Revenue and the other sources provided therefor in the Indenture, and are legally enforceable in accordance with their terms.

3. The Indenture creates a valid lien (but not necessarily an exclusive lien) on the Pledged Revenue and all right, title and interest of the Issuer in and to the Pledged Revenue have been validly assigned and pledged to the Trustee under the Indenture in accordance with Section 11-57-208, Colorado Revised Statutes, as amended, all subject to the exceptions and limitations provided in the Indenture.

4. Interest on the Bonds is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Bonds, assuming the accuracy of the certifications of the Issuer and continuing compliance by the Issuer and other owners of the Public Improvements with the requirements of the Code. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the adjusted financial statement income of applicable corporations, for purposes of computing the alternative minimum tax imposed on such corporations, as provided in the Code,.

5. Under existing statutes, the Bonds and the income therefrom are exempt from taxation under the laws of the State of Colorado, except inheritance, estate and transfer taxes. Bond Counsel expresses no opinion regarding other state or local tax consequences arising with respect to the Bonds, including whether interest on the Bonds is exempt from taxation under the laws of any jurisdiction other than the State of Colorado.

Except as provided in paragraphs 4 and 5, we express no opinion regarding other federal, state, or local tax consequences arising with respect to the Bonds, including whether interest on the Bonds is exempt from taxation under the laws of any jurisdiction other than the State of Colorado.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to and limited by the exercise of judicial discretion, procedural and other defenses based on particular factual circumstances and equitable principles in appropriate cases, to the reasonable exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State, and to the exercise by the United States of powers delegated to it by the United States Constitution; and while certain remedies and other provisions of the Indenture are subject to the aforesaid exceptions and limitations and, therefore, may not be enforceable in accordance with their respective terms, such unenforceability would not preclude the enforcement of the obligations of the Issuer to pay the principal of, and interest on, the Bonds from available Pledged Revenue and other sources provided therefor in the Indenture.

This opinion is issued as of the date hereof, and we assume no obligation to (i) monitor or advise you or any other person of any changes in the foregoing subsequent to the delivery hereof; (ii) update, revise, supplement or withdraw this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law, regulation, or governmental agency guidance, or the interpretation of any of the foregoing, that may hereafter occur, or for any other reason whatsoever; or (iii) review any legal matters incident to the authorization, issuance, validity, and exemption from federal or state income tax of the Bonds, or the purposes to which the proceeds thereof are to be applied, after the date hereof. Furthermore, we express no opinion as to the validity or enforceability of any fees, charges or other revenue sources that are included in Pledged Revenue.

Certain requirements and procedures contained or referred to in the Indenture and certain other documents executed in connection with the issuance of the Bonds may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted in the future if a legal opinion is rendered at the time to the effect that such action will not cause the interest on the Bonds to be included in the gross income of the owners for federal income tax purposes. This opinion does not address any such actions.

Our opinions represent our legal judgment based upon our review of the law and the facts that we deem relevant to render each such opinion and are not a guarantee of a result.

This letter is furnished by us as bond counsel to the Issuer in connection with the issuance of the Bonds. No attorney-client relationship has existed or exists between us and anyone other than the Issuer in connection with the issuance of the Bonds by virtue of this letter.

Very truly yours,

APPENDIX G

BOOK-ENTRY-ONLY SYSTEM

*The information in this section concerning The Depository Trust Company ("**DTC**") Brooklyn, New York and DTC's book-entry-only system has been obtained from DTC, and the Issuer and the Underwriter take no responsibility for the accuracy thereof.*

DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Series 2026 Bonds, as set forth on the cover page hereof, in the aggregate principal amount of each maturity of the Series 2026 Bonds and deposited with DTC or the Trustee as its "FAST" Agent.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2026 Bonds, except in the event that use of the book entry-system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC or the Trustee as its "FAST" Agent are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026

Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Series 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants remain responsible for keeping accounts of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024 Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2026 Bond documents. For example, Beneficial Owners of the Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Series 2026 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2026 Bonds are to be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2026 Bonds purchased or tendered, through its Participant, to Tender or Remarketing Agent, and shall effect delivery of such Series 2026 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2026 Bonds, on DTC's records, to Tender or Remarketing Agent. The requirement for physical delivery of the Series 2026 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2026 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit for tendered Series 2026 Bonds to Tender or Remarketing Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2026 Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system that has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

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APPENDIX H

2017 INDENTURE, AMENDMENT TO THE 2017 INDENTURE, FORM OF THE FIRST SUPPLEMENTAL INDENTURE, AND FORM OF THE SECOND SUPPLEMENTAL INDENTURE

(attached)

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AMENDED AND RESTATED
TRUST INDENTURE

Dated as of October 1, 2017

between

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

and

UMB BANK, n.a.,

as Trustee

Securing Limited Property Tax Supported Revenue Bonds

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THIS **AMENDED AND RESTATED TRUST INDENTURE** dated as of October 1, 2017 (together with any amendments or supplements hereto, referred to herein as the "**Indenture**"), between **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3** (the "**Issuer**"), a quasi-municipal corporation and political subdivision of the State of Colorado and **UMB BANK, n.a.**, Denver, Colorado, as Trustee (the "**Trustee**"), a national banking association duly organized under the laws of the United States of America, having a corporate trust office in Denver, Colorado, amends and restates in its entirety that certain Trust Indenture dated as of December 1, 2006 between the Issuer and American National Bank, Denver, Colorado, as predecessor in interest to the Trustee, as was subsequently amended and supplemented by that certain First Supplemental Trust Indenture dated as of June 1, 2007, that certain Second Supplemental Trust Indenture dated as of March 1, 2009, that certain Third Supplemental Trust Indenture dated as of October 1, 2009, and that certain Fourth Supplemental Trust Indenture dated as of September 1, 2010 (collectively, the "**Original Indenture**").

RECITALS

WHEREAS, capitalized terms used and not defined in these Recitals shall have the meanings assigned to them in Article I hereof;

WHEREAS, the Issuer was formed pursuant to C.R.S. §32-1-101 *et seq.*, as amended, by order of the District Court, County of Adams, State of Colorado entered on May 22, 2006 and recorded on June 6, 2006, and after approval of the eligible electors of the Issuer at an organizational election held May 2, 2006 (the "**2006 Election**"), for the purpose of assisting in the financing and development as a mixed-use development of certain property located in the Service Area, as such area is generally depicted in Exhibit C to the Service Plan;

WHEREAS, the City Council approved the Prairie Center Metropolitan District No. 3 First Amended and Restated Service Plan, dated November 4, 2008, as modified on April 14, 2013 (the "**Service Plan**"), which provides certain parameters for the financing of Public Improvements within and without the Service Area;

WHEREAS, the City, the City of Brighton Water, Sewer and Drainage Enterprise, Developers, and the Issuer are parties to the Comprehensive Agreement which establishes a coordinated development plan for the Service Area and other areas in the City and the County and provides for the funding of the Public Improvements in the Service Area and such other areas;

WHEREAS, pursuant to the PIF Covenants, THF Development imposed certain public improvements fees on the PIF Property for the purpose of financing the Public Improvements;

WHEREAS, the Comprehensive Agreement provides for collection of two types of public improvements fees pursuant to the PIF Covenants, the Add-On PIF and Credit PIF;

WHEREAS, by Ordinance No. 1868 adopted on February 7, 2006 by the City Council (the "**Sales/Use Tax Credit Ordinance**"), the City granted the Sales/Use Tax Credit for the Credit PIF portion of such public improvements fees;

WHEREAS, to facilitate the financing of the Public Improvements, each of the Districts adopted a Fee Resolution (as amended from time to time, collectively referred to herein as the "**Fee Resolutions**") imposing Residential Facilities Fees and Commercial Facilities Fees on all residential and commercial property within its respective boundaries;

WHEREAS, the Trustee, the Issuer and District Nos. 4 and 5 have entered into the 2017 Capital Pledge Agreement pursuant to which (i) the Issuer agrees to finance a portion of the Costs of the Project through the issuance of Bonds and (ii) each of District Nos. 4 and 5 agrees to assign and pledge to the Issuer and remit to the Trustee all revenues resulting from its imposition of Capital Levies, Facilities Fees, and Specific Ownership Taxes;

WHEREAS, the Trustee, the Issuer and District No. 10 have entered into the District No. 10 Pledge Agreement pursuant to which (i) the Issuer agrees to finance a portion of the Costs of the Project through the issuance of Bonds and (ii) District No. 10 agrees to assign and pledge to the Issuer and remit to the Trustee all revenues resulting from the imposition of the Facilities Fees;

WHEREAS, the Issuer is authorized pursuant to the Special District Act and the Supplemental Act to issue revenue bonds for any of its corporate purposes and, pursuant to their respective service plans, the Issuer and all other Districts, collectively, are authorized to issue indebtedness to finance the construction of Public Improvements in an aggregate amount not to exceed $750,000,000;

WHEREAS, at the 2006 Election, the eligible voters of the Issuer authorized the issuance by the Issuer of indebtedness for the infrastructure categories set forth in the first column of the table below and in the amounts set forth in the second column of the table below, the questions relating thereto being set forth in **Exhibit C** hereto;

WHEREAS, the results of the 2006 Election were certified by the Issuer by certified mail to the board of county commissioners of each county in which the Issuer is located or to the governing body of a municipality that has adopted a resolution of approval of the special district pursuant to §32-1-204.5, C.R.S., and with the division of securities created by §11-51-701, C.R.S. within forty five days after the 2006 Election;

WHEREAS, pursuant to the Original Indenture, the Issuer issued its (i) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2006A" in the principal amount of $34,545,000 (the "**Series 2006A Bonds**") for the purpose of defraying the cost of all or a portion of the Primary Improvements Project, which are currently outstanding in the aggregate principal amount of $30,165,000, and (ii) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Bonds, Series 2006B" in the principal amount of $1,815,000 (the "**Series 2006B Bonds**" and, collectively with the Series 2006A Bonds, the "**Series 2006 Bonds**") for the purpose of defraying the cost of all or a portion of the District Improvements Project, which are currently outstanding in the aggregate principal amount of $1,595,000;

WHEREAS, pursuant to the Original Indenture, the Issuer issued its (i) "Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A" in the aggregate principal amount of $40,610,000 which are currently Outstanding in the aggregate principal amount of $40,610,000 (the "**Series 2007A Subordinate Bonds**"), for the purpose of defraying the cost of all or a portion of the Primary Improvements Project and (ii) "Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B" in the aggregate principal amount of $2,905,000 which are currently outstanding in the aggregate principal amount of $2,905,000, (the "**Series 2007B Subordinate Bonds**" and, collectively with the Series 2007A Subordinate Bonds, the "**Series 2007 Subordinate Bonds**"), for the purpose of defraying the cost of all or a portion of the District Improvements Project;

WHEREAS, the Board of Directors of the Issuer (the "**Board**") has determined that it is necessary and in the best interests of the Issuer that the Issuer issue its "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A" in the principal amount of $47,095,000 (the "**Series 2017A Bonds**") for the purposes of (i) currently refunding all of the Series 2006A Bonds, (ii) funding the Senior Reserve Requirement for the Series 2017A Bonds, and (iii) currently refunding a portion of the Series 2007A Subordinate Bonds in the principal amount of $8,960,000 and paying accrued and unpaid interest thereon;

WHEREAS, the Board has determined that it is necessary and in the best interests of the Issuer that the Issuer issue its "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B" in the principal amount of $2,180,000 (the "**Series 2017B Bonds**" and, collectively with the Series 2017A Bonds, the "**Series 2017 Bonds**") for the purposes of (i) currently refunding all of the Series 2006B Bonds, (ii) funding the Senior Reserve Requirement for the Series 2017B Bonds, and (iii) currently refunding a portion of the Series 2007B Subordinate Bonds in the principal amount of $650,000 and paying accrued and unpaid interest thereon;

WHEREAS, based upon uses of the proceeds of the Series 2006 Bonds and the Series 2007 Subordinate Bonds and certain other debt incurred by the Issuer, the Board has previously allocated the principal amount of such bonds and debt to the 2006 Election, all as indicated in the table below:

Authorization Used and Remaining From 2006 Election						
Infrastructure Category/ Purpose	**Authorization Received at the Election**	**Principal Amount Allocated to the Series 2006 Bonds**	**Principal Amount Allocated to the Series 2007 Subordinate Bonds**	**Principal Amount Allocated to 2010 Note***	**Principal Amount Allocated to the Series 2017 Bonds**	**Principal Amount Remaining**
Street Facilities	$750,000,000	$18,180,000	$40,403,506	$450,000	--	$690,966,494
Water Facilities	750,000,000	13,089,600	559,022	--	--	736,351,378
Sanitation Facilities	750,000,000	5,090,400	1,269,163	--	--	743,640,437
Traffic/Safety Protection Facilities	750,000,000	--	533,238	--	--	749,466,762
Park and Recreation	750,000,000	--	750,071	--	--	749,249,929
Television Relay	20,000,000	--	--	--	--	20,000,000
Transportation	750,000,000	--	--	--	--	750,000,000
Mosquito Control	20,000,000	--	--	--	--	20,000,000
Refunding	750,000,000	--	--	--	$49,275,000	700,725,000
IGA Debt	750,000,000	--	--	--	--	750,000,000
Operations and Maintenance Debt	750,000,000	--	--	50,000	--	749,950,000
TOTAL**	$750,000,000*	$36,360,000	$43,515,000	$500,000	$49,275,000	$620,350,000*

* Represents principal amount of debt issued under the Issuer's Subordinate Nonrevolving Line of Credit Note, Series 2010.

** Amounts shown represent the total debt authorized by the eligible voters of the Issuer for each category of debt authorization. However, the Service Plan currently restricts the total debt incurred by the Issuer (and each District) for all categories of debt authorization in the aggregate to $750,000,000.

WHEREAS, the Board has determined to allocate the aggregate principal amount of the Series 2017 Bonds to the refunding authorization received at the 2006 Election as shown in the table above;

WHEREAS, after the issuance of the Series 2006 Bonds and the Series 2007 Subordinate Bonds, the Issuer, the City and the Authority entered into the Cooperation Agreement pursuant to which the Authority, in consideration for the Issuer's construction and installation of Primary Public Improvements that service a portion of the Service Area, irrevocably pledged to the Issuer certain Shared Sales Tax Incremental Revenues, subject to the limitations of the Cooperation Agreement;

WHEREAS, in addition, after the issuance of the Series 2006 Bonds and the Series 2007 Subordinate Bonds, the Issuer and the City entered into the Sales Tax Sharing Agreement pursuant to which the City agreed to pay or reimburse the Issuer for certain costs of construction and installation of Primary Public Improvements from the Shared General Fund Sales Tax Revenues, subject to the limitations of the Sales Tax Sharing Agreement;

WHEREAS, the Board has determined to pledge the Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues to the payment of the Bonds as further provided in this Indenture;

WHEREAS, the Issuer and the Trustee are entering into this Indenture for the purpose of amending and restating all of the provisions contained in the Original Indenture pursuant to Section 12.02 of the Original Indenture, pledging additional sources of revenues, and authorizing the issuance of the Series 2017 Bonds;

WHEREAS, THF Prairie Center Development, LLC is the current Owner of the Series 2007 Subordinate Bonds that will remain Outstanding following the issuance of the Series 2017 Bonds and it has consented to and acknowledged (i) the amendment and restatement of the Original Indenture pursuant to this Indenture and (ii) the issuance of the Series 2017 Bonds, as evidenced by its written Consent Acknowledgment and Agreement attached hereto as **Exhibit G**;

WHEREAS, the Series 2017 Bonds shall be issued in accordance with the Constitution of the State; the 2006 Election; the Refunding Act; Title 32, Article 1, Part 11, C.R.S.; and all other laws of the State thereunto enabling;

WHEREAS, the Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds;

WHEREAS, the Series 2017 Bonds initially shall be issued in denominations of $500,000 each, and in integral multiples above $500,000 of not less than $5,000 each, and not less than five days prior to the date of first sale of the Series 2017 Bonds, the Issuer filed for an exemption from registration for the Series 2017 Bonds under the Colorado Municipal Bond Supervision Act (Title 11, Article 59, C.R.S.) based upon the foregoing, and the Series 2017 Bonds are thus exempt from registration under such act;

WHEREAS, the Series 2017 Bonds are being issued only to financial institutions or institutional investors within the meaning of §32-1-1101(6)(a)(IV), C.R.S.; and

WHEREAS, the execution and delivery of the Series 2017 Bonds and of this Indenture have been duly authorized by a resolution duly adopted by the Board of the Issuer, have been consented to by the City in accordance with the requirements of the Comprehensive Agreement, have been consented to by the Owner of the Series 2007 Subordinate Bonds in accordance with the requirements of the Original Indenture, and all things necessary to make the Series 2017 Bonds, when executed by the Issuer and authenticated and delivered by the Trustee, valid and binding legal obligations of the Issuer and to make this Indenture a valid and binding agreement have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that, in consideration of the premises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, for the benefit of the Bondholders and in order to secure (to the extent provided in this Indenture) the payment of principal or redemption price (as the case may be) in respect of all Bonds issued and outstanding under this Indenture, the Issuer does hereby sell, assign, transfer, set over and pledge unto, and grants a security interest in, UMB Bank, n.a., Denver, Colorado, Trustee, its successors in the trust and its assigns forever, all and singular the following described property and income (collectively, the "**Trust Estate**"):

(1) all of the right, title and interest of the Issuer in and to the Pledged Revenue;

(2) all rights to enforce payments under the Comprehensive Agreement, the Cooperation Agreement, the PIF Covenants, the Sales Tax Sharing Agreement, the Capital Pledge Agreement, the Collection Agreement, and the Fee Resolutions, when due;

(3) all right, title and interest of the Issuer in the Funds created hereunder (except the Rebate Fund) and the moneys held thereunder; provided that the moneys held in accounts of the Senior Bond Fund, the Senior Reserve Fund, and the Subordinate Reserve Account shall be available only for the payment of the Series of Senior Bonds and Subordinate Obligations which are secured by such fund or account in accordance with the provisions of this Indenture;

(4) to the extent not otherwise within the scope of clauses (1) through (3) above, all accounts and accounts receivable, general intangibles, contract rights, documents, chattel paper and instruments (all as defined in Article 9 of the Colorado Uniform Commercial Code, Title 4, C.R.S., as amended), inventory, choses in action, goodwill, leases, licenses, software programs, accounting and bookkeeping records related to the Pledged Revenue, together with proceeds of the foregoing; and

(5) all other property that may, from time to time hereafter, be subject to the lien hereof which the Trustee is hereby authorized to receive.

TO HAVE AND TO HOLD in trust, nevertheless, for the equal and ratable benefit and security of all present and future Owners of all Bonds issued under this Indenture, without preference, privileges, priority or distinction as to lien or otherwise of any one Bond over any other, but with such preferences, privileges, priorities and distinctions among the Series of Senior Bonds and among Senior Bonds and Subordinate Obligations as hereinafter set forth;

PROVIDED, HOWEVER, that if the Issuer, its successors, or assigns, shall well and truly pay, or cause to be paid, the principal of, premium if any, and interest on the Bonds at the times and in the manner provided in the Bonds, according to the true intent and meaning thereof; or shall provide, as permitted hereby and in accordance herewith, for the payment thereof by depositing with the Trustee or placing in escrow and in trust the entire amount due or to become due thereon, or certain securities as herein permitted, and shall well and truly keep, perform, and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed, and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, terminate, and be void; otherwise this Indenture shall be and remain in full force and effect;

THIS INDENTURE FURTHER WITNESSETH and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered, and all said moneys, securities, revenues, receipts, and funds hereby pledged and assigned are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Bonds as follows:

ARTICLE I

DEFINITIONS

In this Indenture and any Supplemental Indenture (except as otherwise expressly provided for or unless the context otherwise requires) the singular includes the plural, the masculine includes the feminine, and the following terms shall have the meanings specified in this Article, unless the context otherwise requires:

"**2006 Election**" has the meaning assigned to it in the Recitals.

"**2017 Capital Levies**" means the debt service mill levies pledged by the Financing Districts pursuant to the 2017 Capital Pledge Agreement.

"**2017 Capital Pledge Agreement**" means the Amended and Restated Capital Pledge Agreement dated as of October 1, 2017 among the Issuer, District No. 4, District No. 5 and the Trustee, as supplemented or amended from time to time.

"**Accreted Value**" shall mean (a) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in a Supplemental Indenture as the amount representing the initial principal amount of such Capital Appreciation Bond plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (b) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bonds plus the amount of the discounted principal which has accreted since the date of issue; in each case the Accreted Value shall be determined in accordance with the provisions of the Supplemental Indenture authorizing the issuance of such Capital Appreciation Bonds or Original Issue Discount Bonds.

"**Accretion Date**" means any date defined as such in a Supplemental Indenture for purposes of determining the Accreted Value or Maturity Value of a Capital Appreciation Bond.

"**Additional Bonds**" means any Bonds hereafter issued from time to time pursuant to this Indenture, including any Senior Bonds, Refunding Bonds and Subordinate Obligations.

"**Add-On PIF**" means the component of the PIF which is set at the Add-On PIF Rate in accordance with the terms and conditions of the PIF Covenants, and which is applied to Taxable Transactions (except for sales of food for home consumption, unless otherwise provided in a resolution of the Issuer) before the calculation of applicable sales taxes and use taxes (on building materials only) and the Credit PIF, but which does not result in a Sales/Use Tax Credit.

"**Add-On PIF Rate**" means a rate of one percent (1%) imposed in accordance with the terms and conditions of the PIF Covenants.

"**Add-On PIF Revenue**" means revenue generated from the imposition of the Add-On PIF at the Add-On PIF Rate, including all late fees and penalties payable in accordance with the PIF Covenants and attributable to the Add-On PIF.

"**Add-On PIF Revenue Account**" means the trust fund so designated which is established pursuant to Section 5.02.

"**Administrative Costs Fund**" means the trust fund so designated which is established pursuant to Section 5.10.

"**Annual Debt Service**" means the amount of payments required to be made for principal of and interest on all Bonds, excluding any redemption premium, and including mandatory sinking fund redemptions and Regularly Scheduled Hedge Payments to be made by the Issuer, and Issuer payments pursuant to reimbursement agreements with Credit Facility Providers to reimburse such Credit Facility Providers for debt service payments made, and to pay credit enhancement or liquidity support fees, in each case to the extent secured by this Indenture, scheduled to come due within a specified Fiscal Year, computed as follows:

(a) In determining the amount of principal to be funded in each year, payment shall (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) be assumed to be made on outstanding Bonds (other than Short-Term/Demand Obligations) in accordance with any amortization schedule established by the governing documents setting forth the terms of such Bonds, including, as a principal payment, the Accreted Value of any Capital Appreciation Bonds or Original Issue Discount Bonds maturing or scheduled for redemption in such year; and in determining the amount of interest to be funded in each year, interest payable at a fixed rate shall (except to the extent any other subsection of this definition applies) be assumed to be made at such fixed rate and on the required funding dates.

(b) Except for any historical period for which the actual rate or rates are determinable and except as otherwise provided herein, Bonds that bear interest at a variable rate shall be deemed to bear interest at a fixed annual rate equal to (i) the average of the daily rates of such indebtedness during the 365 consecutive days (or any lesser period such indebtedness has been outstanding) next preceding the date of computation; or (ii) with respect to any Bonds bearing interest at a variable rate which are being issued on the date of computation, the initial rate of such indebtedness upon such issuance.

(c) Any Bonds that bear interest at a variable rate and with respect to which there exists a Hedge Facility that obligates the Issuer to pay a fixed interest rate shall (for the period during which such Hedge Facility is reasonably expected to remain in effect) be deemed to bear interest at the effective fixed annual rate thereon as a result of such Hedge Facility. In the case of any Bonds that bear interest at a fixed rate and with respect to which there exists a Hedge Facility that obligates the Issuer to pay a floating rate, Annual Debt Service shall (for the period during which such Hedge Facility is reasonably expected to remain in effect) be deemed to include the interest payable on such Bonds, less the fixed amounts received by the Issuer under the Hedge Facility, plus the amount of the floating payments (using the convention described in (b) above) to be made by the Issuer under the Hedge Facility.

(d) If all or any portion of an Outstanding Series of Bonds constitute Balloon Maturities, unissued Program Bonds or Short-Term/Demand Obligations, then, for purposes of determining Annual Debt Service, each maturity that constitutes a Balloon Maturity, unissued Program Bonds or Short-Term/Demand Obligations shall, unless otherwise provided in the Supplemental Indenture pursuant to which such Bonds are authorized, be treated as if it were to be amortized over a term of not more than 20 years and with substantially level annual debt service funding payments commencing not later than the year following the year in which such Balloon Maturities, unissued Program Bonds or Short-Term/Demand Obligations were issued, and extending not later than 20 years from the date such Balloon Maturities, unissued Program Bonds or Short-Term/Demand Obligations were originally issued; the interest rate used for such computation shall be that rate quoted in "The Bond Buyer 25 Revenue Bond Index" for the last week of the month preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index designated by the Issuer Representative, taking into consideration whether or not such Bonds constitute Tax-Exempt Bonds; with respect to any Series of Bonds only a portion of which constitutes Balloon Maturities, unissued Program Bonds or Short-Term/Demand Obligations, the remaining portion shall be treated as described in (a) above or such other provision of this definition as shall be applicable, and with respect to that portion of a Series that constitutes Balloon Maturities, all funding requirements of principal and interest becoming due in any year other than the stated maturity of the Balloon Maturities shall be treated as described in (a) above or such other provision of this definition as shall be applicable.

"**Assignment Agreement**" means the Assignment of Comprehensive Agreement dated as of November 8, 2006 among Prairie Center Metropolitan District No. 1, Prairie Center Metropolitan District No. 2 and the Issuer.

"**Authenticating Agent**" means any agent so designated in and appointed pursuant to Section 2.08.

"**Authority**" means Brighton Urban Renewal Authority and its successors and assigns.

"**Authorized Denominations**" means:

(a) with respect to the Series 2017 Bonds and the Series 2007 Subordinate Bonds, initially, the amount of $500,000 and any integral multiple of $5,000 in excess thereof, provided that (i) no individual Bond may be in an amount which exceeds the principal amount coming due on any maturity date, and (ii) in the event a Bond is partially redeemed and the unredeemed portion is less than $500,000, such unredeemed portion of such Bond may be issued in the largest possible denomination of less than $500,000, in integral multiples of not less than $5,000 each or any integral multiple thereof; and

(b) with respect to any other Series of Bonds, the denomination or denominations defined as such in a Supplemental Indenture authorizing such Bonds;

provided that, notwithstanding the foregoing subsection (a), the Authorized Denominations with respect to a Series of Bonds shall be reduced to $5,000 or any integral

multiple thereof in the event that the Trustee receives an opinion of Counsel that the Issuer has filed a notice of a claim of exemption, along with all other required documents necessary to exempt such Series of Bonds under any of the exemptions from registration contemplated by §11-59-110, C.R.S., or any successor statute, or has taken other actions which permit such Series of Bonds to be issued in denominations of $5,000 or integral multiples thereof under the Colorado Municipal Bond Supervision Act, Title 11, Article 59, C.R.S., or any successor statute.

"**Average Annual Debt Service**" means the amount determined by *dividing* (x) the total Annual Debt Service (for all Fiscal Years or portions thereof) on the Outstanding Bonds for the period from the date of calculation to the final maturity date of such Outstanding Bonds *by* (y) the total number of years and fractions thereof from the date of calculation to the final maturity date of such Outstanding Bonds.

"**Authorizing Resolution**" means the resolution adopted by the Board to authorize, among other matters, the issuance of the Series 2017 Bonds and any future resolution adopted by the Board authorizing the issuance of any Series of Additional Bonds.

"**Balloon Maturities**" means, with respect to any Series of Bonds fifty percent (50%) or more of the principal of which matures on the same date or within the same Fiscal Year, that portion of such Series which matures on such date or within such Fiscal Year. For purposes of this definition, the principal amount maturing on any date shall be reduced by the amount of such Bonds scheduled to be amortized by prepayment or redemption prior to their stated maturity date. Commercial paper, bond anticipation notes or other Short-Term/Demand Obligations shall not be deemed to constitute Balloon Maturities.

"**Bankruptcy Code**" means Title 11 of the United States Code, as amended from time to time.

"**Bankruptcy Counsel**" means counsel experienced in bankruptcy matters selected by the Issuer and acceptable to the Trustee.

"**Beneficial Owner**" is defined in Section 2.05 when the Bonds are in the Book-Entry System and otherwise means the Bondholder.

"**Board**" has the meaning assigned to it in the Recitals.

"**Bond**" or "**Bonds**" shall mean the Series 2017 Bonds, the Series 2007 Subordinate Bonds and any Additional Bonds. The terms "Bond" or "Bonds" shall include notes, bond anticipation notes, commercial paper and other Short-Term/Demand Obligations, Regularly Scheduled Hedge Payments, promissory notes, and other securities, contracts or obligations incurred through lease, installment purchase, loan agreements, or other agreements or certificates of participation therein, in each case to the extent secured by this Indenture; provided that Hedge Termination Payments to be made by the Issuer shall not be secured by this Indenture on a parity with the Senior Bonds, but shall be secured by this Indenture on a parity basis with the Subordinate Obligations.

"**Bond Counsel**" means an attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the issuance of bonds or other obligations by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America, and, except as otherwise provided in the Indenture, selected by the Issuer and acceptable to the Trustee.

"**Bondholder**" or "**Owner**" means the registered owner of any Bond as shown on the registration books maintained by the Bond Registrar.

"**Bond Register**" and "**Bond Registrar**" shall have the respective meanings specified in Section 2.05.

"**Bond Year**" means, with respect to the Series 2017 Bonds and the Series 2007 Subordinate Bonds, the period commencing on December 16 of each year and ending on December 15, inclusive, of the next calendar year, and with respect to any Series of Additional Bonds, the period designated in a Supplemental Indenture or other instrument pursuant to which such Additional Bonds are issued.

"**Book-Entry System**" means the system maintained by the Depository and described in Section 2.05.

"**Business Day**" means any day other than (i) a Saturday or Sunday or legal holiday or a day on which banking institutions in any of the cities in which the principal offices of the Issuer, the Trustee and any Credit Facility Provider are located are authorized by law or executive order to close or (ii) a day on which the New York Stock Exchange is closed.

"**Cap Amount**" means the maximum amount of Shared Revenue to be remitted by the City to the Issuer or a bond trustee under the Comprehensive Agreement for the payment or reimbursement of Hard Costs and Eligible Soft Costs incurred in connection with the design and construction of Primary Public Improvements, as more particularly set forth in Section 4.3(c) of the Comprehensive Agreement. The Cap Amount does not include Eligible Interest Costs or Eligible Financing Costs that are to be paid or reimbursed from Shared Revenue in accordance with the terms and provisions of the Comprehensive Agreement. The Cap Amount is in addition to, and, does not include the Park and Recreation Improvements Cap Amount. Capitalized terms used in this definition and not defined in this Indenture shall have the meaning assigned to them in the Comprehensive Agreement.

"**Capital Appreciation Bonds**" means Bonds all or a portion of the interest on which is compounded and accumulated at the rates and on the dates set forth in a Supplemental Indenture and is payable only upon redemption or on the maturity date of such Bonds. Bonds which are issued as Capital Appreciation Bonds, but later convert to Bonds on which interest is paid periodically shall be Capital Appreciation Bonds until the conversion date and from and after such conversion date shall no longer be Capital Appreciation Bonds, but shall be treated as having a principal amount equal to their Accreted Value on the conversion date. The Series 2017 Bonds and Series 2007 Subordinate Bonds do not constitute Capital Appreciation Bonds.

"**Capital Levies**" means, collectively, the 2017 Capital Levies and any other debt service mill levies pledged by a Financing District to the Issuer and payable to the Trustee under the related Capital Pledge Agreement.

"**Capital Levies Revenue**" means the revenue resulting from the imposition of the Capital Levies, net of any costs of collection.

"**Capital Pledge Agreement**" means, collectively, the 2017 Capital Pledge Agreement, District No. 10 Pledge Agreement, and any other agreement entered into by the Issuer and any Financing District to pledge any Capital Levies, Specific Ownership Taxes, and/or Facilities Fees, or other revenues of the Financing District to the payment of the Bonds.

"Cede" means Cede & Co., the nominee of DTC as record owner of a Series of Bonds which are registered in the name of Cede & Co., or any successor nominee of DTC with respect to such Series of Bonds.

"**City**" means the City of Brighton, Colorado.

"**City Council**" means the governing body of the City.

"**Code**" means the Internal Revenue Code of 1986, as amended from time to time. References to the Code and Sections of the Code include relevant applicable regulations and proposed regulations thereunder and under the Internal Revenue Code of 1954, as amended to the date of enactment of the Tax Reform Act of 1986, and any successor provisions to those Sections, regulations or proposed regulations and, in addition, include all revenue rulings, announcements, notices, procedures and judicial determinations under the foregoing applicable to the Bonds.

"**Collecting Agent**" means, initially, CliftonLarsonAllen LLP and its successors and assigns, and any other Person whom the Issuer appoints to serve as a Collecting Agent under a Collection Agreement.

"**Collection Agreement**" means, initially, the Comprehensive PIF Collection Services Agreement dated May 11, 2017 among the Issuer, the Collecting Agent and the Trustee, as it may be amended or supplemented from time to time, and thereafter any one or more agreements among the Issuer and a Collecting Agent relating to the collection of the PIF and remittance thereof to the Trustee.

"**Comprehensive Agreement**" means the Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado by and among the City, the City of Brighton Water, Sewer and Drainage Enterprise, the Developers, Prairie Center Metropolitan District No. 1 and Prairie Center Metropolitan District No. 2 dated as of December 5, 2005, and recorded on December 16, 2005, in the County real property records at Reception No. 2005121600137822O, as assigned by District No. 1 and District No. 2 to the Issuer, pursuant to the Assignment Agreement and as amended by the First Amendment to Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado dated as of July 7, 2009, and recorded on August 11, 2011, in the County

real property records at Reception No. 2011000051551, the Second Amendment to Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado, to which the Authority is a party, dated as of February 8, 2012, and recorded on February 27, 2012, in the County real property records at Reception No. 2012000014188 and by the Third Amendment Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado, to which the Authority granted its consent, dated as of June 16, 2015, and recorded on August 6, 2015, in the County real property records at Reception No. 2015000064391, as it may be further amended or supplemented.

"**Comprehensive Funding Plan**" means Article 4 of the Comprehensive Agreement, as it may be amended from time to time pursuant to the Comprehensive Agreement.

"**Commercial Facilities Fee**" means a one-time fee imposed by each District on all non-residential structures within its respective boundaries pursuant to the Fee Resolution adopted by such District.

"**Consent Party**" or "**Consent Parties**" means the Owner of a Bond or, if such Bond is held in the name of a Depository, the Participant (as determined by a list provided by DTC) with respect to such Bond. The Issuer may at its option determine whether the Owner or the Participant is the Consent Party with respect to any particular amendment or other matter hereunder.

"**Cooperation Agreement**" means the Cooperation Agreement among the City, the Authority and the Issuer dated as of July 18, 2012, as it may be amended or supplemented from time to time.

"**Costs of Issuance Fund**" means the trust fund so designated which is established pursuant to Section 5.14.

"**Costs of the Project**" means all costs and expenses incurred in connection with the Project (regardless of whether incurred by the Issuer directly), including without limitation, principal and interest costs incurred by Issuer in designing and constructing and/or acquiring the Public Improvements, capitalized interest on a Series of Bonds, costs of issuance of the Bonds, amounts required to establish a debt service reserve with respect to any Series of the Bonds, organizational costs of the Issuer, and all other expenses as may be necessary or incidental to the Project.

"**Counsel**" means an attorney at law or law firm satisfactory to the Trustee (who may be counsel for the Issuer).

"**County**" means Adams County, Colorado.

"**Credit Facility**" means any direct pay letter of credit or other credit enhancement or liquidity support facility delivered to the Trustee to pay any portion of the principal or redemption or purchase price of, or interest on, Senior Bonds and having administrative provisions reasonably acceptable to the Trustee.

"**Credit Facility Provider**" means the institution issuing any Credit Facility, to the extent secured hereunder.

"**Credit Facility Provider Fees Account**" means the trust fund so designated which is established pursuant to Section 5.10.

"**Credit PIF**" means the component of the PIF that is imposed pursuant to the PIF Covenants and that is applied to Taxable Transactions occurring during the Credit PIF Period at the Credit PIF Rate before the calculation of the applicable sales taxes and use taxes (on building materials only) and which is offset by the Sales/Use Tax Credit.

"**Credit PIF Period**" means the period, the duration of which is set forth in Section 4.3(j) of the Comprehensive Agreement, during which the City is obligated to grant and maintain the Sales/Use Tax Credit (or alternative mechanism pursuant to Section 4.3(t) of the Comprehensive Agreement) and the Issuer is entitled to receive, pursuant to the PIF Covenants, Credit PIF Revenue.

"**Credit PIF Rate**" means (i) prior to the PRI Credit PIF Termination Date, the rate of one and one quarter percent (1.25%) as applied to each Taxable Transaction subject to the Credit PIF; and (ii) following the PRI Credit PIF Termination Date, the rate of one percent (1.00%) as applied to each Taxable Transaction subject to the Credit PIF, in each case subject to the provisions of the PIF Covenants and the Comprehensive Agreement.

"**Credit PIF Revenue**" means revenue generated from the imposition of the Credit PIF at the Credit PIF Rate during the Credit PIF Period, including all late fees and penalties payable in accordance with the PIF Covenants and attributable to the Credit PIF, as well as any sales and use tax revenues remitted by the City to the Issuer pursuant to Section 4.3(p) of the Comprehensive Agreement. While any PRI Obligations are outstanding under the documents pursuant to which they were issued, any PRI Credit PIF Revenue shall not constitute Credit PIF Revenue.

"**C.R.S.**" means the Colorado Revised Statutes, as amended.

"**Current Interest Bonds**" means Bonds on which interest is payable on Interest Payment Dates prior to maturity or redemption prior to maturity.

"**Default**" means any event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

"Depository" means any securities depository as the Issuer may provide and appoint, in accordance with the guidelines of the Securities and Exchange Commission, which shall act as securities depository for the Bonds, which, with respect to the Series 2017 Bonds, shall be the DTC.

"**Developers**" means THF Development and THF Retail One, and their respective successors and assigns.

"**District No. 4**" means Prairie Center Metropolitan District No. 4 and its successors and assigns.

"**District No. 5**" means Prairie Center Metropolitan District No. 5 and its successors and assigns.

"**District No. 10**" means Prairie Center Metropolitan District No. 10 and its successors and assigns.

"**District No. 10 Pledge Agreement**" means the Amended and Restated Capital Pledge Agreement dated as of October 1, 2017, among the Issuer, District No. 10 and the Trustee, as it may be amended or supplemented from time to time.

"**District Improvements Bonds**" means Bonds issued to finance District Public Improvements.

"**District Improvements Issuer Account**" means the trust fund so designated which is established pursuant to Section 5.07.

"**District Improvements Project**" means the planning, designing, engineering, testing, permitting, inspecting, construction management, constructing, installing or acquiring of certain Public Improvements set forth on **Exhibit D-2** hereto constituting District Public Improvements in the Service Area, as such **Exhibit D-2** may be modified in accordance with a resolution of the Board upon delivery to the Trustee of an opinion of (i) Bond Counsel to the effect that such modification will not adversely affect the exclusion from gross income for federal tax purposes of interest on any Outstanding Tax-Exempt Bonds and (ii) Counsel to the Issuer to the effect that such modification is not in violation of the Comprehensive Agreement.

"**District Improvements Subordinate Obligations**" means Subordinate Obligations issued to finance District Public Improvements.

"**District Public Improvements**" means those Public Improvements constructed or acquired by the Districts that are not Primary Public Improvements.

"**Districts**" means, collectively, the Issuer, District No. 4, District No. 5, District No. 10 and all Related Districts.

"**DTC**" means the Depository Trust Company, New York, New York, and its successors and assigns.

"**Electronic Notice**" means a notice transmitted through email, facsimile or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

"**Event of Default**" means any of the events specified in Section 9.01 to be an Event of Default.

"**Excluded PIF Revenue**" means revenue generated from the PIF which is applied to transactions that (i) are subject to use taxes (on building materials only) and (ii) occur within the portion of the PIF Property described in **Exhibit H** attached hereto, generally referred to as the Village I single-family development. For the avoidance of doubt, revenue generated from the PIF which is applied to transactions that are subject to sales taxes that occur within the foregoing property shall not be Excluded PIF Revenue.

"**Facilities Fees**" means, collectively, the Commercial Facilities Fees and Residential Facilities Fees.

"**Facilities Fees Revenue**" means the revenue generated from the Facilities Fees, net of any costs of collection, and payable by a Financing District to the Trustee pursuant to a related Capital Pledge Agreement.

"**Fee Resolutions**" has the meaning assigned to it in the Recitals.

"**FFCO Agreement**" means the Facilities Funding, Construction, and Operations Agreement dated as of November 8, 2006 among the Issuer and the Related Districts, as amended by the First Amendment dated as of May 11, 2017, as further amended or supplemented from time to time.

"**Final Allocation of Proceeds**" has the meaning assigned to it in Section 4.02(e).

"**Financing Districts**" means, initially, District No. 4 and District No. 5, which are parties to the 2017 Capital Pledge Agreement, and District No. 10, which is a party to the District No. 10 Pledge Agreement and any other Related District that becomes a party to a Capital Pledge Agreement.

"**Fiscal Year**" means the 12-month period beginning January 1 and ending December 31, or as otherwise designated by the Board's resolution.

"**Fitch**" means Fitch, Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns.

"**Funds**" means the Administrative Costs Fund, the Cost of Issuance Fund, the Rebate Fund, the Revenue Fund, the Project Fund, the Senior Bond Fund, the Senior Reserve Fund, the Subordinate Obligations Fund, and the Surplus Fund and the accounts, if any, established therein and any other funds or accounts that may be established in a Supplemental Indenture.

"**General Fund Sales Tax**" has the meaning assigned to it in the Cooperation Agreement and the Sales Tax Sharing Agreement.

"**Governmental Obligations**" means (a) direct obligations of the United States of America and (b) obligations unconditionally guaranteed as to full and timely payment by the United States of America.

"**Hedge Facility**" shall mean any rate swap transaction, basis swap transaction, cap transaction, floor transaction, collar transaction, or similar transaction, which is intended to convert or limit the interest rate payable with respect to any Bonds, and which (a) is designated to relate to all or part of one or more Series of Bonds; (b) is with a Hedge Provider or an entity that has been a Qualified Hedge Provider within the 60 day period preceding the date on which the calculation of Annual Debt Service or Average Annual Debt Service is being made; (c) has a term not greater than the term of the designated Bonds or to a specified mandatory tender or redemption of such designated Bonds; and (d) has been designated in writing to the Trustee by the Issuer Representative as a Hedge Facility with respect to such Bonds.

"**Hedge Provider**" means a financial institution which is a party to the Hedge Facility.

"**Hedge Termination Payment**" shall mean an amount payable by the Issuer or a Qualified Hedge Provider, in accordance with a Hedge Facility, to compensate the other party to the Hedge Facility for any losses and costs that such other party may incur as a result of an event of default or the early termination of the obligations, in whole or in part, of the parties under such Hedge Facility.

"**Indenture**" means this Amended and Restated Indenture, as may be further amended or supplemented at the time in question pursuant to a Supplemental Indenture.

"**Independent Consultant**" means any person at the time retained by or on behalf of the Issuer to carry out the duties imposed by Section 3.02(b), which person is not an employee of the Issuer and is experienced and has a favorable reputation in the matters set forth in Section 3.02(b).

"**Interest Payment Date**" means:

(a) with respect to the Series 2017 Bonds and any other Senior Bond, each December 15 and June 15, commencing June 15, 2018;

(b) with respect to the Series 2007 Subordinate Bonds and any other Subordinate Obligation, each December 15 and June 15, which with respect to the Series 2007 Subordinate Bonds has commenced on December 15, 2007; and

(c) with respect to any other Bonds, the date defined as such in a Supplemental Indenture for purposes of paying the interest on such Bonds.

"Issue Date" means (i) with respect to the Series 2017 Bonds, October 26, 2017, (ii) with respect to the Series 2007 Subordinate Bonds, June 7, 2007, and (iii) with respect to any other Series of Bonds, the date of their original issuance and delivery.

"**Issuer**" means the Prairie Center Metropolitan District No. 3, its successors and assigns.

"**Issuer Documents**" means, collectively, the Comprehensive Agreement, the Assignment Agreement, the Authorizing Resolution, the Cooperation Agreement, the Sales Tax

Sharing Agreement, the Capital Pledge Agreement, the Fee Resolutions, the FFCO Agreement, the Collection Agreement, the Service Plan, and all agreements related to the acquisition, construction or equipping of the Project and any agreements of the Issuer relating to the Pledged Revenue.

"**Issuer Representative**" means the President or Treasurer of the Issuer or other person designated to act on behalf of the Issuer, as evidenced by a written certificate furnished to the Trustee containing the specimen signature of such person and signed for the Issuer by any two of its officers.

"**Letter of Representations**" means a letter of representation in customary form with respect to the Bonds executed by the Issuer and delivered to DTC and each substitute Depository.

"**Majority Interest**" means the Owners of at least fifty-one percent (51%) in aggregate principal amount of the Senior Bonds Outstanding, and if no Senior Bonds remain Outstanding, fifty-one percent (51%) in aggregate principal amount of all Outstanding Subordinate Obligations.

"**Maturity Value**" means any amount defined as such in a Supplemental Indenture for purposes of determining the amount payable to the Owner of a Capital Appreciation Bond at the maturity of such Capital Appreciation Bond.

"**Moody's**" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns.

"**Non-PIF Revenue Account**" means the trust fund so designated which is established pursuant to Section 5.02.

"**Non-Shared Revenue Redemption Subaccount**" means the trust fund so designated which is established pursuant to Section 5.13.

"**Operation and Maintenance Reserve Requirement**" means, initially, $1,000,000, as may be increased or decreased pursuant to a Supplemental Indenture.

"**Operation and Maintenance Reserve Account**" means the trust fund so designated which is established pursuant to Section 5.13.

"**Original Indenture**" has the meaning assigned to it in the Recitals.

"**Original Issue Discount Bonds**" means Bonds which are sold at an initial public offering price of less than face value and which are specifically designated as Original Issue Discount Bonds by the Supplemental Indenture under which such Bonds are issued.

"**Original Principal Amount**" means any amount defined as such in a Supplemental Indenture for purposes of determining certain rights of the Owner of, or certain other matters with respect to, a Capital Appreciation Bond.

"**Outstanding**" in connection with the Bonds, means, as of the time in question, all Bonds (or a Series of Bonds) authenticated and delivered under the Indenture, except:

(a) Bonds canceled upon surrender, exchange or transfer, or canceled because of payment or redemption at or prior to that time;

(b) Bonds, or the portion thereof, for the payment, redemption or purchase for cancellation of which sufficient moneys have been deposited and credited with the Trustee or Paying Agent on or prior to that date for that purpose (whether upon or prior to the maturity or redemption date of those Bonds); provided, that if any of those Bonds are to be redeemed prior to their maturity, notice of that redemption shall have been given or arrangements satisfactory to the Trustee shall have been made for giving notice of that redemption, or waiver by the affected Bondholders of the notice satisfactory in form to the Trustee shall have been filed with the Trustee;

(c) Bonds, or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of Article XIII hereof; and

(d) Bonds in lieu of which others have been authenticated under Section 2.11.

In determining whether the Bondholders or Consent Parties with respect to a requisite principal amount of the applicable Series of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions hereof, Bonds which are held by or on behalf of the Issuer (unless all of the Outstanding Bonds are then owned by the Issuer) shall be disregarded for the purpose of any such determination.

"**Park and Recreation Credit PIF Revenue Account**" means the trust fund so designated which is established pursuant to Section 5.02.

"**Park and Recreation Improvements Bonds**" means Senior Bonds issued to finance Park and Recreation Primary Public Improvements. The PRI Obligations shall not constitute Park and Recreation Improvements Bonds.

"**Park and Recreation Improvements Cap Amount**" means the maximum principal amount of Park and Recreation Primary Public Improvements that can be financed with one-fifth (1/5) of the Credit PIF Revenues derived from the initial Credit PIF Rate of 1.25% pursuant to the Comprehensive Agreement; provided, however, that Eligible Interest Costs and Eligible Financing Costs related to the Park and Recreation Primary Public Improvements, shall not be counted against the Park and Recreation Improvements Cap Amount, as further set forth in the Comprehensive Agreement. Capitalized terms used in this definition and not defined in this Indenture shall have the meaning assigned to them in the Comprehensive Agreement.

"**Park and Recreation Primary Improvements Project**" means any of those projects listed in Section 4.3(n)(i) of the Comprehensive Agreement and as set forth on **Exhibit D-3** hereto, as such **Exhibit D-3** may be amended in accordance with the provisions of the Comprehensive Agreement and a resolution of the Board, provided, however, that if Park and Recreation Improvements Bonds are issued and outstanding to pay for any Park and Recreation

Primary Improvements Project and there are any unexpended proceeds of such Bonds in the related Project Fund account, then any amendment to **Exhibit D-3** shall not be effective for purposes of this Indenture until the Trustee receives an opinion of (i) Bond Counsel to the effect that such modification will not adversely affect the exclusion from gross income for federal tax purposes of interest on any Outstanding Tax-Exempt Bonds and (ii) Counsel for the Issuer to the effect that such modification is not in violation of the Comprehensive Agreement. Park and Recreation Primary Improvements Project may not be financed with any Shared Revenue except for the PRI Credit PIF Revenue.

"**Park and Recreation Primary Improvements Project Account**" means the trust fund so designated which is established pursuant to Section 4.02.

"**Park and Recreation Primary Public Improvements**" means collectively, the Primary Public Improvements set forth in Section 4.3(n)(i) of the Comprehensive Agreement that are payable from one-fifth (1/5) of the Credit PIF Revenues derived from the initial Credit PIF rate of 1.25%, in the aggregate principal amount of $9,000,000 (as such amount may be amended from time to time under the Comprehensive Agreement).

"**Participant**" means any broker-dealer, bank, or other financial institution from time to time for which DTC or another Depository holds the Bonds.

"**Paying Agent**" or "**Co-Paying Agent**" means any national banking association, bank, bank and trust company or trust company appointed by the Issuer to serve as paying agent for the Bonds. The Trustee shall serve initially as Paying Agent.

"**Permitted Investments**" means any of the following investments to the extent permitted under the laws of the State, as amended from time to time, for the investment of the Issuer's money, as may be further limited by resolutions of the Board, certified copies of which may be delivered to the Trustee from time to time:

(a) Governmental Obligations; or

(b) any other investment that is a legal investment for Issuer funds under C.R.S. § 24-75-601.1, *et seq*.

"**Person**" or "**Persons**" means an individual, firm, corporation, partnership, company, association, joint stock company, trust, body politic or any other unincorporated organization or any trustee, receiver, assignee, or other similar representative thereof.

"**PIF**" means a public improvement fee imposed by THF Development pursuant to the PIF Covenants on Taxable Transactions occurring within the PIF Property, consisting of the Add-On PIF and the Credit PIF.

"**PIF Covenants**" means the following declarations, which, collectively, impose the PIF:

(i) the Declaration of Covenants Imposing and Implementing the Prairie Center Primary Public Improvements Fee made as of December 26, 2006, by THF Development,

recorded on December 28, 2006, at Reception No. 2006001013015 on the County records, as amended by (A) the First Supplement to Declaration of Covenants Imposing and Implementing the Prairie Center Primary Public Improvements Fee made as of March 27, 2008, recorded on May 20, 2008, at Reception No. 200800040446 on the County records, and (B) the Second Supplement to Declaration of Covenants Imposing and Implementing the Prairie Center Primary Public Improvements Fee made as of June 11, 2008, recorded on July 15, 2008, at Reception No. 200800058424 on the County records;

(ii) Amended and Restated Declaration of Covenants Imposing and Implementing the Prairie Center Public Improvements Fee made as of December 26, 2006, by THF Development, recorded on December 28, 2006, at Reception No. 2006001013014 on the County records; and

(iii) the Declaration of Covenants Imposing and Implementing the Bromley Park Public Improvements Fee made as of December 26, 2006, by THF Development, recorded on December 28, 2006 at Reception No. 2006001013016 on the County records.

"**PIF Property**" means a portion of the Service Area subject to the PIF pursuant to the PIF Covenants, as more particularly described in Exhibit A to each PIF Covenant.

"**PIF Revenue**" means revenue, except for the Excluded PIF Revenue, derived from the imposition of the PIF on the PIF Property, net of costs of collection (except for the fees of Collecting Agent which shall not be paid from the PIF Revenue), which PIF is payable to the Issuer or the Trustee pursuant to the PIF Covenants, the Comprehensive Agreement, and the Collection Agreement.

"**Pledged Revenue**" means:

(a) all PIF Revenue required to be deposited with the Trustee hereunder;

(b) all Facilities Fees Revenue;

(c) all Capital Levies Revenue;

(d) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Capital Levies;

(e) the Shared Sales Tax Incremental Revenues;

(f) the Shared General Fund Sales Tax Revenues;

(g) any profit (including interest earnings) from investments of money in certain of the Funds which is credited to the Non-PIF Revenue Account and other Funds and accounts as provided in Section 6.02; and

(h) any other legally available amounts that the Issuer may designate, by resolution of its Board, to be paid to the Trustee for deposit into the Non-PIF Revenue Account or otherwise held under this Indenture.

Notwithstanding the foregoing or anything herein to the contrary, while any PRI Obligations are outstanding under the documents pursuant to which they were issued, any PRI Credit PIF Revenue shall not constitute Pledged Revenue hereunder.

"**PRI Credit PIF Revenue**" means one-fifth (1/5) of the Credit PIF Revenue derived from the initial Credit PIF rate of 1.25% which shall be applied to the payment or financing of Park and Recreation Primary Public Improvements in accordance with the Comprehensive Agreement.

"**PRI Credit PIF Termination Date**" means the first date after the date when all Bonds and other obligations of the Issuer incurred to finance Park and Recreation Primary Public Improvements in the amount of not in excess of the Park and Recreation Improvements Cap have been paid in full and discharged, as evidenced by a written certificate of the Issuer delivered to the Trustee and the City.

"**PRI Obligations**" means any obligations of the Issuer issued under any document other than this Indenture to finance or refinance Park and Recreation Primary Improvements Project, which are secured by the PRI Credit PIF Revenue and are not secured by any part of the Pledged Revenue.

"**Primary Improvements Bonds**" means Bonds issued to finance Primary Public Improvements.

"**Primary Improvements Issuer Account**" means the trust fund so designated which is established pursuant to Section 5.07.

"**Primary Improvements Project**" means those projects listed in Section 4.3(c)(ii) of the Comprehensive Agreement, and as set forth on **Exhibit D-1** hereto, as such **Exhibit D-1** may be modified in accordance with the provisions of the Comprehensive Agreement and a resolution of the Board, provided, however, that if Primary Improvements Bonds are issued and Outstanding to pay for any Primary Improvements Project and there are any unexpended proceeds of such Bonds in the related Project Fund account, then any amendment to **Exhibit D-1** shall not be effective for purposes of this Indenture until the Trustee receives an opinion of (i) Bond Counsel to the effect that such modification will not adversely affect the exclusion from gross income for federal tax purposes of interest on any Outstanding Tax-Exempt Bonds and (ii) Counsel for the Issuer to the effect that such modification is not in violation of the Comprehensive Agreement.

"**Primary Improvements Project Account**" means the trust fund so designated which is established pursuant to Section 4.02.

"**Primary Improvements Subordinate Obligations**" means the Subordinate Obligations issued to finance Primary Public Improvements.

"**Primary Public Improvements**" has the meaning set forth in Section 4.3(c)(ii) of the Comprehensive Agreement, the financing of which improvements is subject to the Cap Amount.

"**Principal Office**" of any Paying Agent shall mean the office thereof designated in writing to the Trustee.

"**Program**" shall mean a financing program identified in a Supplemental Indenture, including but not limited to a bond anticipation note or commercial paper program, (a) which is authorized and the terms thereof approved by a resolution adopted by the Issuer and the items required under Section 3.02 or Section 3.04 have been filed with the Trustee, (b) wherein the Issuer has authorized the issuance, from time to time, of notes, commercial paper or other indebtedness in an authorized amount, and (c) the authorized amount of which has met the additional bonds test set forth in Section 3.02 or Section 3.04 and the outstanding amount of which may vary from time to time, but not exceed the authorized amount.

"**Project**" means, collectively, the Primary Improvements Project, District Improvements Project and Park and Recreation Primary Improvements Project.

"**Project Fund**" means the fund so designated established pursuant to Section 4.02 hereof.

"**Public Improvements**" means the improvements authorized to be financed by the Districts in their respective service plans and the debt for which was authorized by the 2006 Election or any future election of the Districts.

"**Rating Agency**" or "**Rating Agencies**" shall mean, with respect to a Series of Bonds, Fitch, Moody's or S&P or any other nationally recognized credit rating agencies specified in the related Supplemental Indenture; provided that any such rating agency shall, at the time in question, be maintaining a rating on such Series of Bonds at the request of the Issuer.

"**Rebate Fund**" means the trust fund so designated which is established pursuant to Section 5.08.

"**Record Date**" means, as the case may be, the applicable Regular Record Date or Special Record Date.

"**Redemption Account**" means the trust fund so designated which is established pursuant to Section 5.13.

"**Refunding Act**" means the "Public Securities Refunding Act," being Title 11, Article 56, Part 1, C.R.S.

"**Refunding Bonds**" means Bonds issued pursuant to Section 3.03.

"**Regular Record Date**" means, with respect to the Series 2017 Bonds and the Series 2007 Subordinate Bonds, the first day (whether or not a Business Day) of the calendar month in which each Interest Payment Date occurs, and with respect to any other Bonds, the date specified as such in a Supplemental Indenture for purposes of paying interest on such Bonds.

"**Regularly Scheduled Hedge Payments**" shall mean the regularly scheduled payments under the terms of a Hedge Facility which are due absent any termination, default or dispute in connection with such Hedge Facility.

"**Related District(s)**" means one or more of Prairie Center Metropolitan District Nos. 2, 6, 7, 8 and 9.

"**Residential Facilities Fees**" means a one-time fee imposed by each District pursuant to its Fee Resolution on all residential buildings within its boundaries in the amounts set forth in such Fee Resolution.

"**Revenue Fund**" means the trust fund so designated which is established pursuant to Section 5.02.

"**S&P**" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, and its successors and assigns.

"**Sales Tax Sharing Agreement**" means the General Fund Sales Tax Sharing Agreement between the City and the Issuer dated as of July 18, 2012, as it may be amended or supplemented from time to time.

"**Sales/Use Tax Credit**" means the credit against municipal sales tax and use tax (with respect to the use tax, on building materials only) obligations on Taxable Transactions, implemented by the City by the Sales/Use Tax Credit Ordinance, the rate of which is equivalent at all times during the Credit PIF Period to the rate of the Credit PIF.

"**Sales/Use Tax Credit Ordinance**" has the meaning assigned to it in the Recitals.

"**Senior Bond Fund**" means the trust fund so designated which is established pursuant to Section 5.07.

"**Senior Bonds**" means the Series 2017 Bonds and any Bonds hereafter issued pursuant to Sections 3.02 and 3.03 which are secured by the Pledged Revenue on parity with the lien thereon of the Series 2017 Bonds.

"**Senior Reserve Fund**" means the trust fund so designated securing the Senior Bonds, which is established pursuant to Section 5.09.

"**Senior Reserve Requirement**" means, with respect to (i) the Series 2017A Bonds, $3,409,143.75, (ii) the Series 2017B Bonds, $163,500, and (iii) any other Series of Senior Bonds shall be the amount, if any, set forth and designated as such in a Supplemental Indenture relating to such Series.

"**Series**" means the Bonds designated in this Indenture or a separate Supplemental Indenture and any Bonds authenticated and delivered in lieu of or in substitution for such Bonds pursuant to this Indenture or any Supplemental Indenture.

"**Series 2006 Bonds**" has the meaning assigned to it in the Recitals.

"**Series 2006A Bonds**" has the meaning assigned to it in the Recitals.

"**Series 2006B Bonds**" has the meaning assigned to it in the Recitals.

"**Series 2007 Subordinate Bonds**" has the meaning assigned to it in the Recitals.

"**Series 2007A Subordinate Bonds**" has the meaning assigned to it in the Recitals.

"**Series 2007B Subordinate Bonds**" has the meaning assigned to it in the Recitals.

"**Series 2017 Bonds**" has the meaning assigned to it in the Recitals.

"**Series 2017A Interest Subaccount**" means the trust fund so designated which is established pursuant to Section 5.07.

"**Series 2017A Principal Subaccount**" means the trust fund so designated which is established pursuant to Section 5.07.

"**Series 2017A Reserve Subaccount**" means the account so designated established pursuant to Section 5.09.

"**Series 2017B Interest Subaccount**" means the trust fund so designated which is established pursuant to Section 5.07.

"**Series 2017B Principal Subaccount**" means the trust fund so designated which is established pursuant to Section 5.07.

"**Series 2017B Reserve Account**" means the account so designated established pursuant to Section 5.09.

"**Service Area**" means, with respect to any of the Districts, the geographic area that such District is authorized to serve pursuant to its Service Plan, as amended from time to time.

"**Service Plan**" has the meaning assigned to it in the Recitals.

"**Shared General Fund Sales Tax Revenues**" means that portion of the City's General Fund Sales Tax (as defined in the Sales Tax Sharing Agreement) that is remitted by the City to the Issuer pursuant to the Sales Tax Sharing Agreement.

"**Shared Sales Tax Incremental Revenues**" means the amounts deposited by the Authority into the Shared Sales Tax Account (as defined in the Cooperation Agreement) of a special fund established and pledged to the Issuer pursuant to the Cooperation Agreement.

"**Shared Revenue**" means, collectively, the Credit PIF Revenue, the Shared General Fund Sales Tax Revenues and the Shared Sales Tax Incremental Revenues. The Shared Revenue do not include the Shared City Fees (as defined in the Comprehensive Agreement).

"**Shared Revenue Account**" means the trust fund so designated which is established pursuant to Section 5.02.

"**Shared Revenue Redemption Subaccount**" means the trust fund so designated which is established pursuant to Section 5.13.

"**Short-Term/Demand Obligations**" shall mean each Series of Bonds issued pursuant to this Indenture, (a) the payment of principal of which is either (i) payable on demand by or at the option of the Owner of the Bonds at a time sooner than a date on which such principal is deemed to be payable for purposes of computing Annual Debt Service, or (ii) scheduled to be payable within one year from the date of issuance and is contemplated to be refinanced for a specified period or term either (A) through the issuance of additional Short-Term/Demand Obligations pursuant to a commercial paper or other similar Program, or (B) through the issuance of long-term Bonds pursuant to a bond anticipation note or similar Program; and (b) the purchase price, payment or refinancing of which is additionally secured by a Credit Facility.

"**Special District Act**" means the Special District Act constituting Article 1 of Title 32 of C.R.S.

"**Special Mandatory Redemption Date**" has the meaning assigned to this term in Section 7.01(c).

"**Special Record Date**" means such date as may be fixed for the payment of the Unpaid Interest in accordance with Section 2.09.

"**Specific Ownership Taxes**" means the specific ownership taxes collected by the County and remitted to the Financing Districts pursuant to Title 42, Article 3, Part 1, C.R.S., or any successor statute.

"**State**" means the State of Colorado.

"**Subordinate Obligations**" means the Series 2007 Subordinate Bonds and any bonds or other indebtedness having a lien upon the Pledged Revenue or any part thereof junior and subordinate to the lien thereon of the Senior Bonds, including any notes, subordinate bonds, bond anticipation notes, commercial paper, promissory notes, and other Short-Term/Demand Obligations, Regularly Scheduled Hedge Payments, Hedge Termination Payments, and other securities, contracts or obligations incurred through lease, installment purchase, loan agreements, or other agreements or certificates of participation therein, in each case to the extent payable from the Subordinate Obligations Fund.

"**Subordinate Obligations Fund**" means the fund so designated established pursuant to Section 5.11.

"**Subordinate Reserve Account**" means the trust fund so designated pursuant to Section 5.11 and maintained pursuant to Section 5.12.

"**Subordinate Reserve Requirement**" means with respect to (i) the Series 2007A Subordinate Bonds, three percent (3%) of the Outstanding Series 2007A Subordinate Bonds, (ii) the Series 2007B Subordinate Bonds, three percent (3%) of the Outstanding Series 2007B Subordinate Bonds, and (iii) any other Series of Subordinate Bonds shall be the amount, if any, set forth and designated as such in a Supplemental Indenture relating to such Series.

"**Subordinate Primary Improvements Issuer Account**" means the trust fund so designated and maintained pursuant to Section 5.11.

"**Subordinate Series 2007A Interest Subaccount**" means the trust fund so designated and maintained pursuant to Section 5.11.

"**Subordinate Series 2007A Principal Subaccount**" means the trust fund so designated and maintained pursuant to Section 5.11.

"**Subordinate Series 2007A Reserve Subaccount**" means the trust fund so designated pursuant to Section 5.11 and maintained pursuant to Section 5.12.

"**Subordinate Series 2007B Interest Subaccount**" means the trust fund so designated and maintained pursuant to Section 5.11.

"**Subordinate Series 2007B Principal Subaccount**" means the trust fund so designated and maintained pursuant to Section 5.11.

"**Subordinate Series 2007B Reserve Subaccount**" means the trust fund so designated pursuant to Section 5.11 and maintained pursuant to Section 5.12.

"**Supplemental Act**" means the Supplemental Public Securities Act constituting Title 11, Part 2, Article 57 of C.R.S.

"**Supplemental Indenture**" means any indenture supplementing or amending this Indenture that is executed and delivered pursuant to Article XII hereof.

"**Surplus Fund**" means the trust fund so designated and maintained pursuant to Section 5.13.

"**Tax Certificate**" means any Tax Certificate executed by the Issuer on the date of the issuance of any Series of Tax-Exempt Bonds.

"**Taxable Transaction**" means those transactions or activities that are subject to the Add-On PIF and/or Credit PIF pursuant to the PIF Covenants.

"**Tax-Exempt Bonds**" means the Series 2017 Bonds, the Series 2007 Subordinate Bonds, and any other Bonds the interest on which is excludable from gross income of the Owner for purposes of federal income tax.

"**THF Development**" means THF Prairie Center Development, L.L.C., a Colorado limited liability company, and its successors and assigns.

"**THF Retail One**" means THF Prairie Center Retail One, L.L.C., a Missouri limited liability company, and its successors and assigns.

"**Transaction Documents**" has the meaning assigned to it in Section 12.03.

"**Trustee Fees Account**" means the trust fund so designated which is established pursuant to Section 5.10.

"**Unpaid Interest**" has the meaning assigned to it in Section 2.09.

"**Unreimbursed Shared Revenue**" has the meaning assigned to it in Section 10.23.

The words "hereof," "herein," "hereto," "hereby" and "hereunder" refer to the entire Indenture.

ARTICLE II

THE BONDS

Section 2.01. Amounts and Terms; Issuance of Series 2017 Bonds

(a) The Issuer hereby authorizes the issuance of Bonds, to be designated as its "Limited Property Tax Supported Revenue Bonds," for the purpose of financing and refinancing the Costs of the Project. The aggregate principal amount of the Bonds which may be executed, authenticated and delivered under this Indenture is not limited except as may be provided herein, in the Service Plan, the 2006 Election, any future election or as may be limited by law.

(b) The Bonds may, as provided herein and in one or more Supplemental Indentures, be issued in one or more Series, and the designation thereof, in addition to the name "Limited Property Tax Supported Revenue Bonds" and an identification of whether such Bonds constitute Senior Bonds or Subordinate Obligations, shall include such further appropriate particular designation added to or incorporated in such title for the Bonds of any particular Series, as the Issuer may determine. Each Bond shall bear upon its face the designation so determined for the Series and whether such Bond constitutes a Senior Bond or Subordinate Obligation.

(c) The Bonds shall be issued in such form as may be provided herein or by Supplemental Indenture.

(d) There is hereby authorized to be issued and shall be issued under and secured by this Indenture a Series of Senior Bonds designated as "Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A" in an aggregate principal amount of $47,095,000.

(e) There is hereby authorized to be issued and shall be issued under and secured by this Indenture a Series of Senior Bonds designated as "Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B" an aggregate principal amount of $2,180,000.

(f) The Issuer has previously issued pursuant to the Original Indenture the Series 2007A Subordinate Bonds designated "Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A" in the aggregate principal amount of $40,610,000. On the Issue Date of the Series 2017 Bonds and following a refunding of $8,960,000 principal amount of the Series 2007A Subordinate Bonds with proceeds of the Series 2017A Bonds, the Series 2007A Subordinate Bonds will remain Outstanding hereunder in the aggregate principal amount of $31,650,000.

(g) The Issuer has previously issued pursuant to the Original Indenture the Series 2007B Subordinate Bonds designated "Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B" in the aggregate principal amount of $2,905,000. On the Issue Date of the Series 2017 Bonds and following a refunding of $650,000 principal amount of the Series 2007B Subordinate Bonds with proceeds of the Series 2017B Bonds, the Series 2007B Subordinate Bonds will remain Outstanding hereunder in the aggregate principal amount of $2,255,000.

Section 2.02. Denominations, Interest Rates and Maturity of Series 2017 Bonds and Series 2007 Subordinate Bonds

(a) The Series 2017 Bonds shall be issued only in Authorized Denominations. The Series 2007 Subordinate Bonds shall remain Outstanding only in Authorized Denominations.

(b) The Series 2017A Bonds shall mature on the date and in the aggregate principal amount, and shall bear interest at the per annum interest rate to their maturity date, unless redeemed prior thereto, as follows:

Maturity Date (December 15)	Aggregate Principal Amount	Interest Rate Per Annum
2027	$ 9,370,000	4.125%
2041	37,725,000	5.000

(c) The Series 2017B Bonds shall mature on December 15, 2041, and shall bear interest at a rate of 5.00% per annum until maturity date, unless redeemed prior thereto.

(d) Each Series of the Series 2007 Subordinate Bonds shall mature on December 15, 2031 and shall bear interest at a rate of 9.50% per annum until maturity. It is acknowledged that from June 7, 2007 through December 14, 2007, the Series 2007 Subordinate Bonds bore interest at a rate of 8.75%.

(e) Each Series of the Series 2017 Bonds and the Series 2007 Subordinate Bonds shall be dated as of their respective Issue Dates. Each Series 2017 Bond and Series 2007

Subordinate Bond shall bear interest (calculated on the basis of a 360-day year consisting of twelve 30-day months) from the last Interest Payment Date to which interest has accrued and has been paid or duly provided for, or if no interest has been paid or duly provided for, from the Issue Date of the Series 2017 Bonds or the Series 2007 Subordinate Bonds, as applicable, or the until payment of the principal or redemption price thereof shall have been made or provided for in accordance with the provisions of this Indenture, whether upon maturity, redemption or otherwise.

(f) In the case of Additional Bonds issued pursuant to the terms of this Indenture, the maturity and other terms thereof shall be determined by the Supplemental Indenture authorizing their issuance.

Section 2.03. Limited Obligations

The Bonds are special, limited revenue obligations of the Issuer and the principal or redemption price thereof, interest and premium, if any, thereon and other expenses in connection therewith shall be payable solely from, and to the extent of, the Pledged Revenue as provided herein, except that each Series of Bonds shall be secured by the Pledged Revenue and from certain funds and accounts only to the extent provided for herein, and the Series 2007 Subordinate Bonds shall not be secured by the Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues. Neither the Bonds, nor the interest or premium thereon, or costs, incident thereto shall constitute a debt or indebtedness of the City, the County, the State, or any political subdivision thereof (other than the Issuer), within the meaning of any provision or limitation of the Constitution or statutes of the State or any home rule charter provisions, and shall never constitute nor give rise to any pecuniary liability of the City, the County, the State, or any political subdivision thereof (other than the Issuer) or a charge against their general credit or taxing powers. The Bonds are not secured by any lien or a mortgage on or security interest in any property of the Issuer other than the Pledged Revenue to the extent provided herein.

Section 2.04. Form of Series 2017 Bonds and Series 2007 Subordinate Bonds; Bond Forms Generally

(a) Each Series 2017 Bond shall be issued only as a fully registered bond. Each Series 2017 Bond shall be substantially in the form of **Exhibit A**, with such changes therein which are not inconsistent with this Indenture, as are approved by the officer of the Issuer executing the Series 2017 Bonds (whose manual or facsimile signature on such Series 2017 Bonds shall constitute conclusive evidence of his or her approval of any such changes appearing thereon). The Series 2017 Bonds shall be numbered consecutively from R-1 and upward, or in such other manner as the Issuer, with the concurrence of the Trustee, shall determine.

(b) In exchange for the authenticated form of each Series 2007 Subordinate Bond which was previously issued and delivered to THF Development, there shall be delivered the Series 2007 Subordinate Bonds in substantially the form attached hereto as **Exhibit B**, with such changes therein which are not inconsistent with this Indenture, as are approved by the officer of the Issuer executing the Series 2007 Subordinate Bonds (whose manual or facsimile signature on such Series 2007 Subordinate Bonds shall constitute conclusive evidence of his or her approval of any such changes appearing thereon).

(c) Additional Bonds may be issued in such form or forms as shall be provided in the Supplemental Indenture authorizing such Series of Additional Bonds. Each Additional Bond shall be lettered and numbered as provided in the Supplemental Indenture authorizing the Series of which such Additional Bond is a part and so as to be distinguished from every other Bond.

(d) Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the Bonds. The Bonds may bear such notation, endorsement or legend satisfactory to the Trustee as may be required to conform to usage or law with respect thereto.

Section 2.05. Book-Entry System for Series 2017 Bonds; Series 2007 Subordinate Bonds; Bond Registrar and Bond Register

(a) The Series 2017 Bonds shall be initially issued in the form of single, certificated, fully registered bond for each separate stated maturity and interest rate for each Series 2017 Bonds, each such bond to be in the full principal amount of such Series 2017 Bond with such stated maturity and interest rate. Upon initial issuance, the ownership of the Series 2017 Bonds shall be registered in the registration books kept by the Trustee in the name of Cede.

With respect to any Series of Bonds (including the Series 2017 Bonds) registered in the name of Cede or held by a Depository, neither the Issuer nor the Trustee shall have any responsibility or obligation to any Participant or actual purchaser (each, a "**Beneficial Owner**") of such Series of Bonds including, without limitation, any responsibility or obligation with respect to: (i) the accuracy of the records of the Depository or any Participant concerning any ownership interest in such Series of Bonds; (ii) the delivery to any Participant, Beneficial Owner, or person other than the Owner, of any notice concerning the such Series of Bonds, including notice of redemption; or (iii) the payment to any Participant, Beneficial Owner, or person other than the Owner, of the principal of, premium if any, and interest on such Series of Bonds. The Issuer and the Trustee may treat the Owner of any Bond registered in the name of Cede or held by a Depository as the absolute Owner of such Bond for the purpose of payment of the principal of, premium if any, and interest on such Bond, for purposes of giving notices of redemption and other matters with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium if any, and interest on or in connection with such Bonds only to or upon the order of the Owners, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the payment of the same.

DTC may determine to discontinue providing its service as Depository with respect to any Series of Bonds at any time by giving notice to the Issuer and discharging its responsibilities with respect thereto under applicable law. Upon the termination of the services of DTC, a substitute Depository which is willing and able to undertake the system of book-entry transfers upon reasonable and customary terms may be engaged by the Issuer or, if the Issuer determines in its sole and absolute discretion that it is in the best interests of the Beneficial Owners or the Issuer that the Beneficial Owners should be able to obtain certificated Bonds, the Bonds shall no longer be restricted to being registered in the name of Cede or other nominee of a Depository but shall be

registered in whatever name or names the Beneficial Owners shall designate at that time, and fully registered Bond certificates shall be delivered to the Beneficial Owners.

(b) The Issuer shall cause the Series 2007 Subordinate Bonds to be maintained, in a form eligible for deposit by the Owner with DTC. The Series 2007 Subordinate Bonds were issued in fully registered form and, if so directed by the Issuer, shall be deposited in the Book-Entry System maintained by DTC and registered in the name of Cede, as nominee of DTC as securities depository for the Series 2007 Subordinate Bonds in accordance with the terms of a Letter of Representations from the Issuer to DTC. The Series 2007 Subordinate Bonds shall be registered upon subsequent transfer or exchange as provided in this Indenture. As of the Issue Date of the Series 2017 Bonds, the Series 2007 Subordinate Bonds are not deposited in the Book-Entry System maintained by DTC.

In the event that the Issuer directs that the Series 2007 Subordinate Bonds be issued and delivered to DTC, a single certificate for each maturity shall be issued and delivered to the DTC or the Trustee, as its agent, for the Series 2007 Subordinate Bonds. The Beneficial Owners of the Series 2007 Subordinate Bonds will not receive physical delivery of Series 2007 Subordinate Bond certificates except as provided herein, and the Series 2007 Subordinate Bonds will be maintained by DTC in accordance with subsection (a) above.

(c) The Issuer shall designate one or more persons to act as "**Bond Registrar**" for the Bonds provided that the Bond Registrar appointed for the Bonds shall be either the Trustee or a person which would meet the requirements for qualification as a Trustee imposed by Section 10.13 hereof. The Issuer hereby appoints the Trustee, as Bond Registrar in respect of the Series 2017 Bonds and the Series 2007 Subordinate Bonds. Any person other than the Trustee undertaking to act as Bond Registrar shall first execute a written agreement, in form satisfactory to the Trustee, to perform the duties of a Bond Registrar under this Indenture, which agreement shall be filed with the Trustee.

The Bond Registrar shall act as registrar and transfer agent for the Bonds. The Issuer shall cause to be kept at an office of the Bond Registrar a register (herein sometimes referred to as the "**Bond Register**") in which, subject to such reasonable regulations as it, the Trustee or the Bond Registrar may prescribe, the Issuer shall provide for the registration of the Bonds and for the registration of transfers of the Bonds. The Issuer shall cause the Bond Registrar to designate, by a written notification to the Trustee, a specific office location (which may be changed from time to time, upon similar notification) at which the Bond Register is kept. The principal corporate trust office of the Trustee shall be deemed to be such office in respect of the Bonds for which the Trustee is acting as Bond Registrar.

The Bond Registrar shall at such time as reasonably requested by the Trustee, certify and furnish to the Trustee and any Paying Agent as the Trustee shall specify, the names, addresses, and holdings of Bondholders and any other relevant information reflected in the Bond Register, and the Trustee and any such Paying Agent shall for all purposes be fully entitled to rely upon the information so furnished to them and shall have no liability or responsibility in connection with the preparation thereof except to the extent that any such information was furnished or supplied to the Bond Registrar by any such entity.

Section 2.06. Registration, Transfer and Exchange of Series 2017 Bonds and the Series 2007 Subordinate Bonds; Legends

(a) As provided in Section 2.05, the Issuer shall cause a Bond Register to be kept at the designated office of the Bond Registrar. Upon surrender for transfer of a Bond of any Series at such office, the Issuer shall execute and the Trustee or its Authenticating Agent shall authenticate and deliver in the name of the transferee or transferees, one or more new fully registered Bonds of the same Series of Authorized Denominations for the aggregate principal amount which the Owner is entitled to receive.

At the option of the Owner, Bonds may be exchanged for other Bonds of the same Series, of any other Authorized Denomination, of a like aggregate principal amount, upon surrender of the Bonds to be exchanged at any such office or agency. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute, and the Trustee shall authenticate and deliver, the Bonds which the Bondholder making the exchange is entitled to receive.

All Bonds presented for transfer or exchange, redemption or payment (if so required by the Issuer, the Bond Registrar or the Trustee), shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Bond Registrar, duly executed by the Owner or by his attorney duly authorized in writing.

The Bond Registrar may require payment of a sum sufficient to cover any reasonable fees, taxes or other governmental charges that may be imposed in relation thereto.

Neither the Issuer nor the Bond Registrar on behalf of the Issuer shall be required (i) to register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Bonds selected for redemption and ending at the close of business on the day of such mailing, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the Issuer, evidencing the same debt as the Bonds surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

(b) The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission, brokerage board, municipal securities rulemaking board or otherwise or as may be required by the Service Plan.

By their acceptance of the Series 2017 Bonds, each Bondholder acknowledges that the Series 2017 Bonds are initially issuable only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof, that the Series 2017 Bonds are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state and that as of the date of original issuance thereof, they will carry no rating from any

Rating Agency. All Bondholders also acknowledge that their Series 2017 Bonds may be sold, transferred or otherwise disposed of only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof (unless a lower denomination is authorized by this Indenture).

By their acceptance of the Series 2007 Subordinate Bonds, each Bondholder acknowledges that the Series 2007 Subordinate Bonds are initially issuable only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof, that the Series 2007 Subordinate Bonds are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state and that as of the date of original issuance thereof, they will carry no rating from any Rating Agency. All Bondholders also acknowledge that their Series 2007 Subordinate Bonds may be sold, transferred or otherwise disposed of only (i) in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof (unless a lower denomination is authorized by this Indenture) and (ii) to "accredited investors", as that term is defined under sections 3(b) and (4)(2) of the federal "Securities Act of 1933" by regulation adopted thereunder by the U.S. Securities and Exchange Commission who have executed an investor letter in the form attached to the Series 2007 Subordinate Bonds, unless the Series 2007 Subordinate Bonds have an investment grade rating.

Section 2.07. Execution

The Bonds shall be executed by the manual or facsimile signature of the President of the Issuer or another officer of the Issuer authorized in a related Bond Resolution to execute a Series of Bonds, and the corporate seal of the Issuer shall be affixed, imprinted, lithographed or reproduced thereon and shall be attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Issuer.

Bonds executed as above provided may be issued and shall, upon request of the Issuer, be authenticated by the Trustee or the Authenticating Agent, notwithstanding that any officer signing such Bonds or whose facsimile signature appears thereon, having held such office at the time of execution thereof, shall have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Bond.

Section 2.08. Authentication; Authenticating Agent

No Bond shall be valid for any purpose until the certificate of authentication shall have been duly executed as provided in this Indenture, and such authentication shall be conclusive proof that such Bond has been duly authenticated and delivered under this Indenture and that the Owner thereof is entitled to the benefit of the trust hereby created.

If the Bond Registrar is other than the Trustee, the Trustee may appoint the Bond Registrar as an Authenticating Agent with the power to act on such Trustee's behalf and subject to its direction in the authentication and delivery of Bonds in connection with transfers and exchanges under Section 2.06 hereof, and the authentication and delivery of Bonds by an Authenticating Agent pursuant to this Section shall, for all purposes of this Indenture, be deemed

to be the authentication and delivery "by the Trustee." The Trustee shall, however, itself authenticate all Bonds upon their initial issuance and any Bonds issued in substitution for other Bonds pursuant to Sections 2.11 and 2.12 hereof. The Trustee shall be entitled to be reimbursed for payments made to any Authenticating Agent as reasonable compensation for its services.

Section 2.09. Payment of Principal and Interest; Interest Rights Preserved

The principal, redemption price or purchase price of any Bond shall be payable when due, upon surrender of such Bond, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, at the Principal Office of any Paying Agent. Interest on any Bond on each Interest Payment Date in respect thereof shall be payable to the person in whose name such Bond is registered at his or her address as it appears in the Bond Register, or, at the request of an Owner of $1,000,000 or more in principal amount of Bonds, by electronic transfer to an account designated in writing by such Owner which account shall be in the continental United States.

To the extent principal of any Bond is not paid when due, such principal shall remain Outstanding until paid in full and shall continue to bear interest at the rate then borne by the Bond. To the extent interest on any Bond is not paid when due, such interest shall continue to be due, and with respect to the Series 2007 Subordinate Bonds or the Series 2017 Bonds, without interest on accrued but unpaid interest or compounding of interest; provided however, that notwithstanding anything herein to the contrary, the Issuer shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer Outstanding upon the payment by the Issuer of such amount.

Interest on any Bond which is payable, and is punctually paid or duly provided for, on an Interest Payment Date shall be paid to the person in whose name that Bond is registered at the close of business on the Regular Record Date for such interest.

Any interest on any Bond which is payable, but is not punctually paid or provided for, on any Interest Payment Date (herein called "**Unpaid Interest**") shall forthwith cease to be payable to the person who is the Owner of such Bond at the close of business on the relevant Regular Record Date and such Unpaid Interest shall be paid to the person in whose name the Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be no more than 15 nor fewer than 10 days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Unpaid Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to the Bond Registrar and the Paying Agent and to each Bondholder at his address as it appears in the Bond Register, not fewer than 10 days prior to such Special Record Date.

Subject to the foregoing provisions of this Section 2.09, each Bond delivered under this Indenture upon registration of transfer of or exchange for or in lieu of any other Bond shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond.

Section 2.10. Persons Deemed Owners

The Issuer, the Trustee, any Paying Agent, the Bond Registrar and any Authenticating Agent may deem and treat the person in whose name any Bonds are registered as the absolute owner thereof (whether or not such Bonds shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of (and premium, if any, on), purchase price and redemption price of and (subject to Section 2.09) interest on, such Bonds, and for all other purposes, and neither the Issuer, the Trustee, any Paying Agent, the Bond Registrar nor the Authenticating Agent shall be affected by any notice to the contrary. All such payments so made to any such Owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Bonds.

Section 2.11. Mutilated, Destroyed, Lost or Stolen Bonds

(a) If any Bonds shall become mutilated, lost, stolen or destroyed, the affected Bondholder shall be entitled to the issuance of a substitute Bonds only as follows:

(i) in the case of a lost, stolen or destroyed Bond, the Bondholder shall (A) provide notice of the loss, theft or destruction to the Issuer and the Trustee within a reasonable time after the Bondholder receives notice of the loss, theft or destruction, (B) request the issuance of a substitute Bond and (C) provide evidence, satisfactory to the Issuer and the Trustee, of the ownership and the loss, theft or destruction of the affected Bond;

(ii) in the case of a mutilated Bond, the Bondholder shall surrender the Bond to the Trustee for cancellation; and

(iii) in all cases, the Bondholder shall provide indemnity against any and all claims arising out of or otherwise related to the issuance of substitute Bonds pursuant to this Section 2.11 satisfactory to the Issuer, the Trustee and the Credit Facility Provider, if any.

Upon compliance with the foregoing, a new Bond of like tenor, Series and denomination, executed by the Issuer, shall be authenticated by the Trustee and delivered to the Bondholder, all at the expense of the Bondholder to whom the substitute Bond is delivered. Notwithstanding the foregoing, the Trustee shall not be required to authenticate and deliver any substitute Bond for a Bond which has been called for redemption or which has matured or is about to mature and, in any such case, the principal or redemption price and interest then due or becoming due shall be paid by the Trustee or a Paying Agent in accordance with the terms of the mutilated, lost, stolen or destroyed Bond without substitution therefor.

(b) Every substituted Bond issued pursuant to this Section 2.11 shall constitute an additional contractual obligation of the Issuer and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds duly issued hereunder unless the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by a bona fide purchaser for value without notice. In the event the Bond alleged to have been destroyed, lost or stolen shall be enforceable by anyone, the Issuer may recover the substitute

Bond from the Bondholder to whom it was issued or from anyone taking under the Bondholder except a bona fide purchaser for value without notice.

(c) All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or investment or other securities without their surrender.

Section 2.12. Temporary Bonds

Pending preparation of definitive Bonds, or by agreement with the purchasers of all Bonds, the Issuer may issue, and, upon its request, the Trustee shall authenticate, in lieu of definitive Bonds one or more temporary printed or typewritten Bonds of substantially the tenor recited above in any denomination authorized under Section 2.02. Upon request of the Issuer, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

Section 2.13. Cancellation of Surrendered Bonds

Bonds surrendered for payment, redemption, transfer or exchange and Bonds surrendered to the Trustee for cancellation shall be canceled in accordance with the customary practices of the Trustee and applicable retention laws.

Section 2.14. Supplemental Act Provisions

By execution of this Indenture, the Issuer hereby elects to have all provisions of the Supplemental Act apply to the issuance of the Bonds; provided, however, that such election shall not operate to modify or limit the rights conferred on the Issuer or the members of the Board by any other provisions of State law. Pursuant to Section 11-57-210 of the Supplemental Act, each Bond shall recite that it is issued under the authority of the resolution of the Board and the Supplemental Act and that it is the intention of the Issuer that such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value. Pursuant to Section 11-57-208 of the Supplemental Act, the Pledged Revenue, as received by or otherwise credited to the Issuer, shall immediately be subject to the lien of such pledge without any physical delivery, filing or further act. The lien of such pledge and the obligation to perform the contractual provisions made in this Indenture shall have priority over any or all other obligations and liabilities of the Issuer. The lien of such pledge shall be valid, binding and enforceable as against all persons having claims of any kind of tort, contract or otherwise against the Issuer irrespective of whether such persons have notice of such lien.

ARTICLE III

ADDITIONAL BONDS

Section 3.01. Additional Bonds

After issuance of the Series 2017 Bonds and Series 2007 Subordinate Bonds, no Additional Bonds may be issued except in accordance with the provisions of this Article III. Nothing herein shall permit the Issuer to create, incur, assume, or suffer to exist any liens or encumbrances upon the Pledged Revenue or any part thereof superior to the lien thereon of the Senior Bonds. Unless all PRI Obligations are defeased or paid in full pursuant to the documents pursuant to which they were issued, the Issuer may not issue any Park and Recreation Improvements Bonds.

Section 3.02. Issuance of Additional Senior Bonds

The Issuer may issue Senior Bonds in such principal amounts as the Issuer may determine upon satisfaction of the following requirements, provided that such Senior Bonds shall be designated by separate Series.

(a) No Unpaid Debt Service. The Issuer shall have made all payments required by Article V hereof during the twenty-four calendar months immediately preceding the issuance of such Senior Bonds; and

(b) Revenues Test. The Issuer shall have provided to the Trustee a written report, which report shall be prepared by an Independent Consultant, concluding that:

(i) subject to paragraph (iii) of this subsection (b), the Pledged Revenue deposited with the Trustee during the twelve month period ending no later than sixty (60) days and no sooner than thirty (30) days prior to the Issue Date of the Senior Bonds equal to not less than 1.3 times the Average Annual Debt Service with respect to all Senior Bonds that will remain Outstanding following the issuance of such Senior Bonds, including the Senior Bonds to be issued; provided, however that, for purposes of the calculation in this subparagraph (i) only, if prior to the issuance of the Senior Bonds the Issuer has by resolution of its Board authorized and irrevocably pledged to deposit to the Revenue Fund, through the final maturity date of all Bonds to be Outstanding hereunder, legally available moneys of the Issuer constituting recurring revenues of the Issuer, in addition to those authorized and pledged during the full Fiscal Year immediately prior to the issuance of the Senior Bonds, the actual Pledged Revenue for such Fiscal Year may be adjusted by adding thereto an amount, as determined by such Independent Consultant, that is equal to the estimated increase in revenues which would have been realized during such Fiscal Year had such additional legally available moneys of the Issuer been pledged during such Fiscal Year; or

(ii) subject to paragraph (iii) of this subsection (b), (A) the Pledged Revenue deposited with the Trustee during the twelve month period ending no later than sixty (60) days and no sooner than thirty (30) days prior to the Issue Date of the Senior Bonds equals not less than 1.25 times the Annual Debt Service (net of capitalized

interest) due during such twelve-month period with respect to all Senior Bonds Outstanding immediately prior to the issuance of the Senior Bonds, and (B) based on such Independent Consultant's reasonable projections, the Pledged Revenue expected to be received by the Issuer during each Fiscal Year while such Senior Bonds will be Outstanding will equal not less than 1.40 times the Annual Debt Service with respect to all Senior Bonds (net of capitalized interest amounts for the Senior Bonds that is estimated to be on deposit in any Funds hereunder and amounts estimated to be on deposit in the Senior Reserve Fund during such period) that will remain Outstanding following the issuance of such Senior Bonds, including the Senior Bonds proposed to be issued; provided that such Independent Consultant's projections may only take into account (x) with respect to the Shared Revenue, commercial retail establishments that are in operation and such space that is subject to a sale or lease agreement which obligates an owner or a tenant to open for at least one day and such space is scheduled to commence operations within ninety (90) days of the date of such Independent Consultant' calculation, (y) with respect to the Facilities Fees, only such buildings which are under construction, or construction of which the Developers or their assigns are contractually obligated to commence, and (z) with respect to the Capital Levies, such ad valorem property taxes, which are generated based on the Financing Districts' most recent preliminary or final certified assessed valuations, plus assessed valuation improvements included in clause (x) above and any completed residential buildings, as such assessed valuation is determined by the Independent Consultant to the extent it has not been included in the Financing Districts' most recent preliminary or final certified assessed valuation; and

(iii) while the Series 2007 Subordinate Bonds are Outstanding, for purposes of calculating historic and prospective revenue tests set forth in paragraphs (i) and (ii) above, debt service on the Series 2007 Subordinate Bonds and any proposed Additional Bonds (whether Senior Bonds or Subordinate Obligations) shall be included in the calculation of the Annual Debt Service; provided, however, that this requirement may be waived with the prior written consent of Owners of at least fifty-one percent (51%) of aggregate principal amount of the Series 2007 Subordinate Bonds Outstanding.

(c) The Issuer shall have provided to the Trustee a resolution of the Board authorizing the issuance of such Series of Senior Bonds; and

(d) The Issuer and the Trustee shall have entered into a Supplemental Indenture authorizing the issuance of the Series of Senior Bonds, which Supplemental Indenture specifies the following:

(i) The Series designation, the name, the aggregate principal amount, the Authorized Denominations, the dated date, the maturity date or dates and the form of the Senior Bonds and such other provisions as are appropriate to describe the terms of such Senior Bonds;

(ii) If the Senior Bonds are Current Interest Bonds, the interest rate or rates, if any, or the method for determining the interest rate or rates on the Senior Bonds, which rates may be fixed, adjustable or variable or any combination thereof, and, if any

such rate is adjustable or variable, the standard, index or formula to be used to determine the interest rate and the maximum interest rate applicable to the Senior Bonds, and the Interest Payment Date or Dates for the payment of such interest;

(iii) If the Senior Bonds are Capital Appreciation Bonds, the Maturity Value, Accreted Value and Accretion Dates, or the manner of determining the same, for the Senior Bonds;

(iv) The redemption provisions, if any, for the Series of Senior Bonds;

(v) The manner in which the proceeds of the Series of Senior Bonds are to be applied; and

(vi) Any variations in the terms set forth in this Indenture with respect to the Series of Senior Bonds.

(e) The Issuer shall have provided to the Trustee:

(i) A written opinion of Bond Counsel to the effect that (A) the Series of Senior Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special limited obligations of the Issuer entitled to the benefit of this Indenture; and (B) the issuance of such Series of Senior Bonds will not adversely affect the exclusion from gross income for federal tax purposes of interest on any Outstanding Tax-Exempt Bonds;

(ii) An executed counterpart of the Supplemental Indenture described in subparagraph (d) of this Section 3.02; and

(iii) If the Senior Bonds are to be payable in whole or in part from Shared Revenue, either (i) prior written consent of the City to the Supplemental Indenture or (ii) a written confirmation from the City that the Issuer is in substantial compliance with the applicable provisions of the Comprehensive Agreement, which compliance shall be established in accordance with the Comprehensive Agreement.

(f) If the Senior Bonds are to be secured by a lien on all or any portion of the Shared Revenue, to the extent required by the Comprehensive Agreement, the maturity date of such Senior Bonds shall not extend beyond December 31, 2050 without the prior approval of the City Council.

(g) The Issuer is in substantial compliance with this Indenture and all Supplemental Indentures authorizing the issuance of Outstanding Bonds, as evidenced by a certificate of the Issuer Representative to such effect.

(h) There shall have been delivered to the Trustee any additional certificates or opinions that may be required by Bond Counsel or the Trustee.

Section 3.03. Refunding Bonds

(a) Subject to Section 3.03(c) hereof, Refunding Bonds which constitute Senior Bonds may be issued in such principal amounts as may be necessary to refund any Senior Bonds, if:

(i) scheduled payments of principal (whether pursuant to optional or mandatory redemption or otherwise) and interest on such Refunding Bonds in each Fiscal Year will be lower than the scheduled payments (whether pursuant to optional or mandatory redemption or otherwise) and interest on a Series of Senior Bonds being refunded, provided, however, that if the final maturity of the Refunding Bonds is later than the final maturity of the Series of Senior Bonds being refunded, then the Annual Debt Service on all Senior Bonds remaining Outstanding after the issuance of the Refunding Bonds, in each Fiscal Year following the final maturity date of the Series of Senior Bonds being refunded shall be less than the highest aggregate Annual Debt Service (excluding redemption premium, if any) due on all Outstanding Senior Bonds in any Fiscal Year prior to the issuance of the Refunding Bonds; and

(ii) prior thereto or simultaneously therewith there are filed with Trustee:

(A) Documents Under Section 3.02. The documents required under Section 3.02(c), (d) and (e), provided that any references in that section to "Senior Bonds" shall be deemed, for purposes of this Section 3.03, to refer to "Refunding Bonds"; and

(B) Redemption Instructions. If any Bonds to be refunded are to be called for prior redemption at the option of the Issuer, a certificate of the Issuer Representative that irrevocable instructions to give due and timely notice of such redemption have been given pursuant to the provisions hereof.

(b) Subject to Section 3.03(c) hereof, Refunding Bonds which constitute Subordinate Obligations may be issued in such principal amounts as may be necessary to refund any Subordinate Obligations in whole or in part, if prior thereto or simultaneously therewith there are filed with Trustee:

(i) Documents Under Section 3.02. The documents required under Section 3.02(c), (d) and (e), provided that any references in that section to "Senior Bonds" shall be deemed, for purposes of this Section 3.03, to refer to "Refunding Bonds"; and

(ii) Redemption Instructions. If any Bonds to be refunded are to be called for prior redemption at the option of the Issuer, a certificate of the Issuer Representative that irrevocable instructions to give due and timely notice of such redemption have been given pursuant to the provisions hereof.

(c) Notwithstanding the foregoing, while the Series 2007 Subordinate Bonds are Outstanding, unless Owners of at least fifty-one percent (51%) in aggregate principal amount

of the Series 2007 Subordinate Bonds provide their prior written consent to the issuance of the Refunding Bonds without complying with the provisions of this Section 3.03(c), Refunding Bonds which constitute Senior Bonds may be issued only to refund Senior Bonds and Refunding Bonds which constitute the Subordinate Obligations may be issued only to refund Subordinate Obligations and such Refunding Bonds may be issued in such principal amount as may be necessary to refund any Senior Bonds and Subordinate Obligations, as applicable, if:

(i) upon the issuance of the Refunding Bonds, the scheduled payments of principal (whether pursuant to mandatory redemption or otherwise) and interest on all Outstanding Bonds in each Fiscal Year will be lower than the scheduled payments of principal (whether pursuant to mandatory redemption or otherwise) and interest on all Outstanding Bonds immediately prior to the issuance of such Refunding Bonds; provided, however, that if the final maturity of the Refunding Bonds is later than the final maturity of the Bonds being refunded, then the Annual Debt Service on all Bonds Outstanding immediately upon the issuance of the Refunding Bonds in each Fiscal Year following the final maturity date of the Bonds being refunded shall be less than the highest Annual Debt Service due on all Outstanding Bonds in any Fiscal Year prior to the issuance of the Refunding Bonds; and

(ii) documents required by Section 3.03(b) are filed with the Trustee prior to or simultaneously with the issuance of the Refunding Bonds.

(d) Subject to the rights of the Financing Districts under Section 12.02, Section 3.03(c) is made for the benefit of the Owners of the Series 2007 Subordinate Bonds and no Owner, other than the Owners of the Subordinate Obligations, shall have the right to enforce the same.

(e) The Refunding Bonds payable in whole or in part from the Shared Revenue may be issued hereunder only if the Issuer is in substantial compliance with the applicable provisions of the Comprehensive Agreement, which compliance shall be established in accordance with Section 4.3(n) of the Comprehensive Agreement, unless the City consents in writing to the issuance of such Refunding Bonds.

(f) If the Refunding Bonds are secured by a lien on all or any portion of the Shared Revenue, to the extent required by the Comprehensive Agreement, the maturity date of such Refunding Bonds shall not extend beyond December 31, 2050 without the prior approval of the City Council.

Section 3.04. Additional Subordinate Obligations

(a) Subject to subsection (b) below, nothing set forth herein shall be construed to prevent the Issuer from issuing additional Subordinate Obligations (in addition to the Series 2007 Subordinate Bonds); provided, however, that, as long as any Senior Bonds remain Outstanding, no failure to pay Annual Debt Service or breach or default with respect to such Subordinate Obligations shall constitute an Event of Default hereunder or thereunder or entitle the Owners of such Subordinate Obligations to exercise any right or remedy.

(b) While the Series 2007 Subordinate Bonds are Outstanding, any additional Series of Subordinate Obligations (other than Additional Bonds which are being issued as Subordinate Obligations to refund Subordinate Obligations with respect to which Section 3.03(b) shall apply) may be issued only upon compliance with Section 3.02(b) hereof and subsection 3.02(b)(iii) shall apply to the calculation of historic and prospective revenue tests set forth in Section 3.02(b); provided, however, that the requirements of this Section 3.04(b) may be waived with the prior written consent of Owners of at least fifty-one percent (51%) of aggregate principal amount of the Series 2007 Subordinate Bonds Outstanding.

(c) Section 3.04(b) is made for the benefit of the Owners of the Series 2007 Subordinate Bonds and no other Owner shall have the right to enforce the same.

(d) The Subordinate Obligations payable in whole or in part from the Shared Revenue may be issued hereunder only if the Issuer is in substantial compliance with the applicable provisions of the Comprehensive Agreement, which compliance shall be established in accordance with Section 4.3(n) of the Comprehensive Agreement, unless the City consents in writing to the issuance of such Subordinate Obligations.

(e) If the Subordinate Obligations are secured by a lien on all or any portion of the Shared Revenue, to the extent required by the Comprehensive Agreement, the maturity date of such Subordinate Obligations shall not extend beyond December 31, 2050 without the prior approval of the City Council.

(f) Any Subordinate Obligations may be authorized and designated as such by resolution, by Supplemental Indenture or by any other agreement or instrument of the Issuer.

Section 3.05. Equality of Bonds

All Bonds which are issued in conformity with this Indenture and are from time to time Outstanding shall be equally and ratably secured by a lien on the Pledged Revenue (except that (i) each Series of Bonds shall be secured by the PIF Revenue only to the extent provided herein, (ii) the Subordinate Obligations shall in all respects be junior and subordinate to the Senior Bonds), (iii) the Series 2007 Subordinate Bonds shall not be secured by the Shared General Fund Sales Tax Revenues and the Shared Sales Tax Incremental Revenues, and (iv) there shall be such other preferences, privileges, priorities and distinctions among the Senior Bonds and Subordinate Obligations as are expressly herein set forth), and no Bond shall be entitled to any priority over the other in the application of the Pledged Revenue regardless of the time or times of the issuance of the Bonds, it being the intention of the parties hereto that there shall be no priority among the Bonds regardless of the fact that they may be actually issued and delivered at different times except to the extent of the priority described in the parentheticals above; provided that nothing herein shall be construed to preclude the creation of separate reserve funds or the obtaining of separate surety bonds, credit facilities, or insurance policies for an issue of Additional Bonds, which may or may not be pledged toward the payment of the other Series of Bonds. The Series 2017A Reserve Subaccount and the Series 2017B Reserve Subaccount in the Senior Reserve Fund shall only secure the applicable Series of Series 2017 Bonds, the Series 2007 Subordinate Reserve Account shall only secure the applicable series of the Series 2007 Subordinate Bonds and future accounts in the Senior Reserve Fund and Subordinate Obligations

Fund shall secure such Senior Bonds and Subordinate Obligations, respectively, as shall be specified in a related Supplemental Indenture.

ARTICLE IV

DISPOSITION OF PROCEEDS; PROJECT FUND

Section 4.01. Disposition of Series 2017 Bond Proceeds; Direction to Create Redemption Fund for the Refunding of the Series 2006 Bonds

(a) The proceeds of the Series 2017A Bonds in the amount of $45,700,047.95 (representing the par amount of the Series 2017A Bonds after deduction of an original issue discount of $217,577.05 and an underwriter's discount of $1,177,375), upon the receipt thereof by the Trustee, together with $3,399,000 on deposit in the 2006A Reserve Account and $1,700,000 on deposit in the Series 2006A Interest Subaccount, Series 2006A Principal Subaccount, the Credit PIF Revenue Account and the Non-PIF Revenue Account held under the Original Indenture, shall be immediately deposited in the following manner:

(i) $30,754,393.56 shall be applied to pay and redeem all of the Series 2006A Bonds on the Issue Date of the Series 2017A Bonds;

(ii) $1,048,318.84 shall be deposited to the credit of the Costs of Issuance Fund to pay the costs of issuance in connection with the Series 2017A Bonds;

(iii) $3,409,143.75, which is the Senior Reserve Requirement for the Series 2017A Bonds, shall be deposited to the credit of the Series 2017A Reserve Subaccount of the Senior Reserve Fund.

(iv) $15,587,191.80 shall be applied to pay and redeem on the Issue Date of the Series 2017 Bonds $8,960,000 of the outstanding principal amount of the Series 2007A Subordinate Bonds and $6,627,191.80 of accrued and unpaid interest thereon to the redemption date.

(b) The proceeds of the Series 2017B Bonds in the amount of $2,116,278.60 (representing the par amount of the Series 2017B Bonds after deduction of an original issue discount of $9,221.40 and an underwriter's discount of $54,500), upon the receipt thereof by the Trustee, together with $178,000 on deposit in the 2006B Reserve Account and $658,000 on deposit in the Series 2006B Interest Subaccount, Series 2006B Principal Subaccount, the Add-On PIF Revenue Account and the Non-PIF Revenue Account held under the Original Indenture, shall be immediately deposited in the following manner:

(i) $1,626,341.75 shall be applied to pay and redeem all of the Series 2006B Bonds on the Issue Date of the Series 2017B Bonds;

(ii) $53,065.95 shall be deposited to the credit of the Costs of Issuance Fund to pay the costs of issuance in connection with the Series 2017B Bonds;

(iii) $163,500, which is the Senior Reserve Requirement for the Series 2017B Bonds, shall be deposited to the credit of the Series 2017B Reserve Account of the Senior Reserve Fund.

(iv) $1,109,370.90 shall be applied to pay and redeem on the Issue Date of the Series 2017 Bonds $650,000 of the outstanding principal amount of the Series 2007B Subordinate Bonds and $459,370.90 of accrued and unpaid interest thereon to the redemption date.

(c) Following the foregoing deposits, on the Issue Date of the Series 2017 Bonds the Trustee shall transfer (i) any amounts remaining on deposit in the 2006A Reserve Account, the Series 2006A Interest Subaccount, the Series 2006A Principal Subaccount and the Series 2006A Sinking Fund Subaccount held under the Original Indenture into the Series 2017A Interest Subaccount, (ii) any amounts remaining on deposit in the 2006B Reserve Account, the Series 2006B Principal Subaccount and the Series 2006B Sinking Fund Subaccount held under the Original Indenture into the Series 2017B Interest Subaccount; and (iii) any amounts on deposit in the Redemption Account of the Surplus Fund held under the Original Indenture into the Revenue Fund.

Section 4.02. Project Fund

(a) There is hereby created and established the Project Fund which shall be maintained by the Trustee in accordance with the terms hereof. There is hereby also established the Primary Improvements Project Account and the Park and Recreation Primary Improvements Project Account each of which shall be maintained as a separate and segregated account within the Project Fund. In connection with the issuance of Additional Bonds issued to finance Costs of the Project, the Trustee shall create and establish additional separate accounts or subaccounts within the Project Fund identified by the appropriate Series designation to provide for the receipt and disbursement of proceeds of Additional Bonds; provided, however, that subject to Section 5.01(c), unless otherwise specifically provided by a Supplemental Indenture pursuant to which such Additional Bonds are issued, such separate accounts shall not affect the rights of the Owners of the Bonds with respect to moneys in the Project Fund.

(b) (i) Subject to Section 5.06(f) hereof with respect to the Park and Recreation Primary Improvements, the proceeds of a Series of Bonds deposited in the corresponding account or subaccounts of the Project Fund or moneys deposited in the accounts of the Project Fund pursuant to Sections 5.06(b) or 5.06(d) shall be expended to pay Costs of the Project related to the District Public Improvements, the Primary Public Improvements or Park and Recreation Primary Improvements, as applicable.

(ii) Subject to subsection (iii) hereof, each payment from the applicable account of the Project Fund shall be made only upon receipt by the Trustee of:

(A) a requisition signed by an Issuer Representative in the form set forth in **Exhibit E** hereto or in the related Supplemental Indenture, as applicable; and

(B) a copy of any invoice relating to the requested payment (except that, with respect to attorney and other consultant fees to be paid by the Issuer, a summary of services rendered rather than an itemized invoice may be submitted).

(iii) If the requisition submitted by the Issuer Representative designates the Costs of the Projects as being incurred for a Primary Public Improvement or a Park and Recreation Public Improvement, then

(A) the Trustee shall submit a copy of such requisition, together with any documentation required by this Indenture to accompany such requisition, to the City Manager and the Finance Director on or prior to the 25th day of the month preceding the month in which the disbursement is to be made. The Trustee and the Issuer shall provide to the City Manager and the Finance Director additional information requested by them pertaining to such requisition in order to verify that the amounts requested in the requisition are being applied to pay or reimburse the Costs of the Primary Public Improvements or the Park and Recreation Primary Public Improvements, as applicable, authorized by the Comprehensive Agreement;

(B) upon receipt of the requisition and any requested additional information pursuant to paragraph (A) above, the City Manager or the Finance Director shall have until the later of (1) ten (10) Business Days after the 25th day of the month, or (2) ten (10) Business Days after the receipt of any such requested additional information, to delivery to the Trustee, with a copy thereof to the Issuer, a written objection to all or any portion of the requested disbursements in the related requisition or an objection to the allocation of the amount requested in such requisition to the payment or reimbursement of the Costs of Primary Public Improvements, or the Park and Recreation Primary Public Improvements, as applicable, together with a detailed explanation of the basis upon which the City Manager or the Finance Director, as the case may be, objects to the validity of all or a portion of the amounts requested in the requisition or allocation of such amounts. The Trustee shall not disburse any amounts requested in such requisition until the time period set forth in this paragraph (B) for the City's review of the requisition has expired. If the Trustee receives a timely objection from the City Manager or Finance Director it may disburse any funds that were not subject to dispute, but shall not disburse any funds that are subject to dispute pending resolution of the dispute, except as provided in paragraph (C) below. If the City Manager or Finance Director does not deliver a timely written objection to such requisition request as set forth above, the Trustee may disburse the funds requested in the requisition;

(C) the Trustee may disburse any funds that are subject to a dispute if (A) the Trustee determines that the amount of net proceeds of a Series Bonds remaining on deposit in the related account of the Project Fund after such disbursement will be at least equal to the amount of the disputed disbursement, and (B) if the Trustee thereafter segregates or sets aside in a separate subaccount

net proceeds of such Bonds in an amount equal to the amount in dispute. The amount so segregated or set aside by the Trustee shall not be disbursed by the Trustee or released to pay or reimburse other costs until such dispute has been resolved. If the parties have not satisfactorily resolved any such dispute within ten (10) Business Days from the date when the Trustee and the Issuer received the timely objection from the City in accordance with paragraph (c)(ii) above then, unless another dispute resolution method is agreed upon by the Issuer Representative and the City Manager within the following five (5) Business Days, the Issuer Representative and the City Manager shall jointly select an independent engineer to resolve the dispute, and the independent engineer's determination regarding Costs of the Projects shall be final and binding on the parties.

(iv) The Trustee may disburse amounts on deposit in the Project Fund pursuant to requisitions designating the Costs of the Projects as being incurred for a Primary Public Improvement or the Park and Recreation Primary Public Improvements, as applicable, not more frequently than once a month.

(v) The Trustee is hereby authorized and directed to issue its checks on the accounts of the Project Fund for each payment as requested pursuant to subsection (b)(ii), and the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon the certified requisition of the Issuer. The Trustee shall not be bound to make any investigation into the facts or matters stated in any certificate or requisition and shall not be responsible to collect lien waivers.

(vi) If the Senior Bonds are to be secured by a lien on all or any portion of the Shared Revenue and to the extent limited by the Comprehensive Agreement, the Issuer and the Trustee shall not be entitled to apply any proceeds of the Primary Public Improvements Bonds to finance or refinance all or any portion of a Primary Public Improvement the design, acquisition or construction of which commenced after December 31, 2035. The foregoing limitation does not apply to Bonds that refund all or a portion of the Bonds or other obligations of the Issuer which comply with such limitation.

(c) The Trustee shall keep and maintain adequate records pertaining to each account and subaccount of the Project Fund and all payments to and therefrom, which shall be open to inspection by the Issuer and the City during normal business hours of the Trustee. Reports of all disbursements from the accounts and subaccounts of the Project Fund shall be prepared and distributed by the Trustee to the Issuer and the City monthly, which reports shall set forth, among other matters, the total disbursements made from each account and subaccount of the Project Fund related to the Primary Public Improvements, District Public Improvements or Park and Recreation Primary Improvements, as applicable. Upon the payment of all Costs of the Project related to Primary Public Improvements, District Public Improvements or Park and Recreation Primary Improvements, as applicable, financed with the proceeds of a Series of Bonds payable from the related Project Fund account and subaccount, as evidenced by a certificate of the Issuer filed with the Trustee, the Trustee shall file a statement of income and disbursements with respect to that Project Fund account or subaccount with the Issuer and, subject to the provisions of subparagraph (d) of this Section 4.02 and Section 5.01(c), shall transfer any remaining moneys in such Project Fund account or subaccount, at the Issuer's

direction, to the Senior Bond Fund to be used to pay principal of, premium, if any, and interest on the related Series of Bonds, or to the Issuer to be applied to pay capital costs permitted by law, the Service Plan and, if applicable, the Comprehensive Agreement.

(d) Upon the occurrence and continuance of an Event of Default hereunder and the exercise by the Trustee of the remedies provided in Article IX, the Trustee shall cease disbursing moneys from the Project Fund and instead use any moneys in the Project Fund accounts as provided in Section 9.10 hereof.

(e) After all moneys on deposit in the accounts of the Project Fund have been disbursed in accordance with this Section in connection with the issuance of a Series of Bonds, the Trustee shall determine, based solely on requisitions received by the Trustee from the Issuer, the actual amount of proceeds of Bonds, together with investment earnings thereon, spent on Primary Public Improvements, Park and Recreation Primary Public Improvements and District Public Improvements (the "**Final Allocation of Proceeds**") and shall submit a copy thereof to the Issuer and to the City in accordance with Section 4.3(e)(iii) of the Comprehensive Agreement.

ARTICLE V

FUNDS AND ACCOUNTS

Section 5.01. Pledge of the Trust Estate; Pledged Revenue to Be Paid Over to Trustee; Limitations on Pledge and Use of Shared Revenue

(a) Subject only to the rights of the Issuer to apply amounts under the provisions of this Article V, a pledge of the Trust Estate to the extent provided herein is hereby made, and the same is pledged to secure the payment of the principal of, premium, if any, and interest on the Bonds and fees of the Trustee and any Credit Facility Provider. The pledge hereby made shall be valid and binding from and after the time of the delivery of the first Bond authenticated and delivered under this Indenture. Pursuant to the Supplemental Act the security so pledged and then or thereafter received by the Issuer shall immediately be subject to the lien of such pledge and the obligation to perform the contractual provisions hereby made shall have priority over any or all other obligations and liabilities of the Issuer with regard to the Trust Estate, to the extent provided herein, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer irrespective of whether such parties have notice thereof. The Bonds shall constitute an irrevocable lien upon the Pledged Revenue, but not necessarily an exclusive lien.

(b) The Issuer shall pay or cause the Pledged Revenue to be paid directly to the Trustee at least monthly. If, notwithstanding these arrangements, the Issuer receives any payments on account of the Comprehensive Agreement, the Sales Tax Sharing Agreement, the Cooperation Agreement, the Fee Resolutions, the Collection Agreement, or the Capital Pledge Agreement, the Issuer shall immediately pay over the same to the Trustee to be held as Pledged Revenue, except that while the PRI Obligations are outstanding under the documents pursuant to which they were issued, the PRI Credit PIF Revenue shall not be paid to the Trustee and instead

shall be deposited as provided in such documents. The Trustee shall deposit all Pledged Revenue, immediately upon receipt, into the Revenue Fund for application as provided in Section 5.02.

(c) Except for the PRI Credit PIF Revenue, no Shared Revenue shall be pledged or applied to the payment of the Park and Recreation Improvements Bonds issued hereunder or the Park and Recreation Primary Public Improvements. After the PRI Obligations are no longer outstanding under the documents pursuant to which they were issued, the PRI Credit PIF Revenue may be used only to pay capital costs of the Park and Recreation Primary Public Improvements and to pay Park and Recreation Improvements Bonds issued hereunder. The Shared General Fund Sales Tax Revenues and the Shared Sales Tax Incremental Revenues shall not be pledged or applied to the payment of the Series 2007 Subordinate Bonds.

Section 5.02. Revenue Fund; Funding of Debt Service Generally

(a) There is hereby established with the Trustee a Revenue Fund, which shall be maintained by the Trustee hereunder and which includes therein the following separate and segregated accounts and subaccounts which are hereby created and established:

(i) the Non-PIF Revenue Account;

(ii) the Add-On PIF Revenue Account;

(iii) the Shared Revenue Account; and

(iv) the Park and Recreation Credit PIF Revenue Account.

(b) The Trustee shall deposit all Pledged Revenue, immediately upon receipt, as follows:

(i) prior to the PRI Credit PIF Termination Date and after none of the PRI Obligations remain outstanding under the documents pursuant to which such PRI Obligations were issued, (x) into the Park and Recreation Credit PIF Revenue Account, the PRI Credit PIF Revenue and (y) into the Shared Revenue Account, all remaining Shared Revenue;

(ii) after the PRI Credit PIF Termination Date or while any PRI Obligations remain outstanding under the documents pursuant to which such PRI Obligations were issued, into the Shared Revenue Account, all Shared Revenue;

(iii) into the Add-On PIF Revenue Account, all Add-On PIF Revenue; and

(iv) into the Non-PIF Revenue Account, all remaining Pledged Revenue.

(c) When making deposits in any account or subaccount to pay interest or principal due on any Bond hereunder, the Trustee shall take into account any deficiency in

required deposits in such account or subaccount in prior months, including without limitation accrued but unpaid interest, if any, and unpaid principal and any such deposits shall be made in the amounts necessary to fund such prior deficiency to the extent the Pledged Revenue is available therefor.

Section 5.03. Non-PIF Revenue Account

(a) Ten (10) days prior to each Interest Payment Date, the Trustee shall make transfers from the Non-PIF Revenue Account in the Revenue Fund to the following Funds and accounts in the amounts and in the order or priority as set forth below:

(i) **First**, to the applicable subaccounts of the Primary Improvements Issuer Account, the District Improvements Issuer Account and the Park and Recreation Improvements Issuer Account of the Senior Bond Fund, on a pro-rata basis in an amount equal to (i) the interest estimated to become due on the Outstanding Senior Bonds in the current Fiscal Year, less any amounts on deposit in each such subaccount, including any deposits from capitalized interest, (ii) the principal due on the Outstanding Senior Bonds in the current Fiscal Year, whether pursuant to maturity, any scheduled optional redemption or mandatory sinking fund redemption established for such Senior Bonds pursuant to this Indenture, the applicable Credit Agreement or otherwise, less any amounts on deposit in each such subaccount, and (iii) any amounts then due to reimburse a Credit Facility Provider for any payments of principal or interest made under a Credit Facility (except a Credit Facility provided for purposes of Section 5.09(e)) with respect to one or more Series of Outstanding Senior Bonds;

(ii) **Second**, to the Rebate Fund, until the amount therein shall equal the requisite rebate amount for all Senior Bonds calculated by the Issuer as provided in Section 5.08;

(iii) **Third**, to the accounts in the Senior Reserve Fund, on a pro-rata basis the amount necessary, if any, for the amount on deposit therein to equal then applicable Senior Reserve Requirement for each Series of Senior Bonds and to the Credit Facility Provider, if any, providing a Credit Facility in accordance with the provisions of Section 5.09(e), any amounts then due to reimburse such Credit Facility Provider for any payments of principal or interest made under a Credit Facility and to pay any fees due to such Credit Facility Provider; and

(iv) **Fourth**, to the Subordinate Obligations Fund, until the amount therein shall equal the amounts due or becoming due on any Subordinate Obligations in the current Fiscal Year, less any amounts on deposit in such Fund.

(b) The balance of amounts remaining in the Non-PIF Revenue Account following the foregoing distributions made ten (10) days before December 15 of each year shall be deposited in the Surplus Fund.

Section 5.04. Add-On PIF Revenue Account

(a) Following the disbursements from the Non-PIF Revenue Account pursuant to Section 5.03 hereof, ten (10) days prior to each Interest Payment Date, the Trustee shall make transfers from the Add-On PIF Revenue Account in the Revenue Fund to the following Funds and accounts in the amounts and in the order or priority as set forth below:

(i) **First**, to the applicable subaccounts of the District Improvements Issuer Account of the Senior Bond Fund, to the extent of any deficiency therein to pay interest and principal due on the District Improvements Bonds during the current Fiscal Year and any amounts then due to reimburse a Credit Facility Provider for any payments of principal or interest made under a Credit Facility (except a Credit Facility provided for purposes of Section 5.09(e)) with respect to the District Improvements Bonds;

(ii) **Second**, (x) to the applicable subaccounts of the Primary Improvements Issuer Account of the Senior Bond Fund, following disbursements into such subaccounts from the Shared Revenue Account pursuant to Section 5.05(a)(i), to the extent of any deficiency in said subaccounts to pay interest and principal due on the Primary Improvements Bonds during the current Fiscal Year and any amounts then due to reimburse a Credit Facility Provider for any payments of principal or interest made under a Credit Facility (except a Credit Facility provided for purposes of Section 5.09(e)) with respect to the Primary Improvements Bonds, and (y) to the Shared Revenue Account to reimburse for any amounts transferred from the Shared Revenue Account to the District Improvements Issuer Account pursuant to clause (x) of Section 5.05(a)(ii), net of any amounts transferred under clause (x) of this paragraph;

(iii) **Third**, to the Rebate Fund, in the amount of any deficiency therein, in the event moneys in the Non-PIF Revenue Account are not sufficient to fund such Fund in the required amount;

(iv) **Fourth**, to the accounts in the Senior Reserve Fund related to a Series of the District Improvement Bonds, in the amount of any deficiency therein, in the event moneys in the Non-PIF Revenue Account are not sufficient to fund such accounts in the amount of applicable Senior Reserve Requirement;

(v) **Fifth**, to the accounts in the Senior Reserve Fund related to any other Series of Senior Bonds on a pro-rata basis, in the amount of any deficiency therein following disbursements into such accounts under Sections 5.03(a)(iii), 5.05(a)(iv) and 5.06(c)(iii);

(vi) **Sixth**, to the applicable subaccounts of the Park and Recreation Improvements Issuer Account, following disbursement into such subaccounts from the Park and Recreation PIF Revenue Account pursuant to Section 5.06(c)(i), to the extent of any deficiency in said subaccounts to pay interest and principal due on the Park and Recreation Improvements Bonds during the current Fiscal Year and any amounts then due to reimburse a Credit Facility Provider for any payments of principal or interest made

under a Credit Facility (except a Credit Facility provided for purposes of Section 5.09(e)) with respect to the Park and Recreation Improvements Bonds;

(vii) **Seventh**, to the Shared Revenue Account, to reimburse for any amounts transferred under Section 5.05(a)(iv), net of any amounts transferred to the Shared Revenue Account under subsection (a)(v) of this Section;

(viii) **Eighth**, to the Accounts of the Administrative Costs Fund, to the extent required to pay expenses described in Section 5.10;

(ix) **Ninth**, to the Operation and Maintenance Reserve Account of the Surplus Fund in the amount equal to the lesser of (i) $200,000 or (ii) the deficiency between the amount on deposit in such account and the Operation and Maintenance Reserve Requirement; and

(x) **Tenth**, to the Subordinate Obligations Fund, to the extent of any deficiency therein following disbursements into such Fund under Sections 5.03(a)(vi) and 5.05(a)(v).

(b) The balance of amounts remaining in the Add-On PIF Revenue Account following the foregoing distributions made ten (10) days before December 15 of each year shall be deposited in the Surplus Fund.

Section 5.05. Shared Revenue Account

(a) Following the disbursements from the Non-PIF Revenue Account pursuant to Section 5.03, ten (10) days prior to each Interest Payment Date, the Trustee shall make transfers from the Shared Revenue Account in the Revenue Fund to the following Funds and accounts in the amounts and in the order or priority as set forth below:

(i) **First**, to the applicable subaccounts of the Primary Improvements Issuer Account of the Senior Bond Fund, to the extent of any deficiency therein to pay interest and principal due on the Primary Improvements Bonds during the current Fiscal Year and any amounts then due to reimburse a Credit Facility Provider for any payments of principal or interest made under a Credit Facility (except a Credit Facility provided for purposes of Section 5.09(e)) with respect to the Primary Improvements Bonds;

(ii) **Second**, (x) to the applicable subaccounts of the District Improvements Issuer Account of the Senior Bond Fund, following disbursements into such subaccounts from the Add-On PIF Revenue Account pursuant to Section 5.04(a)(i), to the extent of any deficiency in said subaccounts to pay interest due and principal due on the District Improvements Bonds during the current Fiscal Year and any amounts then due to reimburse a Credit Facility Provider for any payments of principal or interest made under a Credit Facility (except a Credit Facility provided for purposes of Section 5.09(e)) with respect to the District Improvements Bonds, and (y) to the Add-On PIF Revenue Account to reimburse for any amounts transferred from the Add-On PIF Revenue Account to the Primary Improvements Issuer Account pursuant to clause (x) of Section 5.04(a)(ii), net of any amounts transferred under clause (x) of this paragraph;

(iii) **Third** to the accounts in the Senior Reserve Fund related to a Series of the Primary Improvements Bonds, in the amount of any deficiency therein, in the event moneys in the Non-PIF Revenue Account are not sufficient to fund such accounts in the amount of applicable Senior Reserve Requirement;

(iv) **Fourth**, to the accounts in the Senior Reserve Fund related to any other Series of Senior Bonds on a pro-rata basis, in the amount of any deficiency therein following disbursements into such accounts under Sections 5.04(a)(iv) and 5.06(c)(iii); and

(v) **Fifth**, to the Subordinate Obligations Fund, in the amount equal to the product of (A) the amount of deficiency therein multiplied by (B) the ratio in which the numerator is the principal amount of Subordinate Obligations issued to finance Primary Public Improvements and the denominator is the total amount of all Outstanding Subordinate Obligations; provided, however, that while the Series 2007 Subordinate Bonds are Outstanding, such deposit shall be made solely from the Credit PIF Revenue as the Shared General Fund Sales Tax Revenues and the Shared Sales Tax Incremental Revenue are not pledged to the payment of the Series 2007 Subordinate Bonds.

(b) For purposes of complying with the proviso in Section 5.05(a)(v) and identifying the nature of Shared Revenue on deposit in the Shared Revenue Account, the Trustee shall create additional subaccounts in the Shared Revenue Account into which it shall deposit the Shared Sales Tax Incremental Revenue, the Shared General Fund Sales Tax Revenues, and the Credit PIF Revenue, as applicable, and for purposes of transfers described in Section 5.05(a)(i) through (a)(iv) above, it shall first apply amounts on deposit in such subaccounts in the following order of priority: first, it shall apply amounts of deposit in the Shared Sales Tax Incremental Revenue subaccount, second, in the Shared General Fund Sales Tax Revenues subaccount, and third, in the Credit PIF Revenue subaccount.

(c) Notwithstanding anything herein to the contrary, amounts on deposit in the Shared Revenue Account shall not be applied to fund debt service on the Park and Recreation Improvements Bonds or any reserve fund or account created to secure such bonds.

(d) The balance of amounts remaining in the Shared Revenue Account following the foregoing distributions made ten (10) days before December 15 of each year shall be deposited in the Shared Revenue Redemption Subaccount of the Redemption Account of the Surplus Fund.

(e) The Trustee shall maintain proper written records of all deposits and disbursements from the Shared Revenue Account, including disbursements made to the District Improvements Issuer Account pursuant to subsection (a)(ii) above which have not been reimbursed pursuant to Section 5.04(a)(ii) subject to the inspection of the Issuer and the City and their representatives during Trustee's normal business hours and shall distribute such records to the Issuer and the City annually after each principal payment date. At the end of the Credit PIF Period the Trustee shall prepare final accounting of all deposits and disbursements from the Shared Revenue Account and the Primary Improvements Project Account and shall deliver such final accounting records to the Issuer and the City.

Section 5.06. Park and Recreation Credit PIF Revenue Account

(a) The provisions of this Section 5.06 shall not apply while any PRI Obligations remain outstanding under the documents pursuant to which such PRI Obligations were issued.

(b) Prior to the issuance of the Park and Recreation Improvements Bonds or at any time when no Park and Recreation Improvements Bonds remain Outstanding, but in either case prior to the PRI Credit PIF Termination Date, moneys in the Park and Recreation Credit PIF Revenue Account shall be credited upon receipt to the Park and Recreation Primary Improvements Project Account and, subject to subsection (f) below, shall be available for disbursement to the Issuer in accordance with Section 4.02(b).

(c) After the issuance of the Park and Recreation Improvements Bonds and while any such Senior Bonds are Outstanding, following the disbursements from the Non-PIF Revenue Account pursuant to Section 5.03, ten (10) days prior to each Interest Payment Date, the Trustee shall make transfers from the Park and Recreation Credit PIF Revenue Account in the Revenue Fund to the following Funds and accounts in the amounts and in the order or priority as set forth below:

(i) **First**, to the applicable subaccounts of the Park and Recreation Improvements Issuer Account of the Senior Bond Fund, to the extent of any deficiency therein to pay interest and principal due on the Park and Recreation Improvements Bonds during the current Fiscal Year and any amounts then due to reimburse a Credit Facility Provider for any payments of principal or interest made under a Credit Facility (except a Credit Facility provided for purposes of Section 5.09(e)) with respect to the Park and Recreation Improvements Bonds;

(ii) **Second**, to the Add-On PIF Revenue Account, to reimburse for any amounts transferred from the Add-On PIF Revenue Account to the Park and Recreation Improvements Issuer Account pursuant to Section 5.04(a)(vi); and

(iii) **Third**, to the accounts in the Senior Reserve Fund related to the Park and Recreation Improvements Bonds, in the amount of any deficiency therein, in the event moneys in the Non-PIF Revenue Account are not sufficient to fund such accounts in the amount of applicable Senior Reserve Requirement.

(d) Subject to subsection (f) below, the balance of amounts remaining in the Park and Recreation Credit PIF Revenue Account following the foregoing distributions made ten (10) days before December 15 of each year shall be deposited in the Park and Recreation Project Account of the Project Fund and shall be available for disbursement to the Issuer in accordance with Section 4.02(b).

(e) The Trustee shall maintain proper written records of all deposits and disbursements from the Park and Recreation Credit PIF Revenue Account, including all amounts credited or transferred to the Park and Recreation Project Account, subject to the inspection of the Issuer and the City and their representatives during Trustee's normal business hours and shall distribute such records to the Issuer and the City annually after December 15 of each year. Upon

the earlier to occur (i) the end of the Credit PIF Period or (ii) the PRI Credit PIF Termination Date, the Trustee shall prepare final accounting of all deposits and disbursements from the Park and Recreation Credit PIF Revenue Account and the Park and Recreation Primary Improvements Project Account and shall deliver such final accounting records to the Issuer and the City.

(f) Notwithstanding anything herein to the contrary, no deposits of PRI Credit PIF Revenues shall be made into the Park and Recreation Credit PIF Revenue Account after the PRI Credit PIF Termination Date.

Section 5.07. Senior Bond Fund

(a) There is hereby established with the Trustee a Senior Bond Fund, which shall include therein the following separate and segregated accounts and subaccounts which are hereby created and established:

(i) the "**Primary Improvements Issuer Account**" and within such account, separate and segregated subaccounts designated the "**Series 2017A Interest Subaccount**" and "**Series 2017A Principal Subaccount**;"

(ii) the "**District Improvements Issuer Account**" and within such account, separate and segregated subaccounts designated the "**Series 2017B Interest Subaccount,**" and "**Series 2017B Principal Subaccount**;"

(iii) the "**Park and Recreation Improvements Issuer Account**;" and

(iv) the "**Credit Facility Account**."

(b) There shall be deposited into the Primary Improvements Issuer Account, District Improvements Issuer Account and Park and Recreation Improvements Issuer Account of the Senior Bond Fund such amounts as provided in Sections 5.03, 5.04, 5.05, 5.06, 5.09, 5.11(d) and 5.13. The Trustee shall make moneys in the foregoing accounts available to the Paying Agent or Agents, to pay (i) the principal or redemption price of related Series of Senior Bonds as they mature or become due, upon surrender thereof; (ii) the interest on related Series of Senior Bonds as it becomes payable; and (iii) any amounts due to reimburse a Credit Facility Provider for any payments of principal or interest made under a Credit Facility (except a Credit Facility provided for purposes of Section 5.09(e)) with respect to the related Series of Senior Bonds. Principal on a Series of Senior Bonds shall be paid with money on deposit in the related principal subaccount of the Senior Bond Fund and interest on a Series of Senior Bonds shall be paid with money on deposit in the related interest subaccount of the Senior Bond Fund. In the event of any deficiency in the accounts of the Senior Bond Fund to make the required debt service payments on the related Series of Senior Bonds, such deficiency shall be funded first from amounts on deposit in the Surplus Fund, and second, from the related account of the Senior Reserve Fund.

(c) There shall be deposited, from time to time, into the Credit Facility Account, all moneys drawn by the Trustee under a Credit Facility, if any, to pay principal, purchase price or redemption price of and interest on a Series of the Senior Bonds, which moneys shall be applied for such purposes as provided in such Credit Facility.

(d) In addition to the transfers provided in Sections 5.03, 5.04, 5.05, 5.06, 5.09, 5.11(d) and 5.13, there shall be deposited into any account established in the Senior Bond Fund pursuant to the provisions of any Supplemental Indenture executed in connection with the issuance of any Senior Bonds such amounts from other sources as shall be provided therein to pay the principal of, premium, if any, and interest on such Senior Bonds on the dates and otherwise as provided in such Supplemental Indenture.

(e) Moneys deposited in the Senior Bond Fund from sources other than investment earnings on any account created therein shall be spent within a 13-month period beginning on the date of deposit, and any amount received from the investment of money held in or transferred to any fund created or permitted herein shall be spent within one year beginning on the date of receipt. For purposes of this provision, money deposited in any account or subaccount of the Senior Bond Fund shall be deemed spent on a first-in, first-out basis.

(f) The Trustee shall use money deposited in the principal subaccounts to purchase or redeem Senior Bonds as required hereunder or under a Supplemental Indenture.

(g) In respect of the Series 2017A Bonds maturing December 15, 2027, the Trustee shall apply from the Series 2017A Principal Subaccount the following amounts to the redemption by lot on December 15 in each of the years specified below at the redemption price equal to par plus accrued interest:

Year (December 15)	Amount
2018	$ 195,000
2019	690,000
2020	800,000
2021	885,000
2022	955,000
2023	1,015,000
2024	1,090,000
2025	1,165,000
2026	1,250,000
2027	1,325,000*

* Maturity Date.

(h) In respect of the Series 2017A Bonds maturing December 15, 2041, the Trustee shall apply from the Series 2017A Principal Subaccount the following amounts to the redemption by lot on December 15 in each of the years specified below at the redemption price equal to par plus accrued interest:

Year (December 15)	Amount
2028	$1,415,000
2029	1,515,000
2030	1,625,000
2031	1,735,000
2032	1,860,000
2033	1,975,000
2034	2,115,000
2035	2,250,000
2036	2,615,000
2037	2,780,000
2038	3,305,000
2039	3,675,000
2040	3,910,000
2041	6,950,000*

* Maturity Date.

In respect of the Series 2017B Bonds, the Trustee shall apply from the Series 2017B Principal Subaccount the following amounts to the redemption by lot on December 15 in each of the years specified below at the redemption price equal to par plus accrued interest:

Year (December 15)	Amount
2018	$ 10,000
2019	30,000
2020	40,000
2021	40,000
2022	45,000
2023	50,000
2024	55,000
2025	55,000
2026	60,000
2027	65,000
2028	70,000
2029	75,000
2030	80,000
2031	85,000
2032	90,000
2033	100,000
2034	105,000

2035	110,000
2036	130,000
2037	140,000
2038	165,000
2039	180,000
2040	190,000
2041	210,000*

* Maturity Date.

The Trustee shall anticipate such deposits for the purpose of giving notice of redemption. At the option of the Issuer, to be exercised by delivery of a written certificate to the Trustee on or before the 45th day next preceding any sinking fund redemption date, it may (i) deliver to the Trustee for cancellation Series 2017 Bonds or portions thereof (in Authorized Denominations), in an aggregate principal amount desired by the Issuer or (ii) direct the Trustee to apply moneys from time to time available or required to be deposited in the applicable principal subaccount to the purchase of the related Series 2017 Bonds at prices not higher than par plus accrued interest, provided that firm purchase commitments can be made. Each such Series 2017 Bond or portion thereof of the same Series and maturity so delivered or purchased, in addition to any Series 2017 Bonds or portions thereof of the same Series and maturity (in Authorized Denominations), which prior to said date have been redeemed (other than through the operation of the sinking fund) and canceled by the Trustee at the request of the Issuer and not theretofore applied as a credit against any sinking fund redemption obligation, shall be credited by the Trustee, at one hundred percent (100%) of the principal amount thereof, in such order as shall be specified in writing by the Issuer so as to maintain an approximately level schedule of debt service, against all subsequent sinking fund redemptions of the related maturity and Series of Series 2017 Bonds and the deposits described above for the related maturity and Series of Series 2017 Bonds shall be reduced, in such order, by such amounts.

Section 5.08. Rebate Fund

(a) There is hereby created with the Trustee the Rebate Fund, the moneys in which shall be applied as provided herein. The Rebate Fund shall not be part of the Trust Estate. The Trustee shall, if so directed by the Issuer Representative, establish separate accounts in the Rebate Fund with respect to any Series of Bonds.

(b) The Issuer shall make all requisite rebate calculations with respect to the applicable Series of Bonds, and the Trustee shall deposit the resulting rebate amount from Pledged Revenue into the Rebate Fund in accordance with Sections 5.03, 5.04, 5.05 and 5.06. With respect to the Series 2017 Bonds, the Trustee shall invest the amounts on deposit in the Rebate Fund and shall deposit income from said investments immediately upon receipt thereof in the Rebate Fund, all as set forth in the Tax Certificate relating to the Series 2017 Bonds.

(c) Amounts in the Rebate Fund relating to any Series of Tax-Exempt Bonds shall be disbursed and expended in accordance with the provisions hereof and of the Tax Certificate relating to such Series. The Issuer shall make the computations described in the Tax Certificates for the Tax-Exempt Bonds. If a withdrawal from the Rebate Fund is permitted as a

result of such computations, the amount withdrawn shall be deposited in the Non-PIF Revenue Account.

The Trustee shall make payments to the United States, from the moneys on deposit in the Rebate Fund, at the times and in the amounts specified in the Tax Certificates. No later than 60 days after the final retirement of any Series of Tax-Exempt Bonds, the Trustee shall pay to the United States the balance of any payments required from the Rebate Fund, which shall remain in existence for such period of time as is necessary for such final payment to be made. Each payment shall be accompanied by a copy of the Internal Revenue Form 8038G originally filed with respect to such Series of Tax-Exempt Bonds and a statement summarizing the determination of the amount to be paid to the United States. The Issuer and the Trustee reserve the right, in all events, to pursue such remedies and procedures as are available to it in order to assert any claim of over-payment of any rebated amounts.

(d) The Tax Certificate entered into with respect to any Series of Tax-Exempt Bonds may be superseded or amended by a new Tax Certificate drafted by, and accompanied by an opinion of, Bond Counsel addressed to the Issuer and the Trustee to the effect that the use of moneys as provided in said new Tax Certificate will not cause the interest on any Tax-Exempt Bonds to be includable in the gross income of the recipients thereof for purposes of federal income taxation.

(e) Records of the determinations required by this Section 5.08 and the applicable Tax Certificate must be retained by the Issuer until four years after the final retirement of the respective Series of Tax-Exempt Bonds and any Refunding Bonds issued to refund such Series of Tax-Exempt Bonds, or such longer period as may be required by law.

Section 5.09. Senior Reserve Fund

(a) There is hereby created with the Trustee a Senior Reserve Fund, which shall be maintained hereunder by the Trustee as a debt service reserve for the payment of the principal of and interest on the Senior Bonds. There is hereby established with the Trustee within the Senior Reserve Fund separate and segregated accounts, to be designated the "**Series 2017A Reserve Account**" and the "**Series 2017B Reserve Account**." The Supplemental Indenture may provide for additional accounts in the Senior Reserve Fund in connection with the issuance of Senior Bonds.

(b) Any transfers to the specific account in the Senior Reserve Fund pursuant to Sections 4.01(a), 4.01(b), 5.03(a)(iii), 5.04(a)(iv) and (v), 5.05(a)(iii) and (iv) or 5.06(c)(iii) shall be deposited by the Trustee into such account. Any transfers to the Senior Reserve Fund pursuant to any other section hereof or a Supplemental Indenture shall be allocated by the Trustee to the deficient accounts of the Senior Reserve Fund on a pro-rata basis.

(c) Any moneys at any time in the applicable account of the Senior Reserve Fund in excess of the applicable Senior Reserve Requirement with respect to such Series of Senior Bonds, including investment earnings derived from amounts on deposit in the Senior Reserve Fund, may (and as may be necessary to comply with the covenants set forth in Section

8.15 shall) be withdrawn therefrom and transferred to the Senior Bond Fund for payment of the principal of and interest on the related Series of Senior Bonds.

(d) On any required payment date of any Series of Senior Bonds, if there shall not be on deposit in the Senior Bond Fund the full amount necessary to pay the debt service requirements on such Series of Senior Bonds becoming due on such date, then on such date an amount equal to such deficiency (less any amounts transferred from the Surplus Fund to the Senior Bond Fund to make up such deficiency) shall be transferred from the related account in the Senior Reserve Fund into the applicable accounts of the Senior Bond Fund. The moneys and the proceeds in the Senior Reserve Fund shall be maintained as a continuing reserve to be used only to prevent deficiencies in the payment of the debt service requirements coming due on the related Series of Senior Bonds resulting from the failure to timely deposit into the Senior Bond Fund sufficient funds to pay such amounts as the same become due. Any deficiencies in the Senior Reserve Requirement shall be restored as provided in Sections 5.03, 5.04, 5.05 and 5.06.

(e) The Senior Reserve Requirement, if any, for any Series of Senior Bonds may be satisfied by a deposit of moneys or a Credit Facility, and any form of such deposit may be exchanged for any other permitted form of an equivalent amount; provided however, (i) that obligations backed by the provider of a Credit Facility deposited in the Senior Reserve Fund are rated at least A by Moody's and at least A by S&P; (ii) that prior to the expiration of any Credit Facility in any account of the Senior Reserve Fund, another Credit Facility of equivalent credit quality is provided and, if such replacement Credit Facility is unavailable, such Senior Reserve Requirement will be funded on a scheduled basis or at one time prior to expiration of the existing Credit Facility; and (iii) if the terms of a Credit Facility deposited in the Senior Reserve Fund prohibit replenishment after draw-down, the Issuer shall provide an additional Credit Facility or sufficient funds to ensure satisfaction of the Senior Reserve Requirement.

Section 5.10. Administrative Costs Fund

There is hereby established with the Trustee an Administrative Costs Fund and within such Fund separate and segregated accounts designated "**Trustee Fees Account**" and "**Credit Facility Provider Fee Account**." All moneys deposited in accounts of the Administrative Costs Fund shall be applied by the Trustee, at the direction of an Issuer Representative, to pay fees of the Trustee and any Credit Facility Provider (except fees relating to a Credit Facility provided for purposes of Section 5.09(e)), if any, as the same become due and payable.

Section 5.11. Subordinate Obligations Fund

(a) There is established with the Trustee a Subordinate Obligations Fund, to which the Trustee shall deposit each of the payments required by Sections 5.03, 5.04, 5.05 and 5.06 hereof, and any moneys paid to the Trustee under this Indenture for credit or transfer to the Subordinate Obligations Fund. Moneys in the Subordinate Obligations Fund shall be applied to pay (i) the principal or redemption price of Subordinate Obligations as they mature or become due upon prior redemption, (ii) the interest on Subordinate Obligations as it becomes payable, and (iii) related reserves therefor, all as specified herein or in a Supplemental Indenture

establishing a Series of Subordinate Obligations, which Subordinate Obligations Fund shall be maintained by the Trustee hereunder.

(b) In connection with the original issuance of the Series 2007 Subordinate Bonds, under the Original Indenture there were previously established with the Trustee within the Subordinate Obligations Fund the following separate and segregated accounts and subaccounts which shall continue to be maintained by the Trustee hereunder:

(i) the "**Subordinate Primary Improvements Issuer Account**" and within such account, separate and segregated subaccounts designated the "**Subordinate Series 2007A Interest Subaccount**" and the "**Subordinate Series 2007A Principal Subaccount**;"

(ii) the "**Subordinate District Improvements Issuer Account**," and within such account, separate and segregated subaccounts designated the "**Subordinate Series 2007B Interest Subaccount**" and the "**Subordinate Series 2007B Principal Subaccount**;" and

(iii) the "**Subordinate Reserve Account**" and within such account, separate and segregated subaccounts designated the "**Subordinate Series 2007A Reserve Subaccount**" and the "**Subordinate Series 2007B Reserve Subaccount**."

(c) Moneys deposited in the Subordinate Obligations Fund from the Shared Revenue Account pursuant to Section 5.05(a)(v) shall be applied only to fund debt service and related reserve fund accounts with respect to the Primary Improvements Bonds. Moneys deposited in the Subordinate Obligations Fund from the Add-On PIF Revenue Account pursuant to Section 5.04(a)(x) shall be applied only to fund debt service and related reserve fund accounts with respect to the District Improvements Bonds; provided, however, that if on any interest or principal payment date for the Outstanding Primary Improvements Bonds amounts on deposit in the related accounts of the Subordinate Obligations Fund are insufficient to make the required payment, the Trustee shall apply moneys transferred to the Subordinate Obligations Fund from the Add-On PIF Revenue Account, to the extent available, to make up such deficiency, subject to reimbursement of such Add-On PIF Revenue Account amounts from the first available amounts deposited in the Subordinate Obligations Fund from the Shared Revenue Account.

(d) Notwithstanding any other provision of this Indenture, any balances existing on any date in the Subordinate Obligations Fund or any account therein (except for reserve accounts) shall be transferred to any of the Funds or accounts, or used for the purposes, as and when needed to make up any deficiency in the Pledged Revenue required to make the payments set forth in paragraphs "first" through "fifth" of Section 5.03, provided, however, that any balances in the Subordinate Primary Improvements Issuer Account which were funded from the Shared Revenue Account shall be transferred to the Shared Revenue Account to be used as provided in Section 5.05 and any balances in the Subordinate District Improvements Issuer Account which were funded from the Add-On PIF Revenue Account shall be transferred to the Add-On PIF Revenue Account to be used as provided in Section 5.04.

(e) Subject to paragraphs (c) and (d) above, the Trustee shall deposit:

(i) ***First***, in the Subordinate Series 2007A Interest Subaccount and in the Subordinate Series 2007B Interest Subaccount an amount equal to the accrued and unpaid interest for prior Fiscal Years, if any, and the interest estimated to become due on the Series 2007A Subordinate Bonds and the Series 2007B Subordinate Bonds, respectively, in the current Fiscal Year, taking into account the amount of any deficiency in required deposits to such subaccounts in prior months, which deficiency was not made up with transfers from the Subordinate Reserve Account,

(ii) ***Second***, the Subordinate Series 2007A Principal Subaccount and the Subordinate Series 2007B Principal Subaccount, the principal due on the Series 2007A Subordinate Bonds and the Series 2007B Subordinate Bonds, respectively, in prior Fiscal Years, if any, and in the current Fiscal Year taking into account the amounts of any deficiency in required deposits to such subaccounts in prior months, which deficiency was not made up with transfers from the Subordinate Reserve Account, and

(iii) ***Third***, to the applicable subaccounts of the Subordinate Reserve Account, to the extent the amount therein is less than the Subordinate Reserve Requirement for a related Series of Subordinate Bonds.

(f) In respect of $31,650,000 of the principal amount of the Series 2007A Subordinate Bonds that will remain outstanding following redemption on the Issue Date of the Series 2017 Bonds of $8,960,000 in principal amount of the Series 2007A Subordinate Bonds, the Trustee shall apply from the Subordinate Series 2007A Principal Subaccount the following amounts to the redemption by lot on December 15 in each of the years specified below at the redemption price equal to par plus accrued interest (provided that amounts not paid in the prior years shall be paid first in the chronological order):

Year (December 15)	Amount	Year (December 15)	Amount
2017	$575,000	2025	$2,335,000
2018	$705,000	2026	$2,655,000
2019	$885,000	2027	$2,905,000
2020	$1,040,000	2028	$3,130,000
2021	$1,260,000	2029	$3,375,000
2022	$1,465,000	2030	$3,645,000
2023	$1,745,000	2031*	$3,930,000
2024	$2,000,000		

* Maturity Date.

In respect of $2,255,000 of the principal amount of the Series 2007B Subordinate Bonds that will remain outstanding following redemption on the Issue Date of the Series 2017 Bonds of $650,000 in principal amount of the Series 2007B Subordinate Bonds, the Trustee shall apply from the Subordinate Series 2007B Principal Subaccount the following amounts to the redemption by lot on December 15 in each of the years specified below at the redemption price

equal to par plus accrued interest (provided that amounts not paid in the prior years shall be paid first in the chronological order):

Year (December 15)	Amount	Year (December 15)	Amount
2017	$45,000	2025	$165,000
2018	$50,000	2026	$190,000
2019	$60,000	2027	$205,000
2020	$75,000	2028	$225,000
2021	$85,000	2029	$240,000
2022	$105,000	2030	$260,000
2023	$120,000	2031*	$285,000
2024	$145,000		

* Maturity Date.

The Trustee shall anticipate such deposits for the purpose of giving notice of redemption. At the option of the Issuer, to be exercised by delivery of a written certificate to the Trustee on or before the 45th day next preceding any sinking fund redemption date, it may (i) deliver to the Trustee for cancellation Series 2007 Subordinate Bonds or portions thereof (in Authorized Denominations), in an aggregate principal amount desired by the Issuer or (ii) direct the Trustee to apply moneys from time to time available or required to be deposited in the applicable principal subaccount to the purchase of the related Series 2007 Subordinate Bonds at prices not higher than par plus accrued interest, provided that firm purchase commitments can be made. Each such Series 2007 Subordinate Bond or portion thereof of the same Series so delivered or purchased, in addition to any Series 2007 Subordinate Bonds or portions thereof of the same Series (in Authorized Denominations), which prior to said date have been redeemed (other than through the operation of the sinking fund) and canceled by the Trustee at the request of the Issuer and not theretofore applied as a credit against any sinking fund redemption obligation, shall be credited by the Trustee, at one hundred percent (100%) of the principal amount thereof, in such order as shall be specified in writing by the Issuer, against sinking fund redemptions of the related Series of Series 2007 Subordinate Bonds and the deposits described above for the related maturity and Series of Series 2007 Subordinate Bonds shall be reduced, in such order, by such amounts.

On or before the 30th day prior to each sinking fund payment date, the Trustee shall proceed to select for redemption (by lot in such manner as the Trustee may determine) from all Outstanding Series 2007 Subordinate Bonds a principal amount of such Series 2007 Subordinate Bonds equal to the aggregate principal amount of such Bonds redeemable with the required sinking fund payment, and shall call such Series 2007 Subordinate Bonds or portions thereof (in Authorized Denominations) for redemption from the sinking fund on the next December 15, and give notice of such call in accordance with Section 7.04.

(g) Moneys deposited in the Subordinate Obligations Fund (other than the Subordinate Reserve Account) from sources other than investment earnings on any account created therein shall be spent within a 13-month period beginning on the date of deposit, and any amount received from the investment of money held in or transferred to any fund created or

permitted herein shall be spent within one year beginning on the date of receipt. For purposes of this provision, money deposited in any account or subaccount of the Subordinate Obligations Fund shall be deemed spent on a first-in, first-out basis.

(h) When Subordinate Obligations are redeemed or purchased, the amount, if any, in the applicable account of the Subordinate Obligations Fund representing interest thereon shall be applied to the payment of accrued interest in connection with such redemption or purchase. Whenever the amount in an account of the Subordinate Obligations Fund is sufficient to redeem all of the Outstanding Subordinate Obligations of the applicable series and to pay interest accrued to the redemption date, the Issuer will cause the Trustee to redeem all such Subordinate Obligations on the applicable redemption date specified by the Issuer. Any amounts remaining in the Subordinate Obligations Fund after payment in full of the principal or redemption price, premium, if any, and interest on the Subordinate Obligations (or provision for payment thereof) and the fees, charges and expenses of the Issuer, the Trustee and any paying agents, shall be transferred to the Surplus Fund.

Section 5.12. Subordinate Reserve Account

(a) It is acknowledged that as of the Issue Date of the Series 2017 Bonds, there are no amounts on deposit in the Subordinate Reserve Account because it was drawn in full to pay debt service on the Series 2007 Subordinate Bonds and has not been replenished due to insufficient Pledged Revenue.

(b) Any transfers to the specific subaccount in the Subordinate Reserve Account pursuant to Section 5.11(e) shall be deposited by the Trustee into such subaccount. Every December 15, the Trustee shall recalculate the amount of the Subordinate Reserve Requirement for each Series of Series 2007 Subordinate Bonds so that it equals the applicable Subordinate Reserve Requirement for such Series 2007 Subordinate Bonds, taking into account the amount of principal paid on that date on such Series, and shall transfer an amount in excess of the recalculated Subordinate Reserve Requirement for each Series of Series 2007 Subordinate Bonds into the Subordinate Primary Improvements Issuer Account or the Subordinate District Improvements Issuer Account of the Subordinate Obligations Fund, as applicable, of the Subordinate Obligations Fund for payment of the principal and interest on the related Series of Series 2007 Subordinate Bonds. Any moneys at any time in the applicable subaccount of the Subordinate Reserve Account in excess of the Subordinate Reserve Requirement with respect to such Series of Subordinate Bonds, including investment earnings derived from amounts on deposit in the Subordinate Reserve Account, may (and as may be necessary to comply with the covenants set forth in Section 8.15) be withdrawn therefrom and transferred to the Subordinate Primary Improvements Issuer Account or the Subordinate District Improvements Issuer Account of the Subordinate Obligations Fund, as applicable, for payment of the principal of and interest on the related Series of Subordinate Obligations.

(c) On any required payment date of any Series of Subordinate Obligations for which the Subordinate Reserve Requirement is established, if there shall not be on deposit in the applicable subaccount of the Subordinate Primary Improvements Issuer Account or the Subordinate District Improvements Issuer Account of the Subordinate Obligations Fund, as applicable, the amount necessary to pay the debt service requirements on such Series of

Subordinate Obligations becoming due on such date in full, then on such date an amount equal to the difference between the amount on deposit in the applicable subaccount the Subordinate Primary Improvements Issuer Account or the Subordinate District Improvements Issuer Account of the Subordinate Obligations Fund and the amount required to pay such debt service requirements becoming due on such date in full shall be transferred from the related subaccount in the Subordinate Reserve Account into the applicable subaccounts of the Subordinate Obligations Fund. The moneys and the proceeds in the Subordinate Reserve Account shall be maintained as a continuing reserve to be used only to prevent deficiencies in the payment of the debt service requirements coming due on the related Series of Subordinate Bonds resulting from the failure to timely deposit into the Subordinate Obligations Fund sufficient funds to pay such amounts as the same become due. Any deficiencies in the Subordinate Reserve Requirement shall be restored as provided in Section 5.11(e) hereof. Amounts deposited in a subaccount of the Subordinate Reserve Account shall secure only the Subordinate Obligations for which it was established and shall not be available for any other purposes.

(d) The Subordinate Reserve Requirement, if any, for any Series of Subordinate Bonds may be satisfied by a deposit of moneys or a credit facility in a form of direct pay letter of credit, standby bond purchase agreement, or surety bond delivered to the Trustee and having administrative provisions reasonably acceptable to the Trustee, and any form of such deposit may be exchanged for any other permitted form of an equivalent amount; provided however, (i) that obligations backed by the provider of such credit facility deposited in the Subordinate Reserve Account are rated at least "A" by Moody's and at least "A" by S&P; (ii) that prior to the expiration of any such credit facility in any account of the Subordinate Reserve Account, another credit facility of equivalent credit quality is provided and, if such replacement credit facility is unavailable, such Subordinate Reserve Requirement will be funded on a scheduled basis or at one time prior to expiration of the existing credit facility; and (iii) if the terms of a credit facility deposited in the Subordinate Reserve Account prohibit replenishment after draw-down, the Issuer shall provide an additional credit facility or sufficient funds to ensure satisfaction of the Subordinate Reserve Requirement.

Section 5.13. Surplus Fund

(a) There is established with the Trustee the Surplus Fund and within such Fund two (2) separate and segregated accounts designated "**Operation and Maintenance Reserve Account**" and "**Redemption Account**," and within the Redemption Account two (2) separate and segregated subaccounts designated the "**Non-Shared Revenue Redemption Subaccount**" and "**Shared Revenue Redemption Subaccount**," each of which shall be maintained hereunder by the Trustee. Ten days prior to each Interest Payment Date, the Trustee shall apply all moneys deposited to the Surplus Fund pursuant to Sections 5.03 and 5.04 hereof in the amounts and in the order of priority set forth below:

(i) **First**, without the necessity of Issuer direction, to the Senior Bond Fund in an amount equal to the difference between the amount on deposit in the Senior Bond Fund and the full amount required to be deposited therein to pay the principal or redemption price of, or interest on the Bonds then due, provided that such amount of deficiency shall be allocated to the Primary Improvements Issuer Account, District

Improvements Issuer Account and the Park and Recreation Improvements Issuer Account on a pro rata basis, based on amounts of such deficiencies;

(ii) **Second**, if Shared Revenue have been advanced to pay for District Improvement Bonds and not reimbursed under Sections 5.04(a)(ii) and 5.04(a)(vii), to reimburse the Shared Revenue Account;

(iii) **Third**, to the Operation and Maintenance Reserve Account until the amount therein reaches the Operation and Maintenance Reserve Requirement, in the event such account is not funded to the required amount pursuant to Sections 5.03(a)(v) and 5.04(a)(ix);

(iv) **Fourth**, at the direction of Issuer Representative, into the District Improvements Account of the Project Fund or to the Issuer to be spent for any lawful purpose; and

(v) **Fifth**, to the Non-Shared Revenue Redemption Subaccount of the Redemption Account the remaining balance in the Surplus Fund, to be used to redeem the Outstanding Senior Bonds pursuant to the special mandatory redemption provisions set forth in Section 7.01(c).

(b) Moneys deposited in the Operation and Maintenance Reserve Account shall be used, to the extent necessary, (i) to make up any deficiency in the Senior Bond Fund and (ii) to pay for scheduled and necessary operation and maintenance expenses of the Issuer and the Financing Districts to the extent of any deficiency in the Issuer funds to pay for such expenses, upon delivery to the Trustee of a written certification signed by the Issuer Representative to the effect that the Issuer Board has duly adopted annual budget based on reasonable projections of its operation and maintenance expenses for the following Fiscal Year, that the Financing Districts properly certified and assessed an ad valorem mill levy for operation and maintenance expenses in accordance with the provisions of the FFCO Agreement and that the Issuer has taken all necessary steps to enforce its rights under the FFCO Agreement to collect the revenues from the imposition by the Financing Districts of operation and maintenance mill levies and that the revenues generated from such mill levies are not sufficient to cover all proper and necessary operation and maintenance expenses of the Issuer and the Financing Districts.

(c) The Trustee shall deposit all moneys transferred under Section 5.05(d) to the Shared Revenue Redemption Subaccount and shall apply such amounts to the redemption of the Outstanding Primary Improvements Bonds constituting Senior Bonds pursuant to the special mandatory redemption provisions set forth in Section 7.01(d).

Section 5.14. Costs of Issuance Fund

The Trustee shall make payments from the Costs of Issuance Fund to pay the costs of issuance incurred by the Issuer in connection with the issuance of related Series of Bonds (which shall not include other Costs of Project). Any funds remaining in the Costs of Issuance Fund six months after the date of issue of the related Series of Bonds shall be transferred by the Trustee at the direction of the Issuer Representative to (i) the Senior Bond Fund related to such Series of Senior Bonds or to the account of the Subordinate Obligations

Fund related to such Series of Subordinate Obligations, as the case may be, or (ii) the Project Fund Account related to such Series of Bonds and upon such transfer, the Trustee may close the Costs of Issuance Fund.

Section 5.15. Termination Upon Deposits to Maturity

(a) No payment is required to be made into the Senior Bond Fund or the Senior Reserve Fund if no amounts are owed with respect to prior payments of principal (whether at maturity or pursuant to mandatory sinking fund payment dates) of or interest on a Series of Senior Bonds, and no fees are owed to any Credit Facility Provider and the amounts on deposit for the payment of such Series of Senior Bonds in such Funds total a sum at least equal to all debt service requirements of the Outstanding Senior Bonds of such Series to their maturity or mandatory redemption dates, or to any date for which the Issuer shall have exercised or shall have obligated itself to exercise its option to redeem such Series of Senior Bonds prior to their maturity or mandatory redemption dates (in which event the amounts on deposit must also include any redemption premium payable in connection with such optional redemption). Subject to Section 7.01(c)(ii) with respect to the redemption of all Outstanding Senior Bonds, in such event, moneys in the Senior Reserve Fund first, then in the Senior Bond Fund, and then in the Surplus Fund for the payment of such Series of Senior Bonds, in amounts equal to such debt service requirements as they become due, shall be used solely to pay such debt service requirements and any moneys in excess thereof for the payment of such Series of Senior Bonds in the Senior Bond Fund and the Surplus Fund may be used by the Issuer for any lawful purpose.

(b) No payment is required to be made into the Subordinate Obligations Fund if no amounts are owed with respect to prior payments of principal (whether at maturity or pursuant to mandatory sinking fund payment dates) of or interest on a Series of Subordinate Obligations and the amounts on deposit for the payment of such Series of Subordinate Obligations in such Fund total a sum at least equal to all debt service requirements of the Outstanding Subordinate Obligations of such Series to their maturity or mandatory redemption dates, or to any date for which the Issuer shall have exercised or shall have obligated itself to exercise its option to redeem such Series of Subordinate Obligations prior to their maturity or mandatory redemption dates (in which event the amounts on deposit must also include any redemption premium payable in connection with such optional redemption). In such event, moneys in the applicable accounts of the Subordinate Obligations Fund shall be applied for the payment of such related Series of Subordinate Obligations, in amounts equal to such debt service requirements as they become due, shall be used solely to pay such debt service requirements and any moneys in excess thereof for the payment of such Series of Subordinate Obligations in the applicable accounts of the Subordinate Obligations Fund may be used by the Issuer for any lawful purpose.

ARTICLE VI

SECURITY FOR AND INVESTMENT OR DEPOSIT OF FUNDS

Section 6.01. Places and Times of Deposits

The Funds established and maintained under this Indenture shall be separately maintained as trust accounts by the Trustee for the purposes established. All moneys deposited under the provisions of this Indenture with the Trustee shall be held in trust and applied only in accordance with this Indenture. Each Fund (including all accounts therein) shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any other purpose. Each periodic payment shall be made into the proper account not later than the date therefor herein designated, except that when any such date shall be a Sunday or a legal holiday, then such payment shall be made on or before the next preceding Business Day.

Section 6.02. Investment of Moneys

Any moneys in any Fund not needed for immediate use, may be invested by the Trustee in such Permitted Investments as the Trustee is directed in writing by the Issuer Representative. The Trustee may conclusively rely on such written direction as being a Permitted Investment of the Issuer under then current State statutes. In the absence of direction, the Trustee shall, in accordance with this subsection, invest and reinvest the moneys in any money market fund which is a Permitted Investment so that the maturity date, interest payment date, or date of redemption, at the option of the owner of such investment, shall coincide as nearly as practicable with the times at which money is needed to be so expended. Such investments shall be deemed to be a part of said Fund or account, and any loss shall be charged thereto. Except as otherwise provided in Article VI hereof, any profit (including interest earnings) from investments of moneys in the Funds (other than the Rebate Fund, the Shared Revenue Account and Park and Recreation Credit PIF Revenue Account, to which respective Funds or accounts, as applicable, any profit (including interest earnings) from investments therein shall be credited) shall be credited to the Non-PIF Revenue Account of the Revenue Fund as the same is received. In computing the amount in any such Fund for any purpose hereunder, except as otherwise expressly provided herein, such obligation shall be valued at the cost thereof, exclusive of the accrued interest or other gain; provided, however, that any obligation purchased at a premium may initially be valued at the cost thereof, but in each year after such purchase shall be valued at a lesser amount determined by ratably amortizing the premium over the remaining term of the obligation. The Trustee shall present for redemption or sale on the prevailing market at the best price obtainable any investments in any Fund whenever it shall be necessary to do so in order to provide moneys to meet any withdrawal, payment or transfer from such Fund. The Trustee shall not be liable for any loss resulting from any such investment, if diligently executed, made in accordance with this Indenture and at the direction of the Issuer Representative.

The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees, and it is specifically provided herein that the Trustee may purchase or invest in shares of any investment company that (i) is registered

under the Investment Company Act of 1940, as amended (including both corporations and Massachusetts business trusts, and including companies for which the Trustee may provide advisory, administrative, custodial, or other services for compensation), (ii) invests substantially all of its assets in short-term high-quality money-market instruments, limited to obligations issued or guaranteed by the United States, and (iii) maintains a constant asset value per share. The Trustee is specifically authorized to implement its automated cash investments system to assure that cash on hand is invested and to charge reasonable cash management fees, which may be deducted from income earned on investments.

Unless otherwise confirmed or directed in writing, an account statement delivered periodically by the Trustee to the Issuer that the investment transactions identified therein accurately reflect the investment directions given to the Trustee by the Issuer shall be sufficient, unless the Issuer notifies the Trustee in writing to the contrary within 30 days of the date of such statement.

ARTICLE VII

REDEMPTION OF BONDS

Section 7.01. Bonds Subject to Redemption

The Series 2017 Bonds and the Series 2007 Subordinate Bonds are subject to redemption prior to maturity as provided herein. Other Series of Bonds shall be subject to redemption prior to maturity as provided in the Supplemental Indenture authorizing such Bonds. Payment of the redemption price of any Bond shall be made on the redemption date only upon the surrender to the Trustee of any Bond so redeemed.

(a) Optional Redemption. The Series 2017 Bonds are subject to redemption prior to maturity at the option of the Issuer on any date, on or after December 15, 2026, in whole or in part, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus interest accrued to the redemption date. The Series 2007 Subordinate Bonds are subject to redemption prior to maturity at the option of the Issuer, in whole or in part, and on any date as determined by the Issuer, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus interest accrued to the redemption date.

(b) Mandatory Sinking Fund Redemption. The Series 2017 Bonds are subject to mandatory sinking fund redemption in the amounts and on the dates set forth in Section 5.07(g). The Series 2007 Subordinate Bonds are subject to mandatory sinking fund redemption in the amounts and on the dates set forth in Section 5.11(f).

(c) Special Mandatory Redemption of all Bonds.

(i) If forty-five (45) days prior to any Interest Payment Date there are moneys on deposit in the Non-Shared Revenue Redemption Subaccount of the Redemption Account of the Surplus Fund, the Trustee shall, without any further direction from the Issuer, use such moneys to redeem on the next Interest Payment Date (the "**Special Mandatory Redemption Date**") each Outstanding Series of Senior Bonds on a pro rata basis in inverse order of maturity (and in inverse order of sinking fund

installments within a maturity) at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed plus interest accrued to the Special Mandatory Redemption Date.

(ii) If forty-five (45) days prior to any Interest Payment Date amounts on deposit in the accounts of the Senior Bond Fund and the Senior Reserve Fund related to a Series of Senior Bonds are sufficient, in the aggregate, to redeem such Series, the Trustee shall, without any further direction from the Issuer, use such moneys to redeem on the next Special Mandatory Redemption Date such Series of Senior Bonds at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed plus interest accrued to the Special Mandatory Redemption Date.

(iii) Not less than 30 days prior to the Special Mandatory Redemption Date, the Trustee shall provide written notice to the Owners of each Outstanding Series of Senior Bonds in accordance with Section 7.04.

(d) Special Mandatory Redemption of the Primary Improvements Bonds. If forty-five (45) days prior to any Interest Payment Date there are moneys on deposit in the Shared Revenue Redemption Subaccount of the Redemption Account of the Surplus Fund, the Trustee shall, without any further direction from the Issuer, use such moneys to redeem on the Special Mandatory Redemption Date on a pro-rata basis each Outstanding Series of Primary Improvements Bonds which constitute Senior Bonds in inverse order of maturity (and in inverse order of sinking fund installments within a maturity) at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed plus interest accrued to the Special Mandatory Redemption Date. Not less than 30 (thirty) days prior to the Special Mandatory Redemption Date, the Trustee shall, in accordance with Section 7.04, provide written notice to the Owners of each Outstanding Series of Primary Improvements Bonds that constitute Senior Bonds.

Section 7.02. Issuer Direction of Optional Redemption

Notice of any optional redemption from the Issuer to the Trustee shall specify the principal amount of Bonds to be redeemed and the redemption date. The Issuer will give the notice to the Trustee at least 15 days (or such lesser number of days as may be acceptable to the Trustee) prior to the day on which the Trustee is required to give notice of such optional redemption to the Bondholders.

Section 7.03. Selection of Bonds to be Called for Redemption

Except as otherwise provided herein or in the Bonds, if less than all of any Series of Bonds are to be redeemed, the particular Bonds to be called for redemption shall be selected by lot by the Trustee, unless otherwise provided by the Supplemental Indenture authorizing a Series of Additional Bonds. The Bonds shall be redeemed only in integral multiples of $5,000. In the event a Bond is of a denomination larger than $5,000, a portion of such Bond may be redeemed, but only in the principal amount of $5,000 or any integral multiple thereof. Such Bond shall be treated for the purpose of redemption as that number of Bonds which results from dividing the principal amount of such Bond by $5,000.

Section 7.04. Notice of Redemption

(a) Unless otherwise provided in a Supplemental Indenture authorizing the issuance of a Series of Bonds, the notice of the call for redemption of Bonds shall identify (i) the complete official name of the issue, (ii) the Bonds or portions thereof to be redeemed by designation, letters, CUSIP numbers, numbers or other distinguishing marks, interest rate, maturity date and principal amount, (iii) the redemption price to be paid, (iv) the date fixed for redemption, (v) the place or places, by name and address, where the amounts due upon redemption are payable and (vi) the name and telephone number of the person to whom inquiries regarding the redemption may be directed; provided, however, that the failure to identify a CUSIP number for said Bonds in the redemption notice, or the inclusion of an incorrect CUSIP number, shall not affect the validity of such redemption notice. The notice shall be given by the Trustee on behalf of the Issuer by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days but no more than sixty (60) days prior to the date fixed for redemption, to the Owner of each Bond subject to redemption in whole or in part at the Owner's address shown on the Bond Register on the 30th day preceding that mailing. A second notice shall be sent in the same manner described above not more than sixty (60) days after the redemption date to the Owner of any redeemed Bond which was not presented for payment on the redemption date. Failure to give notice pursuant to this Section, or any defect in that notice, as to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond as to which no such failure or defect exists. Notices of redemption shall also be mailed to the Paying Agents.

(b) The Trustee shall take the following additional actions with respect to such redemption notice, but no defect in the following actions or any failure to take the same shall defeat the effectiveness of the foregoing redemption notice:

(i) At least 30 days prior to the date fixed for redemption, such redemption notice shall be given by (i) registered or certified mail, postage prepaid, (ii) Electronic Notice, or (iii) overnight delivery service, to the Depository.

(ii) In undertaking the requirements of this subsection (b), the Trustee does so as a courtesy to the institutions listed herein and the Trustee shall not incur any liability as a result of the failure to provide such notice to any such institution or as a result of any defect therein.

(c) If at the time of mailing of notice of any optional redemption the Issuer shall not have deposited with the Trustee moneys sufficient to redeem all the Bonds called for redemption, if the Issuer shall so direct, such notice may state that it is conditional in that it is subject to the deposit of sufficient moneys with the Trustee not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Section 7.05. Bonds Redeemed in Part

Any Bond which is to be redeemed only in part shall be surrendered at a place stated for the surrender of Bonds called for redemption in the notice provided for in Section 7.04 (with due endorsement by, or a written instrument of transfer in form satisfactory to the Trustee

duly executed by, the Owner thereof or his or her attorney duly authorized in writing) and the Issuer shall execute and the Trustee shall authenticate and deliver to the Owner of such Bond without service charge, a new Bond or Bonds, of the same Series, of any Authorized Denomination as requested by such Owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

Section 7.06. Payment of Redemption Price

If (a) unconditional notice of redemption has been duly given or duly waived by the Owners of all Bonds called for redemption or (b) conditional notice of redemption has been so given or waived and the redemption moneys have been duly deposited with the Trustee, then in either such case the Bonds called for redemption shall be payable on the redemption date at the applicable redemption price. Payment of the redemption price together with accrued interest shall be made by the Trustee, out of Pledged Revenue or other funds deposited for such purpose, to the Owners of the Bonds called for redemption upon surrender of such Bonds.

Section 7.07. Modification by Supplemental Indenture

The provisions of this Article may be modified by any Supplemental Indenture in respect of any Series of Additional Bonds authorized thereby, and in the event of any conflict with the provisions hereof, the provisions of such Supplemental Indenture shall control in respect of any Series of Additional Bonds authorized thereby.

Section 7.08. Bond Redemption Fund for Refunding Bonds

Whenever the Issuer issues Additional Bonds hereunder to refund any Bonds, the Issuer may, by Supplemental Indenture authorizing such Additional Bonds, direct the Trustee to establish a separate bond redemption fund or account and to deposit therein the proceeds of the Additional Bonds. The Supplemental Indenture shall specify the investment and application of amounts so deposited including, without limitation, the transfer thereof to any other fiscal agent or trustee of the Issuer and the time and conditions for such transfer.

ARTICLE VIII

COVENANTS OF THE ISSUER

The Issuer makes the following covenants for the benefit of the Owners of the Bonds, which covenants shall be a part of its contract with such Owners to the effect and with the purpose set forth in the following provisions and sections of this Article.

Section 8.01. Performance of Duties

The Issuer will faithfully and punctually perform or cause to be performed all its duties required hereunder, including but not limited to the collection of the Pledged Revenue and application thereof in accordance with this Indenture.

Section 8.02. Enforcement of Rights

The Issuer shall take all actions to enforce, and shall cooperate fully with the Trustee in enforcing, the rights to receive payments under the Comprehensive Agreement, the Cooperation Agreement, the Sales Tax Sharing Agreement, the Fee Resolutions, the PIF Covenants, and the Capital Pledge Agreement; provided that the Issuer and the Trustee acknowledge that payments by the City under the Comprehensive Agreement and the Sales Tax Sharing Agreement are subject to annual appropriation by the City.

Section 8.03. Annual Compliance Certification

Each January, the Issuer shall provide to the Trustee a written certificate in a form of **Exhibit F** attached hereto regarding, among other things, the Issuer's compliance with its duties to collect Pledged Revenue and remit such Pledged Revenue to the Trustee with respect to the prior calendar year.

Section 8.04. Further Assurances

At any and all times, the Issuer shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver all and every such further indentures, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, Pledged Revenue and other moneys hereby pledged or assigned, or intended so to be, or which the Issuer may hereafter become bound to pledge or to assign, or as may be reasonable and required to carry out the purposes of this Indenture and to comply with law. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Pledged Revenue and other moneys pledged hereunder and all the rights of every Owner of the Bonds against all claims and demands of all persons whomsoever.

Section 8.05. Conditions Precedent

Upon the date of issuance of any Series of Bonds, all conditions, acts and things required by the Constitution or statutes of the State, by the Comprehensive Agreement, the Capital Pledge Agreement, the Service Plan or by this Indenture or other instrument authorizing the issuance of such Series of Bonds to exist, to have happened and to have been performed precedent to or upon the issuance of such Series of Bonds shall exist, have happened, and have been performed; and the Bonds, together with all other obligations of the Issuer, shall be within every applicable debt and other limitation prescribed by the State Constitution or statutes.

Section 8.06. Budgets

The Issuer's Board shall prepare and adopt annually and at such other times as may be provided by law a budget for the Issuer, which budget shall be available to the Trustee and the Owners of the Bonds.

Section 8.07. Compliance with Certain Agreements

The Issuer hereby covenants that it is currently not in default under the provisions of the Issuer Documents and represents and warrants that there is no existing circumstance which, with the passage of time, or because of the failure by the Issuer to take some action, or either, will result in a default by the Issuer under the Issuer Documents. The Issuer hereby further covenants that it will, at all times, comply with all material provisions of the Issuer Documents and will take no action which may result in, nor fail to take any action necessary to prevent, any noncompliance with or default by the Issuer under any material provision of the Issuer Documents.

The Issuer agrees to pay from its General Fund collection fees due to a Collecting Agent pursuant to the terms of the applicable Collection Agreement.

Section 8.08. Surety Bonds

Each official of the Issuer or other person having custody of any Pledged Revenue or amounts available to pay costs of any project financed with proceeds of the Bonds, or responsible for their handling, shall be fully bonded at all times, which bond shall be conditioned upon the proper application of said moneys; provided that the requirement of this Section shall be deemed satisfied by a blanket employee dishonesty insurance policy.

Section 8.09. Issuer Records

So long as any of the Bonds remain Outstanding, the Issuer shall keep proper books of records and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of the Project and the Pledged Revenue in accordance with generally accepted accounting principles consistently applied.

Section 8.10. Right to Inspect

Any Owner of any of the Bonds, or any duly authorized agent or agents of such Owner, and the City shall have the right at all reasonable times to inspect all public records, accounts and data relating to the Pledged Revenue, the funds and accounts maintained by the Trustee pursuant to this Indenture, and the Project and all properties appertaining thereto.

Section 8.11. Annual Statements and Audits; Other Information

(a) The Issuer, while any Bonds are Outstanding and unpaid, will cause an annual audit of its revenues (including Pledged Revenue hereunder) and expenditures to be made by an independent certified public accountant or firm of such accountants. The Issuer agrees to deliver, within 270 days after the last day of each Fiscal Year, without request a copy of the complete annual report covering the operation of the Project (which shall contain information generally required under Section VII of the Service Plan with respect to the reports relating to the Project) for such Fiscal Year and audits, to the Trustee, who shall deliver copies to the City and, upon request, to any Owner of any Bond. Such audited financial statements shall include a balance sheet as of the end of such Fiscal Year and a statement of unrestricted fund revenue, expenditure and transfers and a statement of cash flows with respect to the Project for such Fiscal

Year, showing in each case in comparative form the figures for the preceding Fiscal Year, which shall be prepared on a Generally Accepted Accounting Principles (GAAP) basis. The Issuer shall deliver to the Trustee any other information required to be filed with the Trustee under the Continuing Disclosure Agreement.

(b) The Issuer shall, to the extent required by applicable laws and regulations of the State, file or cause to be filed with the Securities Commissioner of the State its annual budget and annual audit as provided in Sections 11-59-104(6)(a) and (b), C.R.S.

(c) The Issuer shall file with the Trustee and the City copies of each of the following promptly following receipt by the Issuer: notification of litigation involving the Issuer, the Project or the Bonds; environmental regulatory notices; notification from the City of any material failure to comply with the Comprehensive Agreement.

(d) The Issuer and the Trustee agree to comply with Section 4.3(o) of the Comprehensive Agreement relating to the City's rights with respect to Issuer's and Trustee's audits and financial information reporting.

(e) As of the Issue Date of the Series 2017 Bonds, the Cap Amount equals $146,476,239.71 (as such amount may be adjusted in accordance with the Comprehensive Agreement), and the Issuer has allocated $57,430,713 of the net proceeds of the Series 2006A Bonds and the Series 2007A Bonds to the Cap Amount. As of the Issue Date of the Series 2017 Bonds, the Park and Recreation Improvements Cap Amount equals $9,000,000.

(f) The Issuer agrees to provide prompt written notice to the Trustee and the City of the issuance, defeasance or payment in full of each series of the PRI Obligations.

Section 8.12. No Other Liens

Other than with respect to the Series 2017 Bonds, the Series 2007 Subordinate Bonds, and as provided hereby, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenue.

Section 8.13. Issuer Existence

The Issuer will maintain its legal identity and existence so long as any of the Bonds remain Outstanding, unless another legal entity by operation of law succeeds to the liabilities and rights of the Issuer hereunder and under the Bonds without materially adversely affecting the privileges and rights of any Owner of any Bonds.

Section 8.14. Protection of Security

(a) The Issuer or any officers, directors, agents or employees of the Issuer shall not take any action including, without limitation, giving consents to actions by others to amend the Comprehensive Funding Plan of the Comprehensive Agreement, the Cooperation Agreement, the Sales Tax Sharing Agreement, the FFCO, the Capital Pledge Agreement, the Fee Resolutions, the PIF Covenants and the Service Plan, which action would in any manner or to any extent materially prejudice the security for the payment of the Bonds and the interest thereon

according to the terms thereof. While any Bonds are Outstanding, without the prior written consent of Consent Parties with respect to all Bonds Outstanding, the Issuer shall not reduce the rate of the Credit PIF below 1.25% and the rate of Add-On PIF below 1.00% or modify the types or categories of Taxable Transactions in a way that would materially prejudice the security for the Bonds.

(b) The Issuer shall execute or cause to be executed any and all instruments and take such further action under Section 8.04 hereof and as otherwise may be required by law or as shall reasonably be requested by the Trustee for such protection of the interests of the Trustee and the Bondholders, and shall furnish satisfactory evidence to the Trustee of filing and refiling of such instruments and of every additional instrument which shall be necessary to preserve the lien of this Indenture upon the Trust Estate or any part thereof until the principal of and premium, if any, and interest on the Bonds issued hereunder shall have been paid. The Trustee shall execute or join in the execution of any such further or additional instrument and file or join in the filing thereof at such time or times and in such place or places as it may be advised by an opinion of Counsel will preserve the lien of this Indenture upon the Trust Estate or any part thereof until the aforesaid principal shall have been paid.

(c) In addition, without the prior written consent of the Consent Parties with respect to not less than a majority in aggregate principal amount of all Senior Bonds then Outstanding and not less than a majority in aggregate principal amount of all Subordinate Obligations then Outstanding, the Issuing District shall not consent to the issuance by any Financing District of additional debt payable in whole or in part from any portion of revenues pledged by such Financing District under the related Capital Pledge Agreement.

Section 8.15. Tax Covenant

The Issuer covenants with the Owners of the Tax-Exempt Bonds that, notwithstanding any other provision of this Indenture or any other instrument, it will make no investment or other use of the proceeds of the Tax-Exempt Bonds which would cause such Bonds to be arbitrage bonds under Section 148 of the Code, and the regulations thereunder, and it further covenants that it will comply with the requirements of such Section and regulations. The foregoing covenants shall extend throughout the term of the Tax-Exempt Bonds, to all funds created under this Indenture and all moneys on deposit to the credit of any such fund, and to any other amounts which are Tax-Exempt Bond proceeds for purposes of Section 148 of the Code, and the regulations thereunder.

The Issuer will determine the amount of the required arbitrage rebate, if any, payable to the United States government under Section 148(f) of the Code and will make any required payments beginning not later than 30 days after the end of the fifth Bond Year of the Tax-Exempt Bonds, regardless of whether there are any remaining proceeds or other funds attributable to the Tax-Exempt Bonds. The Issuer will not permit the amount of gross proceeds invested in any Bond Year at a yield materially higher than the Tax-Exempt Bond yield to exceed the limits of Section 148 of the Code.

The Issuer shall not use or direct the use of the proceeds of the Tax-Exempt Bonds in any way, or take or omit to take any other action, which would cause the interest on any Tax-

Exempt Bonds to become subject to federal income tax under the Code, and shall use the Project financed with proceeds of the Tax-Exempt Bonds exclusively for general public use, so that such Bonds shall not be classified as "private activity bonds" and the interest on such Bonds will not be included in gross income under the Code.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.01. Events of Default Defined

(a) Subject to the limitation that non-payment of principal of or premium, if any, or interest on any Subordinate Obligation shall not alone constitute an Event of Default while any Senior Bonds are Outstanding, the occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an "Event of Default" under this Indenture (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default hereunder except as provided in this Section:

(i) The Issuer fails to perform the following acts for a period of forty-five (45) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Issuer by the Trustee, or to the Issuer and the Trustee by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Senior Bonds then Outstanding:

(1) collect the Pledged Revenue or apply the Pledged Revenue as required by this Indenture; or

(2) cause applicable Financing Districts to impose the Capital Levies as provided in this Indenture and the applicable Capital Pledge Agreement; or

(3) provide the certification required under Section 8.03; or

(4) enforce the provisions of the Capital Pledge Agreement, the Cooperation Agreement, the Sales Tax Sharing Agreement, the Collection Agreement or the PIF Covenants; or

(ii) If the Issuer shall fail to observe or perform any covenant or agreement on its part under this Indenture (other than those covenants and agreements listed under subsection (a)(i) above) for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Issuer by the Trustee, or to the Issuer and the Trustee by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Senior Bonds then Outstanding; provided, however, that if the breach of covenant or agreement is one which cannot be completely remedied within the 60 days after written notice has been given, it shall not be an Event of Default with respect to such Series as long as the Issuer has taken

active steps within the 60 days after written notice has been given to remedy the failure and is diligently pursuing such remedy; or

(iii) If the Issuer shall institute proceedings to be adjudicated a bankrupt or insolvent, or shall consent to the institution of bankruptcy or insolvency proceedings against it, or shall file a petition or answer or consent seeking reorganization or relief under the federal Bankruptcy Code or any other similar applicable federal or state law, or shall consent to the filing of any such petition or to the appointment of a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of the Issuer or of any substantial part of its property, or shall make an assignment for the benefit of creditors, or shall seek to adjust the obligation represented by the Bonds.

(b) It is acknowledged that due to the limited nature of the Pledged Revenue, the failure to pay the principal of or interest on the Senior Bonds when due shall not, of itself, constitute an Event of Default hereunder, if the Issuer is otherwise in compliance with all provisions hereof and the Issuer has provided the certification required under Section 8.03.

Section 9.02. No Acceleration

Except as may be provided in a Supplemental Indenture applicable to all Series of Bonds Outstanding hereunder, there shall be no rights of acceleration with respect to the Bonds.

Section 9.03. Other Remedies

Following the occurrence of an Event of Default, the Trustee may enforce each and every right granted to the Issuer or the Trustee hereunder. In exercising such rights and the rights given the Trustee under this Article IX, the Trustee shall take such action as, in the judgment of the Trustee applying the standards described in Section 10.06, would best serve the interests of the Owners.

Section 9.04. Legal Proceedings by Trustee

If any Event of Default has occurred and is continuing, the Trustee in its discretion may, and upon the written request of the Bondholders of twenty-five percent (25%) in aggregate principal amount of all Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, the Bonds respecting which there has been an Event of Default, and receipt of indemnity to its satisfaction, shall, in its own name:

(a) By mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Issuer to enforce any rights under the Issuer Documents and to require the Issuer to carry out any other provisions of this Indenture for the benefit of the Bondholders;

(b) Bring suit upon the Bonds and the Credit Facility, if any; and

(c) By action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

Section 9.05. Discontinuance of Proceedings by Trustee

If any proceeding commenced by the Trustee on account of any default is discontinued or is determined adversely to the Trustee, the Credit Facility Provider, if any, the Issuer, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder as though no such proceedings had been commenced.

Section 9.06. Bondholders May Direct Proceedings

Subject to Section 9.13, the Majority Interest shall have the right, after furnishing indemnity satisfactory to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee hereunder, provided that such direction shall not be in conflict with any rule of law or with this Indenture or unduly prejudice the rights of minority Bondholders and provided further that the Trustee may decline to follow such directions if the Trustee, upon advice of Counsel, determines that the taking of the action specified in such directions would involve it in personal liability against which indemnity would not be satisfactory.

Section 9.07. Limitations on Actions by Bondholders

(a) No Bondholder shall have any right to pursue any remedy hereunder or under any Credit Facility unless:

(i) the Trustee shall have been given written notice of an Event of Default;

(ii) the Owners of at least twenty-five percent (25%) in aggregate principal amount of all Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, the Bonds respecting which there has been an Event of Default, shall have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names;

(iii) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities; and

(iv) the Trustee shall have failed to comply with such request within a reasonable time.

(b) It is acknowledged that no Owner of any Subordinate Obligation shall have any right to institute any judicial or other action or remedial proceeding (including, without limitation, bankruptcy or insolvency proceedings) against the Issuer or any of the Issuer's other rights, interests, assets or properties, to collect any moneys due, to enforce payment on its Subordinate Obligation so long as any Senior Bonds remain Outstanding without the written consent of a Majority Interest. Nothing in this Article IX requires or permits the Trustee to proceed in a manner prejudicial to the rights and privileges of the Owners of any Senior Bonds, and notwithstanding any provision hereof to the contrary, such rights and privileges shall be senior and prior to the rights and privileges of the Owners of Subordinate Obligations set forth herein. Any action commenced by an Owner of any Subordinate Obligation shall terminate upon annulment of the Default in respect of the Senior Bonds.

(c) Notwithstanding the foregoing provisions of this Section 9.07 or any other provision of this Indenture, the obligation of the Issuer shall be absolute and unconditional to pay hereunder, but solely from the Pledged Revenue and other funds pledged under this Indenture, the principal or redemption price of, purchase price of and interest on, the Bonds to the respective Owners thereof on the respective due dates thereof, and nothing herein shall affect or impair the right of action, which is absolute and unconditional, of such Owners to enforce such payment.

Section 9.08. Trustee May Enforce Rights Without Possession of Bonds

All rights under the Indenture and the Bonds may be enforced by the Trustee without the possession of any Bonds or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the Owners of the Bonds.

Section 9.09. Delays and Omissions Not to Impair Rights

No delays or omissions in respect of exercising any right or power accruing upon any default shall impair such right or power or be a waiver of such default, and every remedy given by this Article IX may be exercised from time to time and as often as may be deemed expedient.

Section 9.10. Application of Moneys in Event of Default

During the continuance of an Event of Default, all moneys held in the Trust Estate and all moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings which result in the collection of such moneys and of the fees, expenses and advances incurred or made by the Trustee (including any attorneys' fees, costs and expenses) with respect thereto, be applied according to the accrued debt service deposits or payments with respect to each Series as follows; provided, however, that any moneys drawn under a Credit Facility, if any, and amounts held in accounts in the Senior Reserve Fund shall be applied solely to pay interest or principal, as applicable, on the related Series of Senior Bonds; and provided further, however, that restrictions on the use of Shared Revenue described in Section 5.01(c) shall be observed when making payments pursuant to this Section:

(a) Unless the principal of all such Outstanding Bonds shall have become due and payable at final maturity (or as a result acceleration, if acceleration is allowed under a Supplemental Indenture applicable to all Series of Bonds Outstanding):

First: To the payment to the Bondholders entitled thereto of all installments of interest then due on the Senior Bonds in the order of maturity of such installments (provided that any interest accrued on unpaid debt service shall be due before any other installment of interest), and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the Bondholders entitled thereto, without any discrimination or preference;

Second: To the payment to the Bondholders entitled thereto of the unpaid principal amounts of the Senior Bonds which shall have become due (other than Senior

Bonds previously called for redemption for the payment of which moneys are held pursuant to the provisions hereof), whether at maturity or by proceedings for redemption or otherwise or upon the tender of any Senior Bond pursuant to the terms of the Supplemental Indenture providing for the issuance of such Senior Bond, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Senior Bonds of such Series due on any date, then to the payment thereof ratably, according to the principal amounts due on such date, to the Bondholders entitled thereto, without any discrimination or preference;

(iii) **Third**, to the accounts in the Senior Reserve Fund, the amount necessary for the amount on deposit therein to equal then applicable Senior Reserve Requirement for each Series of Outstanding Senior Bonds; provided however, that the Trustee shall follow the priorities and mechanisms established in Sections 5.03(a)(iii), 5.04(a)(iv), 5.05(a)(iii) and 5.06(c)(iii) for funding the Senior Reserve Fund from the Non-PIF Revenue, Add-On PIF Revenue and Shared Revenue;

(iv) **Fourth**, To the payment of all installments of interest then due on the Subordinate Obligations, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the ratable payment of the amount due on such installment; and

Fifth: To the payment of the unpaid principal of any Subordinate Obligations which shall have become due (other than Subordinate Obligations previously called for redemption for the payment of which moneys are held pursuant to the provisions hereof), whether at maturity or by proceedings for redemption or otherwise in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Subordinate Obligations due on any date, then to the payment thereof ratably, according to the principal amounts due on such date, to the Bondholders entitled thereto, without any discrimination or preference.

(b) If the principal of all Outstanding Bonds shall have become due and payable (either at final maturity or as a result of acceleration, if acceleration is allowed under a Supplemental Indenture applicable to all Series of Bonds Outstanding), all such moneys shall be applied (i) ***first***, to the payment of the principal, premium, if any, and interest then due and unpaid upon the Senior Bonds, without preference or priority as between principal, premium, if any, or interest on such Senior Bonds, ratably according to the amounts due respectively for principal, premium, if any, and interest to the Persons entitled thereto, without any discrimination or preference; and (ii) ***second***, to the payment of the principal, premium, if any, and interest then due and unpaid upon the Subordinate Obligations, without preference or priority as between principal, premium, if any, or interest on such Subordinate Obligations, ratably according to the amounts due respectively for principal, premium, if any, and interest to the Persons entitled thereto, without any discrimination or preference.

Any payment or distribution of assets of the Issuer of any kind or character, whether in cash, instruments, securities or other property, by set-off or otherwise, to which any Owner of a Subordinate Obligation would be entitled but for the provisions hereof, shall be paid by the Issuer or by any receiver, trustee in bankruptcy, liquidating trustee, agency or other person

making such payment or distribution, directly to the Trustee for payment to the Owners of the Senior Bonds, to the extent necessary to pay all amounts then due and payable on such Senior Bonds in full, in cash, before any payment or distribution is made in respect of the Subordinate Obligations. In the event that any payment or distribution of assets of the Issuer of any kind or character, whether in cash, instruments, securities or other property, shall be received by the Owner of Subordinate Obligations in respect of the Subordinate Obligations from any source, directly or indirectly, such payment or distribution shall be held in trust for the benefit of, and shall be immediately paid over and delivered to, the Trustee for payment to the Owners of the Senior Bonds, to the extent necessary to pay all amounts then due and payable to such Owners of the Senior Bonds.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Trustee shall determine in accordance with this Indenture, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix a Special Record Date in accordance with Section 2.09 (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such Special Record Date interest on the principal amounts to be paid on such Special Record Date shall cease to accrue if so paid. The Trustee shall give such notice as it may deem appropriate in accordance with this Indenture of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Owner of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement of any partial payment or for cancellation if fully paid.

Whenever all installments of interest then due on the Bonds and all unpaid principal amounts of any Bonds that shall have become due have been paid under the provisions of this Section and all expenses and charges of the Trustee have been paid, and each Credit Facility Provider, if any, has been reimbursed for all amounts drawn under the applicable Credit Facility, if any, and used to pay principal, premium, if any, and interest on the Bonds, the Trustee shall resume making the transfers from the Revenue Fund in the amounts and according to the priority set forth in Article V hereof. If all Bonds and the interest thereon have been paid in full, together with all expenses and charges of the Trustee and amounts owing to any Credit Provider for draws under its Credit Facility (except a provider of a Credit Facility for purposes of Section 5.09(e)), and no credit enhancement or liquidity support shall be outstanding, any balance remaining shall be paid first to each such Credit Facility Provider to the extent any other amounts are then owing to each such Credit Facility Provider, then the balance shall be paid by the Trustee to the extent required to be paid to a Credit Facility Provider providing a Credit Facility for purposes of Section 5.09(e) for any amount due to such Credit Facility Provider and any resulting balance shall be paid as otherwise required by Article V hereof, and if not so required, to the Issuer or as a court of competent jurisdiction may direct.

Section 9.11. Trustee's Right to Receiver

The Trustee shall be entitled as of right to the appointment of a receiver *ex parte* and without notice; and the Trustee, the Bondholders and any receiver so appointed shall have such

rights and powers and be subject to such limitations and restrictions as may be contained in or permitted by State law.

Section 9.12. Bankruptcy Proceedings

The Trustee is hereby authorized and directed, on behalf of the Owners of the Bonds, to file a proof or proofs of claim in any bankruptcy, receivership or other insolvency proceeding involving the Issuer. With respect to any matter in any such proceeding which requires the vote of any claimant, the Trustee is hereby authorized and directed to vote on behalf and in the name of the Owners of all Bonds Outstanding hereunder in the manner designated by the Majority Interest. In order to enable the Trustee to enforce the rights hereunder of the Senior Bonds in any such action or proceeding, the Trustee is irrevocably authorized and empowered to make and present for and on behalf of the Owners of Subordinate Obligations such proofs of claims against the Issuer on account of the Subordinate Obligations or other motions or pleadings as the Trustee may deem expedient or proper and to vote and take such other actions, in the name of any Bondholder or otherwise, as the Trustee may deem necessary or advisable. The Owners of the Subordinate Obligations further agree not to object to, interfere with or oppose any efforts by the Trustee to obtain relief from the automatic stay under Section 362 of the United States Bankruptcy Code or any of Trustee's other bankruptcy-related actions.

Section 9.13. Credit Facility Provider Deemed Owner

For all purposes of this Article IX (other than receipt of payments), any Credit Facility Provider shall, so long as (i) it shall not have dishonored any draw under the Credit Facility complying with the terms thereof (other than for a reason permitted by the Credit Facility or pursuant to any administrative or judicial order, ruling, finding or decision) or (ii) the Credit Provider is not otherwise in default thereunder, be deemed the Owner of all Bonds secured by the Credit Facility and may take all actions permitted by this Article IX to be taken by the Owners of such Bonds, to the exclusion of the actual Owners of such Bonds.

ARTICLE X

THE TRUSTEE

Section 10.01. Acceptance of Trust

The Trustee accepts and agrees to execute the trusts imposed upon it by this Indenture, but only upon and subject to the additional express terms and conditions set forth in this Article, to all of which the parties hereto and the Bondholders agree and no implied covenants or obligations shall be read into this Indenture against the Trustee.

Section 10.02. No Responsibility for Recitals, etc.

The recitals, statements and representations in the Indenture, in the Bonds, excepting the Trustee's Certificate upon the Bonds, and in any official statement or other disclosure document relating to the Bonds, have been made by the Issuer and not by the Trustee; and the Trustee shall be under no responsibility for the correctness thereof, or for the validity, priority, or for insuring the Project or collecting any insurance moneys, or for the validity of the execution by the Issuer of this

Indenture or of any supplements hereto or instruments of further assurance, or for the validity or sufficiency of the security afforded by this Indenture or the Bonds or intended to be secured hereby, or as to the maintenance of the security hereof. The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer hereunder, except as expressly provided herein.

The Trustee shall not be accountable for the application of the proceeds of any Bonds authenticated or delivered hereunder which has been made by or on behalf of the Issuer.

The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

Section 10.03. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Negligence

The Trustee may exercise any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice or opinion of Counsel concerning all questions hereunder. The Trustee shall not be answerable for the default or misconduct of any attorney or agent selected by it with reasonable care. Except as otherwise provided herein, the Trustee shall not be answerable for the exercise of any discretion or power under this Indenture nor for anything whatever in connection with the trust hereunder, except only its own willful misconduct or negligence.

Section 10.04. Compensation

The Issuer shall pay the Trustee reasonable compensation for its ordinary services hereunder (which compensation is not intended by the parties hereto to be limited by any provision of law in regard to the compensation of a trustee of an express trust), and also all its reasonable expenses and disbursements as and when the same become due, and all advances, agent, and counsel fees and other ordinary expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services. In the event that it should become necessary for the Trustee to perform extraordinary services, the Trustee shall be entitled to reasonable additional compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the negligence or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. If the Issuer shall have failed to make any such payment, the Trustee shall have, in addition to any other rights hereunder, a claim, prior to the Bondholders, for the payment of its compensation and indemnification and the reimbursement of its expenses and any advances made by it upon the moneys and obligations in the Senior Bond Fund, except for moneys or obligations held by the Trustee for the payment of particular Bonds. As security for the performance of the Issuer under this Section, the Trustee also shall have a lien prior to the Bonds upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of or interest or premiums on the Bonds.

Section 10.05. Notice of Default; Right to Investigate

The Trustee shall, within 30 days after the occurrence thereof, give written notice by first class mail to Owners of Bonds or an Electronic Notice to Depository or its successors of all

defaults of which the Trustee has actual knowledge, unless such defaults have been remedied (the term "**defaults**" for purpose of this Section and Section 10.06 being defined to include the events specified in Section 9.01(a), not including any notice or periods of grace provided for therein); provided that the Trustee may withhold such notice so long as it in good faith determines that such withholding is in the interest of the Bondholders.

The Trustee shall also give written notice by first class mail to Owners of Bonds or an Electronic Notice to Depository or its successors on each Interest Payment Date, if moneys on deposit in the Senior Bond Fund (after all transfers permitted to be made from other Funds and accounts to make up a deficiency in the Senior Bond Fund were made) are not sufficient to make all or a portion of the scheduled interest and/or principal payment due and shall attach to such notice a copy of the Issuer's compliance certificate required to be delivered by the Issuer in accordance with Section 8.03.

The Trustee may at any time require of the Issuer full information as to the performance of any covenant hereunder; and, if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the Issuer, an investigation into the Issuer's affairs related to this Indenture.

Section 10.06. Obligation to Act on Defaults

The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee. If any Event of Default shall have occurred and be continuing, the Trustee shall exercise such of the rights and remedies vested in it by this Indenture and shall use the same degree of care in their exercise as a prudent man would exercise or use in the circumstances in the conduct of his own affairs; provided, that if in the opinion of the Trustee such action may tend to involve expense or liability, it shall not be obligated to take such action (other than the Trustee's obligation to draw under a Credit Facility, if any, to make payments when due to Bondholders from funds available under this Indenture) unless it is furnished with indemnity satisfactory to it.

Section 10.07. Reliance

The Trustee may act on any requisition, resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, or other paper or document which it in good faith believes to be genuine and to have been passed or signed by the proper persons or to have been prepared and furnished pursuant to any of the provisions of this Indenture; and the Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, the Trustee may request and such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of the Issuer signed in the name of the Issuer by an authorized officer of

the Issuer and such certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

Section 10.08. Trustee May Deal in Bonds

The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholders may be entitled to take with like effect as if the Trustee were not a party to this Indenture. The Trustee may also engage in or be interested in any financial or other transaction with the Issuer; provided that if the Trustee determines that any such relation is in conflict with its duties under this Indenture, it shall eliminate the conflict or resign as Trustee.

Section 10.09. Construction of Ambiguous Provisions

The Trustee may construe any ambiguous or inconsistent provisions of this Indenture, and any construction by the Trustee shall be binding upon the Bondholders.

Section 10.10. Resignation of Trustee

The Trustee may resign and be discharged of the trusts created by this Indenture by written resignation filed with the Issuer not fewer than 60 days before the date when it is to take effect; provided notice of such resignation is mailed to Owners of the Bonds not fewer than three weeks prior to the date when the resignation is to take effect. Such resignation shall take effect only upon the appointment of a successor trustee.

Section 10.11. Removal of Trustee

Any Trustee hereunder may be removed at any time by an instrument appointing a successor to the Trustee so removed, executed by the Issuer (so long as no Event of Default has occurred and is continuing or there has not occurred any event which, with giving of notice or the lapse of time, or both, would create an Event of Default) or by a Majority Interest and filed with the Trustee and the Issuer (if executed by a Majority Interest). Such removal shall take effect only upon the appointment of a successor trustee.

Section 10.12. Appointment of Successor Trustee

If the Trustee or any successor trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the Issuer (so long as no Event of Default has occurred and is continuing or there has not occurred any event which, with giving of notice or the lapse of time, or both, would create an Event of Default), with the prior consent of the City, shall appoint a successor and shall mail notice of such appointment to Owners of the Bonds. If the Issuer fails to make such appointment promptly, the Owners of a majority in principal amount of the Senior Bonds then Outstanding, with the City's prior consent, may do so. If the Issuer or the Owners shall fail to appoint a successor Trustee within 90 days

after the Trustee has given notice of its resignation, the Trustee shall have the right to petition a court of competent jurisdiction to appoint a successor trustee hereunder.

Section 10.13. Qualification of Successor

A successor trustee shall be a national banking association with trust powers or a bank and trust company or a trust company having capital and surplus of at least $50,000,000, if there be one able and willing to accept the trust on reasonable and customary terms.

Section 10.14. Instruments of Succession

Any successor trustee shall execute, acknowledge and deliver to the Issuer an instrument accepting such appointment hereunder; and thereupon the successor trustee, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in the trust hereunder, with like effect as if originally named Trustee herein; provided, however, that any successor trustee shall be first approved by the City before assuming the duty of a trustee hereunder. The Trustee ceasing to act hereunder shall pay over to the successor trustee all moneys held by it hereunder; and, upon request of the successor trustee, the Trustee ceasing to act and the Issuer shall execute and deliver an instrument transferring to the successor trustee all the estates, properties, rights, powers and trusts hereunder of the Trustee ceasing to act.

Section 10.15. Merger of Trustee

Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, any corporation to which substantially all the business and assets of the Trustee may be transferred, any corporation to which substantially all the Trustee's corporate trust business may be transferred, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, shall be the successor trustee under the Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.16. Appointment of Co-Trustee

It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture and in particular in case of the enforcement of such document in default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or Co-Trustee, upon the prior written consent of the City. The following provisions of this Section are adopted to these ends.

The Trustee may appoint an additional individual or institution as a separate or Co-Trustee, in which event each and every remedy, power, right, claim, demand, cause of action,

indemnity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or Co-Trustee but only to the extent necessary to enable such separate or Co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or Co-Trustee shall run to and be enforceable by either of them.

Should any deed, conveyance or instrument in writing from the Issuer be required by the separate or Co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. In case any separate or Co-Trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or Co-Trustee, so far as permitted by law, shall vest in and be exercisable by the Trustee until the appointment of a new Trustee or successor to such separate or Co-Trustee.

Section 10.17. Intervention by Trustee

In any judicial proceeding to which the Issuer or the Credit Facility Provider, if any, is a party and which in the opinion of the Trustee and its Counsel has a substantial bearing on the interests of Owners of the Bonds, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding and such Owners have furnished indemnity satisfactory to the Trustee. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

Section 10.18. Privileges and Immunities of Paying Agent and Authenticating Agent

The Paying Agents and the Authenticating Agents shall, in the exercise of their duties hereunder, be afforded the same rights, discretions, privileges and immunities as the Trustee in the exercise of such duties.

Section 10.19. Expenditure of Trustee Funds

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. If it shall have reasonable grounds for believing that repayment of advanced funds or adequate indemnity against such risk or liability is reasonably assured to it, the Trustee may, in its sole discretion, expend its own funds in the performance of any of its duties hereunder.

Section 10.20. Application of Article X

Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article.

Section 10.21. Consultation with Counsel

The Trustee may consult with Counsel and the written advice of such Counsel or any opinion of Counsel or Bond Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

Section 10.22. Provision of Periodic Reports; Monthly Fund Statements and Revenue Accounting

(a) The Trustee shall prepare and file with the Issuer and the City reports pursuant to Sections 4.02(c), 4.02(e), 5.05(e), 5.06(e), 10.22 (c) and 10.23. The Trustee shall provide to the Issuer and the City, at their request, such other information as may be necessary for the Issuer and the City to comply with the provisions of the Comprehensive Agreement.

(b) If ten (10) days prior to each Interest Payment Date, the Trustee determines that there are insufficient funds on deposit in the Senior Bond Fund (taking into account all transfers permitted to be made from other Funds and accounts to make up a deficiency in the Senior Bond Fund) to make all or a portion of the scheduled payment of principal or interest on the Bonds, it shall send a prompt written notice to the Issuer and the Developers stating the amount of deficiency.

(c) The Trustee shall provide to the Issuer, the City, the Developers and the Financing Districts written monthly statements depicting the balances, including all debits and credits, as of the last day of each month in each Fund and account established under this Indenture.

(d) A copy of any report received by the Trustee from the Issuer, the Financing Districts, and the Collecting Agent shall be provided by the Trustee to any Bondholder who notifies the Trustee in writing that it desires to receive such notices.

Section 10.23. Accounting for Credit PIF Revenue; Unreimbursed Shared Revenue; Disposition of Funds at the Termination of the Credit PIF Period

(a) The Trustee shall maintain an accounting of the proceeds of all Bonds, together with interest earnings thereon, that have been expended on Primary Public Improvements, and the amount of Shared Revenue that has been disbursed by the Trustee to the Issuer to reimburse the Issuer for Primary Public Improvements. Such accounting shall be available for inspection by the Issuer and the City during the Trustee's regular business hours.

(b) After all Bonds of a Series have been paid and defeased in accordance with this Indenture and the applicable Supplemental Indenture, the Trustee shall prepare and send to the Issuer and the City a final accounting setting forth the information required in Section 4.3(e)(viii) of the Comprehensive Agreement and the total disbursements made by the Trustee to the Issuer from each account and subaccount of the Project Fund.

(c) Upon expiration of the Credit PIF Period, the Trustee shall prepare a final accounting for the Issuer and the City setting forth the amount of Shared Revenue, if any, spent on the District Public Improvements, based solely on disbursements from the accounts and subaccounts of the Project Fund and transfers from the Shared Revenue Account to the Add-On PIF Revenue Account pursuant to Sections 5.05(a)(ii) and 5.05(a)(iv) and not reimbursed by the Issuer in accordance with Sections 5.04(a)(ii) and 5.04(a)(vii) hereof, from the Add-On PIF Revenue Account (the "**Unreimbursed Shared Revenue**"). If there is money on deposit in the Non-PIF Revenue Account and/or the Add-On PIF Revenue Account, the Trustee shall transfer moneys to the Shared Revenue Account in an amount equal to the Unreimbursed Shared Revenue. In the event moneys on deposit in the Non-PIF Revenue Account and the Add-On PIF Revenue Account are not sufficient to repay the Unreimbursed Shared Revenue, the Issuer shall pay such amount to the City pursuant to the provisions of the Comprehensive Agreement.

(d) Subject to subsection (c) above, upon expiration of the Credit PIF Period and after all Bonds issued hereunder have been fully defeased pursuant to the terms hereof, if there is any Shared Revenue remaining on deposit with the Trustee, the Trustee shall remit all remaining Credit PIF Revenue and Shared General Fund Sales Tax Revenue to the City, Shared Sales Tax Incremental Revenue to the Authority and shall remit all remaining Add-On PIF Revenue and any other Pledged Revenue not constituting Shared Revenue as the Issuer may direct, subject to the Issuer's payment to the City of all Unreimbursed Shared Revenue.

Section 10.24. Obligations Under the Collection Agreement

In the event that an entity engaged by the Issuer to collect PIF under a Collection Agreement resigns or is removed from its position under such Collection Agreement and a successor collection entity is not appointed, the Trustee agrees to assume all obligations of such entity under applicable Collection Agreement relating to collection, disbursement and reporting of the PIF Revenue under such Collection Agreement; provided, however, that the Trustee may engage an agent to carry out such obligations, which agent and the Trustee shall be paid fees under the applicable Collection Agreement for such services.

ARTICLE XI

ACTS OF BONDHOLDERS AND CONSENT PARTIES

Section 11.01. Acts of Bondholders and Consent Parties; Evidence of Ownership

Any action to be taken by Bondholders or Consent Parties may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by such Bondholders or Consent Parties in person or by agent appointed in writing. The fact and date of the execution by any person of any such instrument (other than the form of assignment of the Bond) may be proved by acknowledgment before a notary public or other officer empowered to take acknowledgments or by an affidavit of a witness to such execution. Where such execution is by an officer of a corporation or a member of a partnership, on behalf of such corporation or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the

execution of any such instrument or writing, or the authority of the person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

Any request, demand, authorization, direction, notice, consent, waiver, or other action provided by this Indenture to be given or taken by the Consent Parties with respect to a specified percentage or portion of the Outstanding Bonds shall be conclusive and binding upon all present and future Owners and Consent Parties if the Consent Parties with respect to the specified percentage or portion of the Outstanding Bonds take such action in accordance herewith; and it shall not be necessary to make notation of such action on any Bond authenticated and delivered hereunder. In addition, any request, demand, authorization, direction, notice, consent, waiver, or other action by any Consent Party (notwithstanding whether such action was also taken by any other Owner or Consent Party) shall bind the Owner and the Consent Party, and the Owner of and Consent Party with respect to every Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon; and it shall not be necessary to make notation of such action on any Bond authenticated and delivered hereunder.

ARTICLE XII

AMENDMENTS AND SUPPLEMENTS

Section 12.01. Amendments and Supplements to Indenture Not Requiring Consent

Subject to Section 12.05 hereof, this Indenture may be amended or supplemented at any time and from time to time, without the consent of or notice to the Bondholders or Consent Parties, by a Supplemental Indenture between the Issuer and the Trustee, for one or more of the following purposes:

(a) to add additional covenants of the Issuer or to surrender any right or power herein conferred upon the Issuer;

(b) to cure any ambiguity or formal defect or omission herein;

(c) to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising hereunder that shall not materially adversely affect the interests of the Owners of Bonds;

(d) for any purpose not inconsistent with the terms of this Indenture or to correct or supplement any provision contained herein or in any Supplemental Indenture which may be defective or inconsistent with any other provision contained herein or in any Supplemental Indenture, or to make such other provisions in regard to matters or questions arising under this Indenture which shall not be inconsistent with the provisions of this Indenture and which shall not adversely affect the interests of the Owners of the Bonds, including the appointment and duties of a Co-Paying Agent, Bond Registrar or Authenticating Agent;

(e) to modify, eliminate or add to the provisions of this Indenture to such extent as shall be necessary to effect the qualification of this Indenture under the Trust Indenture Act of 1939 or under any similar federal statute hereafter enacted, and to add to this Indenture such other provisions as may be expressly permitted by the Trust Indenture Act of 1939, as from time to time amended;

(f) to provide details in connection with the issuance of any Additional Bonds hereunder;

(g) to grant to or confer or impose upon the Trustee for the benefit of the Owners of the Bonds any additional rights, remedies, powers, authority, security, liabilities or duties which may lawfully be granted, conferred or imposed and which are not contrary to or inconsistent with this Indenture as theretofore in effect, including to provide for a debt service reserve fund;

(h) to permit the appointment of a Co-Trustee under this Indenture;

(i) to authorize different authorized denominations of the Bonds and to make correlative amendments and modifications to this Indenture regarding exchangeability of Bonds of different authorized denominations, redemptions of portions of Bonds of particular authorized denominations and similar amendments and modifications of a technical nature;

(j) to modify, alter, supplement or amend this Indenture to comply with changes in the Code affecting the status of interest on the Tax-Exempt Bonds as excluded from gross income for federal income tax purposes or the obligations of the Issuer in respect of Section 148 of the Code;

(k) to remove the Trustee in accordance with Section 10.11 hereof;

(l) to add requirements the compliance with which is required by a Rating Agency in connection with issuing a rating with respect to any Series of Bonds;

(m) to accommodate the technical, operational and structural features of Bonds which are issued or are proposed to be issued or of a Program which has been authorized or is proposed to be authorized, including, but not limited to, changes needed to accommodate bond anticipation notes, commercial paper, auction Bonds, Hedge Facilities, Short-Term/Demand Obligations and other variable rate or adjustable rate Bonds, Capital Appreciation Bonds, Original Issue Discount Bonds and other discounted or compound interest Bonds or other forms of indebtedness which the Issuer from time to time deems appropriate to incur;

(n) to accommodate the use of a Credit Facility for specific Bonds or a specific Series of Bonds; provided that the use of such Credit Facility does not materially adversely affect the interests of the Owners of any other Outstanding Bonds;

(o) to confirm to the Trustee amounts pledged hereunder as Pledged Revenue, including amounts payable to the Issuer by the Related Districts;

(p) to modify, alter, amend or supplement this Indenture in any other respect which is not materially adverse to the Bondholders; or

(q) to amend a prior Supplemental Indenture in accordance with the provisions thereof.

Before the Issuer and the Trustee shall enter into any Supplemental Indenture pursuant to this Section 12.01, there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that such Supplemental Indenture is authorized under this Indenture, that such Supplemental Indenture will, upon the execution and delivery thereof by the Issuer and assuming due execution and delivery thereof by the Trustee, be valid and binding upon the Issuer in accordance with its terms and will not adversely affect the exclusion from gross income of the interest on the Tax-Exempt Bonds for federal income tax purposes.

Section 12.02. Amendments to Indenture With Consent; Rights of Certain Financing Districts

(a) Subject to Section 12.05 hereof and except as provided in Section 12.01 and in the immediately following sentence, any modification or amendment of this Indenture may only be made by a Supplemental Indenture with the written consent of the Consent Parties with respect to not less than a majority in aggregate principal amount of all Senior Bonds Outstanding and not less than a majority in aggregate principal amount of all Subordinate Obligations Outstanding (if all Series of Senior Bonds and all Series of Subordinate Obligations are equally affected by such amendment) or with respect to a majority in aggregate principal amount of each Series of such Bonds then Outstanding (if all Series of Senior Bonds and the Subordinate Obligations are not equally affected by such amendment) affected by such amendment. No such modification or amendment shall, without the written consent of the Consent Party with respect to each Bond affected thereby, permit (i) a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount, Accreted Value or the redemption price thereof or in the rate of interest thereon, or (ii) creation of a lien upon or a pledge of or payment priority from the Pledged Revenues ranking prior to the lien or pledge created by this Indenture, or (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds of the same lien on the Pledged Revenue, or (iv) a reduction in the percentages or otherwise affecting the classes of Bonds of which the consent of the Owners or Consent Parties is required to effect any such modification or amendment, or (v) an impairment of the exclusion from gross income for federal income tax purposes of interest on any Tax-Exempt Bond, or (vi) a deprivation of any Owners of the lien created by this Indenture. For the purposes of this Section, a Series of Bonds shall be deemed to be affected by a modification or amendment of this Indenture if the same materially adversely affects or diminishes the rights of the Owners of Bonds of such Series. The Trustee may in its discretion determine whether or not, in accordance with the foregoing powers of amendment, Bonds of any particular Series would be affected by any modification or amendment of this Indenture and any such determination shall be binding and conclusive on the Issuer and all Owners and Consent Parties.

(b) Before the Issuer and the Trustee shall enter into any Supplemental Indenture pursuant to this Section 12.02, there shall have been delivered to the Trustee (i) an

opinion of Bond Counsel to the effect that such Supplemental Indenture is authorized under this Indenture, that such Supplemental Indenture will, upon the execution and delivery thereof by the Issuer and assuming due execution and delivery thereof by the Trustee, be valid and binding upon the Issuer in accordance with its terms and will not adversely affect the exclusion from gross income of the interest on the Tax-Exempt Bonds for federal income tax purposes and (ii) an opinion of Counsel stating that all conditions set forth in the Comprehensive Agreement relating to the entering into and execution of such Supplemental Indenture have been fulfilled and that such Supplemental Indenture does not violate any provisions of the Comprehensive Funding Plan.

(c) The provisions of Section 3.03 shall not be amended without the prior written consent of each Financing District and each Financing District shall be third party beneficiary of Section 3.03 with rights to enforce the same; provided that in no event shall a Financing District have any rights pursuant to Article IX.

Section 12.03. Amendments to Comprehensive Funding Plan of the Comprehensive Agreement, Capital Pledge Agreement, Cooperation Agreement, Sales Tax Sharing Agreement, Fee Resolutions, Service Plan and PIF Covenants

The Issuer may not amend or consent to an amendment of the Comprehensive Funding Plan of the Comprehensive Agreement, the Capital Pledge Agreement, the Cooperation Agreement, the Fee Resolution of any Financing District, the Sales Tax Sharing Agreement, the Service Plan and the PIF Covenants (collectively, the "**Transaction Documents**") that would materially prejudice the security for the payment of the Bonds according to the terms thereof without the prior written consent of the Consent Parties with respect to the Majority Interest (if both Senior Bonds and Subordinate Obligations are affected by such amendment), or with respect to not less than a majority in aggregate principal amount of the Senior Bonds then Outstanding (if only the Senior Bonds are affected by such amendment) or with respect to not less than a majority in aggregate principal amount of the Subordinate Obligations then Outstanding (if only the Outstanding Subordinate Obligations are affected by such amendment).

Notwithstanding anything in this Indenture to the contrary, no amendment to a Transaction Document which affects the rights, duties, obligations or immunities of the Trustee may be effected without the express written consent of the Trustee.

Section 12.04. Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel

The Trustee is authorized to join with the Issuer in the execution and delivery of any Supplemental Indenture or amendment permitted by this Article XII and in so doing shall be fully protected by an opinion of Counsel that such Supplemental Indenture or amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done; provided that certain amendments may, by agreement between the Trustee and the Credit Facility Provider, if any, require the prior consent of such Credit Facility Provider. The Trustee may, but shall not be required to, enter into any Supplemental Indenture which affects the Trustee's own rights, duties, obligations or immunities under the Indenture or otherwise.

Section 12.05. Rights of the City with Respect to the Amendments of Indenture

Notwithstanding anything herein to the contrary, this Indenture may not be amended in a manner inconsistent with the Comprehensive Funding Plan of the Comprehensive Agreement without the prior written approval of the City received in accordance with the terms of the Comprehensive Agreement, including Section 4.3(e)(ix) thereof.

ARTICLE XIII

DISCHARGE AND DEFEASANCE

Section 13.01. Discharge of the Indenture and Defeasance

(a) When the principal, Accreted Value, redemption price and interest on all Bonds have been paid, or provision has been made for payment of the same in accordance with subsection (b) of this Section, together with the compensation of the Trustee and all other sums payable hereunder by the Issuer, the right, title and interest of the Trustee shall thereupon cease, and the Trustee, on demand of the Issuer, shall release this Indenture and shall execute such documents to evidence such release as may be reasonably required by the Issuer and shall turn over to the Issuer or to such person, body or authority as may be entitled to receive the same all balances then held by it hereunder, not required for the payment of the Bonds. If payment or provision therefor is made with respect to less than all of the Bonds of a given Series, the particular Bonds of such Series (or portion thereof) for which provision for payment shall have been considered made shall be selected by lot by the Trustee, and thereupon the Trustee shall take similar action for the release of this Indenture with respect to such Bonds.

(b) Provision for the payment of Bonds shall be deemed to have been made when the Trustee holds in trust and irrevocably sets aside exclusively for such payment, any combination of (i) moneys sufficient to make such payment, (ii) Governmental Obligations maturing as to principal and interest in such amounts and at such times as will provide sufficient moneys (without consideration of any reinvestment thereof) to make such payment, and which Governmental Obligations are not subject to prepayment, redemption or call prior to their stated maturity, or (iii) combination of (i) and (ii); provided, however, that prior to the release of this Indenture with respect to such Bonds, the Trustee shall also have received (A) if the provision for the payment of the Bonds is made under clauses (ii) or (iii) of this subsection (b), a report of an independent public accounting firm that the moneys and Governmental Obligations set aside exclusively for such payment are sufficient to meet all payments of principal, interest or purchase price on the Bonds and (B) an opinion of Bond Counsel that such deposit will not adversely affect the exclusion from gross income of the interest on any of the Tax-Exempt Bonds.

No Bonds in respect of which a deposit under clause (i), (ii) or (iii) above has been made shall be deemed paid within the meaning of this Article unless the Trustee is satisfied that the amounts deposited are sufficient to make all payments that might become due on the Bonds. Notwithstanding the foregoing, no delivery to the Trustee under this subsection (b) shall be deemed a payment of any Bonds which are to be redeemed prior to their stated maturity until

such Bonds shall have been irrevocably called or designated for redemption on a date thereafter on which such Bonds may be redeemed in accordance with the provisions of this Indenture and, in the event such Bonds are not to be redeemed within the next 60 days, the prior notice of such redemption shall have been given in accordance with Article VII or the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions to give, in the manner and at the times prescribed by Article VII, notice of redemption. Neither the obligations nor moneys deposited with the Trustee pursuant to this Section shall be withdrawn or used for any purpose other than, and shall be segregated and held in trust for, the payment of the principal of, redemption price of and interest on the Bonds with respect to which such deposit has been made.

(c) Anything in Article XII to the contrary notwithstanding, if moneys or Governmental Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of the principal, Accreted Value or redemption price of the Bonds and the interest thereon and the principal, Accreted Value or redemption price of such Bond and the interest thereon shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Owner of each of the Bonds affected thereby.

Notwithstanding the foregoing, those provisions relating to the Bonds, the maturity of Bonds, interest payments and dates thereof, drawings upon the Credit Facility, if any, and the Trustee's remedies with respect thereto, and provisions relating to exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of moneys in trust, and repayments to the Credit Facility Provider, if any, and the duties of the Trustee in connection with all of the foregoing and the fees, expenses and indemnities of the Trustee, shall remain in effect and shall be binding upon the Trustee, the Issuer and the Bondholders notwithstanding the release and discharge of the lien of this Indenture.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 14.01. No Personal Recourse

No recourse shall be had for any claim based on this Indenture or the Bonds, including but not limited to the payment of the principal or redemption price of, or premium, if any, or interest on, the Bonds, against any member, director, officer, agent or employee, past, present or future, of the Issuer or of any successor bodies, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise.

Section 14.02. Deposit of Funds for Payment of Bonds

If the principal or redemption price of any Bonds becoming due, either at maturity or by call for redemption or otherwise, together with all interest accruing thereon to the due date, has been paid or provision therefor made in accordance with Section 13.01, all interest on such

Bonds shall cease to accrue on the due date and all liability of the Issuer with respect to such Bonds shall likewise cease, except as hereinafter provided. Thereafter the Owners of such Bonds shall be restricted exclusively to the funds so deposited for any claim of whatever nature with respect to such Bonds, and the Trustee shall hold such funds in trust for such Owners.

Moneys so deposited with the Trustee which remain unclaimed two (2) years after the date payment thereof becomes due shall, at the request of the Issuer and if (i) the Issuer is not at the time to the knowledge of the Trustee in default with respect to any covenant in this Indenture or the Bonds and (ii) the Issuer has provided adequate indemnification, the Trustee shall pay such moneys to the Issuer; and the Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the Issuer.

Section 14.03. No Rights Conferred on Others

Nothing herein contained shall confer any right upon any person other than the parties hereto, the Owners of the Bonds, the City (but only with respect to provisions herein which grant specific rights to the City or impose specific duties on the Trustee or the Issuer for the benefit of the City), and the Financing Districts (but only with respect to Section 3.03, including consent to any amendment thereto); provided that in no event shall the City or any Financing District have any rights pursuant to Article IX hereof.

Section 14.04. Illegal, etc. Provisions Disregarded

In case any provision in this Indenture or the Bonds shall for any reason be held invalid, illegal or unenforceable in any respect, this Indenture shall be construed as if such provision had never been contained herein.

Section 14.05. Substitute Notice

If for any reason it shall be impossible to make publication of any notice required hereby in a newspaper or newspapers, then such publication or other notice in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient giving of such notice.

Section 14.06. Notices

(a) Except as otherwise provided herein, all notices, certificates, or other communications required to be given to any of the persons set forth below pursuant to any provision of this Indenture shall be in writing, shall be given either in person, by certified or registered mail, and given by email transmission, shall be deemed received three (3) days after having been deposited in a receptacle for United States mail, postage prepaid, addressed as follows:

(i) If to the Issuer, addressed to:

Prairie Center Metropolitan District No. 3
Attention: Ann Finn
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
Telephone: (303) 987-0835
Email: afinn@sdmsi.com

with a copy to:

MaryAnn M. McGeady, Esq.
McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Telephone: (303) 592-4380
Email: mmcgeady@specialdistrictlaw.com

(ii) If to the Trustee, addressed to:

UMB Bank, n.a.
1670 Broadway
Denver, Colorado 80202
Attention: Corporate Trust & Escrow Services
Telephone: (303) 839-2220
Email: Leigh.lutz@umb.com

(iii) If to the City, addressed to:

City Manager
City of Brighton, Colorado
500 South 4th Avenue
Brighton, Colorado 80601
Telephone: (303) 655-2043
With a copy to:

Margaret R. Brubaker, Esq.
Mehaffy Brubaker & Ernst, LLC
21 North 1st Avenue, Suite 290
Brighton, Colorado 80601
Telephone: (303) 659-0732
Email: mbrubaker@mmllc.com

(iv) If to the Developers, addressed to:

Bob Jakubeck, Manager
THF Prairie Center Development, L.L.C.
17107 Chesterfield Airport Road
Chesterfield, Missouri 63005
Telephone: 636-536-9401
Email: bjakubeck@thekroenkegroup.com

With a copy to:

Otten, Johnson, Robinson, Neff & Ragonetti, P.C.
950 17th Street, Suite 1600
Denver, Colorado 80202
Attn: Munsey Ayers, Esq.
Telephone: (303) 825-8400
Email: Munsey@ottenjohnson.com

(v) If to the Owner of a Bond, addressed to such Owner at the address shown on the books of the Bond Registrar kept pursuant hereto or by Electronic Notice to the Depository.

(b) In lieu of mailed notice to any person set forth above, the persons designated above may provide notice by email to any email address set forth above for any other person designated above, and any such notices shall be deemed received upon receipt by the sender of an email transmission from such person confirming such receipt, or upon receipt by the sender of such other confirmation of receipt as may be reasonably reliable under the circumstances.

(c) The persons designated above may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent.

(d) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 14.07. Successors and Assigns

All the covenants, promises and agreements in this Indenture contained by or on behalf of the Issuer, or by or on behalf of the Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 14.08. Headings for Convenience Only

The descriptive headings in this Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 14.09. Counterparts

This Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 14.10. Applicable Law

This Indenture shall be governed by and construed in accordance with the laws of the State.

Section 14.11. Payments Due On Days Which are Not Business Days

In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be a day which is not a Business Day, then payment of interest or principal or redemption price need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest on such payment shall accrue for the period after such date.

Section 14.12. Notice of Change

The Trustee, as a matter of courtesy and accommodation, shall give notice to the Rating Agencies then rating the Bonds, of any of the following events:

(a) a change in the Trustee;

(b) the expiration, cancellation, extension or substitution of any Credit Facility;

(c) a material amendment to the Indenture or any Credit Facility (or related reimbursement agreement); or

(d) payment or provision therefor of all the Bonds.

The Trustee shall have no liability or obligation to the Rating Agencies or to any other person if it shall fail to give such notice.

Section 14.13. Limitation of Liability of Issuer and its Officers, Employees and Agents

No covenant, provision or agreement of the Issuer herein or in the Bonds or in any other document executed by the Issuer in connection with the issuance, sale and delivery of the Bonds, or any obligation herein or therein imposed upon the Issuer or breach thereof, shall give

rise to a pecuniary liability of the Issuer or a charge against its general credit or taxing powers or shall obligate the Issuer financially in any way except with respect to this Indenture and the application of Pledged Revenue and the proceeds of the Bonds. No failure of the Issuer to comply with any term, condition, covenant or agreement therein shall subject the Issuer to liability for any claim for damages, costs or other financial or pecuniary charges except to the extent that the same can be paid or recovered from the Pledged Revenue or proceeds of the Bonds. No execution on any claim, demand, cause of action or judgment shall be levied on or collected from the general credit, general funds or taxing powers of the Issuer. The Bonds constitute special obligations of the Issuer, payable solely from the revenues pledged to the payment thereof pursuant to this Indenture, and do not now and shall never constitute an indebtedness or a loan of the credit of the Issuer, the State or any political subdivision thereof or a charge against general taxing powers within the meaning of any constitutional or statutory provision whatsoever.

Section 14.14. Electronic Storage

The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

Section 14.15. Indenture to Constitute Contract

This Indenture shall constitute a contract among the Issuer, the Trustee, and the Owners, and shall remain in full force and effect until the Bonds are no longer Outstanding hereunder.

EXHIBIT A
FORM OF SERIES 2017 BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("**DTC**"), to the issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAS NOT BEEN REGISTERED OR OTHERWISE QUALIFIED FOR SALE UNDER THE "BLUE SKY" LAWS AND REGULATIONS OF ANY STATE AND WILL AS OF THE DATE OF ISSUE CARRY NO RATING FROM ANY RATING SERVICE.

THIS BOND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT IN MINIMUM DENOMINATIONS OF $500,000 AND ANY INTEGRAL MULTIPLE OF $5,000 IN EXCESS THEREOF, UNLESS A LOWER DENOMINATION IS AUTHORIZED BY THE INDENTURE.

$_____ No. R-__

UNITED STATES OF AMERICA
STATE OF COLORADO

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
(IN THE CITY OF BRIGHTON)
IN ADAMS COUNTY, COLORADO
LIMITED PROPERTY TAX SUPPORTED [PRIMARY][DISTRICT] IMPROVEMENTS
REVENUE BOND
SERIES 2017[A][B]

MATURITY DATE	INTEREST RATE	ORIGINAL DATE	CUSIP
December 15, 20__	___%	October __, 2017	739476 ___

REGISTERED OWNER:

PRINCIPAL SUM: DOLLARS

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3, its successors or assigns (the "**Issuer**"), a quasi-municipal corporation and political subdivision of the State of Colorado, for

value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered owner specified above (the "**Owner**"), or registered assigns, on the maturity date specified above or on the date of prior redemption, upon surrender hereof, the principal amount specified above and to pay interest thereon from the date hereof until payment of said principal sum has been made or provided for, at the per annum interest rate specified above. Interest on this Bond shall accrue from the interest payment date next preceding the date of authentication to which interest shall have been paid, (i) unless such date of authentication is an interest payment date to which interest shall have been paid, in which case, from such authentication date, or (ii) unless authenticated after a Record Date and prior to an interest payment date with respect to such Record Date, in which case from such interest payment date, or (iii) unless this Bond is authenticated prior to the first interest payment date in which case interest on this Bond shall accrue from its original date shown above. Interest on this Bond shall be payable semi-annually on December 15 and June 15 in each year, commencing June 15, 2018, at the per annum interest rate specified above, until payment of said principal sum. Interest is computed on the basis of a 360-day year of twelve 30-day months.

To the extent principal of this Bond is not paid when due, such principal shall remain outstanding until paid in full and shall continue to bear interest at the rate then borne by this Bond. To the extent interest on this Bond is not paid when due, such interest shall continue to be due without interest on accrued but unpaid interest or compounding of interest; provided however, that notwithstanding anything herein to the contrary, the Issuer shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer Outstanding upon the payment by the Issuer of such amount.

Principal and interest shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. The interest so payable, and punctually paid or duly provided for, on any interest payment date will be paid to the person in whose name this Bond is registered at the close of business on June 1 or December 1 next preceding the interest payment date.

Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner at the close of business on June 1 or December 1, as applicable, and such unpaid interest shall be paid to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such unpaid interest to be fixed by the Trustee, such date to be no more than 15 nor fewer than 10 days prior to the date of proposed payment. Principal shall be paid at the principal corporate trust office of UMB Bank, n.a., as Paying Agent, in Kansas City, Missouri, or at the duly designated office of any duly appointed alternate or successor paying agent. Interest on this Bond shall be payable by check mailed to the Owner at the address as it appears on the bond register of the Issuer.

This Bond is one of a duly authorized series in the aggregate principal amount of $_____ designated by the Issuer "Limited Property Tax Supported [Primary][District] Improvements Revenue Bonds, Series 2017[A][B]" issued and executed under an Amended and Restated Trust Indenture dated as of October 1, 2017 (the "**Indenture**") between the Issuer and UMB Bank, n.a., as Trustee (the "**Trustee**"). Four duly authorized Series of Bonds have been issued by the Issuer under the Indenture consisting of (i) $47,095,000 original aggregate principal

amount of its Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2017A (the "**Series 2017A Bonds**"), (ii) $2,180,000 original aggregate principal amount of its Limited Property Tax Supported District Improvement Revenue Bonds, Series 2017B (the "**Series 2017B Bonds**," and with the Series 2017A Bonds, referred to collectively as the "**Series 2017 Bonds**," and with any Senior Bonds issued pursuant to the Indenture, referred to collectively as the "**Senior Bonds**"), (iii) $40,610,000 original aggregate principal amount of its Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A (the "**Series 2007A Subordinate Bonds**"), and (iv) $2,905,000 original aggregate principal amount of its Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B (the "**Series 2007B Subordinate Bonds**" and, collectively with the Series 2007A Subordinate Bonds, the "**Series 2007 Subordinate Bonds**").

The terms of this Bond include those terms specified in the Indenture. Bondholders are referred to the Indenture for a statement of those terms. *Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture*.

This Bond is an obligation of the Issuer secured by (a) a pledge of the Pledged Revenue (as defined in and with the exceptions provided in the Indenture), (b) all Issuer's rights to enforce payments under the Comprehensive Agreement, the Cooperation Agreement, the PIF Covenants, the Sales Tax Sharing Agreement, the Capital Pledge Agreement, the Collection Agreement, and the Fee Resolutions when due, and (c) with the exceptions and priorities provided in the Trust Indenture, all trust funds and accounts created under the Indenture. The Series 2007 Subordinate Bonds and any other Subordinate Obligations issued under the Indenture are in all respects junior and subordinate to the Senior Bonds.

Reference is hereby made to the Indenture and to all amendments thereof and supplements thereto for a description of the provisions, among others, with respect to the nature and extent of the security, the default provisions, the rights, duties and obligations of the Trustee and the Issuer or the rights of the registered owners of the Series 2017 Bonds and the Series 2007 Subordinate Bonds and the terms upon which the Series 2017 Bonds are issued and secured.

The Indenture provides that the Issuer may issue additional Series of Senior Bonds on a parity lien basis with this Bond, without preference, priority or distinction of any such Senior Bonds issued on parity with this Bond over any other such Senior Bonds, except as otherwise set forth in a supplement to the Indenture. Such Senior Bonds may be issued for any of the undertakings authorized under the Indenture, if certain requirements outlined therein are met. The Indenture also permits the Issuer to issue additional Series of Subordinate Obligations having a lien on the Trust Estate held by the Trustee subordinate to the lien of the Series 2017 Bonds.

THIS BOND SHALL NOT BE A DEBT OR INDEBTEDNESS OF THE CITY OF BRIGHTON, ADAMS COUNTY, THE STATE OF COLORADO OR ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE ISSUER, WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR STATUTES OF THE STATE OF COLORADO OR THE CITY'S HOME RULE CHARTER, AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY, THE COUNTY, THE STATE OR ANY POLITICAL

SUBDIVISION THEREOF (OTHER THAN THE ISSUER) OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWERS.

This Bond, upon surrender hereof at the principal office of the Trustee with a written instrument of transfer satisfactory to the Trustee executed by the Owner or his attorney duly authorized in writing, may, at the option of the Owner, be exchanged for an equal aggregate principal amount of Bonds of the same aggregate principal amount and tenor as the Bonds being exchanged and of any Authorized Denomination. This Bond is transferable as provided in the Indenture, subject to certain limitations therein contained, only upon the register of the Trustee, and only upon surrender of this Bond for transfer to the Trustee accompanied by a written instrument of transfer (in substantially the form of the assignment attached hereto) duly executed by the Owner or his duly authorized attorney. Thereupon, one or more new Series 2017 Bonds of any Authorized Denomination or Denominations and in the same aggregate principal amount and tenor as the Series 2017 Bond surrendered shall be issued to the designated transferee or transferees.

The person in whose name this Bond is registered on the register of the Trustee shall be deemed and regarded as the absolute owner hereof for any purpose, as provided in the Indenture.

The Series 2017 Bonds are subject to redemption prior to maturity as provided in the Indenture. The Series 2017 Bonds shall be redeemed only in integral multiples of $5,000. In the event a Series 2017 Bond is of a denomination larger than $5,000, a portion of such Bond may be redeemed, but only in the principal amount of $5,000 or any integral multiple thereof. Such Series 2017 Bond shall be treated for the purpose of redemption as that number of Bonds which results from dividing the principal amount of such Series 2017 Bond by $5,000. Any Series 2017 Bond which is to be redeemed only in part shall be surrendered at a place stated for the surrender of Series 2017 Bonds called for redemption in the notice described below (with due endorsement by, or a written instrument of transfer in form satisfactory to the Trustee duly executed by, the registered owner or his attorney duly authorized in writing) and the Issuer shall execute and the Trustee shall authenticate and deliver to the registered owner of such Series 2017 Bond without service charge, a new Series 2017 Bond, of the same Series, of any Authorized Denomination as requested by such owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2017 Bond so surrendered.

The notice of the call for redemption of Series 2017 Bonds shall be given at least 30 days but no more than 60 days prior to the date fixed for redemption to the Owner of this Bond in the manner set forth in the Indenture. If at the time of mailing of notice of any optional redemption the Issuer shall not have deposited with the Trustee moneys sufficient to redeem all the Series 2017 Bonds called for redemption, if the Issuer shall so direct, such notice may state that it is conditional in that it is subject to the deposit of sufficient moneys with the Trustee not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited. Any notice of redemption may be given by (i) registered or certified mail, postage prepaid, (ii) electronic notice (i.e. notice transmitted through email, facsimile or other similar electronic means) or (iii) overnight delivery service, to the DTC.

The Owner of this Bond acknowledges that this Bond is initially issuable only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof, that this Bond is not being registered under the Securities Act of 1933, as amended, and is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state and that as of the date of original issuance thereof, it will carry no rating from any Rating Agency. The Owner also acknowledges that its Bond may be sold, transferred or otherwise disposed of only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof (unless a lower denomination is authorized by the Indenture).

Failure to make scheduled payments of principal and interest on the Series 2017 Bonds does not constitute an Event of Default under the Indenture, provided the Issuer is otherwise in compliance with the terms thereof and certain other conditions of the Indenture are met. **There is no acceleration of the payment of the Series 2017 Bonds upon occurrence of an Event of Default under the Indenture.**

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture and except that any registered owner may institute action to enforce the payment of the principal of, premium, if any, or interest on its Bond.

Modifications of the Indenture or any trust indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

Executed counterparts of the Indenture are on file at the principal corporate trust office of the Trustee. The Owner of this Bond, by acceptance hereof, consents to all of the terms and provisions of the Indenture.

No recourse shall be had for the payment of the principal or redemption price of, or premium, if any, or interest on, this Bond, or for any claim based hereon or on this Indenture, against any member, officer, agent or employee, past, present or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

This Bond is issued pursuant to the Supplemental Public Securities Act. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Bond after its delivery for value.

It is hereby certified that all acts, conditions and things required to happen, exist and be performed under the laws of the State, and under the Indenture precedent to and in the issuance of this Bond have happened, exist and have been performed as so required, and that the issuance, authentication and delivery of this Bond have been duly authorized by the Issuer.

Unless the Certificate of Authentication hereon has been executed by the Trustee by manual signature of one of its authorized signers, this Bond shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of its President and its corporate seal or a facsimile to be affixed hereto or printed hereon and attested to by the manual or facsimile signature of its Secretary.

PRAIRIE CENTER METROPOLITAN
DISTRICT NO. 3

[ISSUER SEAL]

Attest:

Secretary President

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This Bond is one of the Bonds of the Series described in the within mentioned Indenture.

UMB Bank, n.a., as Trustee

By:_____
Authorized Representative

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Tax Identification Number or Social Security Number _____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said Bond on the Bond Register, with full power of substitution in the premises.

Dated:_____

_____
NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular without alteration or any change whatever; NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program ("MSP").

Signature guaranteed:

_____

[FORM OF ABBREVIATIONS]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with the right of survivorship and not as tenants in common

UNIFORM GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors
Act _____
(State)

Additional abbreviations may also be used though not in the above list.

[END OF SERIES 2017 BOND FORM]

EXHIBIT B
FORM OF SERIES 2007 SUBORDINATE BOND

THIS BOND IS A HIGH RISK INVESTMENT. THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAS NOT BEEN REGISTERED OR OTHERWISE QUALIFIED FOR SALE UNDER THE "BLUE SKY" LAWS AND REGULATIONS OF ANY STATE AND WILL AS OF THE DATE OF ISSUE CARRY NO RATING FROM ANY RATING SERVICE.

THIS BOND MAY BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF ONLY (I) IN MINIMUM DENOMINATIONS OF $500,000 AND INTEGRAL MULTIPLES OF $5,000 IN EXCESS THEREOF, UNLESS A LOWER DENOMINATION IS AUTHORIZED BY THE INDENTURE AND (II) TO "ACCREDITED INVESTORS," AS THAT TERM IS DEFINED UNDER SECTIONS 3(b) AND 4(2) OF THE FEDERAL "SECURITIES ACT OF 1933" BY REGULATION ADOPTED THEREUNDER BY THE U.S. SECURITIES AND EXCHANGE COMMISSION WHO HAVE EXECUTED AN INVESTOR LETTER IN THE FORM ATTACHED HERETO AS EXHIBIT A, UNLESS THE SERIES 2007 SUBORDINATE BONDS HAVE AN INVESTMENT GRADE RATING.

$_____ No. R-__

UNITED STATES OF AMERICA
STATE OF COLORADO

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
(IN THE CITY OF BRIGHTON)
IN ADAMS COUNTY, COLORADO
SUBORDINATE LIMITED PROPERTY TAX SUPPORTED
[PRIMARY][DISTRICT] IMPROVEMENTS REVENUE BOND
SERIES 2007[A][B]

MATURITY DATE	INTEREST RATE	ORIGINAL DATE	CUSIP
December 15, 2031	9.50%	June 7 , 2007	

REGISTERED OWNER:

PRINCIPAL SUM: DOLLARS

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3, its successors or assigns (the "**Issuer**"), a quasi-municipal corporation and political subdivision of the State of Colorado, for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered owner specified above (the "**Owner**"), or registered assigns, on the maturity date specified above or on the date of prior redemption, upon surrender hereof, the principal amount specified above and to pay interest thereon from the date hereof until payment of said principal sum has been made or provided for, at the per annum interest rate specified above. Interest on this Bond shall accrue from the interest payment date next preceding the date of authentication to which interest shall have been paid, (i) unless such date of authentication is an interest payment date to which interest shall have been paid, in which case, from such authentication date, or (ii) unless authenticated after a Record Date and prior to an interest payment date with respect to such Record Date, in which case from such interest payment date, or (iii) unless this Bond is authenticated prior to the first interest payment date in which case interest on this Bond shall accrue from its original date shown above. Interest on this Bond shall be payable semi-annually on December 15 and June 15 in each year, commencing December 15, 2007, at the per annum interest rate specified above, until payment of said principal sum. Interest is computed on the basis of a 360-day year of twelve 30-day months.

To the extent principal of this Bond is not paid when due, such principal shall remain outstanding until paid in full and shall continue to bear interest at the rate then borne by this Bond. To the extent interest on this Bond is not paid when due, such interest shall continue to be due without interest on accrued but unpaid interest or compounding of interest; provided however, that notwithstanding anything herein to the contrary, the Issuer shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer Outstanding upon the payment by the Issuer of such amount.

Principal and interest shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. The interest so payable, and punctually paid or duly provided for, on any interest payment date will be paid to the person in whose name this Bond is registered at the close of business on June 1 or December 1 next preceding the interest payment date.

Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner of this Bond at the close of business on June 1 or December 1, as applicable, and such unpaid interest shall be paid to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such unpaid interest to be fixed by the Trustee, such date to be no more than 15 nor fewer than 10 days prior to the date of proposed payment. Principal shall be paid at the principal corporate trust office of UMB Bank, n.a., as Paying Agent, in Kansas City, Missouri, or at the duly designated office of any duly appointed alternate or successor paying agent. Interest on this Bond shall be payable by check mailed to the Owner at the address as it appears on the bond register of the Issuer, *provided that, the foregoing is subject to the limitation that so long as any of the Senior Bonds are outstanding or unpaid, a failure to make a payment of principal of or interest on this Bond shall not cause or permit acceleration of this Bond or entitle the Trustee to pursue certain remedies under the Indenture and no such special record date shall be established, but this Bond shall continue to bear interest at the rate specified therefor, without interest on accrued but unpaid interest. In addition,*

no payments will be made under the Indenture to Owner of this Bond until all payments then due with respect to the Senior Bonds, and additional required deposits to funds and accounts described in the Indenture, have been made.

This Bond is one of a duly authorized series of the Issuer designated as ["Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A" (the "**Series 2007A Subordinate Bonds**")] ["Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B" (the "**Series 2007B Subordinate Bonds**," and with the Series 2007A Subordinate Bonds, referred to collectively as the "**Series 2007 Subordinate Bonds**,")] issued under the Trust Indenture dated as of December 1, 2006, as subsequently amended and supplemented (the "**Original Indenture**") between the Issuer and American National Bank, Denver, Colorado, as predecessor in interest to UMB Bank, n.a., as trustee (the "**Trustee**"), as such Original Indenture was amended and restated pursuant to an Amended and Restated Trust Indenture dated as of October 1, 2017 (the "**Indenture**"), between the Issuer and Trustee.

Four duly authorized Series of Bonds have been issued by the Issuer under the Indenture consisting of (i) $47,095,000 original aggregate principal amount of its Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2017A (the "**Series 2017A Bonds**"), (ii) $2,180,000 original aggregate principal amount of its Limited Property Tax Supported District Improvement Revenue Bonds, Series 2017B (the "**Series 2017B Bonds**," and with the Series 2017A Bonds, referred to collectively as the "**Series 2017 Bonds**," and with any other Senior Bonds issued pursuant to the Indenture, referred to collectively as the "**Senior Bonds**"), (iii) $40,610,000 original aggregate principal amount of its Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A (the "**Series 2007A Subordinate Bonds**"), and (iv) $2,905,000 original aggregate principal amount of its Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B (the "**Series 2007B Subordinate Bonds**" and, collectively with the Series 2007A Subordinate Bonds, the "**Series 2007 Subordinate Bonds**").

The terms of this Bond include those terms specified in the Indenture. Bondholders are referred to the Indenture for a statement of those terms. *Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture.*

This Bond is an obligation of the Issuer secured on a basis subordinate to the Senior Bonds by (a) a pledge of the Pledged Revenue (as defined in and with the exceptions provided in the Indenture), (b) all Issuer's rights to enforce payments under the Comprehensive Agreement, the PIF Covenants, the Capital Pledge Agreement, the Collection Agreement, and the Fee Resolutions when due, and (c) with the exceptions and priorities provided in the Trust Indenture, all trust funds and accounts created under the Indenture.

Reference is hereby made to the Indenture and to all amendments thereof and supplements thereto for a description of the provisions, among others, with respect to the nature and extent of the security, the default provisions, the rights, duties and obligations of the Trustee and the Issuer or the rights of the registered owners of the Senior Bonds and the Series 2007 Subordinate Bonds and the terms upon which the Series 2007 Subordinate Bonds are issued and secured.

The Indenture provides that the Issuer may issue additional Series of Senior Bonds having a lien on the Trust Estate held by the Trustee senior to the lien of the Series 2007 Subordinate Bonds and may issue additional Subordinate Obligations on a parity lien basis with this Bond, without preference, priority or distinction of any such Subordinate Obligations issued on parity with this Bond over any other such Subordinate Obligations, except as otherwise set forth in a supplement to the Indenture. Such additional Senior Bonds and Subordinate Obligations may be issued for any of the undertakings authorized under the Indenture, if certain requirements outlined therein are met.

THIS BOND IS SUBORDINATE IN ALL RESPECTS TO THE SERIES 2017 BONDS AND OTHER SENIOR BONDS TO BE ISSUED UNDER THE INDENTURE, AND IS A SPECIAL, LIMITED REVENUE OBLIGATION OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE AS PROVIDED IN THE INDENTURE, AND NEITHER THE SERIES 2007 SUBORDINATE BONDS, THE INTEREST OR PREMIUM THEREON, NOR COSTS, INCIDENT THERETO SHALL CONSTITUTE A DEBT OR INDEBTEDNESS OF THE CITY OF BRIGHTON, ADAMS COUNTY, THE STATE OF COLORADO OR ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE ISSUER, WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR STATUTES OF THE STATE OF COLORADO OR ANY HOME RULE CHARTER PROVISIONS, AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE ISSUER, OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWERS.

This Bond, upon surrender hereof at the principal office of the Trustee with a written instrument of transfer satisfactory to the Trustee executed by the Owner or his attorney duly authorized in writing, may, at the option of the Owner hereof, be exchanged for an equal aggregate principal amount of Bonds of the same aggregate principal amount and tenor as the Bonds being exchanged and of any Authorized Denomination. This Bond is transferable as provided in the Indenture, subject to certain limitations therein contained, only upon the register of the Trustee, and only upon surrender of this Bond for transfer to the Trustee accompanied by a written instrument of transfer (in substantially the form of the assignment attached hereto) duly executed by the Owner or his duly authorized attorney. Thereupon, one or more new Series 2017 Bonds of any Authorized Denomination or Denominations and in the same aggregate principal amount and tenor as the Series 2017 Bond surrendered shall be issued to the designated transferee or transferees.

The person in whose name this Bond is registered on the register of the Trustee shall be deemed and regarded as the absolute owner hereof for any purpose, as provided in the Indenture.

The Series 2007 Subordinate Bonds are subject to redemption prior to maturity as provided in the Indenture. The Series 2007 Subordinate Bonds shall be redeemed only in integral multiples of $5,000. In the event a Bond is of a denomination larger than $5,000, a portion of such Bond may be redeemed, but only in the principal amount of $5,000 or any integral multiple thereof. Such Series 2007 Subordinate Bond shall be treated for the purpose of redemption as that number

of Bonds which results from dividing the principal amount of such Bond by $5,000. Any Series 2007 Subordinate Bond which is to be redeemed only in part shall be surrendered at a place stated for the surrender of Series 2007 Subordinate Bonds called for redemption in the notice described below (with due endorsement by, or a written instrument of transfer in form satisfactory to the Trustee duly executed by, the Owner thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Trustee shall authenticate and deliver to the registered owner of such Series 2007 Subordinate Bond without service charge, a new Series 2007 Subordinate Bond, of the same Series, of any Authorized Denomination as requested by such Owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2007 Subordinate Bond so surrendered.

The notice of the call for redemption of Series 2007 Subordinate Bonds shall be given at least 30 days but no more than 60 days prior to the date fixed for redemption to the registered owner of this Bond in the manner set forth in the Indenture. If at the time of mailing of notice of any optional redemption the Issuer shall not have deposited with the Trustee moneys sufficient to redeem all the Series 2007 Subordinate Bonds called for redemption, if the Issuer shall so direct, such notice may state that it is conditional in that it is subject to the deposit of sufficient moneys with the Trustee not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited. Any notice of redemption may be given by (i) registered or certified mail, postage prepaid, (ii) electronic notice (i.e. notice transmitted through email, facsimile or other similar electronic means) or (iii) overnight delivery service, to the DTC.

The Owner acknowledges that this Bond is initially issuable only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof, that this Bond is not being registered under the Securities Act of 1933, as amended, and is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state and that as of the date of original issuance thereof, it will carry no rating from any Rating Agency. The Owner also acknowledge that this Bond may be sold, transferred or otherwise disposed of only (i) in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof (unless a lower denomination is authorized by this Indenture) and (ii) to "accredited investors", as that term is defined under sections 3(b) and (4)(2) of the federal "Securities Act of 1933" by regulation adopted thereunder by the U.S. Securities and Exchange Commission who have executed an investor letter in the form attached to this Bond, unless this Bond has an investment grade rating at the time of transfer.

There is no acceleration of the payment of the Series 2007 Subordinate Bonds upon occurrence of an Event of Default under the Indenture.

Failure to make scheduled payments of principal and interest on the Bonds, including the Senior Bonds does not constitute an Event of Default under the Indenture, provided the Issuer is otherwise in compliance with the terms thereof and certain other conditions of the Indenture are met. If an Event of Default as defined in the Indenture occurs, the Owner of this Bond shall have no right to enforce the provisions of the Indenture, or institute action to enforce the covenants thereof or rights or remedies thereunder except as provided in the Indenture. No registered owner of any Series 2007 Subordinate Bond shall have any right to institute any judicial or other action or remedial proceeding (including, without limitation, bankruptcy or insolvency

proceedings) against the Issuer or any of the Issuer's other rights, interests, assets or properties, to collect any moneys due, to enforce payment on its Series 2007 Subordinate Bond so long as any Senior Bonds remain Outstanding. Any action commenced by a registered owner of any Series 2007 Subordinate Bond shall terminate upon annulment of the Default in respect of the Senior Bonds. In the event of any conflict between this Bond and the Indenture, the terms of the Indenture shall govern.

Modifications of the Indenture or any trust indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

Executed counterparts of the Indenture are on file at the principal corporate trust office of the Trustee. The Owner of this Bond, by acceptance hereof, consents to all of the terms and provisions of the Indenture.

No recourse shall be had for the payment of the principal or redemption price of, or premium, if any, or interest on, this Bond, or for any claim based hereon or on this Indenture, against any member, officer, agent or employee, past, present or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

This Bond is issued pursuant to the Supplemental Public Securities Act. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Bond after its delivery for value.

It is hereby certified that all acts, conditions and things required to happen, exist and be performed under the laws of the State, and under the Indenture precedent to and in the issuance of this Bond have happened, exist and have been performed as so required, and that the issuance, authentication and delivery of this Bond have been duly authorized by the Issuer.

Unless the Certificate of Authentication hereon has been executed by the Trustee by manual signature of one of its authorized signers, this Bond shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of its President and its corporate seal or a facsimile to be affixed hereto or printed hereon and attested to by the manual or facsimile signature of its Secretary.

[ISSUER SEAL]

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

Attest:

Secretary

President

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This Series 2007**[**A**][**B**]** Subordinate Bond is one of the Bonds of the Series described in the within mentioned Indenture.

UMB Bank, n.a., as Trustee

By: _____
Authorized Representative

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Tax Identification Number or Social Security Number _____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said Bond on the Bond Register, with full power of substitution in the premises.

Dated: _____ _____

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular without alteration or any change whatever; NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program ("MSP").

Signature guaranteed:

_____

[FORM OF ABBREVIATIONS]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with the right of survivorship and not as tenants in common

UNIFORM GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list.

Exhibit A to Form of Series 2007 Subordinate Bond

FORM OF INVESTOR LETTER

Because of the following restrictions, the Issuer advises purchasers to consult legal counsel prior to making any offer, resale, pledge or transfer of the Bonds.

Prairie Center Metropolitan District No. 3
Subordinate Limited Property Tax Supported
[Primary][District] Improvements Revenue Bonds
Series 2007[A][B]

In connection with the undersigned Transferee's purchase of the above-referenced Bonds (the "**Bonds**"), which Bonds were issued by Prairie Center Metropolitan District No. 3 (the "**Issuer**"), Transferee hereby certifies, represents and warrants as follows:

(1) Transferee is an accredited investor as defined in Sections 3(b) and 4(2) of the federal "Securities Act of 1933" by regulation adopted thereunder the U.S. Securities and Exchange Commission; and in the event Transferee is acting as a fiduciary or agent for one or more beneficial owners, the term "*Transferee*" herein shall mean each such beneficial owner.

(2) Transferee is a "*financial institution or institutional investor*" (as defined in Section 32-1-103(6.5) of the Special District Act, constituting Title 32, Article 1, Section 101 *et. seq.* (please check the applicable box)

__ Yes

___ No

(3) Transferee (i) has experience in the municipal bond market; (ii) has knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of the Bonds, and (iii) is able to bear the economic risk of its investment in the Bonds, including a total loss of Transferee's investment.

(4) Transferee has satisfied itself that the Bonds are a lawful investment for Transferee under all applicable laws.

(5) Transferee understands that the Bonds (a) are high risk, (b) are not registered under the Securities Act of 1933, as amended, and are not registered or otherwise qualified for sale under the "blue sky" laws and regulations of any state, (c) will not be listed on any stock or other securities exchange, and (d) may be marketable only to a limited number of investors.

(6) Transferee acknowledges that neither the Issuer nor the Trustee or any Person representing any of them has made any representation to it with respect to the offering or sale of the Bonds; that the Bonds are subordinate to certain Senior Bonds and are not rated by any Rating Agency; that Transferee has made its own inquiry and analysis with respect to the Bonds and other material factors affecting the security for and payment of the Bonds, including the Issuer, the Financing Districts, the Developers and the Development; and that it has had access to such financial and other information concerning the Issuer, the Financing Districts, the Development, the Projects and the Bonds as it has deemed necessary in connection with its decision to purchase the Bonds.

(7) Transferee is purchasing the Bonds for its own account or for the accounts of one or more financial institutions or institutional investors for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with any distribution thereof in violation of the Securities Act or other applicable securities laws, subject to any requirement of law that the disposition of its property or the property of such financial institution or institutional investor be at all times within its or their control and subject to its or their ability to resell such Bonds pursuant to an effective registration statement under the Securities Act or an exemption therefrom.

(8) Transferee acknowledges that the Issuer and the Trustee and others will rely upon the truth and accuracy of the acknowledgements, representations and agreements herein and agrees that, if any of the acknowledgements, representations or agreements deemed to have been made by it by its purchase of the Bonds are no longer accurate, it shall promptly notify the Trustee; and if it is acquiring any Bonds as a fiduciary or agent for one or more financial institutions or institutional investors, it represents that it has sole investment discretion with respect to each such financial institution or institutional investor and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such financial institution or institutional investor.

(8) Transferee understands and acknowledges that the Bonds may be sold, transferred or otherwise disposed of only to a transferee who is an accredited investor as defined in Sections 3(b) and 4(2) of the federal "Securities Act of 1933" by regulation adopted thereunder the U.S. Securities and Exchange Commission (unless the Bonds have an investment grade rating at the time of the transfer) and only in minimum denominations of $500,000 and integral multiples of $5,000 (unless a lower denomination is authorized by the Indenture at the time of the transfer).

The above representations are provided for the benefit of the Issuer and the Trustee.

_____, as Transferee

By: _____
Title: _____
Date: _____

[END OF SERIES 2007 SUBORDINATE BOND FORM]

EXHIBIT C
COPY OF 2006 ELECTION QUESTIONS

INTENTIONALLY OMITTED

EXHIBIT D-1

PRIMARY IMPROVEMENTS PROJECT

In accordance with Section 4.3(c)(ii) of the Comprehensive Agreement, the following categories of Primary Public Improvements are eligible for funding through utilization of the Credit PIF Revenue:

(a) major and minor arterial streets, together with associated landscaping and trails;

(b) collector streets, together with associated landscaping and trails;

(c) traffic signals;

(d) certain potable and non-potable water distribution and transmission lines, excluding City-imposed and collected water impact fees;

(e) certain sanitary sewer collection and transmission lines, excluding City imposed and collected sewer impact fees;

(f) regional drainage detention facilities (i.e., serving a basin of 160 acres or larger);

(g) capital facilities, regional park, extraordinary additions to landscaping, community park, neighborhood park, trails and open space, but specifically excluding land acquisition costs except to the extent the Developer and/or the Issuer provides acreage for the park/recreational facility in excess of the acreage that would otherwise be required under the Code (as defined in the Comprehensive Agreement).

An illustrative list of Primary Public Improvements within the foregoing categories that have been used to calculate the Cap Amount and that is representative of qualified Primary Public Improvements is attached as Exhibit E to the Comprehensive Agreement. Exhibit E may be amended from time to time with the written consent of the City and the Issuer.

In accordance with the provisions of the Comprehensive Agreement, Soft Costs (as defined in the Comprehensive Agreement) incurred in connection with the design and construction of a particular Primary Public Improvement and that do not exceed twenty percent (20%) of the Hard Costs (as defined in the Comprehensive Agreement) incurred in connection with the design and construction of such Primary Public Improvement. and Primary Public Improvements shall exclude any portion thereof allocable to dry utility installation/relocation.

EXHIBIT D-2
DISTRICT IMPROVEMENTS PROJECT

Any and all Public Improvements the Issuer is authorized by its Service Plan to provide in its Service Area and the Service Area of the Related Districts, including streets, water, sewer, park and recreation, transportation, traffic and safety controls, television relay and translation and mosquito control; provided however that for purposes of identifying which Public Improvements constitute District Public Improvements, such Public Improvements are not Primary Public Improvements or Park and Recreation Primary Public Improvements.

EXHIBIT D-3
PARK AND RECREATION PRIMARY IMPROVEMENTS PROJECT

A. Approximately $3.5 million in principal amount for the design and construction, to City standards, of improvements and restoration of the Lutz Reservoir for use in the Non-Potable Water Distribution System.

B. Approximately $3 million in principal amount for the design and construction, to City standards, of landscaping and public trails within the Lutz Reservoir wildlife sanctuary (Planning Area 38, as depicted on the Conceptual Development Plan).

C. $2.5 million in principal amount to fund the design and/or construction of the second phase of an Adult Recreation Center (as defined in the Comprehensive Agreement).

EXHIBIT E
FORM OF REQUISITION

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
PROJECT FUND DISBURSEMENT REQUEST
RELATING TO PUBLIC IMPROVEMENTS

Requisition No. _____

I, _____, the duly qualified and acting Issuer Representative of the Prairie Center Metropolitan District No. 3 (the "**Issuer**"), hereby request, on behalf of the Issuer, pursuant to Article IV of the Amended and Restated Trust Indenture dated as of October 1, 2017, as amended or supplemented (the "**Indenture**"), between the Issuer and UMB Bank, n.a. (the "**Trustee**"), that a disbursement be made to the Payee specified below (which Payee may be the Issuer) under the Indenture in the amount and for the payment or reimbursement of the Costs of the Project described herein. This requisition and the disbursement of amounts set forth herein is expressly contingent upon the Trustee's submittal of a copy of this requisition and required documentation to the City Manager and the Finance Director and other applicable procedures set forth in Section 4.02(c) of the Indenture.

All capitalized terms not otherwise defined herein shall be defined as in the Indenture.

(1) Requested Disbursement

Infrastructure Category	Total Amount of Electoral Debt Authorization	Total Amount Previously Applied to Electoral Authorization (not including this requisition)	Requested Disbursement Amount	Total Amount of Electoral Authorization Remaining (after this requisition)
Streets	$750,000,000	$	$	$
Water	750,000,000			
Sanitary Sewer	750,000,000			
Park and Recreation	750,000,000			
Transportation	750,000,000			
Traffic and Safety Controls	750,000,000			
Mosquito Control	20,000,000			
Television Relay and Translation	20,000,000			
TOTAL	$750,000,000*			

* Pursuant to the Service Plan, the aggregate amount of debt of the Issuer and each Related District is limited to $750,000,000.

(2) Payee [(1)] Name: _____
Payee Address: _____

_____
[(1)] If amounts are to be paid to the Issuer for payment of costs or as reimbursement for previously incurred costs, indicate the Issuer as Payee and provide the name and address of the person or corporation to be paid by the Issuer below: _____

(3) Nature of the Costs of the Project to be paid with the disbursement requested herein: _____.

(4) Type of Public Improvements

Check the box below to indicate what type of Public Improvements the requested payment or reimbursement relates to:

- ☐ Park and Recreation Primary Public Improvements described on Exhibit D-3 to the Indenture in the amount of $_____ and
- ☐ Primary Public Improvements in the amount of $_____ and
- ☐ District Public Improvements described on Exhibit D-2 to the Indenture in the amount of $_____.

(5) If the requested Costs of the Project relates to the Park and Recreation Primary Public Improvements, check the applicable box below:

- ☐ The requested payment in the amount of $_____ applies to principal amount of Park and Recreation Primary Public Improvements, which is counted against the Park and Recreation Improvements Cap Amount.
- ☐ The requested payment in the amount of $_____ applies to Eligible Interest Costs or Eligible Financing Costs (each as defined in the Comprehensive Agreement) which are not counted against the Park and Recreation Improvements Cap Amount.

The total allocation to the Park and Recreation Improvements Cap Amount to date, including the requested payment, is $_____.

(6) If the requested payment relates to the Primary Public Improvements, check the applicable box below:

- ☐ The requested payment in the amount of $_____ applies to principal amount of Primary Public Improvements, which is counted against the Cap Amount.
- ☐ The requested payment in the amount of $_____ applies to Eligible Interest Costs or Eligible Financing Costs (each as defined in the Comprehensive Agreement) which are not counted against the Cap Amount.

The total allocation to the Cap Amount to date, including the requested payment, is $_____.

(7) In connection with this request, I hereby certify as follows:

(h) The items of costs for which payment or reimbursement is requested herein (i) are or were necessary in connection with the Project, (ii) are qualified items of Costs of the Project under the Indenture, and (iii) have not formed the basis for any previous payment from the Project Fund or otherwise to the person receiving payment hereunder.

(i) The Costs of the Project for which payment or reimbursement is requested herein are reasonably attributable to the Infrastructure Categories specified herein and, with respect to each Infrastructure Category for which a requested disbursement amount is specified, the requested disbursement amounts, together with all amounts disbursed under the Indenture with respect to such Infrastructure Category, does not exceed the Electoral Authorization for such Infrastructure Category, as set forth in the Indenture.

(j) If the request for payment or reimbursement relates to Park and Recreation Primary Public Improvements, to the best knowledge of the undersigned, the total cost of the Park and Recreation Primary Public Improvements, including amounts requested hereunder, is less than the Park and Recreation Improvements Cap Amount.

(k) No event has occurred and is continuing which constitutes an Event of Default (as defined in the Indenture) or would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

Date: _____ PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

By: _____
Issuer Representative

EXHIBIT F
FORM OF ISSUER'S ANNUAL COMPLIANCE CERTIFICATE

I, _____, the duly qualified and acting Issuer Representative of the Prairie Center Metropolitan District No. 3 (the "**Issuer**"), hereby certify that the Issuer is in compliance with its duties to collect Pledged Revenue and remit such Pledged Revenue to the Trustee in accordance with the requirements of the Amended and Restated Trust Indenture dated as of October 1, 2017 as may be further amended or supplemented (the "**Indenture**"), between the Issuer and UMB Bank, n.a. (the "**Trustee**") securing the Limited Property Tax Supported Revenue Bonds.

Date: _____ PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

By: _____
Issuer Representative

EXHIBIT G
CONSENT, ACKNOWLEDGEMENT AND AGREEMENT OF OWNER OF SERIES 2007 SUBORDINATE BONDS

INTENTIONALLY OMITTED

EXHIBIT H
DESCRIPTION OF EXCLUDED PIF PROPERTY

INTENTIONALLY OMITTED

AMENDMENT TO AMENDED AND RESTATED TRUST INDENTURE

Dated as of March 4, 2024

between

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

and

UMB BANK, N.A.
as Trustee

Concerning Certain Amendments to the Amended and Restated Trust Indenture dated as of October 1, 2017

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EXHIBIT A CONSENT AND WAIVER OF SERIES 2007 SUBORDINATE BONDS OWNER

This **AMENDMENT** dated as of March 4, 2024 (referred to herein as the "**Amendment**"), between **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3** (the "**Issuer**"), a quasi-municipal corporation and political subdivision of the State of Colorado and **UMB BANK, N.A.**, Denver, Colorado as Trustee (the "**Trustee**") amends the Amended and Restated Trust Indenture dated as of October 1, 2017 between the Issuer and the Trustee (the "**2017 Indenture**" and, together with this Amendment referred to as the "**Indenture**").

RECITALS

WHEREAS, capitalized terms used and not defined in these Recitals shall have the meanings assigned to them in Article I hereof; and

WHEREAS, the Issuer was formed pursuant to C.R.S. §32-1-101 *et seq*., as amended, by order of the District Court, County of Adams, State of Colorado entered on May 22, 2006 and recorded on June 6, 2006, and after approval of the eligible electors of the Issuer at an organizational election held May 2, 2006 (the "**2006 Election**"), for the purpose of assisting in the financing and development of a mixed-use development of certain property located in the Service Area, as such area is generally depicted in Exhibit C to the Service Plan (as defined herein); and

WHEREAS, the City Council approved the Prairie Center Metropolitan District No. 3 First Amended and Restated Service Plan, dated November 4, 2008, as modified on April 14, 2013 (the "**Service Plan**"), which provides certain parameters for the financing of Public Improvements within and without the Service Area; and

WHEREAS, the Issuer is authorized pursuant to the Special District Act and the Supplemental Act to issue revenue bonds for any of its corporate purposes and, pursuant to their respective service plans, the Issuer and all other Districts (together with Prairie Center Metropolitan District No. 1), collectively, are authorized to issue indebtedness to finance the construction of Public Improvements in an aggregate amount not to exceed $750,000,000; and

WHEREAS, at the 2006 Election, the eligible voters of the Issuer authorized the issuance by the Issuer of indebtedness for the infrastructure categories and in the amounts set forth in the table in the Recitals of the 2017 Indenture, the questions relating thereto being set forth in Exhibit C to the 2017 Indenture; and

WHEREAS, pursuant to a Trust Indenture dated as of December 1, 2006 between the Issuer and American National Bank, Denver, Colorado, as predecessor in interest to the Trustee, as was subsequently amended and supplemented by that certain First Supplemental Trust Indenture dated as of June 1, 2007, that certain Second Supplemental Trust Indenture dated as of March 1, 2009, that certain Third Supplemental Trust Indenture dated as of October 1, 2009, and that certain Fourth Supplemental Trust Indenture dated as of September 1, 2010 (together, the "**2006 Indenture**"), the Issuer issued its:

(i) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2006A" in the aggregate principal amount of $34,545,000 (the "**Series 2006A Bonds**") for the purpose of defraying the cost of all or a portion of the Primary Improvements Project,

(ii) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Bonds, Series 2006B" in the aggregate principal amount of $1,815,000 (the "**Series 2006B Bonds**" and, collectively with the Series 2006A Bonds, the "**Series 2006 Bonds**") for the purpose of defraying the cost of all or a portion of the District Improvements Project,

(iii) "Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A" in the aggregate principal amount of $40,610,000 (the "**Series 2007A Subordinate Bonds**"), for the purpose of defraying the cost of all or a portion of the Primary Improvements Project, and

(iv) "Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B" in the aggregate principal amount of $2,905,000 (the "**Series 2007B Subordinate Bonds**" and, collectively with the Series 2007A Subordinate Bonds, the "**Series 2007 Subordinate Bonds**"), for the purpose of defraying the cost of all or a portion of the District Improvements Project; and

WHEREAS, in 2017, the Issuer and the Trustee entered into the 2017 Indenture which amended and restated the 2006 Indenture; and

WHEREAS, pursuant to the 2017 Indenture, the Issuer issued its:

(i) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A" in the aggregate principal amount of $47,095,000 (the "**Series 2017A Bonds**") for the purposes of (a) currently refunding all of the Series 2006A Bonds, (b) funding the Senior Reserve Requirement for the Series 2017A Bonds, and (c) currently refunding a portion of the Series 2007A Subordinate Bonds in the principal amount of $8,960,000, and

(ii) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B" in the principal amount of $2,180,000 (the "**Series 2017B Bonds**" and, collectively with the Series 2017A Bonds, the "**Series 2017 Bonds**") for the purposes of (a) currently refunding all of the Series 2006B Bonds, (b) funding the Senior Reserve Requirement for the Series 2017B Bonds, and (c) currently refunding a portion of the Series 2007B Subordinate Bonds in the principal amount of $650,000 and paying accrued and unpaid interest thereon; and

WHEREAS, the Series 2017A Bonds are currently outstanding in the aggregate principal amount of $42,555,000, the Series 2017B Bonds are currently outstanding in the aggregate principal amount of $1,965,000, the Series 2007A Subordinate Bonds are currently outstanding in the aggregate principal amount of $31,650,000, and the Series 2007B Subordinate Bonds are currently outstanding in the aggregate principal amount of $2,255,000; and

WHEREAS, the Series 2017 Bonds and other "**Senior Bonds**" are secured by a first lien on Pledged Revenue under the Indenture; and

WHEREAS, Section 12.01(p) of the 2017 Indenture provides that the 2017 Indenture may be amended or supplemented at any time and from time to time, without the consent of or notice to the Bondholders or Consent Parties, by a Supplemental Indenture between the Issuer and the Trustee, to modify, alter, amend or supplement the 2017 Indenture in any respect which is not materially adverse to the Bondholders; and

WHEREAS, the Issuer and the Trustee have determined and hereby determine to enter into this Amendment to amend certain provisions of the 2017 Indenture regarding the issuance of Additional Senior Bonds; and

WHEREAS, Section 12.02 the 2017 Indenture provides that except as provided in Section 12.01 any modification or amendment of the 2017 Indenture may only be made by a Supplemental Indenture with the written consent of the Consent Parties with respect to not less than a majority in aggregate principal amount of all Senior Bonds Outstanding and not less than a majority in aggregate principal amount of all Subordinate Obligations Outstanding (if all Series of Senior Bonds and all Series of Subordinate Obligations are equally affected by such amendment) or with respect to a majority in aggregate principal amount of each Series of such Bonds then Outstanding (if all Series of Senior Bonds and the Subordinate Obligations are not equally affected by such amendment) affected by such amendment; and

WHEREAS, Section 12.02 of the 2017 Indenture further provides that for the purposes of that Section, a Series of Bonds shall be deemed to be affected by a modification or amendment of the 2017 Indenture if the same materially adversely affects or diminishes the rights of the Owners of Bonds of such Series and that the Trustee may in its discretion determine whether or not, in accordance with the powers of amendment set forth in the 2017 Indenture, Bonds of any particular Series would be affected by any modification or amendment of the 2017 Indenture and any such determination shall be binding and conclusive on the Issuer and all Owners and Consent Parties; and

WHEREAS, the Trustee, with reliance on an opinion of Bond Counsel, has determined that the Senior Bonds (currently consisting of only the Series 2017 Bonds) would not be affected by the amendments of the 2017 Indenture set forth in this Amendment and, therefore, such amendments do not require the written consent of a majority in aggregate principal amount of all Senior Bonds Outstanding; and

WHEREAS, THF Prairie Center Development, L.L.C. as the current Owner of all of the Outstanding Series 2007 Subordinate Bonds, has consented to the amendment of the 2017 Indenture set forth in this Amendment as evidenced by its written Consent and Waiver attached hereto as **Exhibit A**; and

WHEREAS, the execution and delivery of this Amendment has been duly authorized by a resolution duly adopted by the Board; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto formally covenant, agree and bind themselves as follows:

ARTICLE I.

CONFIRMATION AND DEFINITIONS

Section 1.01. Confirmation of 2017 Indenture

The 2017 Indenture is in all respects ratified and confirmed, and the 2017 Indenture, as hereby amended, shall be read, taken and construed as one and the same instrument so that, except as expressly amended by this Amendment, all of the rights, remedies, terms, conditions, covenants and agreements of the 2017 Indenture shall apply and remain in full force and effect with respect to this Amendment.

Section 1.02. Definitions

Words and terms defined in the recitals hereof or in the 2017 Indenture, as hereby supplemented, shall have the same meanings herein or therein assigned to them, unless the context or use indicates another meaning or intent.

ARTICLE II.

AMENDMENTS

Section 2.01. Specific Amendments to the 2017 Indenture

(a) Section 3.02(a) of the 2017 Indenture is hereby amended by restating such subsection in its entirety to read as follows:

> "(a) No Unpaid Debt Service. The Issuer shall have made all payments required by Article V hereof with respect to the Outstanding Senior Bonds during the twenty-four calendar months immediately preceding the issuance of such Senior Bonds; and"

ARTICLE III.

MISCELLANEOUS PROVISIONS

Section 3.01. Supplemental Indenture

This Amendment shall constitute a Supplemental Indenture for purposes of the 2017 Indenture.

Section 3.02. No Personal Recourse

No recourse shall be had for any claim based on this Indenture against any member, director, officer, agent or employee, past, present or future, of the Issuer or of any successor bodies, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise.

Section 3.03. No Rights Conferred on Others

Nothing herein contained shall confer any right upon any person other than the parties hereto and the Owners of the Bonds.

Section 3.04. Illegal, etc. Provisions Disregarded

In case any provision in this Amendment shall for any reason be held invalid, illegal or unenforceable in any respect, this Amendment shall be construed as if such provision had never been contained herein.

Section 3.05. Successors and Assigns

All the covenants, promises and agreements in this Amendment contained by or on behalf of the Issuer, or by or on behalf of the Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 3.06. Headings for Convenience Only

The descriptive headings in this Amendment are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 3.07. Counterparts

This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 3.08. Applicable Law

This Amendment shall be governed by and construed in accordance with the laws of the State.

Section 3.09. Electronic Execution.

The parties agree that any individual or individuals who are authorized to execute or consent to this Amendment or any consent relating thereto on behalf of the Issuer, the Trustee or any Owner are hereby authorized to execute the same electronically. This agreement by the parties to use electronic signatures is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed to this Amendment or any supplement or consent relating thereto shall carry the full legal force and effect of any original, handwritten signature.

* * * * *

[Signature Page Follows]

IN WITNESS WHEREOF, **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3** has caused this Amendment to be executed by its President and its corporate seal to be hereunto affixed and attested to by the Secretary, and **UMB BANK, N.A.,** as Trustee, has caused this Amendment to be executed by its duly authorized officer, all as of the day and year first above written.

[S E A L]

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

Attest:

By _____
Michael Tamblyn, President

_____
Peggy Ripko, Secretary

UMB BANK, n.a.,
as Trustee

By _____
Authorized Officer

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EXHIBIT A

CONSENT AND WAIVER OF SERIES 2007 SUBORDINATE BONDS OWNER

[INTENTIONALLY OMITTED]

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FIRST SUPPLEMENTAL TRUST INDENTURE

Dated as of April 1, 2024

between

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

and

UMB BANK, N.A.
as Trustee

Securing
Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A
and
Limited Property Tax Supported District Improvements Revenue Bonds, Series 2024B

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EXHIBIT A WAIVER OF SERIES 2007 SUBORDINATE BONDS OWNER
EXHIBIT B FORM OF SERIES 2024 BONDS

This **FIRST SUPPLEMENTAL TRUST INDENTURE** dated as of April 1, 2024 (referred to herein as the "**First Supplemental Indenture**"), between **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3** (the "**Issuer**"), a quasi-municipal corporation and political subdivision of the State of Colorado and **UMB BANK, N.A.**, Denver, Colorado, as Trustee (the "**Trustee**") supplements the Amended and Restated Trust Indenture dated as of October 1, 2017 between the Issuer and the Trustee, as amended by the Amendment to Amended and Restated Trust Indenture dated as of March 4, 2024 (the "**2017 Indenture**" and, together with all supplements and amendments referred to as the "**Indenture**").

RECITALS

WHEREAS, capitalized terms used and not defined in these Recitals shall have the meanings assigned to them in Article I hereof; and

WHEREAS, the Issuer was formed pursuant to C.R.S. §32-1-101 *et seq*., as amended, by order of the District Court, County of Adams, State of Colorado entered on May 22, 2006 and recorded on June 6, 2006, and after approval of the eligible electors of the Issuer at an organizational election held May 2, 2006 (the "**2006 Election**"), for the purpose of assisting in the financing and development of a mixed-use development of certain property located in the Service Area, as such area is generally depicted in Exhibit C to the Service Plan (as defined herein); and

WHEREAS, the City Council approved the Prairie Center Metropolitan District No. 3 First Amended and Restated Service Plan, dated November 4, 2008, as modified on April 14, 2013 (the "**Service Plan**"), which provides certain parameters for the financing of Public Improvements within and without the Service Area; and

WHEREAS, the City, the City of Brighton Water, Sewer and Drainage Enterprise, the Developers, and the Issuer are parties to the Comprehensive Agreement which establishes a coordinated development plan for the Service Area and other areas in the City and the County and provides for the funding of the Public Improvements in the Service Area and such other areas; and

WHEREAS, pursuant to the PIF Covenants, THF Development imposed certain public improvements fees on the PIF Property for the purpose of financing the Public Improvements; and

WHEREAS, the Comprehensive Agreement provides for collection of two types of public improvements fees pursuant to the PIF Covenants, the Add-On PIF and Credit PIF; and

WHEREAS, by Ordinance No. 1868 adopted on February 7, 2006 by the City Council (the "**Sales/Use Tax Credit Ordinance**"), the City granted the Sales/Use Tax Credit for the Credit PIF portion of such public improvements fees; and

WHEREAS, to facilitate the financing of the Public Improvements, each of the Districts adopted a Fee Resolution (as amended from time to time, collectively referred to herein as the "**Fee Resolutions**") imposing Residential Facilities Fees and Commercial Facilities Fees on all residential and commercial property within its respective boundaries; and

WHEREAS, the Trustee, the Issuer and District Nos. 4 and 5 have entered into the 2017 Capital Pledge Agreement (as amended by the First Amendment thereto of date even with this

First Supplemental Indenture) pursuant to which (i) the Issuer agrees to finance a portion of the Costs of the Project through the issuance of Bonds and (ii) each of District Nos. 4 and 5 agrees to assign and pledge to the Issuer and remit to the Trustee all revenues resulting from its imposition of Capital Levies, Facilities Fees, and Specific Ownership Taxes; and

WHEREAS, the Trustee, the Issuer and District No. 10 have entered into the District No. 10 Pledge Agreement (as amended by the First Amendment thereto of date even with this First Supplemental Indenture) pursuant to which (i) the Issuer agrees to finance a portion of the Costs of the Project through the issuance of Bonds and (ii) District No. 10 agrees to assign and pledge to the Issuer and remit to the Trustee all revenues resulting from the imposition of the Facilities Fees; and

WHEREAS, the Issuer, the City and the Authority entered into the Cooperation Agreement pursuant to which the Authority, in consideration for the Issuer's construction and installation of Primary Public Improvements that service a portion of the Service Area, irrevocably pledged to the Issuer certain Shared Sales Tax Incremental Revenues, subject to the limitations of the Cooperation Agreement; and

WHEREAS, the Issuer and the City entered into the Sales Tax Sharing Agreement pursuant to which the City agreed to pay or reimburse the Issuer for certain costs of construction and installation of Primary Public Improvements from the Shared General Fund Sales Tax Revenues, subject to the limitations of the Sales Tax Sharing Agreement; and

WHEREAS, in order to facilitate the provision of Public Improvements, the Issuer has entered into a Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreements related to the Public Improvements dated as of December 26, 2006 (the "**Developer Reimbursement Agreement**") with the Developers, with consent by District Nos. 1 and 2 as to the Novation provision, pursuant to which the Developers have advanced and will advance, under certain circumstances, funds to finance the Public Improvements; and

WHEREAS, the Issuer is authorized pursuant to the Special District Act and the Supplemental Act to issue revenue bonds for any of its corporate purposes and, pursuant to their respective service plans, the Issuer and all other Districts (together with Prairie Center Metropolitan District No. 1), collectively, are authorized to issue indebtedness to finance the construction of Public Improvements in an aggregate amount not to exceed $750,000,000; and

WHEREAS, at the 2006 Election, the eligible voters of the Issuer authorized the issuance by the Issuer of indebtedness for the infrastructure categories and in the amounts set forth in the table in the Recitals of the 2017 Indenture, the questions relating thereto being set forth in Exhibit C to the 2017 Indenture; and

WHEREAS, pursuant to a Trust Indenture dated as of December 1, 2006 between the Issuer and American National Bank, Denver, Colorado, as predecessor in interest to the Trustee, as was subsequently amended and supplemented by that certain First Supplemental Trust Indenture dated as of June 1, 2007, that certain Second Supplemental Trust Indenture dated as of March 1, 2009, that certain Third Supplemental Trust Indenture dated as of October 1, 2009, and that certain Fourth

Supplemental Trust Indenture dated as of September 1, 2010 (together, the "**2006 Indenture**"), the Issuer issued its:

(i) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2006A" in the aggregate principal amount of $34,545,000 (the "**Series 2006A Bonds**") for the purpose of defraying the cost of all or a portion of the Primary Improvements Project,

(ii) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Bonds, Series 2006B" in the aggregate principal amount of $1,815,000 (the "**Series 2006B Bonds**" and, collectively with the Series 2006A Bonds, the "**Series 2006 Bonds**") for the purpose of defraying the cost of all or a portion of the District Improvements Project,

(iii) "Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A" in the aggregate principal amount of $40,610,000 (the "**Series 2007A Subordinate Bonds**"), for the purpose of defraying the cost of all or a portion of the Primary Improvements Project, and

(iv) "Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B" in the aggregate principal amount of $2,905,000 (the "**Series 2007B Subordinate Bonds**" and, collectively with the Series 2007A Subordinate Bonds, the "**Series 2007 Subordinate Bonds**"), for the purpose of defraying the cost of all or a portion of the District Improvements Project; and

WHEREAS, in 2017, the Issuer and the Trustee entered into the 2017 Indenture which amended and restated the 2006 Indenture;

WHEREAS, pursuant to the 2017 Indenture, the Issuer issued its:

(i) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A" in the aggregate principal amount of $47,095,000 (the "**Series 2017A Bonds**") for the purposes of (a) currently refunding all of the Series 2006A Bonds, (b) funding the Senior Reserve Requirement for the Series 2017A Bonds, and (c) currently refunding a portion of the Series 2007A Subordinate Bonds in the principal amount of $8,960,000, and

(ii) "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B" in the principal amount of $2,180,000 (the "**Series 2017B Bonds**" and, collectively with the Series 2017A Bonds, the "**Series 2017 Bonds**") for the purposes of (a) currently refunding all of the Series 2006B Bonds, (b) funding the Senior Reserve Requirement for the Series 2017B Bonds, and (c) currently refunding a portion of the Series 2007B Subordinate Bonds in the principal amount of $650,000 and paying accrued and unpaid interest thereon; and

WHEREAS, the Series 2017A Bonds are currently outstanding in the aggregate principal amount of $42,555,000, the Series 2017B Bonds are currently outstanding in the aggregate principal amount of $1,965,000, the Series 2007A Subordinate Bonds are currently outstanding in the aggregate principal amount of $31,650,000, and the Series 2007B Subordinate Bonds are currently outstanding in the aggregate principal amount of $2,255,000; and

WHEREAS, each series of the Series 2007 Subordinate Bonds currently bears interest at a fixed rate of 9.50% per annum; and

WHEREAS, the Series 2017 Bonds and other "**Senior Bonds**" are secured by a first lien on Pledged Revenue under the 2017 Indenture, and the 2017 Indenture permits the issuance of additional Senior Bonds payable from and secured by the Pledged Revenue and the Trust Estate on a parity lien basis with the Series 2017 Bonds and other Senior Bonds; and

WHEREAS, the Board has determined that it is necessary and in the best interests of the Issuer that the Issuer issue its "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A" in the principal amount of $29,320,000 (the "**Series 2024A Bonds**"), for the purpose of defraying the additional cost of all or a portion of the Primary Improvements Project (including paying amounts due to the Developers under the Developer Reimbursement Agreement) and refunding a portion of the outstanding Series 2007A Subordinate Bonds at a lower interest rate; and

WHEREAS, the Board has determined that it is necessary and in the best interests of the Issuer that the Issuer issue its "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Bonds, Series 2024B" in the principal amount of $9,870,000 (the "**Series 2024B Bonds**" and, collectively with the Series 2024A Bonds, the "**Series 2024 Bonds**"), for the purpose of defraying the additional cost of all or a portion of the District Improvements Project (including paying amounts due to the Developers under the Developer Reimbursement Agreement); and

WHEREAS, THF Prairie Center Development, L.L.C. is the current Owner of all of the Outstanding Series 2007 Subordinate Bonds and has waived certain provisions of the 2017 Indenture in connection with the issuance of the Series 2024 Bonds, as evidenced by its written Waiver attached hereto as **Exhibit A**; and

WHEREAS, the Series 2024 Bonds shall be issued in accordance with the Constitution of the State; the 2006 Election; the Public Securities Refunding Act being Title 11, Article 56, Part 1, C.R.S. (relevant to the Series 2024A Bonds only); Title 32, Article 1, Part 11, C.R.S.; and all other laws of the State thereunto enabling; and

WHEREAS, the Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds; and

WHEREAS, the Series 2024 Bonds shall be issued in denominations of $500,000 each, and in integral multiples above $500,000 of not less than $5,000 each, and not less than five days prior to the date of first sale of the Series 2024 Bonds, the Issuer filed for an exemption from registration for the Series 2017 Bonds under the Colorado Municipal Bond Supervision Act (Title

11, Article 59, C.R.S.) and, based upon the foregoing, the Series 2024 Bonds are thus exempt from registration under such act; and

WHEREAS, the Series 2024 Bonds are being issued only to financial institutions or institutional investors within the meaning of §32-1-1101(6)(a)(IV), C.R.S.; and

WHEREAS, the Issuer hereby allocates the aggregate principal amount of the Series 2024A Bonds allocated to the refunding of a portion of the Series 2007A Subordinate Bonds to the electoral authorization of the 2006 Election as follows: (i) the amount of $795,000.00, representing the principal amount of the Series 2024A Bonds equal to the outstanding principal amount of the Series 2007A Subordinate Bonds being refunded, constitutes a refinancing of Issuer indebtedness at a lower interest rate and, in accordance with Article X, Section 20 of the Colorado Constitution, does not require additional electoral authorization; and (ii) the amount of $851,661.90, representing the remaining principal amount of the Series 2024A Bonds allocated to the refunding of accrued and unpaid interest on the principal amount of the Series 2007A Subordinate Bonds being refunded, shall be allocated to the electoral authorization of the 2006 Election for refunding purposes; and

WHEREAS, the remaining principal amount of the Series 2024A Bonds and the principal amount of the Series 2024B Bonds shall be allocated to the Issuer's electoral authorization in accordance with the use of net proceeds of the Series 2024 Bonds, as indicated in the table below), and with the use of the proceeds of the Series 2006 Bonds, the Series 2007 Subordinate Bonds and the Series 2017 Bonds, after issuance of the Series 2024 Bonds the Issuer will have the following authorized but unissued indebtedness from the Election; and

Authorization Used From 2006 Election					
Infrastructure Category/ Purpose	**Authorization Received at the Election**	**Principal Amount Allocated to the Series 2024A Bonds**	**Principal Amount Allocated to the Series 2024B Bonds**	**Principal Amount Previously Allocated in the 2017 Indenture**	**Principal Amount Remaining**
Street Facilities	$750,000,000	$18,007,041	$9,870,000	$59,033,506	$663,089,453
Water Facilities	750,000,000	9,666,297	0	13,648,622	726,685,081
Sanitation Facilities	750,000,000	0	0	6,359,563	743,640,437
Traffic/Safety Protection Facilities	750,000,000	0	0	533,238	749,466,762
Park and Recreation	750,000,000	0	0	750,071	749,249,929
Television Relay	20,000,000	0	0	0	20,000,000
Transportation	750,000,000	0	0	0	750,000,000
Mosquito Control	20,000,000	0	0	0	20,000,000
Refunding	750,000,000	851,662	0	49,275,000	699,873,338
IGA Debt	750,000,000	0	0	0	750,000,000
Operations and Maintenance Debt	750,000,000	0	0	50,000	749,950,000
TOTAL	$750,000,000	$28,525,000	$9,870,000	$129,650,000	581,955,000

WHEREAS, the execution and delivery of the Series 2024 Bonds and of this First Supplemental Indenture have been duly authorized by a resolution duly adopted by the Board, have been consented to by the City in accordance with the requirements of the Comprehensive Agreement, and all things necessary to make the Series 2024 Bonds, when executed by the Issuer and authenticated and delivered by the Trustee, valid and binding legal obligations of the Issuer and to make the Indenture, as supplemented by this First Supplemental Indenture, a valid and binding agreement have been done.

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, that, in consideration of the premises and the mutual covenants herein and in the Indenture contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, for the benefit of the Bondholders and in order to secure (to the extent provided in the Indenture) the payment of principal or redemption price (as the case may be) in respect of all Bonds issued and outstanding under the Indenture, the Issuer has sold, assigned, transferred, set over and pledged unto, and granted a security interest in the Trustee, its successors in the trust and its assigns forever, all and singular the Trust Estate, including all the rights assigned by the Indenture, to the extent required to pay and perform all obligations of the Issuer under the Indenture and all Bonds issued thereunder, subject to the priorities of payment set forth therein and herein.

TO HAVE AND TO HOLD the same and any other revenues, property, contracts or contract rights which may, by delivery, assignment or otherwise, be subject to the lien and security interest created by the Indenture;

IN TRUST, NEVERTHELESS, for the equal and ratable benefit and security of all present and future Owners of the Series 2024 Bonds issued under the Indenture, without preference, priority or distinction as to lien or otherwise of any one Bond over any other Bond, upon the terms and subject to the conditions hereinafter set forth (except that the Series 2007 Subordinate Bonds and other Subordinate Obligations shall in all respects be junior and subordinate to the Series 2017 Bonds, the Series 2024 Bonds and any other Senior Bonds, and there shall be such other distinctions as are expressly provided in the Indenture).

THIS FIRST SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Series 2024 Bonds issued and secured hereunder are to be issued, authenticated and delivered, and the Pledged Revenues hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, priorities, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter and in the Indenture expressed, and the Issuer and the Trustee have agreed and covenanted, and do hereby agree and covenant with the Owners from time to time of the Series 2024 Bonds, as follows:

ARTICLE I.

CONFIRMATION, DEFINITIONS AND REPRESENTATIONS OF THE ISSUER

Section 1.01. Confirmation of 2017 Indenture

The 2017 Indenture is in all respects ratified and confirmed, and the 2017 Indenture, as hereby supplemented, shall be read, taken and construed as one and the same instrument so that, except as expressly supplemented or amended by this First Supplemental Indenture, all of the rights, remedies, terms, conditions, covenants and agreements of the 2017 Indenture shall apply and remain in full force and effect with respect to this First Supplemental Indenture and to the Series 2024 Bonds issued hereunder and all property, franchises and income described in the granting clauses hereof.

Section 1.02. Definitions

Words and terms defined in the recitals hereof or in the 2017 Indenture, as hereby supplemented, shall have the same meanings herein or therein assigned to them, unless the context or use indicates another meaning or intent, and except to the extent amended by the definitions hereinafter set forth. In addition, the following terms shall have the meanings provided, and, to the extent that any of the following terms have been defined in ARTICLE I of the 2017 Indenture, or in any indenture supplemental thereto, said definitions are hereby amended to have the meanings set forth herein:

"**2017 Capital Pledge Agreement**" means the Amended and Restated Capital Pledge Agreement dated as of October 1, 2017, as amended on April 1, 2024 by the First Amendment to Amended and Restated Capital Pledge Agreement, each among the Issuer, District No. 4, District No. 5 and the Trustee, as supplemented or amended from time to time.

"**Authorized Denominations**" means, with respect to the Series 2017 Bonds and the Series 2007 Subordinate Bonds, as defined in the 2017 Indenture and with respect to the Series 2024 Bonds, the amount of $500,000 and any integral multiple of $5,000 in excess thereof, provided that (i) no individual Series 2024 Bond may be in an amount which exceeds the principal amount coming due on any maturity date, and (ii) in the event a Series 2024 Bond is partially redeemed and the unredeemed portion is less than $500,000, such unredeemed portion of such Series 2024 Bond may be issued in the largest possible denomination of less than $500,000, in integral multiples of not less than $5,000 each or any integral multiple thereof.

"**Bond Year**" means, with respect to the Series 2024 Bonds, the Series 2017 Bonds and the Series 2007 Subordinate Bonds, the period commencing on December 16 of each year and ending on December 15, inclusive, of the next calendar year, and with respect to any Series of Additional Bonds, the period designated in a Supplemental Indenture or other instrument pursuant to which such Additional Bonds are issued.

"**Capital Appreciation Bonds**" means Bonds all or a portion of the interest on which is compounded and accumulated at the rates and on the dates set forth in a Supplemental Indenture and is payable only upon redemption or on the maturity date of such Bonds. Bonds which are issued as Capital Appreciation Bonds, but later convert to Bonds on which interest is paid periodically shall be Capital Appreciation Bonds until the conversion date and from and after such conversion date shall no longer be Capital Appreciation Bonds, but shall be treated as having a principal amount equal to their Accreted Value on the conversion date. The Series 2024 Bonds, the Series 2017 Bonds and Series 2007 Subordinate Bonds do not constitute Capital Appreciation Bonds.

"Depository" means any securities depository as the Issuer may provide and appoint, in accordance with the guidelines of the Securities and Exchange Commission, which shall act as securities depository for the Bonds, which, with respect to the Series 2024 Bonds and the Series 2017 Bonds, shall be DTC.

"**District Improvements Project Account**" means the trust fund so designated which is established pursuant to Section 3.02 of this First Supplemental Indenture.

"**District No. 10 Pledge Agreement**" means the Amended and Restated Capital Pledge Agreement dated as of October 1, 2017, as amended on April 1, 2024 by the First Amendment to Amended and Restated Capital Pledge Agreement, each among the Issuer, District No. 10 and the Trustee, as it may be amended or supplemented from time to time.

"**Indenture**" means the 2017 Indenture, as supplemented by this First Supplemental Indenture, as it may be further amended or supplemented at the time in question pursuant to a Supplemental Indenture.

"**Interest Payment Date**" means:

(a) with respect to the Series 2024 Bonds, the Series 2017 Bonds and any other Senior Bond, each December 15 and June 15, which, with respect to the Series 2024 Bonds will commence on December 15, 2024 and, with respect to the Series 2017 Bonds has commenced on June 15, 2018;

(b) with respect to the Series 2007 Subordinate Bonds and any other Subordinate Obligation, each December 15 and June 15, which with respect to the Series 2007 Subordinate Bonds has commenced on December 15, 2007; and

(c) with respect to any other Bonds, the date defined as such in a Supplemental Indenture for purposes of paying the interest on such Bonds.

"**Issue Date**" means, with respect to the Series 2024 Bonds, April 16, 2024, the date of their original issuance and delivery.

"**Regular Record Date**" means, with respect to the Series 2024 Bonds, the Series 2017 Bonds and the Series 2007 Subordinate Bonds, the first day (whether or not a Business Day) of the calendar month in which each Interest Payment Date occurs, and with respect to any other Bonds, the date specified as such in a Supplemental Indenture for purposes of paying interest on such Bonds.

"**Senior Reserve Requirement**" means, with respect to (i) the Series 2024A Bonds, $2,583,825.00, and (ii) the Series 2024B Bonds, $869,793.75.

"**Series 2024A Interest Subaccount**" means the trust fund so designated which is established pursuant to Section 4.01 of this First Supplemental Indenture.

"**Series 2024A Principal Subaccount**" means the trust fund so designated which is established pursuant to Section 4.01 of this First Supplemental Indenture.

"**Series 2024A Subaccount**" means the account so designated established pursuant to Section 3.02 of this First Supplemental Indenture.

"**Series 2024A Reserve Account**" means the account so designated established pursuant to Section 4.02 of this First Supplemental Indenture.

"**Series 2024B Interest Subaccount**" means the trust fund so designated which is established pursuant to Section 4.01 of this First Supplemental Indenture.

"**Series 2024B Principal Subaccount**" means the trust fund so designated which is established pursuant to Section 4.01 of this First Supplemental Indenture.

"**Series 2024B Subaccount**" means the account so designated established pursuant to Section 3.02 of this First Supplemental Indenture.

"**Series 2024B Reserve Account**" means the account so designated established pursuant to Section 4.03 of this First Supplemental Indenture.

ARTICLE II.

THE SERIES 2024 BONDS

Section 2.01. Amounts and Terms; Issuance of Series 2024 Bonds

There is hereby authorized to be issued and shall be issued under and secured by the 2017 Indenture, as supplemented by this First Supplemental Indenture, a Series of Senior Bonds designated as "Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A" in an aggregate principal amount of $29,320,000.

There is hereby authorized to be issued and shall be issued under and secured by the 2017 Indenture, as supplemented by this First Supplemental Indenture, a Series of Senior Bonds designated as "Limited Property Tax Supported District Improvements Revenue Bonds, Series 2024B" in an aggregate principal amount of $9,870,000.

Section 2.02. Denominations, Interest Rates and Maturity of Series 2024 Bonds

The Series 2024 Bonds shall be issued only in Authorized Denominations.

The Series 2024A Bonds shall mature on the dates and in the aggregate principal amounts, and shall bear interest at the per annum interest rates to their maturity dates, unless redeemed prior thereto, as follows:

Maturity Date (December 15)	Aggregate Principal Amount	Interest Rate Per Annum
2046	$29,320,000	5.875%

The Series 2024B Bonds shall mature on the dates and in the aggregate principal amounts, and shall bear interest at the per annum interest rates to their maturity dates, unless redeemed prior thereto, as follows:

Maturity Date (December 15)	Aggregate Principal Amount	Interest Rate Per Annum
2046	$9,870,000	5.875%

Each Series of the Series 2024 Bonds shall be dated as of the Issue Date. Each Series 2024 Bond shall bear interest (calculated on the basis of a 360-day year consisting of twelve 30-day months) from the last Interest Payment Date to which interest has accrued and has been paid or duly provided for, or if no interest has been paid or duly provided for, from the Issue Date of the Series 2024 Bonds or until payment of the principal or redemption price thereof shall have been made or provided for in accordance with the provisions of the Indenture, whether upon maturity, redemption or otherwise. To the extent interest on any Series 2024 Bond is not paid when due, such interest shall continue to be due, without interest on accrued but unpaid interest or compounding of interest.

Section 2.03. Form of Series 2024 Bonds; Legends

Each Series 2024 Bond shall be issued only as a fully registered bond. Each Series 2024 Bond shall be substantially in the form of **Exhibit B**, with such changes therein which are not inconsistent with this First Supplemental Indenture, as are approved by the officers of the Issuer executing the Series 2024 Bonds (whose manual or facsimile signatures on such Series 2024 Bonds shall constitute conclusive evidence of their approval of any such changes appearing thereon). The Series 2024A Bonds and the Series 2024B Bonds shall be numbered consecutively from RA-1 and RB-1, respectively, and upward, or in such other manner as the Issuer, with the concurrence of the Trustee, shall determine.

By their acceptance of the Series 2024 Bonds, each Bondholder acknowledges that the Series 2024 Bonds are issuable only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof, that the Series 2024 Bonds are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state and that as of the date of original issuance thereof, they will carry no rating from any Rating Agency. All Bondholders also acknowledge that their Series 2024 Bonds may be sold, transferred or otherwise disposed of only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof.

Section 2.04. Book-Entry System for Series 2024 Bonds; Bond Registrar

The Series 2024 Bonds shall be initially issued in the form of single, certificated, fully registered bond for each separate series, stated maturity and interest rate for each Series 2024 Bonds, each such Bond to be in the full principal amount of such Series 2024 Bond of such series with such stated maturity and interest rate. Upon initial issuance, the ownership of the Series 2024 Bonds shall be registered in the registration books kept by the Trustee in the name of Cede & Co.

The Issuer hereby appoints the Trustee, as Bond Registrar in respect of the Series 2024 Bonds.

Section 2.05. Supplemental Act Provisions

By execution of this First Supplemental Indenture, the Issuer hereby elects to have all provisions of the Supplemental Act apply to the issuance of the Series 2024 Bonds; provided, however, that such election shall not operate to modify or limit the rights conferred on the Issuer or the members of the Board by any other provisions of State law. Pursuant to Section 11-57-210 of the Supplemental Act, each Series 2024 Bond shall recite that it is issued under the authority of the resolution of the Board and the Supplemental Act and that it is the intention of the Issuer that such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Series 2024 Bonds after their delivery for value. Pursuant to Section 11-57-208 of the Supplemental Act, the Pledged Revenue, as received by or otherwise credited to the Issuer, shall immediately be subject to the lien of such pledge without any physical delivery, filing or further act. The lien of such pledge and the obligation to perform the contractual provisions made in this Indenture shall have priority over any or all other obligations and liabilities of the Issuer. The lien of such pledge shall be valid, binding and enforceable as against all persons having claims of any kind of tort, contract or otherwise against the Issuer irrespective of whether such persons have notice of such lien.

ARTICLE III.

DISPOSITION OF SERIES 2024 BONDS PROCEEDS

Section 3.01. Disposition of Series 2024 Bond Proceeds

(a) The proceeds of the Series 2024A Bonds in the amount of $28,587,000.00 (representing the par amount of the Series 2024A Bonds, less an underwriter's discount of $733,000.00), upon the receipt thereof by the Trustee, shall be immediately deposited in the following manner:

(i) $1,430,825.73 to the trustee for the Series 2007A Subordinate Bonds to be used to redeem and pay on April 16, 2024 $795,000.00 principal amount of the Series 2007A Subordinate Bonds and $635,825.73 in accrued and unpaid interest thereon to the redemption date;

(ii) $2,583,825.00, which is the Senior Reserve Requirement for the Series 2024A Bonds, shall be deposited to the credit of the Series 2024A Reserve Account of the Senior Reserve Fund;

(iii) $24,048,673.00 shall be deposited to the credit of the Series 2024A Subaccount of the Primary Improvements Project Account of the Project Fund, to pay the Costs of the Project in connection with the Primary Public Improvements; and

(iv) $523,676.27 shall be deposited to the credit of the Costs of Issuance Fund to pay the costs of issuance in connection with the Series 2024A Bonds.

(b) The proceeds of the Series 2024B Bonds in the amount of $9,623,250.00 (representing the par amount of the Series 2024B Bonds, less an underwriter's discount of

$246,750.00), upon the receipt thereof by the Trustee, shall be immediately deposited in the following manner:

(i) $869,793.75, which is the Senior Reserve Requirement for the Series 2024B Bonds, shall be deposited to the credit of the Series 2024B Reserve Account of the Senior Reserve Fund;

(ii) $8,571,358.00 shall be deposited to the credit of the Series 2024B Subaccount of the District Improvements Project Account of the Project Fund, to pay the Costs of the Project in connection with the District Public Improvements; and

(iii) $182,098.25 shall be deposited to the credit of the Costs of Issuance Fund to pay the costs of issuance in connection with the Series 2024B Bonds.

Section 3.02. Creation of Certain Account and Subaccounts of the Project Fund.

There is hereby created and established (i) the "**Series 2024A Subaccount**" in the Primary Improvements Project Account of the Project Fund and (ii) the "District Improvements Project Account" in the Project Fund and within such account the "**Series 2024B Subaccount**." The Series 2024A Subaccount and the Series 2024B Subaccount shall be funded with proceeds of the Series 2024A Bonds and the Series 2024B Bonds, respectively, in the amounts set forth in Section 3.01 of this First Supplemental Indenture, and shall be maintained by the Trustee in accordance with the terms of the Indenture. All withdrawals from such subaccounts shall be done in accordance with the procedures established in the Indenture.

ARTICLE IV.

FUNDS AND ACCOUNTS

Section 4.01. Establishment of the Subaccounts in the Senior Bond Fund; Mandatory Sinking Fund Redemptions

(a) There is hereby established and created with the Trustee within the Senior Bond Fund:

(i) within the Primary Improvements Issuer Account, separate and segregated subaccounts designated the "**Series 2024A Interest Subaccount**" and the "**Series 2024A Principal Subaccount**"; and

(ii) within the District Improvements Issuer Account, separate and segregated subaccounts designated the "**Series 2024B Interest Subaccount**" and the "**Series 2024B Principal Subaccount**".

(b) The Trustee shall use money deposited in the principal subaccounts to purchase or redeem Series 2024 Bonds as required hereunder.

(c) In respect of the Series 2024A Bonds, the Trustee shall apply from the Series 2024A Principal Subaccount the following amounts to the redemption by lot on December 15 in each of the years specified below at the redemption price equal to par plus accrued interest:

Year (December 15)	Amount	Year (December 15)	Amount
2026	$ 60,000	2037	$ 830,000
2027	120,000	2038	865,000
2028	180,000	2039	800,000
2029	230,000	2040	870,000
2030	290,000	2041	1,495,000
2031	350,000	2042	3,540,000
2032	420,000	2043	3,785,000
2033	485,000	2044	4,060,000
2034	565,000	2045	4,345,000
2035	640,000	2046*	4,645,000
2036	745,000		

* Maturity date

In respect of the Series 2024B Bonds, the Trustee shall apply from the Series 2024B Principal Subaccount the following amounts to the redemption by lot on December 15 in each of the years specified below at the redemption price equal to par plus accrued interest:

Year (December 15)	Amount	Year (December 15)	Amount
2026	$ 20,000	2037	$ 280,000
2027	40,000	2038	290,000
2028	60,000	2039	270,000
2029	75,000	2040	295,000
2030	100,000	2041	505,000
2031	115,000	2042	1,190,000
2032	140,000	2043	1,275,000
2033	165,000	2044	1,370,000
2034	190,000	2045	1,460,000
2035	215,000	2046*	1,565,000
2036	250,000		

* Maturity date

The Trustee shall anticipate such deposits for the purpose of giving notice of redemption. At the option of the Issuer, to be exercised by delivery of a written certificate to the Trustee on or before the 45th day next preceding any sinking fund redemption date, it may (i) deliver to the Trustee for cancellation of the related Series 2024 Bonds or portions thereof (in Authorized Denominations), in an aggregate principal amount desired by the Issuer or (ii) direct the Trustee to apply moneys from time to time available or required to be deposited in the

applicable principal subaccount to the purchase of the related Series 2024 Bonds at prices not higher than par plus accrued interest, provided that firm purchase commitments can be made. Each such Series 2024 Bond or portion thereof of the same Series and maturity so delivered or purchased, in addition to any Series 2024 Bonds or portions thereof of the same Series and maturity (in Authorized Denominations), which prior to said date have been redeemed (other than through the operation of the sinking fund) and canceled by the Trustee at the request of the Issuer and not theretofore applied as a credit against any sinking fund redemption obligation, shall be credited by the Trustee, at one hundred percent (100%) of the principal amount thereof, in such order as shall be specified in writing by the Issuer so as to maintain an approximately level schedule of debt service, against all subsequent sinking fund redemptions of the related maturity and Series of Series 2024 Bonds and the deposits described above for the related maturity and Series of Series 2024 Bonds shall be reduced, in such order, by such amounts.

Section 4.02. Establishment of Accounts in the Senior Reserve Fund

There is hereby established and created with the Trustee within the Senior Reserve Fund separate and segregated accounts designated the "**Series 2024A Reserve Account**" and the "**Series 2024B Reserve Account**." Such accounts shall be funded with proceeds of the Series 2024A Bonds and the Series 2024B Bonds, respectively, in the amounts set forth in Section 3.01 of this First Supplemental Indenture, and shall be maintained by the Trustee in accordance with the terms of the Indenture.

Section 4.03. Rebate Fund

With respect to the Series 2024 Bonds, the Trustee shall invest the amounts on deposit in the Rebate Fund and shall deposit income from said investments immediately upon receipt thereof in the Rebate Fund, all as set forth in the Tax Certificate relating to the Series 2024 Bonds.

ARTICLE V.

REDEMPTION OF SERIES 2024 BONDS

Section 5.01. Series 2024 Bonds Subject to Redemption; Selection of Bonds to be Called for Redemption

The Series 2024 Bonds are subject to redemption prior to maturity as provided herein and in the 2017 Indenture. Payment of the redemption price of any Series 2024 Bond shall be made on the redemption date only upon the surrender to the Trustee of any Series 2024 Bond so redeemed.

(a) Optional Redemption. The Series 2024 Bonds are subject to redemption prior to maturity at the option of the Issuer on any date, on or after December 15, 2033, in whole or in part, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus interest accrued to the redemption date.

(b) Mandatory Sinking Fund Redemption. The Series 2024 Bonds are subject to mandatory sinking fund redemption in the amounts and on the dates set forth in Section 4.01 of this First Supplemental Indenture.

(c) Special Mandatory Redemption of all Bonds. The Series 2024 Bonds are subject to special mandatory redemption as provided in Section 7.01(c) of the 2017 Indenture.

(d) Special Mandatory Redemption of the Primary Improvements Bonds. The Series 2024A Bonds are subject to special mandatory redemption as provided in Section 7.01(d) of the 2017 Indenture.

ARTICLE VI.
AMENDMENTS

Section 6.01. Specific Amendments to the 2017 Indenture

(a) Section 8.11(e) of the 2017 Indenture is hereby amended by restating such subsection in its entirety to read as follows:

"(e) As of the Issue Date of the Series 2024 Bonds, the Cap Amount equals $146,476,239.71 (as such amount may be adjusted in accordance with the Comprehensive Agreement). As of December 31, 2023, the Districts had incurred $79,717,570 in costs of construction of Primary Public Improvements, resulting in $66,758,670 of the Cap Amount remaining. As of the Issue Date of the Series 2024 Bonds, the Park and Recreation Improvements Cap Amount equals $9,000,000."

(b) Section 14.06 of the 2017 Indenture is hereby amended as follows:

(i) If to the Issuer, addressed to:

Prairie Center Metropolitan District No. 3
Attention: Peggy Ripko
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
Telephone: (303) 987-0835
Email: pripko@sdmsi.com

with a copy to:

McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Telephone: (303) 592-4380
Email: legalnotices@specialdistrictlaw.com

(ii) If to the Trustee, addressed to:

UMB Bank, n.a.
1670 Broadway
Denver, Colorado 80202
Attention: Corporate Trust & Escrow Services
Telephone: (303) 839-2258
Email: john.wahl@umb.com

(iii) If to the City, addressed to:

City Manager
City of Brighton, Colorado
500 South 4th Avenue
Brighton, Colorado 80601
Telephone: (303) 655-2043

With a copy to:

Alicia R. Calderon
City of Brighton, City Attorney
500 South 4th Avenue
Brighton, Colorado 80601
Telephone: (303) 655-2262
Email: acalderon@brightonco.gov

(iv) If to the Developers, addressed to:

Bob Jakubeck, Manager
THF Prairie Center Development, L.L.C.
17107 Chesterfield Airport Road
Chesterfield, Missouri 63005
Telephone: 636-536-9401
Email: bjakubeck@thekroenkegroup.com

With a copy to:

Otten, Johnson, Robinson, Neff & Ragonetti, P.C.
950 17th Street, Suite 1600
Denver, Colorado 80202
Attn: Kimberly Martin
Telephone: (303) 825-8400
Facsimile: (303) 825-6525

ARTICLE VII.

MISCELLANEOUS PROVISIONS

Section 7.01. No Personal Recourse

No recourse shall be had for any claim based on this Indenture or the Series 2024 Bonds, including but not limited to the payment of the principal or redemption price of, or premium, if any, or interest on, the Series 2024 Bonds, against any member, director, officer, agent or employee, past, present or future, of the Issuer or of any successor bodies, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise.

Section 7.02. No Rights Conferred on Others

Nothing herein contained shall confer any right upon any person other than the parties hereto, the Owners of the Series 2024 Bonds, the City (but only with respect to provisions herein which grant specific rights to the City or impose specific duties on the Trustee or the Issuer for the benefit of the City); *provided that* in no event shall the City have any rights pursuant to Article IX of the 2017 Indenture, as amended.

Section 7.03. Illegal, etc. Provisions Disregarded

In case any provision in this First Supplemental Indenture or the Series 2024 Bonds shall for any reason be held invalid, illegal or unenforceable in any respect, this First Supplemental Indenture shall be construed as if such provision had never been contained herein.

Section 7.04. Successors and Assigns

All the covenants, promises and agreements in this First Supplemental Indenture contained by or on behalf of the Issuer, or by or on behalf of the Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 7.05. Headings for Convenience Only

The descriptive headings in this First Supplemental Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 7.06. Conflicts with 2017 Indenture

In the event of any conflict between any provision of this First Supplemental Indenture and the 2017 Indenture, this First Supplemental Indenture shall control.

Section 7.07. Counterparts

This First Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 7.08. Applicable Law

This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 7.09. Payments Due On Days Which are Not Business Days

In any case where the date of maturity of interest on or principal of the Series 2024 Bonds or the date fixed for redemption of any Series 2024 Bonds shall be a day which is not a Business Day, then payment of interest or principal or redemption price need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest on such payment shall accrue for the period after such date.

Section 7.10. Electronic Execution.

The parties agree that any individual or individuals who are authorized to execute or consent to this First Supplemental Indenture or any consent relating thereto on behalf of the Issuer, the Trustee or any Owner are hereby authorized to execute the same electronically. This agreement by the parties to use electronic signatures is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed to this First Supplemental Indenture or any supplement or consent relating thereto shall carry the full legal force and effect of any original, handwritten signature.

* * * * *

[Signature Page Follows]

IN WITNESS WHEREOF, **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3** has caused this First Supplemental Indenture to be executed by its President and its corporate seal to be hereunto affixed and attested to by the Secretary, and **UMB BANK, N.A.,** as Trustee, has caused this First Supplemental Indenture to be executed by its duly authorized officer, all as of the day and year first above written, all as of the day and year first above written.

[S E A L]

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

Attest:

By _____
Michael Tamblyn, President

_____
Peggy Ripko, Secretary

UMB BANK, n.a.,
as Trustee

By _____
Authorized Officer

EXHIBIT A
WAIVER OF SERIES 2007 SUBORDINATE BONDS OWNER

[INTENTIONALLY OMITTED]

EXHIBIT B
FORM OF SERIES 2024 BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("**DTC**"), to the issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAS NOT BEEN REGISTERED OR OTHERWISE QUALIFIED FOR SALE UNDER THE "BLUE SKY" LAWS AND REGULATIONS OF ANY STATE AND WILL AS OF THE DATE OF ISSUE CARRY NO RATING FROM ANY RATING SERVICE.

THIS BOND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT IN MINIMUM DENOMINATIONS OF $500,000 AND ANY INTEGRAL MULTIPLE OF $5,000 IN EXCESS THEREOF, UNLESS A LOWER DENOMINATION IS AUTHORIZED BY THE INDENTURE.

$_____ No. R[A][B]-__

UNITED STATES OF AMERICA
STATE OF COLORADO

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
(IN THE CITY OF BRIGHTON)
IN ADAMS COUNTY, COLORADO
LIMITED PROPERTY TAX SUPPORTED [PRIMARY][DISTRICT] IMPROVEMENTS
REVENUE BOND
SERIES 2024[A][B]

MATURITY DATE	INTEREST RATE	ORIGINAL DATE	CUSIP
December 15, 2046	___%	April 16, 2024	739476 ___

REGISTERED OWNER: CEDE & CO.
Tax Identification Number: 13-2555119

PRINCIPAL SUM: [_____] AND NO/100 DOLLARS

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3, its successors or assigns (the "**Issuer**"), a quasi-municipal corporation and political subdivision of the State of Colorado, for

value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered owner specified above (the "**Owner**"), or registered assigns, on the maturity date specified above or on the date of prior redemption, upon surrender hereof, the principal amount specified above and to pay interest thereon from the date hereof until payment of said principal sum has been made or provided for, at the per annum interest rate specified above. Interest on this Bond shall accrue from the interest payment date next preceding the date of authentication to which interest shall have been paid, (i) unless such date of authentication is an interest payment date to which interest shall have been paid, in which case, from such authentication date, or (ii) unless authenticated after a Record Date and prior to an interest payment date with respect to such Record Date, in which case from such interest payment date, or (iii) unless this Bond is authenticated prior to the first interest payment date in which case interest on this Bond shall accrue from its original date shown above. Interest on this Bond shall be payable semi-annually on December 15 and June 15 in each year, commencing December 15, 2024, at the per annum interest rate specified above, until payment of said principal sum. Interest is computed on the basis of a 360-day year of twelve 30-day months.

To the extent principal of this Bond is not paid when due, such principal shall remain outstanding until paid in full and shall continue to bear interest at the rate then borne by this Bond. To the extent interest on this Bond is not paid when due, such interest shall continue to be due without interest on accrued but unpaid interest or compounding of interest; provided however, that notwithstanding anything herein to the contrary, the Issuer shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer Outstanding upon the payment by the Issuer of such amount.

Principal and interest shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. The interest so payable, and punctually paid or duly provided for, on any interest payment date will be paid to the person in whose name this Bond is registered at the close of business on June 1 or December 1 next preceding the interest payment date.

Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner at the close of business on June 1 or December 1, as applicable, and such unpaid interest shall be paid to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such unpaid interest to be fixed by the Trustee, such date to be no more than 15 nor fewer than 10 days prior to the date of proposed payment. Principal shall be paid at the principal corporate trust office of UMB Bank, n.a., as Paying Agent, in Kansas City, Missouri, or at the duly designated office of any duly appointed alternate or successor paying agent. Interest on this Bond shall be payable by check mailed to the Owner at the address as it appears on the bond register of the Issuer.

This Bond is one of a duly authorized series in the aggregate principal amount of $[29,320,000][9,870,000] designated by the Issuer "Limited Property Tax Supported [Primary][District] Improvements Revenue Bonds, Series 2024[A][B]" issued and executed under an Amended and Restated Trust Indenture dated as of October 1, 2017, as amended on March 4, 2024, and as supplemented by a First Supplemental Trust Indenture dated as of April 1, 2024 (collectively, the "**Indenture**"), between the Issuer and UMB Bank, n.a., as Trustee (the "**Trustee**"). Six duly

authorized Series of Bonds have been issued by the Issuer under the Indenture consisting of (i) $29,320,000 original aggregate principal amount of its Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A (the "**Series 2024A Bonds**"), (ii) $9,870,000 original aggregate principal amount of its Limited Property Tax Supported District Improvement Revenue Bonds, Series 2024B (the "**Series 2024B Bonds**," and with the Series 2024A Bonds, referred to collectively as the "**Series 2024 Bonds**"), (iii) $47,095,000 original aggregate principal amount of its Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2017A (the "**Series 2017A Bonds**"), (iv) $2,180,000 original aggregate principal amount of its Limited Property Tax Supported District Improvement Revenue Bonds, Series 2017B (the "**Series 2017B Bonds**," and with the Series 2017A Bonds, referred to collectively as the "**Series 2017 Bonds**," and with the Series 2024 Bonds and any Senior Bonds issued pursuant to the Indenture, referred to collectively as the "**Senior Bonds**"), (v) $40,610,000 original aggregate principal amount of its Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A (the "**Series 2007A Subordinate Bonds**"), and (vi) $2,905,000 original aggregate principal amount of its Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B (the "**Series 2007B Subordinate Bonds**" and, collectively with the Series 2007A Subordinate Bonds, the "**Series 2007 Subordinate Bonds**").

The terms of this Bond include those terms specified in the Indenture. Bondholders are referred to the Indenture for a statement of those terms. *Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture*.

This Bond is an obligation of the Issuer secured by (a) a pledge of the Pledged Revenue (as defined in and with the exceptions provided in the Indenture), (b) all Issuer's rights to enforce payments under the Comprehensive Agreement, the Cooperation Agreement, the PIF Covenants, the Sales Tax Sharing Agreement, the Capital Pledge Agreement, the Collection Agreement, and the Fee Resolutions when due, and (c) with the exceptions and priorities provided in the Indenture, all trust funds and accounts created under the Indenture. The Series 2007 Subordinate Bonds and any other Subordinate Obligations issued under the Indenture are in all respects junior and subordinate to the Senior Bonds.

Reference is hereby made to the Indenture and to all amendments thereof and supplements thereto for a description of the provisions, among others, with respect to the nature and extent of the security, the default provisions, the rights, duties and obligations of the Trustee and the Issuer or the rights of the registered owners of the Series 2024 Bonds, the Series 2017 Bonds and the Series 2007 Subordinate Bonds and the terms upon which the Series 2024 Bonds are issued and secured.

The Indenture provides that the Issuer may issue additional Series of Senior Bonds on a parity lien basis with this Bond, without preference, priority or distinction of any such Senior Bonds issued on parity with this Bond over any other such Senior Bonds, except as otherwise set forth in a supplement to the Indenture. Such Senior Bonds may be issued for any of the undertakings authorized under the Indenture, if certain requirements outlined therein are met. The Indenture also permits the Issuer to issue additional Series of Subordinate Obligations having a lien on the Trust Estate held by the Trustee subordinate to the lien of the Series 2024 Bonds and the Series 2017 Bonds.

THIS BOND SHALL NOT BE A DEBT OR INDEBTEDNESS OF THE CITY OF BRIGHTON, ADAMS COUNTY, THE STATE OF COLORADO OR ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE ISSUER, WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR STATUTES OF THE STATE OF COLORADO OR THE CITY'S HOME RULE CHARTER, AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWERS.

This Bond, upon surrender hereof at the principal office of the Trustee with a written instrument of transfer satisfactory to the Trustee executed by the Owner or his attorney duly authorized in writing, may, at the option of the Owner, be exchanged for an equal aggregate principal amount of Bonds of the same aggregate principal amount and tenor as the Bonds being exchanged and of any Authorized Denomination. This Bond is transferable as provided in the Indenture, subject to certain limitations therein contained, only upon the register of the Trustee, and only upon surrender of this Bond for transfer to the Trustee accompanied by a written instrument of transfer (in substantially the form of the assignment attached hereto) duly executed by the Owner or his duly authorized attorney. Thereupon, one or more new Series 2024 Bonds of any Authorized Denomination or Denominations and in the same aggregate principal amount and tenor as the Series 2024 Bond surrendered shall be issued to the designated transferee or transferees.

The person in whose name this Bond is registered on the register of the Trustee shall be deemed and regarded as the absolute owner hereof for any purpose, as provided in the Indenture.

The Series 2024 Bonds are subject to redemption prior to maturity as provided in the Indenture. The Series 2024 Bonds shall be redeemed only in integral multiples of $5,000. In the event a Series 2024 Bond is of a denomination larger than $5,000, a portion of such Bond may be redeemed, but only in the principal amount of $5,000 or any integral multiple thereof. Such Series 2024 Bond shall be treated for the purpose of redemption as that number of Bonds which results from dividing the principal amount of such Series 2024 Bond by $5,000. Any Series 2024 Bond which is to be redeemed only in part shall be surrendered at a place stated for the surrender of Series 2024 Bonds called for redemption in the notice described below (with due endorsement by, or a written instrument of transfer in form satisfactory to the Trustee duly executed by, the registered owner or his attorney duly authorized in writing) and the Issuer shall execute and the Trustee shall authenticate and deliver to the registered owner of such Series 2024 Bond without service charge, a new Series 2024 Bond, of the same Series, of any Authorized Denomination as requested by such owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2024 Bond so surrendered.

The notice of the call for redemption of Series 2024 Bonds shall be given at least 30 days but no more than 60 days prior to the date fixed for redemption to the Owner of this Bond in the manner set forth in the Indenture. If at the time of mailing of notice of any optional redemption the Issuer shall not have deposited with the Trustee moneys sufficient to redeem all the Series 2024 Bonds called for redemption, if the Issuer shall so direct, such notice may state that it is conditional

in that it is subject to the deposit of sufficient moneys with the Trustee not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited. Any notice of redemption may be given by (i) registered or certified mail, postage prepaid, (ii) electronic notice (i.e. notice transmitted through email, facsimile or other similar electronic means) or (iii) overnight delivery service, to the DTC.

The Owner of this Bond acknowledges that this Bond is issuable only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof, that this Bond is not being registered under the Securities Act of 1933, as amended, and is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state and that as of the date of original issuance thereof, it will carry no rating from any Rating Agency. The Owner also acknowledges that its Bond may be sold, transferred or otherwise disposed of only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof (unless a lower denomination is authorized by the Indenture).

Failure to make scheduled payments of principal and interest on the Series 2024 Bonds does not constitute an Event of Default under the Indenture, provided the Issuer is otherwise in compliance with the terms thereof and certain other conditions of the Indenture are met. **There is no acceleration of the payment of the Series 2024 Bonds upon occurrence of an Event of Default under the Indenture.**

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture and except that any registered owner may institute action to enforce the payment of the principal of, premium, if any, or interest on its Bond.

Modifications of the Indenture or any trust indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

Executed counterparts of the Indenture are on file at the principal corporate trust office of the Trustee. The Owner of this Bond, by acceptance hereof, consents to all of the terms and provisions of the Indenture.

No recourse shall be had for the payment of the principal or redemption price of, or premium, if any, or interest on, this Bond, or for any claim based hereon or on this Indenture, against any member, officer, agent or employee, past, present or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

This Bond is issued pursuant to the Supplemental Public Securities Act. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Bond after its delivery for value.

It is hereby certified that all acts, conditions and things required to happen, exist and be performed under the laws of the State, and under the Indenture precedent to and in the

issuance of this Bond have happened, exist and have been performed as so required, and that the issuance, authentication and delivery of this Bond have been duly authorized by the Issuer.

Unless the Certificate of Authentication hereon has been executed by the Trustee by manual signature of one of its authorized signers, this Bond shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of its President and its corporate seal or a facsimile to be affixed hereto or printed hereon and attested to by the manual or facsimile signature of its Secretary.

PRAIRIE CENTER METROPOLITAN
DISTRICT NO. 3

[ISSUER SEAL]

Attest:

_____ _____

Secretary President

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This Bond is one of the Bonds of the Series described in the within mentioned Indenture.

UMB BANK, N.A., as Trustee

By:_____
Authorized Representative

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Tax Identification Number or Social Security Number _____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said Bond on the Bond Register, with full power of substitution in the premises.

Dated:_____

_____

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular without alteration or any change whatever; NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program ("MSP").

Signature guaranteed:

_____

[FORM OF ABBREVIATIONS]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with the right of survivorship and not as tenants in common

UNIFORM GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list.

[END OF SERIES 2024 BOND FORM]

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SECOND SUPPLEMENTAL TRUST INDENTURE

Dated as of December 1, 2026

between

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

and

UMB BANK, N.A.
as Trustee

Securing
Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026

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EXHIBIT C 2024 ELECTION QUESTIONS

This **SECOND SUPPLEMENTAL TRUST INDENTURE** dated as of December 1, 2026 (referred to herein as the "**Second Supplemental Indenture**"), between **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3** (the "**Issuer**"), a quasi-municipal corporation and political subdivision of the State of Colorado and **UMB BANK, N.A.**, Denver, Colorado, as Trustee (the "**Trustee**") supplements the Amended and Restated Trust Indenture dated as of October 1, 2017 between the Issuer and the Trustee, as amended by the Amendment to Amended and Restated Trust Indenture dated as of March 4, 2024 and as supplemented by the First Supplemental Trust Indenture dated as of April 1, 2024 (collectively, the "**2017 Indenture**").

RECITALS

WHEREAS, capitalized terms used and not defined in these Recitals shall have the meanings assigned to them in Article I hereof; and

WHEREAS, the Issuer was formed pursuant to C.R.S. §32-1-101 *et seq*., as amended, by order of the District Court, County of Adams, State of Colorado entered on May 22, 2006 and recorded on June 6, 2006, and after approval of the eligible electors of the Issuer at an organizational election held May 2, 2006 (the "**2006 Election**"), for the purpose of assisting in the financing and development of a mixed-use development of certain property located in the Service Area, as such area is generally depicted in Exhibit C to the Service Plan (as defined herein); and

WHEREAS, the City Council approved the Prairie Center Metropolitan District No. 3 First Amended and Restated Service Plan, dated November 4, 2008, as modified on April 14, 2013 (the "**Service Plan**"), which provides certain parameters for the financing of Public Improvements within and without the Service Area; and

WHEREAS, the City, the City of Brighton Water, Sewer and Drainage Enterprise, the Developers, and the Issuer are parties to the Comprehensive Agreement which establishes a coordinated development plan for the Service Area and other areas in the City and the County and provides for the funding of the Public Improvements in the Service Area and such other areas; and

WHEREAS, pursuant to the PIF Covenants, THF Development imposed certain public improvements fees on the PIF Property for the purpose of financing the Public Improvements; and

WHEREAS, the Comprehensive Agreement provides for collection of two types of public improvements fees pursuant to the PIF Covenants, the Add-On PIF and Credit PIF; and

WHEREAS, by Ordinance No. 1868 adopted on February 7, 2006 by the City Council (the "**Sales/Use Tax Credit Ordinance**"), the City granted the Sales/Use Tax Credit for the Credit PIF portion of such public improvements fees; and

WHEREAS, to facilitate the financing of the Public Improvements, each of the Districts adopted a Fee Resolution (as amended from time to time, collectively referred to herein as the "**Fee Resolutions**") imposing Residential Facilities Fees and Commercial Facilities Fees on all residential and commercial property within its respective boundaries; and

WHEREAS, the Trustee, the Issuer and District Nos. 4 and 5 have entered into the 2017 Capital Pledge Agreement (as amended by the First Amendment thereto dated as of April 1, 2024)

pursuant to which (i) the Issuer agrees to finance a portion of the Costs of the Project through the issuance of Bonds (as defined in the Capital Pledge Agreement) and (ii) each of District Nos. 4 and 5 agrees to assign and pledge to the Issuer and remit to the Trustee all revenues resulting from its imposition of Capital Levies, Facilities Fees, and Specific Ownership Taxes; and

WHEREAS, the Trustee, the Issuer and District No. 10 have entered into the District No. 10 Pledge Agreement (as amended by the First Amendment thereto dated as of April 1, 2024) pursuant to which (i) the Issuer agrees to finance a portion of the Costs of the Project through the issuance of Bonds (as defined in the District No. 10 Pledge Agreement) and (ii) District No. 10 agrees to assign and pledge to the Issuer and remit to the Trustee all revenues resulting from the imposition of the Facilities Fees; and

WHEREAS, the Issuer, the City and the Authority entered into the Cooperation Agreement pursuant to which the Authority, in consideration for the Issuer's construction and installation of Primary Public Improvements that service a portion of the Service Area, irrevocably pledged to the Issuer certain Shared Sales Tax Incremental Revenues, subject to the limitations of the Cooperation Agreement; and

WHEREAS, the Issuer and the City entered into the Sales Tax Sharing Agreement pursuant to which the City agreed to pay or reimburse the Issuer for certain costs of construction and installation of Primary Public Improvements from the Shared General Fund Sales Tax Revenues, subject to the limitations of the Sales Tax Sharing Agreement; and

WHEREAS, in order to facilitate the provision of Public Improvements, the Issuer has entered into a Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreements related to the Public Improvements dated as of December 26, 2006 (the "**Developer Reimbursement Agreement**") with the Developers, with consent by District Nos. 1 and 2 as to the Novation provision, pursuant to which the Developers have advanced and will advance, under certain circumstances, funds to finance the Public Improvements; and

WHEREAS, the Issuer is authorized pursuant to the Special District Act and the Supplemental Act to issue revenue bonds for any of its corporate purposes and, pursuant to their respective service plans, the Issuer and all other Districts (together with Prairie Center Metropolitan District No. 1), collectively, are authorized to issue indebtedness to finance the construction of Public Improvements in an aggregate amount not to exceed $750,000,000; and

WHEREAS, at an election held November 5, 2024 (the "**2024 Election**"), the eligible voters of the Issuer authorized the issuance by the Issuer of indebtedness for the infrastructure categories and in the amounts set forth in the following table, the questions relating thereto being set forth in **Exhibit C** hereto:

Purpose	Authorized Principal Amount
Streets	$750,000,000
Parks and Recreation	750,000,000
Water	750,000,000
Sanitary Sewer	750,000,000

Transportation	750,000,000
Mosquito Control	20,000,000
Traffic and Safety	750,000,000
Fire Protection	750,000,000
Television Relay	20,000,000
Security	750,000,000

WHEREAS, pursuant to a Trust Indenture dated as of December 1, 2006 between the Issuer and American National Bank, Denver, Colorado, as predecessor in interest to the Trustee, as was subsequently amended and supplemented by that certain First Supplemental Trust Indenture dated as of June 1, 2007, that certain Second Supplemental Trust Indenture dated as of March 1, 2009, that certain Third Supplemental Trust Indenture dated as of October 1, 2009, and that certain Fourth Supplemental Trust Indenture dated as of September 1, 2010 (together, the "**2006 Indenture**"), the Issuer issued its:

"Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2006A" in the aggregate principal amount of $34,545,000 (the "**Series 2006A Bonds**") for the purpose of defraying the cost of all or a portion of the Primary Improvements Project,

"Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Bonds, Series 2006B" in the aggregate principal amount of $1,815,000 (the "**Series 2006B Bonds**" and, collectively with the Series 2006A Bonds, the "**Series 2006 Bonds**") for the purpose of defraying the cost of all or a portion of the District Improvements Project,

"Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A" in the aggregate principal amount of $40,610,000 (the "**Series 2007A Subordinate Bonds**"), for the purpose of defraying the cost of all or a portion of the Primary Improvements Project, and

"Prairie Center Metropolitan District No. 3 Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B" in the aggregate principal amount of $2,905,000 (the "**Series 2007B Subordinate Bonds**" and, collectively with the Series 2007A Subordinate Bonds, the "**Series 2007 Subordinate Bonds**"), for the purpose of defraying the cost of all or a portion of the District Improvements Project; and

WHEREAS, in 2017, the Issuer and the Trustee entered into the 2017 Indenture which amended and restated the 2006 Indenture;

WHEREAS, pursuant to the 2017 Indenture, the Issuer issued its:

"Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A" in the aggregate principal amount of $47,095,000 (the "**Series 2017A Bonds**") for the purposes of (a) currently refunding all of the Series 2006A Bonds, (b) funding the Senior Reserve Requirement for the Series 2017A Bonds,

and (c) currently refunding a portion of the Series 2007A Subordinate Bonds in the principal amount of $8,960,000,

"Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Refunding Bonds, Series 2017B" in the principal amount of $2,180,000 (the "**Series 2017B Bonds**" and, collectively with the Series 2017A Bonds, the "**Series 2017 Bonds**") for the purposes of (a) currently refunding all of the Series 2006B Bonds, (b) funding the Senior Reserve Requirement for the Series 2017B Bonds, and (c) currently refunding a portion of the Series 2007B Subordinate Bonds in the principal amount of $650,000 and paying accrued and unpaid interest thereon,

"Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A" in the aggregate principal amount of $29,320,000 (the "**Series 2024A Bonds**"), for the purpose of defraying the additional cost of all or a portion of the Primary Improvements Project (including paying amounts due to the Developers under the Developer Reimbursement Agreement) and refunding a portion of the outstanding Series 2007A Subordinate Bonds at a lower interest rate, and

"Prairie Center Metropolitan District No. 3 Limited Property Tax Supported District Improvements Revenue Bonds, Series 2024B" in the principal amount of $9,870,000 (the "**Series 2024B Bonds**" and, collectively with the Series 2024A Bonds, the "**Series 2024 Bonds**"), for the purpose of defraying the additional cost of all or a portion of the District Improvements Project (including paying amounts due to the Developers under the Developer Reimbursement Agreement); and

WHEREAS, the Series 2007A Subordinate Bonds are currently outstanding in the aggregate principal amount of $30,855,000, the Series 2007B Subordinate Bonds are currently outstanding in the aggregate principal amount of $1,845,000, the Series 2017A Bonds are currently outstanding in the aggregate principal amount of $40,300,000, the Series 2017B Bonds are currently outstanding in the aggregate principal amount of $1,855,000, the Series 2024A Bonds are currently outstanding in the aggregate principal amount of $29,320,000, and the Series 2024B Bonds are currently outstanding in the aggregate principal amount of $9,870,000; and

WHEREAS, each series of the Series 2007 Subordinate Bonds currently bears interest at a fixed rate of 9.50% per annum; and

WHEREAS, the Series 2017 Bonds, the Series 2024 Bonds and other "Senior Bonds" are secured by a first lien on Pledged Revenue under the 2017 Indenture, and the 2017 Indenture permits the issuance of additional Senior Bonds payable from and secured by the Pledged Revenue and the Trust Estate on a parity lien basis with the Series 2017 Bonds, Series 2024 Bonds and other Senior Bonds; and

WHEREAS, the Board has determined that it is necessary and in the best interests of the Issuer that the Issuer issue its "Prairie Center Metropolitan District No. 3 Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026" in the principal amount of $_____ (the "**Series 2026 Bonds**"), for the purpose of (a) currently refunding a portion of the Series 2007A Subordinate Bonds in the principal amount of $_____ at a lower

interest rate, (b) funding the Senior Reserve Requirement for the Series 2026 Bonds, (c) funding capitalized interest on the Series 2026 Bonds, and (d) paying the costs of issuance; and

WHEREAS, THF Prairie Center Development, L.L.C. is the current Owner of all of the Outstanding Series 2007 Subordinate Bonds and has waived certain provisions of the 2017 Indenture in connection with the issuance of the Series 2026 Bonds, as evidenced by its written Waiver attached hereto as **Exhibit A**; and

WHEREAS, the Series 2026 Bonds shall be issued as Senior Bonds under the Indenture, shall be equally and ratably secured by certain revenues to be received by the District and pledged under the Indenture on a parity lien basis with other Senior Bonds; and

WHEREAS, the Series 2026 Bonds shall be issued in accordance with the Constitution of the State; the 2024 Election; the Public Securities Refunding Act being Title 11, Article 56, Part 1, C.R.S.; Title 32, Article 1, Part 11, C.R.S.; and all other laws of the State thereunto enabling; and

WHEREAS, the Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S., to the Series 2026 Bonds; and

WHEREAS, the Series 2026 Bonds shall be issued in denominations of $500,000 each, and in integral multiples above $500,000 of not less than $5,000 each, and, as a result, will be exempt from registration under the Colorado Municipal Bond Supervision Act (Title 11, Article 59, C.R.S.); and

WHEREAS, the Series 2026 Bonds are being issued only to financial institutions or institutional investors within the meaning of §32-1-1101(6)(a)(IV), C.R.S.; and

WHEREAS, the Issuer hereby allocates the aggregate principal amount of the Series 2026 Bonds allocated to the refunding of a portion of the Series 2007A Subordinate Bonds to the electoral authorization of the 2024 Election as follows: (i) the amount of $_____, representing the principal amount of the Series 2026 Bonds that is equal to the outstanding principal amount of the Series 2007A Subordinate Bonds being refunded, constitutes a refinancing of Issuer indebtedness at a lower interest rate and, in accordance with Article X, Section 20 of the Colorado Constitution, does not require additional electoral authorization; and (ii) the amount of $_____, representing the remaining principal amount of the Series 2026 Bonds allocated to the refunding of accrued and unpaid interest on the principal amount of the Series 2007A Subordinate Bonds being refunded, shall be allocated to the electoral authorization of the 2024 Election for refunding purposes; and

WHEREAS, the execution and delivery of the Series 2026 Bonds and of this Second Supplemental Indenture have been duly authorized by a resolution duly adopted by the Board, have been consented to by the City in accordance with the requirements of the Comprehensive Agreement, and all things necessary to make the Series 2026 Bonds, when executed by the Issuer and authenticated and delivered by the Trustee, valid and binding legal obligations of the Issuer and to make the Indenture, as supplemented by this Second Supplemental Indenture, a valid and binding agreement have been done.

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, that, in consideration of the premises and the mutual covenants herein and in the Indenture contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, for the benefit of the Bondholders and in order to secure (to the extent provided in the Indenture) the payment of principal or redemption price (as the case may be) in respect of all Bonds issued and outstanding under the Indenture, the Issuer has sold, assigned, transferred, set over and pledged unto, and granted a security interest in the Trustee, its successors in the trust and its assigns forever, all and singular the Trust Estate, including all the rights assigned by the Indenture, to the extent required to pay and perform all obligations of the Issuer under the Indenture and all Bonds issued thereunder, subject to the priorities of payment set forth therein and herein.

TO HAVE AND TO HOLD the same and any other revenues, property, contracts or contract rights which may, by delivery, assignment or otherwise, be subject to the lien and security interest created by the Indenture;

IN TRUST, NEVERTHELESS, for the equal and ratable benefit and security of all present and future Owners of the Series 2026 Bonds issued under the Indenture, without preference, priority or distinction as to lien or otherwise of any one Bond over any other Bond, upon the terms and subject to the conditions hereinafter set forth (except that the Series 2007 Subordinate Bonds and other Subordinate Obligations shall in all respects be junior and subordinate to the Series 2017 Bonds, the Series 2024 Bonds, the Series 2026 Bonds and any other Senior Bonds, and there shall be such other distinctions as are expressly provided in the Indenture).

THIS SECOND SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Series 2026 Bonds issued and secured hereunder are to be issued, authenticated and delivered, and the Pledged Revenues hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, priorities, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter and in the Indenture expressed, and the Issuer and the Trustee have agreed and covenanted, and do hereby agree and covenant with the Owners from time to time of the Series 2026 Bonds, as follows:

ARTICLE I.

CONFIRMATION, DEFINITIONS AND REPRESENTATIONS OF THE ISSUER

Section 1.01. Confirmation of 2017 Indenture

The 2017 Indenture is in all respects ratified and confirmed, and the 2017 Indenture, as hereby supplemented, shall be read, taken and construed as one and the same instrument so that, except as expressly supplemented or amended by this Second Supplemental Indenture, all of the rights, remedies, terms, conditions, covenants and agreements of the 2017 Indenture shall apply and remain in full force and effect with respect to this Second Supplemental Indenture and to the Series 2026 Bonds issued hereunder and all property, franchises and income described in the granting clauses hereof.

Section 1.02. Definitions

Words and terms defined in the recitals hereof or in the 2017 Indenture, as hereby supplemented, shall have the same meanings herein or therein assigned to them, unless the context or use indicates another meaning or intent, and except to the extent amended by the definitions hereinafter set forth. In addition, the following terms shall have the meanings provided, and, to the extent that any of the following terms have been defined in ARTICLE I of the 2017 Indenture, or in any indenture supplemental thereto, said definitions are hereby amended to have the meanings set forth herein:

"**Authorized Denominations**" means, with respect to the Series 2017 Bonds, Series 2024 Bonds and the Series 2007 Subordinate Bonds, as defined in the 2017 Indenture and with respect to the Series 2026 Bonds, the amount of $500,000 and any integral multiple of $5,000 in excess thereof, provided that (i) no individual Series 2026 Bond may be in an amount which exceeds the principal amount coming due on any maturity date, and (ii) in the event a Series 2026 Bond is partially redeemed and the unredeemed portion is less than $500,000, such unredeemed portion of such Series 2026 Bond may be issued in the largest possible denomination of less than $500,000, in integral multiples of not less than $5,000 each or any integral multiple thereof.

"**Bond Year**" means, with respect to the Series 2026 Bonds, the period commencing on December 16 of each year and ending on December 15, inclusive, of the next calendar year, and with respect to any Series of Additional Bonds, the period designated in a Supplemental Indenture or other instrument pursuant to which such Additional Bonds are issued.

"**Capital Appreciation Bonds**" means Bonds all or a portion of the interest on which is compounded and accumulated at the rates and on the dates set forth in a Supplemental Indenture and is payable only upon redemption or on the maturity date of such Bonds. Bonds which are issued as Capital Appreciation Bonds, but later convert to Bonds on which interest is paid periodically shall be Capital Appreciation Bonds until the conversion date and from and after such conversion date shall no longer be Capital Appreciation Bonds, but shall be treated as having a principal amount equal to their Accreted Value on the conversion date. The Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds and Series 2007 Subordinate Bonds do not constitute Capital Appreciation Bonds.

"**Comprehensive Agreement**" means the Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado by and among the City, the City of Brighton Water, Sewer and Drainage Enterprise, the Developers, Prairie Center Metropolitan District No. 1 and Prairie Center Metropolitan District No. 2 dated as of December 5, 2005, and recorded on December 16, 2005, in the County real property records at Reception No. 20051216001378220, as assigned by District No. 1 and District No. 2 to the Issuer, pursuant to the Assignment Agreement and as amended by the First Amendment to Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado dated as of July 7, 2009, and recorded on August 11, 2011, in the County real property records at Reception No. 2011000051551, the Second Amendment to Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado, to which the Authority is a party, dated as of February 8, 2012,

and recorded on February 27, 2012, in the County real property records at Reception No. 2012000014188, the Third Amendment to Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado, to which the Authority granted its consent, dated as of June 16, 2015, and recorded on August 6, 2015, in the County real property records at Reception No. 2015000064391, and the Fourth Amendment to Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado, to which the Authority is a party, dated as of November 19, 2024, and recorded on December 23, 2024, in the County real property records at Reception No. 2024000071307, as it may be further amended or supplemented.

"Depository" means any securities depository as the Issuer may provide and appoint, in accordance with the guidelines of the Securities and Exchange Commission, which shall act as securities depository for the Bonds, which, with respect to the Series 2026 Bonds, the Series 2024 Bonds and the Series 2017 Bonds, shall be DTC.

"**Indenture**" means the 2017 Indenture, as supplemented by this Second Supplemental Indenture, as it may be further amended or supplemented at the time in question pursuant to a Supplemental Indenture.

"**Interest Payment Date**" means:

(a) with respect to the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds and any other Senior Bond, each December 15 and June 15, which, with respect to the Series 2026 Bonds, shall commence on June 15, 2027;

(b) with respect to the Series 2007 Subordinate Bonds and any other Subordinate Obligation, each December 15 and June 15; and

(c) with respect to any other Bonds, the date defined as such in a Supplemental Indenture for purposes of paying the interest on such Bonds.

"**Issue Date**" means, with respect to the Series 2026 Bonds, [date], the date of their original issuance and delivery.

"**Regular Record Date**" means, with respect to the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds and the Series 2007 Subordinate Bonds, the first day (whether or not a Business Day) of the calendar month in which each Interest Payment Date occurs, and with respect to any other Bonds, the date specified as such in a Supplemental Indenture for purposes of paying interest on such Bonds.

"**Senior Reserve Requirement**" means, with respect to the Series 2026 Bonds, $_____.

"**Series 2025 Interest Subaccount**" means the trust fund so designated which is established pursuant to Section 4.01 of this Second Supplemental Indenture.

"**Series 2026 Principal Subaccount**" means the trust fund so designated which is established pursuant to Section 4.01 of this Second Supplemental Indenture.

"**Series 2026 Reserve Account**" means the account so designated established pursuant to Section 4.02 of this Second Supplemental Indenture.

ARTICLE II.

THE SERIES 2026 BONDS

Section 2.01. Amounts and Terms; Issuance of Series 2026 Bonds

There is hereby authorized to be issued and shall be issued under and secured by the 2017 Indenture, as supplemented by this Second Supplemental Indenture, a Series of Senior Bonds designated as "Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026" in an aggregate principal amount of $_____.

Section 2.02. Denominations, Interest Rates and Maturity of Series 2026 Bonds

The Series 2026 Bonds shall be issued only in Authorized Denominations.

The Series 2026 Bonds shall mature on the dates and in the aggregate principal amounts, and shall bear interest at the per annum interest rates to their maturity dates, unless redeemed prior thereto, as follows:

Maturity Date (December 15)	Aggregate Principal Amount	Interest Rate Per Annum
20[__]	$_____	_____%

The Series 2026 Bonds shall be dated as of the Issue Date and shall bear interest (calculated on the basis of a 360-day year consisting of twelve 30-day months) from the last Interest Payment Date to which interest has accrued and has been paid or duly provided for, or if no interest has been paid or duly provided for, from the Issue Date of the Series 2026 Bonds or until payment of the principal or redemption price thereof shall have been made or provided for in accordance with the provisions of the Indenture, whether upon maturity, redemption or otherwise. To the extent interest on any Series 2026 Bond is not paid when due, such interest shall continue to be due, without interest on accrued but unpaid interest or compounding of interest. Interest on the Series 2026 Bonds shall be due on each June 15 and December 15, commencing on June 15, 2027.

Section 2.03. Form of Series 2026 Bonds; Legends

Each Series 2026 Bond shall be issued only as a fully registered bond. Each Series 2026 Bond shall be substantially in the form of **Exhibit B**, with such changes therein which are not inconsistent with this Second Supplemental Indenture, as are approved by the officers of the Issuer executing the Series 2026 Bonds (whose manual or facsimile signatures on such Series 2026 Bonds shall constitute conclusive evidence of their approval of any such changes appearing thereon). The

Series 2026 Bonds shall be numbered consecutively from RA-1 and upward, or in such other manner as the Issuer shall determine.

By their acceptance of the Series 2026 Bonds, each Bondholder acknowledges that the Series 2026 Bonds are issuable only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof, that the Series 2026 Bonds are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state and that as of the date of original issuance thereof, they will carry no rating from any Rating Agency. All Bondholders also acknowledge that their Series 2026 Bonds may be sold, transferred or otherwise disposed of only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof.

Section 2.04. Book-Entry System for Series 2026 Bonds; Bond Registrar

The Series 2026 Bonds shall be initially issued in the form of single, certificated, fully registered bond for each separate series, stated maturity and interest rate for each Series 2026 Bonds, each such Bond to be in the full principal amount of such Series 2026 Bond of such series with such stated maturity and interest rate. Upon initial issuance, the ownership of the Series 20264 Bonds shall be registered in the registration books kept by the Trustee in the name of Cede & Co.

The Issuer hereby appoints the Trustee, as Bond Registrar in respect of the Series 2026 Bonds.

Section 2.05. Supplemental Act Provisions

By execution of this Second Supplemental Indenture, the Issuer hereby elects to have all provisions of the Supplemental Act apply to the issuance of the Series 2026 Bonds; provided, however, that such election shall not operate to modify or limit the rights conferred on the Issuer or the members of the Board by any other provisions of State law. Pursuant to Section 11-57-210 of the Supplemental Act, each Series 2026 Bond shall recite that it is issued under the authority of the resolution of the Board and the Supplemental Act and that it is the intention of the Issuer that such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Series 2026 Bonds after their delivery for value. Pursuant to Section 11-57-208 of the Supplemental Act, the Pledged Revenue, as received by or otherwise credited to the Issuer, shall immediately be subject to the lien of such pledge without any physical delivery, filing or further act. The lien of such pledge and the obligation to perform the contractual provisions made in this Indenture shall have priority over any or all other obligations and liabilities of the Issuer. The lien of such pledge shall be valid, binding and enforceable as against all persons having claims of any kind of tort, contract or otherwise against the Issuer irrespective of whether such persons have notice of such lien.

ARTICLE III.

DISPOSITION OF SERIES 2026 BONDS PROCEEDS

Section 3.01. Disposition of Series 2026 Bond Proceeds

The proceeds of the Series 2026 Bonds in the amount of $_____ (representing the par amount of the Series 2026 Bonds, less an underwriter's discount of $_____), upon the receipt thereof by the Trustee, shall be immediately deposited in the following manner:

(i) $_____ to the trustee for the Series 2007A Subordinate Bonds to be used to redeem and pay on _____, 2026 $_____ principal amount of the Series 2007A Subordinate Bonds and $_____ in accrued and unpaid interest thereon to the redemption date;

(ii) $_____, which is the Senior Reserve Requirement for the Series 2026 Bonds, shall be deposited to the credit of the Series 2026 Reserve Account of the Senior Reserve Fund;

(iii) $_____, which is the capitalized interest on the Series 2026 Bonds, shall be deposited to the Series 2026 Interest Subaccount; and

(iv) $_____ shall be deposited to the credit of the Costs of Issuance Fund to pay the costs of issuance in connection with the Series 2026 Bonds.

ARTICLE IV.

FUNDS AND ACCOUNTS

Section 4.01. Establishment of the Subaccounts in the Senior Bond Fund; Mandatory Sinking Fund Redemptions

(a) There is hereby established and created with the Trustee within the Primary Improvements Issuer Account of the Senior Bond Fund, separate and segregated subaccounts designated the "**Series 2026 Interest Subaccount**" and the "**Series 2026 Principal Subaccount**".

(b) The Trustee shall use money deposited in the Series 2026 Principal Subaccount to purchase or redeem Series 2026 Bonds as required hereunder.

(c) The Trustee shall apply from the Series 2026 Principal Subaccount the following amounts to the redemption by lot on December 15 in each of the years specified below at the redemption price equal to par plus accrued interest:

Year (December 15)	Amount	Year (December 15)	Amount

* Maturity date

The Trustee shall anticipate such deposits for the purpose of giving notice of redemption. At the option of the Issuer, to be exercised by delivery of a written certificate to the Trustee on or before the 45th day next preceding any sinking fund redemption date, it may (i) deliver to the Trustee for cancellation of the related Series 2026 Bonds or portions thereof (in Authorized Denominations), in an aggregate principal amount desired by the Issuer or (ii) direct the Trustee to apply moneys from time to time available or required to be deposited in the applicable principal subaccount to the purchase of the related Series 2026 Bonds at prices not higher than par plus accrued interest, provided that firm purchase commitments can be made. Each such Series 2026 Bond or portion thereof of the same Series and maturity so delivered or purchased, in addition to any Series 2026 Bonds or portions thereof of the same Series and maturity (in Authorized Denominations), which prior to said date have been redeemed (other than through the operation of the sinking fund) and canceled by the Trustee at the request of the Issuer and not theretofore applied as a credit against any sinking fund redemption obligation, shall be credited by the Trustee, at one hundred percent (100%) of the principal amount thereof, in such order as shall be specified in writing by the Issuer so as to maintain an approximately level schedule of debt service, against all subsequent sinking fund redemptions of the related maturity and Series of Series 2026 Bonds and the deposits described above for the related maturity and Series of Series 2026 Bonds shall be reduced, in such order, by such amounts.

Section 4.02. Establishment of Accounts in the Senior Reserve Fund

There is hereby established and created with the Trustee within the Senior Reserve Fund separate and segregated account designated the "**Series 2026 Reserve Account**." Such account shall be funded with proceeds of the Series 2026 Bonds in the amounts set forth in Section 3.01 of this Second Supplemental Indenture, and shall be maintained by the Trustee in accordance with the terms of the Indenture.

Section 4.03. Rebate Fund

With respect to the Series 2026 Bonds, the Trustee shall invest the amounts on deposit in the Rebate Fund pursuant to the written direction of the Issuer and shall deposit income from said investments immediately upon receipt thereof in the Rebate Fund, all as set forth in the Tax Certificate relating to the Series 2026 Bonds. Absent written direction, the Trustee shall hold the funds uninvested.

ARTICLE V.

REDEMPTION OF SERIES 2026 BONDS

Section 5.01. Series 2026 Bonds Subject to Redemption; Selection of Bonds to be Called for Redemption

The Series 2026 Bonds are subject to redemption prior to maturity as provided herein and in the 2017 Indenture. Payment of the redemption price of any Series 2026 Bond shall be made on the redemption date only upon the surrender to the Trustee of any Series 2026 Bond so redeemed.

(a) Optional Redemption. The Series 2026 Bonds are subject to redemption prior to maturity at the option of the Issuer on any date, on or after December 15, 20__, in whole or in part, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus interest accrued to the redemption date.

(b) Mandatory Sinking Fund Redemption. The Series 2026 Bonds are subject to mandatory sinking fund redemption in the amounts and on the dates set forth in Section 4.01 of this Second Supplemental Indenture.

(c) Special Mandatory Redemption of all Bonds. The Series 2026 Bonds are subject to special mandatory redemption as provided in Section 7.01(c) of the 2017 Indenture.

(d) Special Mandatory Redemption of the Primary Improvements Bonds. The Series 2026 Bonds are subject to special mandatory redemption as provided in Section 7.01(d) of the 2017 Indenture.

ARTICLE VI.
AMENDMENTS

Section 6.01. Specific Amendments to the 2017 Indenture

(a) Section 8.11(e) of the 2017 Indenture is hereby amended by restating such subsection in its entirety to read as follows:

"(e) As of the Issue Date of the Series 2026 Bonds, the Cap Amount equals $146,476,239.71 (as such amount may be adjusted in accordance with the Comprehensive Agreement). As of June 30, 2026, the Districts had incurred $[_____] in costs of construction of Primary Public Improvements, resulting in $[_____] of the Cap Amount remaining. As of the Issue Date of the Series 2026 Bonds, the Park and Recreation Improvements Cap Amount equals $[_____]."

(b) Section 14.06 of the 2017 Indenture is hereby amended as follows:

(i) If to the Issuer, addressed to:

Prairie Center Metropolitan District No. 3
Attention: Diana Garcia
225 Union Boulevard, Suite 100
Lakewood, Colorado 80228
Telephone: (303) 987-0835
Email: dgarcia@sdmsi.com

with a copy to:

McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Telephone: (303) 592-4380
Email: legalnotices@specialdistrictlaw.com

(ii) If to the Trustee, addressed to:

UMB Bank, n.a.
1670 Broadway
Denver, Colorado 80202
Attention: Corporate Trust & Escrow Services
Telephone: (303) 839-2258
Email: john.wahl@umb.com

(iii) If to the City, addressed to:

City Manager
City of Brighton, Colorado
500 South 4th Avenue
Brighton, Colorado 80601
Telephone: (303) 655-2043

With a copy to:

Alicia R. Calderon
City of Brighton, City Attorney
500 South 4th Avenue
Brighton, Colorado 80601
Telephone: (303) 655-2262
Email: acalderon@brightonco.gov

(iv) If to the Developers, addressed to:

Bob Jakubeck, Manager
THF Prairie Center Development, L.L.C.
17107 Chesterfield Airport Road
Chesterfield, Missouri 63005
Telephone: 636-536-9401
Email: bjakubeck@thekroenkegroup.com

With a copy to:

Otten, Johnson, Robinson, Neff & Ragonetti, P.C.
950 17th Street, Suite 1600
Denver, Colorado 80202
Attn: Kimberly Martin
Telephone: (303) 825-8400
Facsimile: (303) 825-6525

ARTICLE VII.

MISCELLANEOUS PROVISIONS

Section 7.01. No Personal Recourse

No recourse shall be had for any claim based on this Indenture or the Series 2026 Bonds, including but not limited to the payment of the principal or redemption price of, or premium, if any, or interest on, the Series 2026 Bonds, against any member, director, officer, agent or employee, past, present or future, of the Issuer or of any successor bodies, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise.

Section 7.02. No Rights Conferred on Others

Nothing herein contained shall confer any right upon any person other than the parties hereto, the Owners of the Series 2026 Bonds, the City (but only with respect to provisions herein which grant specific rights to the City or impose specific duties on the Trustee or the Issuer for the benefit of the City); *provided that* in no event shall the City have any rights pursuant to Article IX of the 2017 Indenture, as amended.

Section 7.03. Illegal, etc. Provisions Disregarded

In case any provision in this Second Supplemental Indenture or the Series 20264 Bonds shall for any reason be held invalid, illegal or unenforceable in any respect, this Second Supplemental Indenture shall be construed as if such provision had never been contained herein.

Section 7.04. Successors and Assigns

All the covenants, promises and agreements in this Second Supplemental Indenture contained by or on behalf of the Issuer, or by or on behalf of the Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 7.05. Headings for Convenience Only

The descriptive headings in this Second Supplemental Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 7.06. Conflicts with 2017 Indenture

In the event of any conflict between any provision of this Second Supplemental Indenture and the 2017 Indenture, this Second Supplemental Indenture shall control.

Section 7.07. Counterparts

This Second Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 7.08. Applicable Law

This Second Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 7.09. Payments Due On Days Which are Not Business Days

In any case where the date of maturity of interest on or principal of the Series 2026 Bonds or the date fixed for redemption of any Series 2026 Bonds shall be a day which is not a Business Day, then payment of interest or principal or redemption price need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest on such payment shall accrue for the period after such date.

Section 7.10. Electronic Execution

The parties agree that any individual or individuals who are authorized to execute or consent to this Second Supplemental Indenture or any consent relating thereto on behalf of the Issuer, the Trustee or any Owner are hereby authorized to execute the same electronically. This agreement by the parties to use electronic signatures is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed to this Second Supplemental Indenture or any supplement or consent relating thereto shall carry the full legal force and effect of any original, handwritten signature.

* * * * *

[Signature Page Follows]

IN WITNESS WHEREOF, **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3** has caused this Second Supplemental Indenture to be executed by its President and its corporate seal to be hereunto affixed and attested to by the Secretary, and **UMB BANK, N.A.,** as Trustee, has caused this Second Supplemental Indenture to be executed by its duly authorized officer, all as of the day and year first above written, all as of the day and year first above written.

[S E A L]

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

Attest:

By _____
Michael Tamblyn, President

_____
Diana Garcia, Secretary

UMB BANK, n.a.,
as Trustee

By _____
Authorized Officer

EXHIBIT A

WAIVER OF SERIES 2007 SUBORDINATE BONDS OWNER

[INTENTIONALLY OMITTED]

EXHIBIT B

FORM OF SERIES 2026 BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("**DTC**"), to the issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAS NOT BEEN REGISTERED OR OTHERWISE QUALIFIED FOR SALE UNDER THE "BLUE SKY" LAWS AND REGULATIONS OF ANY STATE AND WILL AS OF THE DATE OF ISSUE CARRY NO RATING FROM ANY RATING SERVICE.

THIS BOND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT IN MINIMUM DENOMINATIONS OF $500,000 AND ANY INTEGRAL MULTIPLE OF $5,000 IN EXCESS THEREOF, UNLESS A LOWER DENOMINATION IS AUTHORIZED BY THE INDENTURE.

$_____ No. R -__

UNITED STATES OF AMERICA
STATE OF COLORADO

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
(IN THE CITY OF BRIGHTON)
IN ADAMS COUNTY, COLORADO
LIMITED PROPERTY TAX SUPPORTED PRIMARY IMPROVEMENTS REVENUE BOND
SERIES 2026

MATURITY DATE	INTEREST RATE	ISSUE DATE	CUSIP
December 15, 20___	___%	_____, 2026	739476 ___

REGISTERED OWNER: CEDE & CO.
Tax Identification Number: 13-2555119

PRINCIPAL SUM: [_____] AND NO/100 DOLLARS

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3, its successors or assigns (the "**Issuer**"), a quasi-municipal corporation and political subdivision of the State of Colorado, for

value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered owner specified above (the "**Owner**"), or registered assigns, on the maturity date specified above or on the date of prior redemption, upon surrender hereof, the principal amount specified above and to pay interest thereon from the date hereof until payment of said principal sum has been made or provided for, at the per annum interest rate specified above. Interest on this Bond shall accrue from the interest payment date next preceding the date of authentication to which interest shall have been paid, (i) unless such date of authentication is an interest payment date to which interest shall have been paid, in which case, from such authentication date, or (ii) unless authenticated after a Record Date and prior to an interest payment date with respect to such Record Date, in which case from such interest payment date, or (iii) unless this Bond is authenticated prior to the first interest payment date in which case interest on this Bond shall accrue from its original date shown above. Interest on this Bond shall be payable semi-annually on December 15 and June 15 in each year, commencing June 15, 2027, at the per annum interest rate specified above, until payment of said principal sum. Interest is computed on the basis of a 360-day year of twelve 30-day months.

To the extent principal of this Bond is not paid when due, such principal shall remain outstanding until paid in full and shall continue to bear interest at the rate then borne by this Bond. To the extent interest on this Bond is not paid when due, such interest shall continue to be due without interest on accrued but unpaid interest or compounding of interest; provided however, that notwithstanding anything herein to the contrary, the Issuer shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer Outstanding upon the payment by the Issuer of such amount.

Principal and interest shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts. The interest so payable, and punctually paid or duly provided for, on any interest payment date will be paid to the person in whose name this Bond is registered at the close of business on June 1 or December 1 next preceding the interest payment date.

Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner at the close of business on June 1 or December 1, as applicable, and such unpaid interest shall be paid to the person in whose name this Bond is registered at the close of business on a special record date for the payment of such unpaid interest to be fixed by the Trustee, such date to be no more than 15 nor fewer than 10 days prior to the date of proposed payment. Principal shall be paid at the designated corporate trust office of UMB Bank, n.a., as Paying Agent, in Kansas City, Missouri, or at the duly designated office of any duly appointed alternate or successor paying agent. Interest on this Bond shall be payable by check mailed to the Owner at the address as it appears on the bond register of the Issuer.

This Bond is one of a duly authorized series in the aggregate principal amount of $[_____] designated by the Issuer "Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026" issued and executed under an Amended and Restated Trust Indenture dated as of October 1, 2017, as amended on March 4, 2024, and as supplemented by a First Supplemental Trust Indenture dated as of April 1, 2024 and the Second Supplemental Trust Indenture dated as of December 1, 2026 (collectively, the "**Indenture**"), between the Issuer

and UMB Bank, n.a., as Trustee (the "**Trustee**"). The following duly authorized Series of Bonds have been issued by the Issuer under the Indenture consisting of (i) $_____ original aggregate principal amount of its Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2026 (the "**Series 2026 Bonds**"), (ii) $29,320,000 original aggregate principal amount of its Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2024A (the "**Series 2024A Bonds**"), (iii) $9,870,000 original aggregate principal amount of its Limited Property Tax Supported District Improvement Revenue Bonds, Series 2024B (the "**Series 2024B Bonds**," and with the Series 2024A Bonds, referred to collectively as the "**Series 2024 Bonds**"), (iv) $47,095,000 original aggregate principal amount of its Limited Property Tax Supported Primary Improvements Revenue Refunding Bonds, Series 2017A (the "**Series 2017A Bonds**"), (v) $2,180,000 original aggregate principal amount of its Limited Property Tax Supported District Improvement Revenue Refunding Bonds, Series 2017B (the "**Series 2017B Bonds**," and with the Series 2017A Bonds, referred to collectively as the "**Series 2017 Bonds**," and with the Series 2026 Bonds, the Series 2024 Bonds and any Senior Bonds issued pursuant to the Indenture, referred to collectively as the "**Senior Bonds**"), (vi) $40,610,000 original aggregate principal amount of its Subordinate Limited Property Tax Supported Primary Improvements Revenue Bonds, Series 2007A (the "**Series 2007A Subordinate Bonds**"), and (vii) $2,905,000 original aggregate principal amount of its Subordinate Limited Property Tax Supported District Improvements Revenue Bonds, Series 2007B (the "**Series 2007B Subordinate Bonds**" and, collectively with the Series 2007A Subordinate Bonds, the "**Series 2007 Subordinate Bonds**").

The terms of this Bond include those terms specified in the Indenture. Bondholders are referred to the Indenture for a statement of those terms. *Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Indenture*.

This Bond is an obligation of the Issuer secured by (a) a pledge of the Pledged Revenue (as defined in and with the exceptions provided in the Indenture), (b) all Issuer's rights to enforce payments under the Comprehensive Agreement, the Cooperation Agreement, the PIF Covenants, the Sales Tax Sharing Agreement, the Capital Pledge Agreement, the Collection Agreement, and the Fee Resolutions when due, and (c) with the exceptions and priorities provided in the Indenture, all trust funds and accounts created under the Indenture. The Series 2007 Subordinate Bonds and any other Subordinate Obligations issued under the Indenture are in all respects junior and subordinate to the Senior Bonds.

Reference is hereby made to the Indenture and to all amendments thereof and supplements thereto for a description of the provisions, among others, with respect to the nature and extent of the security, the default provisions, the rights, duties and obligations of the Trustee and the Issuer or the rights of the registered owners of the Series 2026 Bonds, the Series 2024 Bonds, the Series 2017 Bonds and the Series 2007 Subordinate Bonds and the terms upon which the Series 2026 Bonds are issued and secured.

The Indenture provides that the Issuer may issue additional Series of Senior Bonds on a parity lien basis with this Bond, without preference, priority or distinction of any such Senior Bonds issued on parity with this Bond over any other such Senior Bonds, except as otherwise set forth in a supplement to the Indenture. Such Senior Bonds may be issued for any of the undertakings authorized under the Indenture, if certain requirements outlined therein are met. The Indenture also permits the Issuer to issue additional Series of Subordinate Obligations having a

lien on the Trust Estate held by the Trustee subordinate to the lien of the Series 2026 Bonds, the Series 2024 Bonds and the Series 2017 Bonds.

THIS BOND SHALL NOT BE A DEBT OR INDEBTEDNESS OF THE CITY OF BRIGHTON, ADAMS COUNTY, THE STATE OF COLORADO OR ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE ISSUER, WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR STATUTES OF THE STATE OF COLORADO OR THE CITY'S HOME RULE CHARTER, AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE ISSUER) OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWERS.

This Bond, upon surrender hereof at the designated office of the Trustee with a written instrument of transfer satisfactory to the Trustee executed by the Owner or his attorney duly authorized in writing, may, at the option of the Owner, be exchanged for an equal aggregate principal amount of Bonds of the same aggregate principal amount and tenor as the Bonds being exchanged and of any Authorized Denomination. This Bond is transferable as provided in the Indenture, subject to certain limitations therein contained, only upon the register of the Trustee, and only upon surrender of this Bond for transfer to the Trustee accompanied by a written instrument of transfer (in substantially the form of the assignment attached hereto) duly executed by the Owner or his duly authorized attorney. Thereupon, one or more new Series 2026 Bonds of any Authorized Denomination or Denominations and in the same aggregate principal amount and tenor as the Series 2026 Bond surrendered shall be issued to the designated transferee or transferees.

The person in whose name this Bond is registered on the register of the Trustee shall be deemed and regarded as the absolute owner hereof for any purpose, as provided in the Indenture.

The Series 2026 Bonds are subject to redemption prior to maturity as provided in the Indenture. The Series 2026 Bonds shall be redeemed only in integral multiples of $5,000. In the event a Series 20264 Bond is of a denomination larger than $5,000, a portion of such Bond may be redeemed, but only in the principal amount of $5,000 or any integral multiple thereof. Such Series 2026 Bond shall be treated for the purpose of redemption as that number of Bonds which results from dividing the principal amount of such Series 2026 Bond by $5,000. Any Series 2026 Bond which is to be redeemed only in part shall be surrendered at a place stated for the surrender of Series 2026 Bonds called for redemption in the notice described below (with due endorsement by, or a written instrument of transfer in form satisfactory to the Trustee duly executed by, the registered owner or his attorney duly authorized in writing) and the Issuer shall execute and the Trustee shall authenticate and deliver to the registered owner of such Series 2026 Bond without service charge, a new Series 2026 Bond, of the same Series, of any Authorized Denomination as requested by such owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2026 Bond so surrendered.

The notice of the call for redemption of Series 2026 Bonds shall be given at least 30 days but no more than 60 days prior to the date fixed for redemption to the Owner of this Bond in the manner set forth in the Indenture. If at the time of mailing of notice of any optional redemption

the Issuer shall not have deposited with the Trustee moneys sufficient to redeem all the Series 2026 Bonds called for redemption, if the Issuer shall so direct, such notice may state that it is conditional in that it is subject to the deposit of sufficient moneys with the Trustee not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited. Any notice of redemption may be given by (i) registered or certified mail, postage prepaid, (ii) electronic notice (i.e. notice transmitted through email, facsimile or other similar electronic means) or (iii) overnight delivery service, to the DTC.

The Owner of this Bond acknowledges that this Bond is issuable only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof, that this Bond is not being registered under the Securities Act of 1933, as amended, and is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state and that as of the date of original issuance thereof, it will carry no rating from any Rating Agency. The Owner also acknowledges that its Bond may be sold, transferred or otherwise disposed of only in minimum denominations of $500,000 and integral multiples of $5,000 in excess thereof (unless a lower denomination is authorized by the Indenture).

Failure to make scheduled payments of principal and interest on the Series 2026 Bonds does not constitute an Event of Default under the Indenture, provided the Issuer is otherwise in compliance with the terms thereof and certain other conditions of the Indenture are met. **There is no acceleration of the payment of the Series 2026 Bonds upon occurrence of an Event of Default under the Indenture.**

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture and except that any registered owner may institute action to enforce the payment of the principal of, premium, if any, or interest on its Bond.

Modifications of the Indenture or any trust indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

Executed counterparts of the Indenture are on file at the designated corporate trust office of the Trustee. The Owner of this Bond, by acceptance hereof, consents to all of the terms and provisions of the Indenture.

No recourse shall be had for the payment of the principal or redemption price of, or premium, if any, or interest on, this Bond, or for any claim based hereon or on this Indenture, against any member, officer, agent or employee, past, present or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

This Bond is issued pursuant to the Supplemental Public Securities Act. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Bond after its delivery for value.

It is hereby certified that all acts, conditions and things required to happen, exist and be performed under the laws of the State, and under the Indenture precedent to and in the issuance of this Bond have happened, exist and have been performed as so required, and that the issuance, authentication and delivery of this Bond have been duly authorized by the Issuer.

Unless the Certificate of Authentication hereon has been executed by the Trustee by manual signature of one of its authorized signers, this Bond shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of its President and its corporate seal or a facsimile to be affixed hereto or printed hereon and attested to by the manual or facsimile signature of its Secretary.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

[ISSUER SEAL]

Attest:

President

Secretary

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This Bond is one of the Bonds of the Series described in the within mentioned Indenture.

UMB BANK, N.A., as Trustee

By:_____
Authorized Representative

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto _____ (Tax Identification Number or Social Security Number _____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said Bond on the Bond Register, with full power of substitution in the premises.

Dated:_____

_____

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular without alteration or any change whatever; NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Signature Program ("MSP").

Signature guaranteed:

_____

[FORM OF ABBREVIATIONS]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with the right of survivorship and not as tenants in common

UNIFORM GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list.

[END OF SERIES 2026 BOND FORM]

EXHIBIT C

2024 ELECTION QUESTIONS

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APPENDIX I

CITY SALES TAX CODE

(attached)

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ARTICLE 3-28 Sales Tax

Sec. 3-28-10. Purpose.

The purpose of this Article is to impose a sales tax on the sale of the tangible personal property at retail, or the furnishing of services as provided herein, upon every retailer in the City.

Sec. 3-28-15. Distribution of revenues.

(a) There is established a special fund of the City to be known as the City of Brighton Sales Tax Capital Improvement Fund (herein the "Capital Improvement Fund"). Moneys credited to such fund shall be used solely to provide and finance capital projects having long life, capital improvements to long life City assets and capital outlay for long life City assets, or to pay debt service on bonds or other obligations issued for the purpose of providing such capital improvements. Moneys credited to such fund shall not be available to be pledged or expended, by inter-fund transfer or otherwise, for any general purposes of the City.

(b) There is established a special fund of the City to be known as the City of Brighton Parks and Recreation Sales Tax Capital Improvement Fund (herein the "Parks and Recreation Capital Improvement Fund"). Moneys credited to such fund shall be used solely to provide and finance capital improvements consisting of City parks and recreational facilities, provided, however, that an amount equal to the net revenues derived from a rate of sales tax equal to ten one-hundredths percent (0.10%) shall be used solely to provide for and finance the acquisition, construction and improvement of trails and open space. Moneys credited to such fund shall not be available to be pledged or expended, by inter-fund transfer or otherwise, for any general purposes of the City. All or any portion of the moneys credited to the Parks and Recreation Capital Improvement Fund may be used to pay debt service on bonds or other obligations issued by the City to finance capital improvements consisting of City parks and recreational facilities or to finance the acquisition, construction and improvement of trails and open space, and such bonds or other obligations may be secured by all or any portion of the moneys credited to the Parks and Recreation Capital Improvement Fund.

(c) The net revenues derived from the City's three-and-three-fourths-percent sales tax shall be distributed and used as follows:

(1) The net revenues derived from a rate of sales tax equal to one percent (1%) shall be deposited in the Capital Improvement Fund and used solely for the purposes for which such fund may be used.

(2) The net revenues derived from a rate of sales tax equal to fifty one-hundredths percent (.50%) shall be deposited in the Parks and Recreation Capital Improvement Fund and used solely for the purposes for which such fund may be used.

(3) The net revenues derived from a rate of sales tax equal to fifteen one-hundredths percent (0.15%) shall be deposited into the General Fund and used solely for the operation and maintenance of trails, open space and City parks and recreational facilities, and such revenues are hereby pledged for such purpose.

(4) The net revenues derived from a rate of sales tax equal to two percent (2%) shall be credited to the General Fund and used for such purposes as the City Council shall determine.

(5) The net revenues derived from a rate of sales tax equal to ten one-hundredths percent (0.10%) shall either be deposited in the Parks and Recreation Capital Improvement Fund and used solely

for the purposes for which such fund may be used, or shall be deposited into the General Fund and used solely for the operation and maintenance of trails, open space and City parks and recreational facilities. The allocation of such net revenues shall be in the sole discretion of the City Council and shall take into consideration, among other things, covenants made by the City in the issuance of its outstanding or future sales tax revenue bonds.

(d) Food tax rebate provisions. There is established a special account of the City to be known as the City of Brighton Food Tax Rebate Account. Moneys credited to such account shall be derived solely from City sales tax revenues attributable to sales of food for domestic home consumption as defined in Section 39-26-102(4.5), C.R.S., collected in accordance with Section 3-28-40 of this Article, and credited to the City's General Fund in accordance with Subsection (c)(4) above. Food tax revenue thus collected and credited to the General Fund shall then become eligible for redistribution to the City of Brighton Food Tax Rebate Account in accordance with this Section.

(1) Once collected and credited to the General Fund, food tax revenue may thereafter be returned to the eligible tax-paying residents of the City in the form of a rebate, as provided herein.

a. The total amount of such rebate in any given year shall not exceed the total amount of food tax revenue actually collected for the previous year.

b. In no event shall this Section be construed to create a mandatory or binding obligation of the City to rebate food tax revenue in any given year, or in years when the City Council determines that insufficient revenues are available for a rebate, and in no event shall any actionable claim or right of action against the City arise from or in connection with the provisions of this Section.

(2) a. Beginning in fiscal year 2001, and continuing each fiscal year thereafter, all or a portion of the food tax revenue collected in the previous year may be redistributed from the General Fund and credited to the City of Brighton Food Tax Rebate Account. Thereafter, in the sole discretion of the City Council, all or a portion of such food tax revenue may be returned to the eligible tax-paying residents of the City in the form of a food tax rebate, and if returned to the eligible taxpaying residents, appropriated for direct costs of processing the food sales tax rebates to include, without limitation supplies, postage, and bank fees, payable during the calendar year following the calendar year in which such food tax revenues are collected and credited to the food tax rebate account; provided that, in any given year, sufficient food tax revenue has first been properly collected and credited to the food tax rebate account and is, therefore, available for rebate at the discretion of the City Council.

b. Upon a determination by the City Council that sufficient food tax revenue is available for rebate in a given year, the City Council shall establish the amount of said rebate for that year by resolution. In determining the amount of the food tax rebate, if any, the City Council may take into consideration the amount of the food tax revenue for the subject year and all previous years, other uses for the sales tax revenues credited to the General Fund under Subsection (c)(4) above, the Consumer Price Index (CPI) for the subject year, and any other information, studies or data deemed important and pertinent to the City Council in its deliberations.

(3) If, in any given year, it is determined by the City Council that insufficient food tax revenue exists after the City's revenue calculations are conducted pursuant to Article X, Section 20 of the Colorado Constitution, then no rebate shall be payable for that year. In those years when there is sufficient food tax revenue and a rebate is paid, the amount of such rebate shall be credited

toward the City's revenue calculations under Article X, Section 20 of the Colorado Constitution, and shall accrue to the benefit of the City in consideration thereof.

(4) If the City sales tax on food for home consumption is repealed, the rebate provisions of this Section shall terminate. Otherwise, this Section may be repealed by the City Council during its operative term for good cause reasonably related to the health, safety, welfare and continued prosperity of the citizens of the City.

In implementing the provisions of this Section and in determining the eligibility of persons who may lawfully receive a rebate hereunder, the City Council shall by separate resolution adopt appropriate policies and procedures to set forth the criteria to be used by the City Council to determine whether sufficient food tax revenue exists for a rebate and to ensure that the rebates, if any, are properly, fairly and equitably distributed between and among eligible tax-paying residents of the City. At a minimum, persons eligible to receive a rebate under this Section must be tax-paying residents of the City who actually reside within the corporate boundaries of the City during the twelve-month period prior to the year in which a rebate is paid.

Ord. 2227, § 1, adopted March 15, 2016, shall be effective beginning April 1, 2016.

Sec. 3-28-20. Definitions and notice.

For the purposes of this Article, the definitions of words contained in this Article shall be as defined in this Section, except where the context clearly indicates a different meaning:

(1) Sales and use taxes defined; distinctions.

a. Sales tax defined. The City sales tax is levied on all sales, leases and rentals at retail on the basis of the purchase or sale price on purchases of tangible personal property and specific services taxable under this Article. All sales and purchases of tangible personal property are subject to the tax, except as specifically exempted. Sales and purchases of services, as specifically set forth in Section 3-28-75 hereof, are subject to the tax. The tax is in reality imposed on the purchaser. The duty is imposed on the seller to collect and remit the tax to the City under the penalties for failure to do so as prescribed in this Article.

b. Use tax defined. The City use tax is levied upon the privilege of using, storing, distributing or otherwise consuming tangible personal property and taxable services in the City, which property or service is purchased, leased or rented at retail and not subject to the City sales tax, without regard to whether the property or service is purchased either from sources within or without the City.

c. Distinction between sales and use taxes.

1. Sales and use taxes are complements to each other and together provide for a uniform tax at the rate imposed by Section 3-28-40 below upon either the sale, purchase, lease or rental, use, storage, distribution or consumption of all tangible personal property and upon taxable services which are purchased, leased or rented at retail, as defined in this Section.

2. Sales taxes are required to be imposed and collected from the taxpayer (purchaser or consumer) on behalf of the City by any person engaged in business in the City and making a taxable retail sale or completing any other taxable transaction within the City. Such sales taxes must be reported and remitted by the seller on a regular basis to the City.

3. If for any reason a person does not collect City tax on a taxable transaction made within the City, the sales tax that would otherwise have been collected and remitted to the City by such person (the vendor), must be reported and paid as a use tax directly to the City by the purchaser or consumer.

4. City sales tax should not be paid to persons not licensed by the City.

(2) Other definitions. The following words, terms and phrases, when used in this Article, shall have the meanings ascribed to them in this Subsection, except where the context clearly indicates a different meaning:

a. *Access services* means the services furnished by a local exchange company to its customers who provide telecommunications services which allow them to provide such telecommunications services.

b. *Adjusted gross sales and services* means gross sales and services with the addition of:

1. The cost of goods purchased tax free by the taxpayer and taken from the taxpayer's stock and used or consumed by the taxpayer personally or used by the taxpayer in the rendering of a service.

2. Monies resulting from collection, during the current taxable period, of bad debts that had, during a previous taxable period, been deducted from adjusted gross sales and services.

c. *Auction* means any sale where tangible personal property is sold by an auctioneer who is either the agent for the owner of such property or is in fact the owner thereof.

d. *Automotive vehicle* means any vehicle or device in, upon or by which a person or property is or may be transported or drawn upon a public highway, or any device used or designed for aviation or flight in the air. *Automotive vehicles* include but are not limited to motor vehicles, trailers, semi-trailers or mobile homes. Automotive vehicles shall not include devices moved by human power or used exclusively upon stationary rails or tracks.

e. *Business* means all activities engaged in or caused to be engaged in with the object of gain, benefit or advantage, direct or indirect.

f. *Capital expenditure* means an expenditure made by the business or taxpayer for the purpose of providing a permanent addition or improvement to property of the business made with the expectation of existence for a definite period. The term, furthermore, includes those expenditures for that category of items which, when privately owned, are treated as depreciable by the United States Internal Revenue Service for income tax purposes, including but not limited to the purchase of major equipment and motor vehicles.

g. *Charitable organization* means any entity which:

1. Has been certified as a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code; and

2. Is a religious or charitable organization.

As used in this definition, a *charitable organization* is an organization which, exclusively and in a manner consistent with existing laws and for the benefit of an indefinite number of persons, freely and voluntarily ministers to the physical, mental or spiritual needs of persons and which thereby lessens the burdens of government.

h. *Code* means the sales and use tax code of the City established in this Article or any of the adopted codes of the City, as the context indicates.

i. *Computer software* means the internalized instruction code which controls the basic operations (i.e., arithmetic and logic) of the computer causing it to execute instructions contained in system programs, as an integral part of the computer. It is not normally accessible or modifiable by the user. Such internal code systems are considered part of the hardware and are taxable. *Computer software* includes programs in which instructions and routines are determined necessary to program the customer's data processing equipment to enable the customer to accomplish specific functions with the computer system. The software programs may be in the form of:

   1. Systems programs which control the hardware itself and allow it to compile, assemble and process application programs.

   2. Application programs which are created to perform business functions, or controls, or monitor processes.

   3. Prewritten programs (canned) which can be either systems programs or application programs and are not written specifically for the user.

   4. Custom programs which are created specifically for the user.

   5. License contracts or agreements which allow the purchaser or lessee to access specific programs.

j. *Construction equipment* means any equipment, including mobile machinery and mobile equipment, which is used to erect, install, alter, repair, remodel or otherwise make improvements to any building or structure upon real estate.

k. *Construction materials* means tangible personal property which, when combined with other tangible personal property, loses its identity to become an integral and inseparable part of a completed structure or project, including public and private improvements. *Construction materials* include but are not limited to such things as asphalt, bricks, builders' hardware, caulking material, cement, concrete, conduit, electric wiring and connections, fireplace inserts, electrical heating and cooling equipment, flooring, glass, gravel, insulation, lath, lead, lime, lumber, macadam, millwork, mortar, oil, paint, piping, pipe valves and pipe fittings, plaster, plumbing fixtures, putty, reinforcing mesh, road base, roofing, sand, sanitary sewer pipe, sheet metal, site lighting, steel, stone, stucco, tile, trees, shrubs and other landscaping materials, wall board, wall coping, wallpaper, weather stripping, wire netting and screen, water mains and meters and wood preserver. The materials listed in this definition, when used for forms, or other items which do not remain as an integral or inseparable part of a completed structure or project, are not construction materials.

l. *Consumer* means:

   1. Any individual person; or

   2. A person engaged in business in the City who uses, stores, distributes or otherwise consumes in the City tangible personal property or taxable services purchased from sources inside or outside the City.

m. *Consumption* means the act or process of consuming; it includes waste, destruction or use. *Consumption* is the normal use of property for the purpose for which it was intended.

n. *Department of Finance* or*Department* means the City of Brighton Department of Finance of which the Sales Tax Division is a part.

o. *Distribution* means the act of distributing any article of tangible personal property purchased at retail for use or consumption, which may include but not be limited to the distribution of advertising gifts, shoppers' guides, catalogues, directories or other property given as prizes, premiums or for goodwill or in conjunction with the sales of other commodities or services.

p. *Drugs dispensed in accordance with a prescription* means drugs dispensed in accordance with any order in writing, dated and signed by a licensed practitioner of the healing arts or given orally by a practitioner, and immediately reduced to writing by the pharmacist, assistant pharmacist or pharmacy intern, specifying the name and address of the person for whom the medicine, drug or poison is offered and directions, if any, to be placed on the label.

q. *Economic nexus* means the connection between the City and a person not having a physical nexus in the State of Colorado, which connection is established when the person or marketplace facilitator makes retail sales in the City, and;

1. In the previous calendar year, the person, which includes a marketplace facilitator, has made retail sales into the state exceeding the amount specified in C.R.S. § 39-26-102(3)(c), as amended; or

2. In the current calendar year, ninety (90) days has passed following the month in which the person, which includes a marketplace facilitator, has made retail sales into the state exceeding the amount specified in in C.R.S. § 39-26-102(3)(c), as amended.

r. *Engaged in business in the City* means performing or providing services or selling, leasing, renting, delivering or installing tangible personal property for storage, use or consumption within the City. *Engaged in business in the City* includes, but is not limited to, any one (1) of the following activities by which a person:

1. Directly, indirectly or by a subsidiary maintains a building, store, office, salesroom, warehouse or other place of business within the taxing jurisdiction;

2. Sends one (1) or more employees, agents or commissioned salespersons into the taxing jurisdiction to solicit business or to install, assemble, repair, service or assist in the use of products or for demonstration or other reasons;

3. Maintains one (1) or more employees, agents or commissioned salespersons on duty at a location within the taxing jurisdiction;

4. Owns, leases, rents or otherwise exercises control over real or personal property within the taxing jurisdiction; or

5. Any retailer or vendor who has a physical presence in the State of Colorado but does not have a physical presence in the City, who makes more than one (1) delivery into the taxing jurisdiction within a twelve-month period by any means, including common carrier;

6. Makes retail sales sufficient to meet the definitional requirements of economic nexus as set forth in Section 3-28-20.

s. *Excess tax* means that amount of City tax collected during a reporting period that is in excess of the amount yielded by applying the rate imposed by Section 3-28-40 hereof to

City net taxable sales and services and which excessive collection must be remitted to the City using the method prescribed in this Article.

t. *Exempt commercial packaging materials* means containers, labels and shipping cases used by a person engaged in manufacturing, compounding, wholesaling, jobbing, retailing, packaging, distributing or bottling for sale, profit or use that meets all of the following conditions in which containers, labels and shipping cases are:

1. Used by the manufacturer, compounder, wholesaler, jobber, retailer, packager, distributor or bottler to contain or label the finished product;

2. Transferred by such person along with and as a part of the finished product to the purchaser; and

3. Not returnable to such person for reuse.

u. *Exemptions* means those deductions from adjusted gross sales and services in order to arrive at a taxable base, which *exemptions* may include exempt transactions, in whole or in part, sale or purchase of exempt commodities, articles or services for sale to exempt persons, who may either be exempt on their direct purchase or exempt on the type of commodity, articles or services purchased, all as set forth in Section 3-28-80 hereof.

v. *Farm closeout sale* means full and final disposition of all tangible personal property previously used by a farmer or rancher in farming or ranching operations which are being abandoned.

w. *Farm equipment* means farm tractors, implements of husbandry and irrigation equipment, and all shipping pallets, crates and aids used in the transfer or shipping of agricultural products for use primarily and directly in any farm operation.

x. *Farm operation* means the production of agricultural, viticultural, fruit and vegetable products, livestock, milk, honey, poultry and eggs, for profit, including, but not limited to, a business that hires out to produce or harvest such products.

y. *Food* means food for domestic home consumption as defined in Section 39-26-102(4.5), C.R.S., for purposes of the federal food stamp program as defined in 7 USC 2012(h), as amended, except that *food* does not include water or carbonated water marketed in containers; chewing gum; seeds and plants to grow food; prepared salads and salad bars; cold sandwiches; deli trays; and food or drink vended by or through machines or non-coin-operated or coin-collecting food and snack devices on behalf of a vendor.

z. *Freight, delivery* means the cost of transporting tangible personal property and/or taxable services to a purchaser to effect a sale, whether at retail or wholesale, by means of common, contract or commercial carrier, company vehicle or any type of mail or courier service.

aa. *Gross sales* means the total amount received in money, credit, property or other consideration valued in money for all sales, leases or rentals of tangible personal property or services.

ab. *Internet* means the international computer network consisting of federal and nonfederal, interoperable, packet-controlled, switched data networks.

ac. *Internet access services* means services that provide or enable computer access by multiple users to the Internet, but shall not include that portion of packaged or bundled services providing phone or television cable services when the package or bundle includes the sale of Internet access services.

ad. *License* means a City business license.

ae. *Linen services* means services involving provision and cleaning of linens, including, but not limited to, rags, uniforms, coveralls and diapers.

af. *Lodging services* means the furnishing of rooms or accommodations by any person, partnership, association, corporation, estate, representative capacity or any other combination of individuals by whatever name known to a person who for consideration uses, possesses or has the right to use or possess any room in a hotel, inn, bed and breakfast residence, apartment hotel, lodging house, motor hotel, guesthouse, guest ranch, trailer coach, mobile home, auto camp or trailer court and park, or similar establishment, for a period of less than thirty (30) days under any concession, permit, right of access, license to use or other agreement, or otherwise.

ag. *Machinery* and *manufacturing*:

1. *Machinery* means any apparatus consisting of interrelated parts used to produce an article of tangible personal property. The term includes both the basic unit and any adjunct or attachment necessary for the basic unit to accomplish its intended function.

2. *Manufacturing* means the operation of producing a new product, article, substance or commodity different from and having a distinctive name, character or use from raw or prepared materials.

ah. *Marketplace* means a physical or electronic forum, including, but not limited to, a store, a booth, an internet website, a catalog, or a dedicated sales software application, where tangible personal property, taxable products, or taxable services are offered for sale.

ai. *Marketplace facilitator* means a person that contracts with a marketplace seller or multichannel seller to facilitate for consideration, regardless of whether or not the consideration is deducted as fees from the transaction, the sale of the marketplace seller's tangible personal property, products, or services through the person's marketplace or marketplace operated by the person, engages.

1. Directly or indirectly, through one (1) or more affiliated persons, in transmitting or otherwise communicating the offer or acceptance between a purchaser and marketplace seller or multichannel seller; and

2. Either directly or indirectly, through agreements or arrangements with third parts, collects payment from the purchaser on behalf of the seller.

The term marketplace facilitator does not include a person that, with respect to marketplace seller's or multichannel seller's products, exclusively provides internet advertising services or lists products for sale.

aj. *Marketplace seller* means a person, regardless of whether or not the person is engaged in business in the City, which has an agreement with a marketplace facilitator and offers for sale tangible personal property, products or services though a marketplace owned, operated or controlled by a marketplace facilitator.

ak. *Medical supplies* means drugs, prosthetic medical and dental appliances, and special beds for patients with neuromuscular or similar debilitating ailments, when sold for the direct, personal use of a specific individual in accordance with a prescription or other written directive issued by a licensed practitioner of medicine, dentistry or podiatry; corrective eyeglass lenses, including eyeglass frames, and corrective contact lenses, when sold for the

direct, personal use of a specific individual in accordance with a prescription or other written directive issued by a licensed practitioner of medicine or optometry; wheelchairs and crutches, when sold for the direct, personal use of a specific individual; oxygen and hemodialysis products for use by a medical patient; hearing aids; hearing aid batteries; insulin, insulin measuring and injecting devices, glucose to be used for treatment of insulin reactions; and human whole blood, plasma, blood products and derivatives. This exemption excludes items purchased for use by medical and dental practitioners or medical facilities in providing their services, even though certain of those items may be packaged for single use by individual patients after which the item would be discarded.

al. *Mobile machinery and self-propelled construction equipment* means those vehicles, self-propelled or otherwise, which are not designed primarily for the transportation of persons or cargo over the public highways, and those motor vehicles which may have originally been designed for the transportation of persons or cargo over the public highways, and those motor vehicles which may have originally been designed for the transportation of persons or cargo but which have been redesigned or modified by the mounting thereon of special equipment or machinery, and which may be only incidentally operated or moved over the public highways. This definition includes, but is not limited to, wheeled vehicles commonly used in the construction, maintenance and repair of roadways, the drilling of wells and the digging of ditches.

am. *Multichannel seller* means a retailer that offers for sale tangible personal property, commodities, or services through a marketplace owned, operated, or controlled by a marketplace facilitator, and through other means.

an. *Net taxable sales and services* means adjusted gross sales and services, less exemptions therefrom.

ao. *Newspaper* means a publication, printed on newsprint, intended for general circulation, and published regularly at short intervals, containing information and editorials on current events and news of general interest. The term *newspaper* does not include magazines, trade publications or journals, credit bulletins, advertising inserts, circulars, directories, maps, racing programs, reprints, newspaper clipping and mailing services or listings, publications that include an updating or revision service, or books or pocket editions of books.

ap. *Pay television* includes, but is not limited to, cable, microwave or other television service for which a charge is imposed.

aq. *Prefabricated goods and materials* means any tangible personal property which has been fabricated, constructed or made into a form by a contractor, subcontractor, manufacturer or jobber which is ready for installation or use for its intended purpose, and which is brought to its installation site or delivered to the purchaser. The term includes tangible personal property purchased for use in other manufacturing or construction processes by the purchaser, such as construction materials purchased by a contractor in completing a contract.

ar. *Preprinted newspaper supplements* means inserts, attachments or supplements circulated in newspapers that:

1. Are primarily devoted to advertising; and
2. The distribution, insertion, or attachment of which is commonly paid for by the advertiser.

as. *Prescription drugs for animals* means drugs dispensed in accordance with any order in writing, dated and signed by a practitioner, or given orally by a practitioner, specifying the animal for which the medicine or drug is offered and directions, if any, to be placed on the label.

at. *Price* or *purchase price* means:

1. The price to the consumer, exclusive of any direct tax imposed by the federal government or by this Article and, in the case of all retail sales involving the exchange of property, also exclusive of the fair market value of the property exchanged at the same time and place of the exchange, if:

    a) Such exchanged property is to be sold thereafter in the usual course of the retailer's business; or

    b) Such exchanged property is a vehicle and is exchanged for another vehicle and both vehicles are subject to licensing, registration or certification under the laws of this State, including, but not limited to, vehicles operating upon public highways, off-highway recreation vehicles, watercraft and aircraft. Any money or other consideration paid over and above the value of the exchanged property is subject to tax.

2. *Price* or *purchase price* includes:

    a) The amount of money received or due in cash and credits.

    b) Property at fair market value taken in exchange but not for resale in the usual course of the retailer's business.

    c) Any consideration valued in money, such as trading stamps or coupons, whereby the manufacturer or someone else reimburses the retailer for part of the purchase price and other media of exchange.

    d) The total price charged on credit sales including finance charges which are not separately stated. An amount charged as interest on the unpaid balance of the purchase price is not part of the purchase price unless the amount added to the purchase price is included in the principal amount of a promissory note, except the interest or carrying charge set out separately from the unpaid balance of the purchase price on the face of the note is not part of the purchase price. An amount charged for insurance on the property sold and separately stated is not part of the purchase price.

    e) Installation, delivery and wheeling-in charges included in the purchase price and not separately stated.

    f) Transportation and other charges to effect delivery of tangible personal property to the purchaser.

    g) Indirect federal manufacturers' excise taxes, such as taxes on automobiles, tires and floor stock.

    h) The gross purchase price of articles sold after manufacturing or after having been made to order, including the gross value of all the materials used, labor and service performed and the profit thereon.

3. *Price* or *purchase price* does not include:

a) Any sales or use tax imposed by the State or by any political subdivision thereof.

b) The fair market value of property exchanged if such property is to be sold thereafter in the retailer's usual course of business. This is not limited to exchanges in the State. Out-of-state trade-ins are an allowable adjustment to the purchase price.

c) Discounts from the original price if such discount and the corresponding decrease in sales tax due is actually passed on to the purchaser. An anticipated discount to be allowed for payment on or before a given date is not an allowable adjustment to the price in reporting gross sales.

au. *Private communications services* means telecommunications services furnished to a subscriber, which entitle the subscriber to exclusive or priority use of any communication channel or groups of channels, or to the exclusive or priority use of any interstate intercommunications system for the subscriber's stations.

av. *Prosthetic device* means any artificial limb, part, device or appliance for human use which aids or replaces a bodily function; is designed, manufactured, altered or adjusted to fit a particular individual; and is prescribed by a licensed practitioner of the healing arts. Prosthetic devices include, but are not limited to, prescribed auditory, ophthalmic or ocular, cardiac, dental, therapeutic or orthopedic devices or appliances, oxygen concentrators and oxygen with related accessories.

aw. *Purchase, sale* means:

1. The acquisition for any consideration by any person of tangible personal property or taxable services that are purchased, leased, rented, sold, used, stored, distributed, or consumed, but excludes a bona fide gift of property or services. These terms include capital leases, installment and credit sales and property and services acquired by:

    a) Transfer, either conditionally or absolutely, of title or possession or both to tangible personal property;

    b) A lease, lease-purchase agreement, rental or grant of a license, including royalty agreements, to use tangible personal property or taxable services; the utilization of coin-operated devices, except coin-operated telephones, which do not vend articles of tangible personal property shall be considered short-term rentals of tangible personal property;

    c) Performance of taxable services; or

    d) Barter or exchange for other property or services including coupons.

2. *Purchase, sale* does not include:

    a) A division of partnership assets among the partners according to their interests in the partnership.

    b) The formation of a corporation by the owners of a business and the transfer of their business assets to the corporation in exchange for all the corporation's outstanding stock, except qualifying shares, in proportion to the assets contributed.

c) The transfer of assets of shareholders in the formation or dissolution of professional corporations.

d) The dissolution and the pro rata distribution of the corporation's assets to its stockholders.

e) A transfer of a partnership interest.

f) The transfer in a reorganization qualifying under Section 368(a)(1) of the Internal Revenue Code of 1954, as amended.

g) The formation of a partnership by the transfer of assets to the partnership or transfers to a partnership in exchange for proportionate interests in the partnership.

h) The repossession of personal property by a chattel mortgage holder or foreclosure by a lienholder.

ax. *Purchaser*. See *Consumer.*

ay. *Recreation services* means all services relating to athletic or entertainment participation events, including, but not limited to, pool, golf, billiards, skating, tennis, bowling, health/athletic club memberships, coin-operated amusement devices, video games and video club memberships.

az. *Rental* means the short-term use of tangible personal property for consideration.

ba. *Resident* means a person who resides or maintains such person's domicile within the City or who maintains one (1) or more places of business within the City at the time of a taxable transaction as defined in this Article. A person may have dual residency or other place of residence or domicile or place of business outside the City prior to, during or after the occurrence of the taxable transaction and be a resident according to the terms of this definition.

bb. *Retail sales* means all sales except wholesale sales.

bc. *Retailer* means any person selling, leasing or renting tangible personal property or services at retail. A *retailer* shall include any:

1. Auctioneer.

2. Salesperson, representative, peddler or canvasser, who makes sales as a direct or indirect agent of or obtains such property or services sold from a dealer, distributor, supervisor or employer.

3. Charitable organization or governmental entity which makes sales of tangible personal property to the public, notwithstanding the fact that the merchandise sold may have been acquired by gift or donation or that the proceeds are to be used for charitable or governmental purposes.

4. Marketplace facilitator, marketplace seller, or multichannel seller.

bd. *Return* means the sales tax reporting form used to report sales tax collected (or exempted) to the City.

be. *Sales Tax.* [See Paragraph (1)a above].

bf. *Security system services* means electronic security system services. Such term does not include nonelectronic security services such as consulting or human or guard dog patrol services.

bg. *Sound system services* means sound system services involving provision of broadcast or prerecorded audio programming to a building or portion thereof. Such term does not include installation of sound systems where the entire system becomes the property of the building owner or the sound system service is for presentation of live performances.

bh. *Special accounting basis* or*estimated percentage basis* means the permission to pay or make deposit of City sales or use tax liability on a percentage of gross sales or gross purchases, and which is granted to facilitate tax reporting for construction contractors and for qualified consumers or vendors who may petition to the Finance Director on the basis prescribed in Section 3-28-85 and elsewhere in this Article.

bi. *Storage* means any keeping or retention of or exercise or dominion or control over or possession for any length of time of tangible personal property when leased, rented or purchased at retail from sources either within or without the City from any person or vendor.

bj. *Tangible personal property* means all goods, merchandise, products, commodities or corporeal things and substances, solid, liquid or gaseous, which are dealt in and capable of being possessed, measured, weighted, contained, transported or exchanged, and the services or labor ordinary or necessary or actually utilized to sell, rent, lease or convey that property to the customer in a usable form or manner and which are specified as taxable herein.

bk. *Tax* means the use tax due from a consumer or the sales tax due from a retailer or the sum of both due from a retailer who also consumes.

bl. *Tax deficiency* means any amount of tax that is not reported or not paid on or before the due date.

bm. *Taxable sales* means gross sales less any exemptions and deductions specified in this Article.

bn. *Taxable services* means services subject to tax pursuant to this Article.

bo. *Taxpayer* means any person obligated to collect and/or pay tax under the terms of this Article.

bp. *Telecommunications service* means the transmission of any two-way interactive electromagnetic communications, including, but not limited to, voice, image, data and any other information, by the use of any means, but not limited to, wire, cable, fiber optical cable, microwave, radio wave or any combinations of such media. *Telecommunications service* includes, but is not limited to, basic local exchange telephone service, toll telephone service and teletypewriter service, including but not limited to, residential and business service, directory assistance, cellular mobile telephone or telecommunication service, specialized mobile radio and two-way pagers and paging service, including any form of mobile two-way communication. *Telecommunications service* does not include separately stated nontransmission services which constitute computer processing applications used to act on the information to be transmitted.

bq. *Therapeutic device* means devices, appliances or related accessories that are sold to correct or treat a human physical disability or surgically created abnormality; if such device, appliance or related accessory has a retail value of more than one hundred dollars ($100.00), it must be sold in accordance with a written recommendation from a licensed doctor to qualify as a therapeutic device for purposes of this Article.

br. *Total tax liability* means the total of all tax, penalties and/or interest owed by a taxpayer and includes sales tax collected in excess of such tax computed on total sales.

bs. *Use* means the exercise, for any length of time, by any person within the City of any right, power or dominion over tangible personal property when rented, leased or purchased at retail from sources either within or without the City, from any person or vendor. *Use* includes the withdrawal of items from inventory for consumption, distribution, destruction or waste by the person making the withdrawal.

bt. *Use tax.* [See paragraph (1)b above].

bu. *Vendor*. See *Retailer*.

bv. *Vendor's fee or retainage* means the percent of total City sales and use tax collected which is authorized to be retained by the licensed vendor to recompense the vendor for the vendor's expense of collecting and remitting the City sales tax on the vendor's sales to the various purchasers or consumers.

bw. *Wats/800 service* means any outbound or inbound interstate wide area telecommunications service or other similar service which entitles the subscriber, upon payment of a periodic charge, based upon a flat amount and/or usage, to make or receive a large volume of telephonic communications to or from persons having telephone or radio telephone stations in specified areas which are outside the telephone system area in which the subscriber's station is located.

bx. *Wholesale sales* means sales to licensed retailers, jobbers, dealers or wholesalers for resale. Sales by wholesalers to consumers are not *wholesale sales*. Sales by wholesalers to nonlicensed retailers are not *wholesale sales*.

by. *Wholesaler* means any person selling to retailers, jobbers, dealers or other wholesalers, for resale, and not for storage, use, consumption or distribution.

(3) Notice. All notices required to be issued under the provisions of this Article shall be in writing and given personally or by mail. If given by mail, the notice shall be sufficient for the purpose of this Article, unless the context indicates otherwise, if mailed postpaid by first class mail to the taxpayer's last known address as shown on the City's tax records or the property tax records of any county wherein the taxpayer owns property taxable under the general property tax laws of the State.

Sec. 3-28-30. Applicability.

This amended Article shall take effect January 1, 2003, and shall apply to all retail sales, unless exempt, made on or after that date.

Sec. 3-28-40. Imposition of tax.

There is imposed on all sales of tangible personal property at retail or the furnishing of services a tax equal to three and three-fourths percent (3¾%) of the gross receipts. The tangible personal property and services taxable are as stated in Section 3-28-75 hereof.

Sec. 3-28-43. Remittance of tax; electronic database; retailer held harmless.

(a) Any retailer that collects and remits sales tax to the Department of Finance as provided in this Article may use an electronic database of state addresses that is certified by the State Department of Revenue pursuant to Section 39-26-105.3, C.R.S., as amended from time to time, to determine the jurisdiction(s) to which tax is owed.

(b) Any retailer that uses the data contained in an electronic database of state addresses that is certified by the State Department of Revenue pursuant to Section 39-26-105.3, C.R.S., to determine the jurisdiction(s) to which tax is owed shall be held harmless for any tax, penalty or interest owed the City that otherwise would be due solely as a result of an error in the electronic database, provided that the retailer demonstrates that it used the most current information available in such electronic database on the date that the sale occurred. Each retailer shall keep and preserve such records as prescribed by the City Manager to demonstrate that it used the most current information available in the electronic database on the date that the sale occurred. Notwithstanding the above, if the error in collecting and remitting is a result of a deceptive representation, a false representation or fraud, the provisions of this Section shall not apply.

(Ord. 1929, §1, 2007)

Sec. 3-28-50. Schedule.

The exact tax brackets for the sales tax imposed by Section 3-28-40 shall be identical and correspond with the sales tax brackets formulated by the Colorado Department of Revenue.

Sec. 3-28-60. Excess collected; remittance with amount due.

If any vendor, during any reporting period, shall collect a tax in excess of the tax imposed by this Article, he or she shall remit to the City the full amount of the tax imposed by this Article and also such excess.

Sec. 3-28-70. Reserved.

Editor's note(s)—Ord. 2490 §3, adopted November 4, 2025, repealed § 3-28-70, which pertained to vendor to withhold vendor's fee or retainage and derived from Ord. 641 §3, adopted 1970; Ord. 1764 §1, adopted 2002; Ord. 2243 §1, adopted 2016; Ord. 2402 §1, adopted 2022.

Sec. 3-28-75. Taxable transactions, commodities and services.

(a) It shall be a violation of this Article for any seller to fail to collect or any purchaser to fail to pay a tax levied by this Article on sales on which exemption is disputed. Should a dispute arise between the purchaser and seller as to whether or not any such sale is exempt from taxation under this Article, nevertheless, the seller shall collect and the purchaser shall pay such tax; the purchaser thereafter may apply to the City Finance Director for a refund of such taxes paid as provided in this Article. There is

levied and there shall be collected and paid a tax as stated in Section 3-28-40 hereof by every person exercising the taxable privilege defined in Section 3-28-10 as follows, including but not limited to:

(1) Automotive vehicles. On the price paid or charged on the sale, lease-purchase or rental for use or storage of an automotive vehicle to a resident of this City and subject to the applicable responsibilities provided in Sections 3-32-80 through 3-32-140 hereof.

(2) Bad debts collection. On the amount of collection, during the current taxable period, of bad debts that had, during a previous taxable period, been deducted.

(3) Combined personal property rentals with operator service. On the price paid or charged for the right of possession or use of tangible personal property granted under lease, hire or rental contract with an operator, regardless that at all times such rental property remains in the possession of the operator providing the rental service. If the charge for an operator of the property is not separately stated on the rental invoice, the total invoice amount is taxable. If the operator charge is separately stated, only the property rental charge is subject to City tax.

(4) Computer software. On the price paid or charged for computer software. Prewritten (canned) software programs are taxable. If there are significant modifications to prewritten software to customize it to a specific user, charges for labor which are included in the modification are not taxable, but only if such charges are separately stated. Custom software programs written specifically for the user and billed on an hourly labor basis are not taxable. Subsequent sales of customized software will be treated as prewritten (canned) software and taxed accordingly.

(5) Construction materials. On the purchase price paid or charged on the sale of all such materials in accordance with Sections 3-32-50 through 3-32-70 hereof

(6) Food. For domestic home consumption as defined in 7 U.S.C. Sec. 2012 (g), as amended, for purposes of the federal food stamp program as defined in 7 U.S.C. Sec. 2012 (h), as amended; upon the amount paid for food or drink served or furnished in or by restaurants, cafes, lunch counters, cafeterias, hotels, drugstores, social clubs, nightclubs, cabarets, resorts, snack bars, caterers, carryout shops, and other like places of business at which prepared food or drink is regularly sold, including sales from pushcarts, motor vehicles and other mobile facilities. Cover charges shall be included as part of the amount paid for such food or drink. However, meals provided to employees of the places mentioned in this paragraph at no charge or at a reduced charge and which are considered as part of their salary, wages or income shall be exempt from taxation.

(7) Freight or delivery. On the price paid or charged for freight and delivery services, including:

a. Freight-in paid by a retailer to obtain tangible personal property before resale which is passed on to the purchaser in the price of the property or through a separate invoice;

b. Charges to the purchaser for delivery where the vendor transports the property being sold; and

c. Freight and delivery charges included in the price of the property being delivered; but not including any charges billed separately or included as a separate charge on the vendor's invoice for common carrier, postal or other third party delivery services.

(8) Gas, electric and heating services. On the purchase price paid or charged for steam, heat, gas and electricity furnished and sold for domestic or commercial consumption and not for taxable resale.

(9) Linen services. On the price paid or charged for such services, whether purchased, leased or rented.

(10) Lodging services. Shall be taxed on the entire amount charged to any person for rooms or accommodations as designated in Section 3-28-20 hereof.

(11) Machine and machine tools. Purchases of machinery or machine tools, or parts thereof, to be used in Colorado directly and predominantly in manufacturing tangible personal property, for sale or profit. For purposes of this Subparagraph, direct use in manufacturing is deemed to begin for items normally manufactured from inventoried raw material at the point at which raw material is moved from plant inventory on a contiguous plant site and to end at a point at which manufacturing has altered the raw material to its completed form, including packaging, if required. Machinery used during the manufacturing process to move material from one (1) direct production step to another in a continuous flow and machinery used in testing during the manufacturing process is deemed to be directly used in manufacturing.

(12) Maintenance services. On a specified portion of the purchase price paid or charged for warranty or maintenance services and contracts relating to tangible personal property or sold separately, wherein the price of parts and supplies are not separately stated from pure labor charges. The taxable portion of such services shall be a percentage of the total price charged based on the portion of tangible personal property being serviced to the total price.

(13) Meals. On the purchase price paid for or charged for all meals furnished in or from any restaurant, eating house, hotel, drugstore, supermarket, grocery, club, resort, pushcart, motor vehicle or other mobile facility, or any other place at which meals or food are regularly sold or are required by law to have foods or meals available for sale. Any mandatory service or service-related charge, whether described as such or as a tip, gratuity or otherwise, shall be included as part of the purchase price paid for such meals.

(14) Pay television services. On the purchase price paid or charged for pay television services sold, purchased, leased, rented, furnished or used.

(15) Pesticides means all sales and purchases that are registered by the commissioner of agriculture for use in the production of agricultural and livestock products pursuant to Article 9 of Title 35, C.R.S., and offered for sale by dealers licensed to sell such pesticides pursuant to Section 39-9-115, C.R.S.

(16) Prefabricated goods and materials. On the purchase price or on the complete manufactured cost, including all raw materials, labor, overhead and profit, of all such goods or materials delivered into and used in the City.

(17) Private communication services. On the price paid or charged for such services, whether purchased, leased or rented.

(18) Security system services. On the price paid or charged for security system services, including monitoring, whether purchased, leased or rented.

(19) Sound system services. On the price paid or charged for such services, whether purchased, leased or rented.

(20) Tangible personal property. On the price paid or charged upon the sale, purchase, lease, rental or grant of license to use or on the use, storage, distribution or consumption of tangible personal property purchased. All leases, rentals or sales of tangible personal property made subsequent to its initial purchase is taxable, whether or not the person leasing, renting or selling that tangible personal property paid the tax imposed by this Article on its initial purchase.

(21) Telecommunication service.

a. On the price paid for or charged to an account or telephone located in this City for all telecommunication services, including, without limitation, prices, fees or charges for the purchase, sale or use of all international, interstate, intrastate and local telecommunication services, if these telecommunication services originate from or are received on or use any telecommunication equipment or facilities in the City, without regard to where the bill is actually received.

b. To prevent double taxation, any taxpayer, upon proof that the taxpayer has paid a tax in another city on the same telecommunication services that are subject to tax under this Subsection, shall be allowed a credit against the tax imposed in this Subsection to the extent of the amount of such tax properly due and paid in such other city.

(22) Vending devices. On the price charged by the owner/lessee of vending machine devices for articles of tangible personal property that are to be subsequently sold in those coin-operated vending machines or devices. The City sales tax can be incorporated into the selling price of the tangible personal property. The operator, owner or person selling tangible personal property by coin-operated vending machines or devices shall be liable additionally for the sales and use tax on the purchase or use of the coin-operated devices and on any subsequent lease, rental or sale thereof on the full lease, rental or sale price.

(23) Wats/800 services. On the price paid or charged for such services, whether purchased, leased or rented.

(b) The tax must be collected notwithstanding sales made outside the City. Every vendor required or permitted to collect the tax shall collect the tax imposed by the provisions of this Article notwithstanding the following, if the property purchased is intended to be brought into the City for use, storage or consumption in the City:

(1) The purchaser's order or the contract of sale is delivered, mailed or otherwise transmitted by the purchaser to the vendor at a point outside of the City as a result of solicitation by the vendor through the medium of a catalogue or other written advertisement or by any other means;

(2) The purchaser's order or contract of sale was made or closed by acceptance or approval outside of the City or before such tangible personal property enters the City;

(3) The purchaser's order or contract of sale provides that such property shall be or is in fact procured or manufactured at a point outside the City, and shipped directly to the purchaser from a point of origin;

(4) Such property is mailed to the purchaser in the City from a point outside the City or delivered to a carrier at a point outside the City, f.o.b. or otherwise, and directed to the purchaser in the City, regardless of whether the cost of transportation is paid by the vendor or by the purchaser; or

(5) Such property is delivered directly to the purchaser at a point outside the City.

(Ord. 1764 §1, 2002)

Sec. 3-28-80. Exemption to sales and use tax.

This Section sets forth the only recognized allowable permissible exemptions from the City sales or use tax. The exemptions set forth in this Section shall not be expanded by implication or similarity. In all cases, the burden of proof shall be on the taxpayer to establish the applicability of an exemption. The following are exempt from imposition of the City sales tax, use tax or both, as the context sets forth. There shall be exempt from taxation the following:

(1) All sales to the United States government and to the State, its departments and institutions, and the political subdivisions thereof in their governmental capacities only.

(2) All sales made to charitable organizations, in the conduct of their regular charitable functions and activities; except that any veterans' organization that qualifies as a charitable organization pursuant to Section 3-28-20 hereof shall be exempt from taxation under the provisions of this Section only for the purpose of sponsoring a special event, meeting or other function in the State that is not part of such organization's regular activities in the State.

(3) All sales of cigarettes.

(4) All sales which the State is prohibited from taxing under the constitution or laws of the United States or the State.

(5) a. All sales of drugs dispensed in accordance with a prescription; all sales of insulin in all its forms dispensed pursuant to the direction of a licensed physician; all sales of glucose usable for treatment of insulin reactions; all sales of urine- and blood-testing kits and materials; all sales of insulin measuring and injecting devices, including hypodermic syringes and needles; all sales of prosthetic devices; all sales of wheelchairs and hospital beds; all sales of drugs or materials when furnished by a doctor as part of professional services provided to a patient; and all sales of corrective eyeglasses, contact lenses, or hearing aids;

b. When sold in accordance with a written recommendation from a licensed doctor, all sales of therapeutic devices, appliances or related accessories, with a retail value of more than one hundred dollars ($100.00), which are sold to correct or treat a human physical disability or surgically created abnormality;

c. All sales of therapeutic devices, appliances or related accessories, with a retail value of one hundred dollars ($100.00) or less, which are sold to correct or treat a human physical disability or surgically created abnormality.

(6) All sales and purchases of commodities and services to any occupant who is a permanent resident of any hotel, apartment hotel, lodging house, motor hotel, guesthouse, guest ranch, trailer coach, mobile home, auto camp or trailer court or park and who enters into or has entered into a written agreement for occupancy of a room or accommodations for a period of at least thirty (30) consecutive days during the calendar year or preceding year.

(7) All sales of gasoline which are taxed under the provisions of Article 27 of Title 39 of the Colorado Revised Statutes (C.R.S. 39-27-101 et seq.).

(8) All sales made to schools, other than schools held or conducted for private or corporate profit.

(9) Any sale of a new or used trailer, semi-trailer, truck, truck tractor or truck body manufactured within this State if such vehicle is purchased from the manufacturer for use exclusively outside this State or in interstate commerce and is delivered by the manufacturer to the purchaser within this State, if the purchaser drives or moves such vehicle to any point outside this State within thirty (30) days after the date of delivery, and if the purchaser furnishes an affidavit to the manufacturer that such vehicle will be permanently licensed and registered outside this State and will be removed from this State within thirty (30) days after the date of delivery.

(10) Any sale of a new or used trailer, semi-trailer, truck, truck tractor or truck body if such vehicle is purchased for use exclusively outside this State or in interstate commerce and is delivered by the manufacturer or licensed Colorado dealer to the purchaser within this State, if the purchaser drives or moves such vehicle to any point outside this State within thirty (30) days after the date

of delivery, and if the purchaser furnishes an affidavit to the seller that such vehicle will be permanently licensed and registered outside this State and will be removed from this State within thirty (30) days after the date of delivery.

(11) All sales of construction and building materials to a common carrier by rail operating in interstate or foreign commerce for use by such common carrier in construction and maintenance of its railroad tracks.

(12) Any right to the continuous possession or use of any article of tangible personal property under a lease or contract, if the lessor has paid a sales or use tax on such tangible personal property upon its acquisition. A lessor of tangible personal property may acquire such property free of sales or use tax if the lessor agrees to collect sales tax on all lease payments received on such property.

(13) The transfer of tangible personal property without consideration (other than the purchase, sale or promotion of the transferor's product) to an out-of-state vendee for use outside of this State in selling products normally sold at wholesale by the transferor.

(14) The sale of tangible personal property for testing, modification, inspection or similar types of activities in this State if the ultimate use of such property in manufacturing or similar types of activities occurs outside of this State and if the test, modification or inspection period does not exceed ninety (90) days.

(15) The sale of special fuel, as defined in Section 39-27-101 (6.3) C.R.S., used for the operation of farm vehicles when such vehicles are being used on farms and ranches.

(16) Any sale of any article to a retailer or vendor of food, meals or beverages, which article is to be furnished to a consumer or user for use with articles of tangible personal property purchased at retail, if a separate charge is not made for the article to the consumer or user, if such article becomes the property of the consumer or user, together with the food, meals or beverages purchased, and if a tax is paid on the retail sale as required by Section 3-28-75 hereof.

(17) Any sale of any container or bag to a retailer or vendor of food, meals or beverages, which container or bag is to be furnished to a consumer or user for the purpose of packaging or bagging articles of tangible personal property purchased at retail, if a separate charge is not made for the container or bag to the consumer or user, if such container or bag becomes the property of the consumer or user, together with the food, meals or beverages purchased, and if a tax is paid on the retail sale as required by Section 3-28-75 hereof.

(18) All retail sales involving the exchange of property as defined in Section 3-28-20 hereof, price or purchase price, and in which, because there is no additional consideration involved in the transaction, there is no purchase price.

(19) All sales of construction and building materials to contractors and subcontractors for use in the building, erection, alteration or repair of structures, highways, roads, streets and other public works owned and used by:

a. The United States government, the State, its departments and institutions, and the political subdivisions thereof in their governmental capacities only;

b. Charitable organizations in the conduct of their regular charitable functions and activities; or

c. Schools, other than schools held or conducted for private or corporate profit.

(20) All sales of aircraft used or purchased for use in interstate commerce by a commercial airline.

(21) The sale of tangible personal property that is to be permanently affixed or attached as a component part of an aircraft.

(22) The sale of tangible personal property that is to be affixed or attached as a component part of a locomotive, a freight car, railroad work equipment or other railroad rolling stock.

(23) All sales of locomotives, freight cars, railroad work equipment and other railroad rolling stock used or purchased for use in interstate commerce by a railroad company.

(24) Internet access services, as defined in Section 3-28-20 hereof.

(25) All sales and purchases of livestock; all sales and purchases of live fish for stocking purposes; and all farm close-out sales shall be exempt from taxation.

(26) All sales and purchases of feed for livestock; all sales and purchases of seeds; and all sales and purchases of orchard trees shall be exempt from taxation.

(27) All sales and purchases of straw and other bedding for use in the care of livestock or poultry shall be exempt from taxation.

(28) Forty-eight percent (48%) of the purchase price of factory-built housing, as such housing is defined in Section 24-32-703(3), C.R.S., shall be exempt from taxation under this Article; except that the entire purchase price in any subsequent sale of a manufactured home, as such vehicle is defined in Section 42-1-102(106)(b), C.R.S., after such manufactured home has been once subject to the payment of sales tax by virtue of Section 39-26-113, C.R.S., shall be exempt from taxation.

(29) All sales of food purchased with food stamps shall be exempt from taxation. For the purposes of this Subsection, *food* shall have the same meaning as provided in 7 U.S.C. Section 2012 (g), as such Section exists on October 1, 1987, or is thereafter amended.

(30) All sales of food purchased with funds provided by the special supplemental food program for women, infants and children, as provided for in 42 U.S.C. Section 1786, shall be exempt from taxation. For the purposes of this Subsection, *food* shall have the same meaning as provided in 42 U.S.C. Section 1786, as such section exists on October 1, 1987, or is thereafter amended.

(31) All sales of precious metal bullion and coins, as defined in Sections 39-26-102 (2.6) and (6.5), C.R.S., shall be exempt from taxation.

(32) All sales and purchases of tangible personal property by a manufacturer that uses such property as a component part of goods that it manufactures, including, but not limited to, high technology goods, and that donates such goods to the United States government; the State or any department, institution or political subdivision thereof; or any organization exempt from federal income taxes pursuant to Section 501(c)(3) of the *Internal Revenue Code of 1986,* as amended, to the extent that the aggregate value of the goods included in a single donation exceeds one thousand dollars ($1,000.00) shall be exempt from taxation.

(33) All sales of equipment, as defined in Section 12-9-102(5), C.R.S., to a bingo-raffle licensee, as defined in Section 12-9-102(1.2), C.R.S., shall be exempt from taxation.

(34) Payment of City sales tax. The use, storage, distribution or consumption in the City of tangible personal property upon the sale of which the City retail sales tax at the rate imposed by Section 3-28-40 hereof has been legally imposed, collected and remitted is exempt from the levy of the City use tax.

(35) Payment of other state municipality tax. The use, storage, distribution or consumption in the City of tangible personal property and upon the sale of which a retail sales tax at a rate equal to or greater than the rate imposed by Section 3-28-40 hereof has been legally imposed, collected and remitted to a municipal corporation organized and existing under the authority of the State Constitution is exempt from the levy of City use tax. If the rate of retail sales tax paid to such state municipal corporation is less than the rate imposed by Section 3-28-40 hereof, the net difference between the tax due under this Article and the tax computed at the rate of such other retail sales tax shall be paid to the Finance Director. This exemption shall not apply if a tax paid to another state municipal corporation was not legally due under the laws of such municipal corporation or the laws of the state municipal corporation are not compatible with those of the City as to specific taxation and exemption as applied to the transaction in question. City taxes collected on sales within the City, which are remitted to another taxing authority in error, are not legally imposed taxes. This exemption shall also be denied for subsequent transactions within the City, including but not limited to rentals and leases.

(36) Payment of other state's sales tax. The use, storage, distribution or consumption in the City of tangible personal property and upon the sale of which any other state or any other state in combination with any subdivision thereof has legally imposed and collected a retail sales tax at a rate equal to or greater than the sum of the City's sales tax and all state-collected sales taxes in effect within the City on the purchase date is exempt from the levy of the City use tax. If the rate of retail sales tax paid to such other state and/or its political subdivisions is equal to or less than the sum of all state-collected sales taxes in effect within the City on the purchase date, the full City use tax at the rate imposed by Section 3-28-40 hereof is due. If the rate of retail sales tax paid the other state and/or its political subdivision is more than the sum of all state-collected sales taxes in effect within the City on the purchase date, but less than the sum of the City's sales tax and all state-collected sales taxes in effect within the City on the purchase date, the City use tax will be due on the net difference between that tax paid in excess of the rate imposed by Section 3-28-40 hereof and the sum of the City's sales tax and all state-collected taxes in effect within the City on the purchase date. In no instance will the City tax credit or charge exceed the rate imposed by Section 3-28-40 hereof. This exemption shall not apply if a tax paid in another state and/or its subdivisions thereof was not legally due under the laws of such other state and its subdivisions or the laws of that state and/or its subdivisions are not compatible with those of the City as to specified taxation and exemption as applied to the transaction in question. This exemption shall also be denied for subsequent transactions within the City, including but not limited to rentals and leases.

(37) Purchase price including other direct taxes. The City sales and use tax shall not apply to any direct tax legally imposed by this Article or by the federal government or by the State.

(38) Purchases prior to residency in City not taxable. The use, storage, distribution or consumption of tangible personal property of a resident, if such personal property was purchased and used for a longer duration than one-third (?) of its depreciable life, using the straight line depreciation method, prior to the time the property was brought into the City, and if such property was used for the primary purpose for which it was acquired prior to the time it was brought into the City.

(39) Recreation services. Recreation services provided on property owned by a political subdivision of the State, including the City, shall be exempt from the City sales tax. Nothing in this Subsection shall be deemed to exempt tangible personal property or food and beverages sold at retail by such a political subdivision.

(40) Returned goods; discounts and allowances.

a. Returned goods. The amount equal to the sale price of property returned by the purchaser when the full sale price including the tax levied is refunded, either in cash or by credit.

b. Discounts and allowances. The amount of discount from the original selling price if such discount or decrease in purchase price and the corresponding decrease in sales tax due is actually passed on to the consumer. An anticipated cash discount to be allowed for payment on or before a given date is not an allowable adjustment to the selling price in determining gross taxable sales on any vendor's return prior to the date when the customer actually receives the discount. Any adjustments in sale price such as allowable discounts, rebates and credits cannot be anticipated, and the tax must be based upon the original price, unless such adjustments have actually been made prior to the filing of the return wherein such sale is reported, provided that, if the price upon which the tax was computed and paid to the City by the vendor is subsequently readjusted, prior to the payment of the tax by the purchaser, a proper credit may be taken against the tax due on the next subsequent return.

(41) Sales for taxable resale (wholesale).

a. Component parts. The purchase price paid or charged on the sale to and purchase of tangible personal property by a person engaged in manufacturing or compounding for use, profit or sale shall be deemed a wholesale sale when it meets all of the following conditions:

1. Is actually and factually transformed by the process of manufacture;

2. Becomes by the manufacturing processes a necessary and recognizable ingredient, component and constituent part of the finished product; and

3. Its physical presence in the finished product is essential to the use thereof in the hands of the ultimate consumer.

b. Exempt commercial packaging materials. The sales of exempt commercial packaging material as defined in Section 3-28-20 hereof are exempt under this Subsection.

c. Newsprint; printer's ink. The sales to and purchases of newsprint and printer's ink for use by publishers of newspapers and commercial printers shall be deemed to be wholesale sales.

d. To other licensed retailers. The sale by wholesalers or retailers to a licensed retailer, jobber, dealer or other wholesaler for purposes of taxable resale, and not for the retailer's, jobber's, dealer's or wholesaler's own consumption, use, storage or distribution, shall be deemed to be wholesale sales.

(42) Sales to and purchases by charitable and quasi-governmental organizations. The price paid or charged on direct sales to and direct purchases by charitable and quasi-governmental organizations, in the conduct of their regular charitable and quasi-governmental capacities only. There is no sales tax on articles sold to charitable and quasi-governmental organizations in the conduct of their regular charitable functions and activities.

a. Submission of information; definitions.

1. The charitable exemption provision contained in this Subsection does not grant an exempt status automatically. The Finance Department may require submittal of the following information:

a) A copy of the organization's federal exemption letter.

b) The organization's financial statement showing the source of funds and its expenditures.

c) Copies of the organization's articles of incorporation, bylaws, and other organizational documents, copies of resolutions and minutes of the organization's governing body, and such other documents as may be needed to establish the organization's religious, charitable or quasi-governmental purpose.

2. For the purposes of the City's sales and use tax, the terms *religious*, *religious purposes* and *quasi-governmental purposes* shall be defined as being charitable or for charitable use only.

3. The religious or quasi-governmental nature of all activities shall be equated, for the purposes of this Article, with the term *charitable,* according to the City's rules of administration, and only to the extent that the items purchased are put to such charitable use will the exemption apply, as defined in Subsection 3-28-20 .

b. Sales to ministers, priests, rabbis or other employees, staff members, faculty and students of religious or charitable organizations for their personal use are not exempt from the sales and use tax.

c. Sales by a nonprofit entity or organization which is not a charitable, religious or quasi-governmental organization are taxable.

d. Before the vendor may grant an exemption from the tax on the sale of any tangible personal property or taxable service, the vendor must be furnished with and must record the state exempt license number of the institution or organization seeking such a tax-free purchase. Such exempt license number is not a blanket authorization for total exemption, but only for exemption of activities specified by the City. Those purchases made by such organizations or institutions that are not specifically exempt must be reported for tax purposes.

e. Hospitals, nursing homes, etc., not meeting the charitable definition in Section 3-28-20, are subject to the sales tax on all of their purchases of tangible personal property that are not resold, or if resold, the tax is not charged.

f. Only the governmental entities specifically cited in Subsection (43) of this Section are immune from the assessment of the sales tax on their purchase of tangible personal property and services in their governmental capacities only.

g. Schools or educational institutions which levy and are supported by tax revenues are exempt from tax under the government exemption, subject to the limitations set forth in Subsection (43). Private schools, accredited by the State Department of Education, are taxable on all their purchases of tangible personal property or taxable services unless purchased and used for strictly religious or charitable purposes. All other schools not accredited by the State Department of Education are taxable on all purchases for use, regardless of the ultimate utilization of the property acquired.

h. All federal- or state-chartered banks are taxable, including national, state and industrial banks, on all of their purchases not for taxable resale and on all of their sales. The City sales taxes will be collected and remitted to this City on the amount paid by such banks on all their lease and rental payments as well as on all other purchases and uses from the effective date of this Article.

i. Notwithstanding the provisions of this Section, all lumber, fixtures and other construction materials and supplies incorporated into any building or other structure or improvement to real property which is owned and occupied by a charitable, quasi-governmental or religious organization in the conduct of its regular charitable, quasi-governmental or religious capacity is exempt.

(43) Sales to the federal government, the State and its subdivisions. The purchase price paid or charged on direct sales to and direct purchases by the United States government and to the State, its departments or institutions and the political subdivisions thereof, including the City, in their governmental functions and activities only.

(44) Trade-Ins for taxable resale. The amount equal to the fair market value of any exchanged or traded-in property which is to be resold thereafter in the usual course of the retailer's business, if included in the full price of an article sold.

(45) Transient not liable on prior purchases. The use, storage distribution or consumption, while temporarily within this City, of tangible personal property brought into the City by a nonresident thereof for the nonresident's own personal use is exempt under this Code.

(46) The retail delivery fee consisting of the community access retail delivery fee imposed in C.R.S. § 24-38.5-303(7), the clean fleet retail delivery fee imposed in C.R.S. § 25-7.5-103(8), the clean transit retail delivery fee imposed in C.R.S. § 43-4-1203(7), the retail delivery fee imposed in C.R.S. § 43-4-218(3), the bridge and tunnel retail delivery fee imposed in C.R.S. § 43-4-805 (5)(g.7), and the air pollution mitigation retail delivery fee imposed in C.R.S. § 43-4- 1303(8), as such sections existed on June 17, 2021.

(47) The carryout bag fee imposed in C.R.S. § 25-17-505, as such section existed on July 6, 2021.

Sec. 3-28-85. Proof of exemption; responsibilities of taxpayers; licenses.

(a) Exemption; burden of proof. The burden of proving that any vendor, retailer, consumer or purchaser is exempt from collecting or paying City tax upon any goods sold or purchased, paying the tax to the Finance Director, or from making and remitting the appropriate tax returns, shall be on the vendor, retailer, consumer or purchaser under such reasonable requirements of proof as the Finance Director may prescribe.

(b) Reports and records. The City Finance Director may require any person, by regulation or notice served on such person, to make such return, render such statement or keep and furnish such records or make such information reports as the Finance Director may deem sufficient to show whether or not such person is liable under this Article for payment or collection of the tax imposed in this Article.

(c) Vendor responsibility for collection of and remittance of tax and license.

(1) Collection of tax. Every retailer or vendor engaged in business or selling at retail, as such are defined in this Article, shall, irrespective of the provisions of Section 3-28-40, be liable and responsible for the payment of taxes in the amount yielded by applying the rate imposed by Section 3-28-40 hereof to all taxable sales made by such retailer or vendor of commodities or services as specified in Section 3-28-75 hereof.

(2) Remittance of tax. Every retailer or vendor engaged in business and selling at retail, as such are defined in this Article, shall file a return as prescribed in this Article with the Finance Director on or before the twentieth day of the month, unless the twentieth day falls on a weekend day or holiday; then the return is due on the first business day thereafter, for the preceding month or months under report and remit taxes in the amount yielded by applying the rate imposed by

Section 3-28-40 hereof to such sales and also any excess tax amounts as provided in Subsection (i) of this Section. The retailer shall add the tax as a separate and distinct item, and such tax shall be a debt from the consumer to the retailer and shall be recoverable at law in the same manner as other debts.

(3) License for vendors. Unless otherwise exempt under this Article, it shall be unlawful for any person to engage in business in the City as defined in this Article, without first having obtained a license therefor, which license shall be granted and issued by the Finance Director. If a license is not required but sales are occurring within the City, the vendor must apply for and keep current a sales tax account.

(d) Marketplace Sales. Obligation to collect sales tax.

(1) A Marketplace facilitator engaged in business in the City is required to collect and remit sales tax on all taxable sales made by the marketplace facilitator, or facilitated by it for marketplace sellers or multichannel sellers to customers in the City, whether or not the marketplace seller for whom sales are facilitated would have been required to collect sales tax had the sale not been facilitated by a marketplace facilitator.

(2) A Marketplace facilitator shall assume all duties responsibilities, and liabilities of a vendor as defined in this article. Marketplace facilitators shall be liable for the taxes collected from marketplace sellers or multichannel sellers. The City may recover any unpaid taxes, penalties, and interest from the marketplace facilitator that is responsible for collecting on behalf of marketplace sellers or multichannel sellers.

(3) The liabilities, obligations and rights set forth under this article are in addition to any duties and responsibilities the marketplace facilitator has under this article if it also offers for sale tangible personal property, products, or services through other means.

(4) A marketplace seller shall be subject to all the same licensing, collection, remittance, filing, and recordkeeping requirements as any other retailer under this Article for retail sales made on its own behalf and not facilitated by or through a licensed marketplace facilitator in a marketplace.

(e) Marketplace seller relief. A marketplace seller, with respect to sales of tangible personal property, products, or services made in or through a marketplace facilitator's marketplace, does not have the liabilities, obligations, or rights of a retailer under this article if the marketplace seller can show that such sale was facilitated by a marketplace facilitator.

(1) With whom the marketplace seller has a contract that explicitly provides that the marketplace facilitator will collect and remit sales tax on all sales subject to tax under this article; or

(2) For whom the marketplace seller requested and received in good faith a certification that the marketplace facilitator is registered to collect sales tax and will collect sales tax on all sales subject to tax under this article made in or through the marketplace facilitator's marketplace.

(f) Auditing. With respect to any sale, the City shall solely audit the marketplace facilitator for sales made by the marketplace sellers or multichannel sellers but facilitated by the marketplace. The City will not audit or otherwise assess tax against marketplace sellers or multichannel sellers for sales facilitated by a marketplace facilitator.

(g) No retroactive application. Responsibilities, duties, and liabilities of a marketplace facilitator, marketplace seller, or multichannel seller described in this Section begin upon the earlier of when they became licensed to collect the City's sales tax or when they became legally obligated to collect the City's Sales Tax under this Article.

(h) Exempt institutions. No exempt organization, including quasi-governmental, charitable or other types of organizations, may purchase tax free in the City or use in the City tangible personal property or taxable services tax free unless a State Sales Tax Exemption Number is presented to the vendor prior to the allowance of a purchase tax free.

(i) Contractors, owners or lessees of realty; methods of paying use tax when construction permit required. Subject to the provisions of Section 3-32-60 hereof, every contractor who shall build, construct, reconstruct, alter, expand, modify or improve any building, dwelling or other structure or improvement to real property, and who shall purchase lumber, fixtures or any other construction materials and supplies used therefor and every owner or lessee of realty located in the City upon which any improvements have been or will be made or upon which any articles of tangible personal property are or will be attached, shall pay the City use tax as follows:

(1) Taxes for construction materials and prefabricated goods and materials. Taxes for all purchases of construction materials and prefabricated goods and materials shall be satisfied in full. The owner of the property for which such materials were purchased shall be ultimately responsible for the payment of any City use taxes that are not properly paid by the contractor. Records supporting such construction use tax payments and all related construction records are subject to review by the Finance Director in accordance with Section 3-32-60 hereof. Any overpayment of an estimated construction use tax shall be subject to refund in accordance with Section 3-28-105 hereof.

(j) New business purchases; sellers and purchasers.

(1) Acquisition of business. The City tax shall be remitted on the price paid for tangible personal property which is acquired with the purchase of a business and for use in the operation of such business. The tax shall be based on the price paid for such chattels as recorded in the bill of sale or agreement and constituting a part of the total transaction at the time of the sale or transfer, provided that the valuation is as great or greater than the fair market value of such merchandise or chattels. Where the transfer of ownership is a package deal made by a lump sum transaction, the tax shall be paid on the book value set up by the purchaser for income tax depreciation purposes or fair market value if no determination has been made. When a business is taken over in return for the assumption of outstanding indebtedness owed by former owners, the tax shall be paid on the fair market value of all taxable tangible personal property acquired by the purchaser.

(2) Purchaser liable for prior owner's unpaid tax. Purchasers of a business are liable for any unpaid tax of a predecessor. Vendors or consumers having outstanding accounts on which the sales tax has not been remitted must compute and pay the tax at the time of the sale.

(3) Agent of seller and seller liable for tax. The taxpayer shall report such tax on the City sales tax return as prescribed. The seller or the seller's agent will be held liable for sales tax remittance on the sale of the business in the event that the purchaser fails to remit the tax due on the purchase.

(k) Purchasers of automotive vehicles, mobile machinery or self-propelled construction equipment. Any resident of the City who purchases any automotive vehicle, mobile machinery or self-propelled construction equipment as defined in Section 3-28-20 hereof for use within the City, and who has not paid the tax imposed by this Article to a vendor required or authorized to collect the tax shall pay the City tax due to the County Clerk at the time the automotive vehicle, mobile machinery or self-propelled construction equipment is registered.

(l) Tax on credit sales, etc. Whenever tangible personal property is sold, including that sold in conjunction with the sale of a business, which is taxable under this Article, under a conditional sales contract or

purchase contract whereby the seller retains title as security for all or part of the purchase price, or whenever the seller takes a chattel mortgage on such tangible personal property to secure all or part of the purchase price, the total tax based on the total selling price shall become immediately due and payable. The tax shall be charged or collected and remitted by the vendor. No refund or credit shall be allowed to either party to the transaction in case of repossession.

(m) Excess collections; failure to remit collections. If any vendor shall during any reporting period collect any excess City tax amounts, the vendor shall remit to the City the full net amount of the tax imposed in this Article, together with such excess City tax amounts. The retention by the vendor of any excess tax amounts or the intentional failure to remit punctually to the City the full amount required to be remitted by the provisions of this Article is a violation of this Article.

(n) Unlawful to advertise absorption of tax. It shall be unlawful for any taxpayer or vendor to advertise or hold out or state to the public or to any customer, directly or indirectly, that the tax or any part thereof imposed by this Article will be assumed or absorbed by the vendor or taxpayer or that it will not be added to the selling price of the property sold or, if added, that it or any part thereof will be refunded.

(o) Special accounting for alcoholic beverage sales by the drink, vending machine sales of tangible personal property, recreation services, sales. Any retailer selling malt, vinous or spirituous liquors by the drink may include in the sales price the tax levied under this Section, provided that no such retailer shall advertise or hold out to the public in any manner, directly or indirectly, that such tax is not included as a part of the sales price to the consumer. No such retailer shall gain any benefit from the collection or payment of such tax, except as permitted in Subsection (c)(2) above. Also, any vending device operator selling tangible personal property through vending devices, any vendor who sells recreation services may include in the sales price the tax levied under this Section, with the same provisions as provided above.

(p) Special accounting for combined sales of services and personal property. Every retailer or vendor conducting a business in which the transaction between the vendor and the consumer or purchaser consists of the supply of tangible personal property and services in connection with the maintenance or servicing of such shall be required to pay the tax levied under this Article upon the full contract price, unless application is made to the Finance Director for permission to use a percentage basis for reporting the tangible personal property sold and the labor or services supplied under such contract. The Finance Director is authorized to determine the percentage based upon the ratio of the tangible personal property included in the consideration as it bears to the total of the consideration paid under such combination contract or sale which shall be subject to the tax levied pursuant to the provisions of this Article. This Subsection shall not be construed to include terms upon which the tax is imposed on the full purchase price, as defined in Section 3-28-20 hereof, nor shall it be construed as an allowance for the vendor to fail to itemize to the customer the taxable and nontaxable portions of the bill.

(q) Special accounting for sales tax collections by nonresident vendors. Every retailer or vendor engaged in business in this City, as such is defined in Section 3-28-20 hereof, and making sales, even though not maintaining an office in this City, of tangible personal property or taxable services subject to the sales tax must, in accordance with this Article, collect and remit the sales tax on such sales in like manner as a retailer or vendor maintaining an office in this City.

(r) Tax return contents, reporting periods, sale of business Reporting periods.

(1) Tax return contents, form. The returns to be filed by the taxpayer or the taxpayer's duly authorized agent shall contain such information and shall be completed in such manner and upon such forms as the Finance Director may prescribe.

(2) Reporting periods. The Finance Director may, by rule, permit a vendor or licensed consumer to make returns and pay taxes on a monthly, quarterly or annual basis.

(3) Sale or transfer of business. Any sale, transfer or purchase of an interest in a business enterprise by any person, where the respective interest of the person purchasing or selling, as a result of the transaction, has changed in any degree, requires the issuance of a new license. In all cases where any of the assets of any new business are within the City, payment of sales tax is required on transfer of title or possession, or both, of the tangible personal property taxable in this Article, whether involving a retail establishment or any other type business enterprise.

(Ord. 1764, §1, 2002; Ord. 2243 §2, 2016; Ord. 2325, §§2, 3, 2020; Ord. 2350 §4, 2021; Ord. 2402 §4, 2022; Ord. 2490 §4, 2025)

Ord. 2243, §2, adopted Dec. 6, 2016, shall be effective Jan. 1, 2017.

Sec. 3-28-90. Administration.

(a) Finance Department; Finance Director; City Manager. Under this Article, responsibilities of the Finance Department, Finance Director and City Manager are as follows:

(1) The Finance Department is given responsibility for administration and implementation of this Article under the direction of the City Manager.

(2) The Finance Director is given responsibility for administration and implementation of the business licensing function of this Article.

(3) The City Manager shall adopt rules and regulations for the administration of this Code.

(b) Administration of Article. In order to effectuate the purposes of this Article, the Finance Director, under the direction of the City Manager, shall prescribe necessary forms for the making of returns, for the ascertainment, assessment and collection of the taxes imposed and for the proper administration and enforcement thereof and to permit uniform methods of adding the tax or the average equivalent thereof to the purchase price. The City Manager shall have power and authority to amend or rescind such rules and regulations adopted pursuant to Subsection (a)(3) above not inconsistent with the provisions of this Article. For the purpose of ascertaining the correctness of any return or for the purpose of making an estimate of the tax due from any taxpayer, the Finance Director shall have the power to examine or cause to be examined any books, papers, records or memoranda bearing upon the matters required to be included in the return.

(c) Books and records required of taxpayer.

(1) Taxpayer's retention of records. It shall be the duty of every person liable to the City for any tax imposed under this Article to keep and preserve for a minimum of three (3) years such books, accounts and records as may be necessary to determine the amount of such tax liability. Any person who is required to be licensed under Section 3-28-85 hereof, but who has failed to obtain such license, shall provide, upon request by the Finance Director, books and records dating back to the time such person began engaging in business in the City.

(2) Availability of records to Finance Director. All such books, accounts and records shall be open for examination at any time by the Finance Director. If such person keeps or maintains such

person's books, accounts and other records or any portion thereof outside the State, upon demand by the Finance Director, such person shall make such available at a suitable place within the State, to be designated by the Finance Director, for examination, inspection and audit by the Finance Director. The Finance Director, in the discretion of the Finance Director, may make, permit or cause to be made the examination, inspection or audit of books, accounts and other records so kept or maintained by such person outside the State at the place where such are kept or maintained or at any place outside the State where such will be made available, provided that such person shall have entered into a binding agreement with the City to reimburse the City for all costs and expenses incurred by the City in order to have such examination, inspection or audit made in such place.

(3) Subpoena to secure records. If any taxpayer shall refuse voluntarily to furnish any of the information required in Paragraph (c)(1) of this Section, when requested by the Finance Director, the Finance Director, by subpoena issued under the Finance Director's hand, may require the attendance of the taxpayer and the production by the taxpayer of any such information in the taxpayer's possession and may administer an oath to the taxpayer and take the taxpayer's testimony. If the taxpayer fails or refuses to respond to the subpoena and give testimony or produce any documents or information as directed in the subpoena, the Finance Director may apply to a judge of the Municipal Court for a citation against such taxpayer for contempt, and the judge may cause arrest of such person; and upon hearing, the judge shall have, for the purpose of enforcing obedience to the requirements of the subpoena, power to make such order as, in the judge's discretion, the judge deems consistent with the law for punishment of contempt.

(4) Subpoena to secure evidence. If the Finance Director is unable to secure from the taxpayer information relating to the correctness of the taxpayer's return or the amount of the income of the taxpayer, the Finance Director may apply to a judge of the Municipal Court for the issuance of subpoenas to such other persons as the Finance Director believes may have knowledge in the premises, and upon making a showing satisfactory to the court that the taxpayer cannot be found or evades service of subpoena or fails or refuses to produce records or give testimony, the judge shall have power to cause the issuance of subpoenas under the seal of the court to the person sought to be so summoned, requiring them or any of them to appear before the Finance Director and give testimony relating to the taxpayer's return or income. In case any of such persons so served with subpoena shall fail to respond thereto, the judge may proceed against such persons as in cases of contempt.

(d) Preservation of tax reports and returns.

(1) City's preservation of records. All reports and returns of taxes received by the Finance Department covered by this Article shall be preserved for three (3) years and thereafter until the Finance Director orders them to be destroyed.

(2) Confidential nature of returns. Except in accordance with judicial order or as otherwise provided by law, the Finance Director shall not divulge or make known in any way any information disclosed in any document, report or return filed in connection with any of the taxes covered by this Article. The officials charged with the custody of such documents, reports and returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the Finance Director in an action or proceeding under the provisions of any such taxing statutes when the report of facts shown thereby are directly involved in such action or proceeding, in either of which events the court may require the production of and may admit in evidence so much of such reports or of the facts shown thereby as are pertinent to the action or proceeding and no more.

(3) Taxpayer records. Nothing in this Section shall be construed to prohibit the delivery to a person or a person's duly authorized representative of a copy of any return or report filed in connection with such person's tax, and such copies may be certified by the Finance Director and when so certified shall be evidence equally with and in like manner as the originals and may be received by the courts of this State as evidence of the contents.

(4) Publication of statistics; returns available to City Attorney. Nothing in this Section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns and the items thereof or the inspection of returns by the City Attorney or other legal representatives of the City.

(5) Records available to authorized parties. Notwithstanding the provisions of this Section, the Finance Director, in the discretion of the Finance Director, may furnish to the taxing officials of any other state and its political subdivisions and to the United States any information contained in tax returns and related schedules and documents filed pursuant to this Article or in the report of an audit or investigation made with respect thereto, provided that such jurisdiction enters into an agreement with the Finance Director to grant similar privileges to the City and, provided further, that such information is to be used only for tax purposes.

(e) Employees' restrictions. It shall be unlawful for any officer or employee of the City engaged in any administration which is governed by this Article to engage in the business or profession of tax accounting or to accept employment, with or without consideration, from any person holding a City business license for the purpose, directly or indirectly, of preparing tax returns or reports required by the laws of the City, by the State, by any other state or by the United States government or to accept any employment for the purpose of advising, preparing materials or data or the auditing of books or records to be used in an effort to defeat or cancel any tax or part thereof that has been assessed by any city of the State, by the State, any other state or its political subdivisions or by the United States government.

(f) Map of municipal boundaries. The City sales tax office shall make available to any requesting vendor a map showing the corporate boundaries of the City. For transactions consummated on or after January 1, 2003, the requesting vendor may rely on such map and any update thereof available to such vendor in determining whether to collect a sales or use tax or both. No penalty shall be imposed or action for deficiency maintained against such a vendor who in good faith complies with the most recent map available.

(g) Standard reporting form. The City shall use the standard municipal sales and use tax reporting form and any subsequent revisions thereto adopted by the Executive Director of the State Department of Revenue by the first full month commencing one hundred twenty (120) days after the effective date of the regulation adopting or revising such standard form.

(Ord. 1764 §1, 2002; Ord. 1895 §2, 2006; Ord. 2325, §§4, 5, 2020)

Sec. 3-28-95. Penalties, interest and estimated taxes.

(a) Assessment to recover unpaid penalties, interest and estimated taxes. If any person, taxpayer or vendor fails, neglects or refuses to collect the tax or to make a return and pay the tax as required by this Article or should fail to remit the proper amount of tax or underpays the tax because of negligence or fraud, penalties and interests shall be added to such tax and imposed in accordance with the following provisions. If a person required to file a return and pay the taxes imposed by this Article disregards the provisions of this Article and, in doing so, repeatedly or on a regular basis fails to file accurate tax returns or fails to remit the correct amount of taxes, the Finance Director, on such information as is

available, shall make an estimate of the tax and additions of penalty and interest thereto and shall give to the delinquent taxpayer, person or vendor written notice of final determination, assessment and demand for payment. Such notice shall be served personally or by first class mail, and the assessed amount shall be due and payable within thirty (30) days after the date of such notice. An estimate of taxes due shall also be made if an examination under Section 3-28-90 hereof shows that there are inadequate records available to make an actual determination of taxes due.

(b) Failure to file tax return; failure to pay tax; deficiency due to negligence. When penalties and/or interest are required or permitted to be charged under any provisions of this Article, penalties and interest shall be determined as follows:

(1) When a tax deficiency exists from underreporting, mathematical error or failure to pay due to negligence or a knowing, intentional disregard of the filing and payment requirements of the City, but without intent to defraud, penalty and interest shall be assessed as follows:

a. For transactions consummated on or after January 1, 2003:

1. The sales tax penalty shall be ten percent (10%) of the deficiency.

2. The annual rate of interest assessed pursuant to this Section shall be imposed and paid at the rate of one percent (1%) per month. Such interest shall accrue from the date such payment is overdue to the date paid.

(c) Mathematical error on tax returns. In the event that the amount of tax is understated on the taxpayer's return due to a mathematical error, the City shall notify the taxpayer by written notice of final determination, assessment and demand for payment of the amount of tax in excess of that shown in the return which is due and has been assessed. The taxpayer shall have no right of protest or appeal as in the matter of other assessments, but shall pay the tax due and assessed or file an amended return to show the true amount of tax due within thirty (30) days from such assessment.

(d) Deficiency due to fraud. For transactions consummated on or after January 1, 2003, if any taxpayer or vendor fails to file a return or pay the tax on any return required under this Article on the date prescribed therefor, and any part of the deficiency is due to fraud with the intent to evade the tax, there shall be added one hundred percent (100%) of the total amount of the deficiency, and in such case the whole amount of the tax unpaid, including the additions, shall become due and payable thirty (30) days after written notice of final determination, assessment and demand for payment by the Finance Director, and an additional three percent (3%) per month on such amount shall be added from the date the tax was due until paid.

(e) Special penalty. If any person, taxpayer or vendor liable for the payment of a tax imposed by this Section has repeatedly failed, neglected or refused to pay the tax within the time specified for such payment and the Finance Department has been required to exercise its enforcement proceedings three (3) or more times through the issuance of a distraint warrant to enforce collection of any such taxes due, the Finance Director is authorized to assess and collect the amount of such taxes due, together with all the interest and penalties thereon pro-vided by law and also an additional amount equal to fifteen percent (15%) of the delinquent taxes, interest and penalties due or the sum of twenty-five dollars ($25.00), whichever amount is greater, such additional amount being imposed to compensate the Finance Department for administrative and collection costs incurred in collecting such delinquent taxes.

(f) Waiver of penalty; credit; limitation. The Finance Director is authorized to waive, for good cause shown, any penalty or interest assessed as provided in this Article.

(1) Interest assessment. Interest prescribed under this Section shall be paid upon notice and demand and shall be assessed, collected and paid in the same manner as the tax to which it is applicable.

(2) No interest assessed on credit. If any portion of a tax is satisfied by credit of an overpayment, no interest shall be imposed under this Section on the portion of the tax so satisfied for any period during which, if the credit had not been made, interest would have been allowed with respect to such overpayment.

(3) Interest assessment period. Interest prescribed under this Section on any tax may be assessed and collected at any time during the period within which the tax to which such interest relates may be assessed and collected.

(Ord. 1764 §1, 2002; Ord. 2402 §5—8, 2022)

Sec. 3-28-100. Evasion of tax; violations and penalties.

(a) Evasion and avoidance of tax. It shall be a violation of this Article for any retailer, vendor, consumer, purchaser or any other person subject to the tax levied by this Article to refuse to make any return provided to be made by this Article; to make any false or fraudulent return; to make any false statements in any return; to fail or refuse to make payment to the Finance Director of any taxes collected or due the City; or in any manner to evade the collection and payment of the tax or any part thereof imposed by this Article. It shall be a violation of this Article for any person or purchaser to fail or refuse to pay such tax or evade the payment thereof or to aid or abet another in any attempt to evade the payment of the tax imposed by this Article. Any person making a false return or a return containing a false statement shall have violated this Article and shall be subject to prosecution and the imposition of penalties as provided by law. Any person in violation of this Article shall be subject to these same penalties.

(b) Fine and imprisonment. Any person who shall violate any of the provisions of this Article shall be guilty of a violation thereof and shall be punished as provided in Section 1-24-10. If any such person is an employee or officer of the City, such violation shall be grounds for dismissal from office or employment.

(c) Separate violations. Each and every twenty-four-hour continuation of any violation shall constitute a distinct and separate offense.

(Ord. 1764 §1, 2002)

Sec. 3-28-105. Overpayments; erroneous refunds; refunds.

(a) Interest allowance. Interest shall not be allowed and paid upon any overpayment in respect of any sales or use tax.

(b) Refund erroneously made to bear interest. Any portion of a sales or use tax or any interest, assessable penalty, additional amount or addition to tax which has been erroneously refunded shall bear interest at the rate of twelve percent (12%) per annum from the date of the payment of the refund.

(c) Assignability. The right of any person to a refund under this Article shall not be assignable, and such application for refund must be made by the same person who purchased the goods and paid the tax thereon as shown in the invoice of the sale thereof.

(d) Burden of proof of exemption. The burden of proving that sales, services and commodities on which tax refunds are claimed are exempt from taxation under Section 3-28-80 hereof or were not at retail

shall be on the one making such claim under such reasonable requirements of proof as the Finance Director may prescribe.

(e) Disputed tax. Should a dispute arise between the purchaser and seller as to whether or not any sale, service or commodity is exempted from taxation under this Article, nevertheless, the seller shall collect and the purchaser shall pay the tax, and the seller shall issue to the purchaser a receipt or certificate, on forms prescribed by the Finance Director, showing the names of the seller and the purchaser, the items purchased, the date, price, amount of tax paid and a brief statement of the claim of exemption.

(f) Allowed if exempt. A refund shall be made or a credit allowed for the tax so paid under dispute by any purchaser who qualifies for an exemption as provided in this Article. Such refund shall be made by the Finance Director after compliance with the following conditions precedent. Applications for refund must be made within sixty (60) days after the purchase of the goods whereon an exemption is claimed and must be supported by the affidavit of the purchaser accompanied by the original paid invoice or sales receipt and certificate issued by the seller and must be made upon such forms as shall be prescribed and furnished by the Finance Director, which forms shall contain such information as the Finance Director shall prescribe.

(g) Disallowed. Upon receipt of such application, the Finance Director shall examine the application with all due speed and shall give notice to the applicant, by order, in writing, of the decision thereon. Protest of a denial of refund and request for hearing as provided in Section 3-28-110 hereof shall be submitted in writing to the Finance Director within thirty (30) calendar days from the date of denial of the refund and shall identify the amount of the refund requested and the basis for the protest. The decision made based upon that hearing may be appealed to the Adams County District Court in the manner provided in this Article.

(h) Payment. If the Finance Director discovers from the examination of a return within the time periods provided for the filing of refunds or upon claim duly filed by the taxpayer or upon final judgment of a court that the tax, penalty or interest paid by any taxpayer is in excess of the amount due or has been illegally or erroneously collected, the Finance Director shall rule in favor of the taxpayer for refund of such illegally collected tax, penalty or interest, regardless of whether or not such sum was paid under protest. The Finance Director shall issue payment to the taxpayer out of the appropriate City fund provided therefor, provided that the Finance Director shall keep in the vendor's file a duplicate of the voucher and also a statement which shall set forth the reason why such refund shall have been ordered.

(i) Offset of previous tax due. Whenever it is established that any taxpayer has, for any reporting period, overpaid a tax imposed by this Article and that there is an unpaid balance of tax and interest accrued, according to the records of the Finance Director, owing by a taxpayer for any other reporting period, the overpayment of tax plus interest allowable thereon as does not exceed the amount of such unpaid balance shall be credited thereto, the remainder shall be applied against future tax liability or the overpayment shall be refunded as the Finance Director may determine.

(j) Special refund for undercollection; retailer overpayment of taxes. If any retailer can demonstrate to the reasonable satisfaction of the Finance Director that consistent, diligent application and adherence by the retailer of the bracket system rates results in actual undercollection of the sales tax by the retailer, the Finance Director is authorized to allow the retailer either a credit against future tax liability or a refund of such undercollection as the Finance Director may determine.

(k) Special refund for estimated payment basis; contractor overpayment of taxes. Application for refund by contractors prepaying on the estimated percentage payment basis under Section 3-28-85 hereof

shall be made within eighteen (18) months after the date of purchase and shall be made on forms prescribed and furnished by the Finance Director, which forms shall contain, in addition to the foregoing information, such pertinent data as the Finance Director shall prescribe.

(l) Special refund to United States and the State. The foregoing notwithstanding, however, applications for refunds submitted by the United States government, the State, its departments or institutions and the political subdivisions thereof, including the City, shall be submitted within eighteen (18) months after purchase of the tangible personal property purchased by any person furnishing work and materials under contract with such governmental units on any of their properties located within the corporate limits of the City.

(m) False or fraudulent refund claim. Any applicant for refund under the provisions of this Section or any other person who shall make any false statement in connection with an application for a refund of any taxes shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punishable as provided in this Article.

(n) Action to recover fraudulent claims. If any person is convicted under the provisions of this Section, such convictions shall be prima facie evidence that all refunds received by such person during the current year were obtained unlawfully, and the Finance Director is empowered and directed to bring appropriate action for recovery of such refunds.

(o) Taxes paid in error. For transactions consummated on or after January 1, 2003, an application for refund of sales or use taxes paid in error or by mistake shall be made within three (3) years after the date of purchase, storage, use or consumption of the goods for which the refund is claimed and must be supported by documentation as prescribed by the Finance Director.

(Ord. 1764 §1, 2002; Ord. 2402 §9, 2022)

Sec. 3-28-110. Hearings; appeals.

(a) Request for hearing; protest. A taxpayer may request a hearing when the City asserts that taxes and any penalties or interest under Section 3-28-95 hereof are due, as stated in a notice of final determination, assessment and demand for payment sent to the taxpayer by the City or when the City denies a taxpayer's claim for refund. The hearing request shall be in writing and shall be received by the Finance Director within thirty (30) days of the date of mailing of a notice of final determination, assessment and demand for payment or of a notice of a denial of refund. This request for hearing shall set forth the factual and/or legal basis for the taxpayer's belief that the assessment or denial is incorrect. A taxpayer's failure to timely request a hearing shall constitute a failure to exhaust local remedies. Any unprotested tax, penalty and interest shall be paid in full within the thirty-day period specified in this Subsection.

(b) Informal conferences. Upon receipt of a request for hearing, the Department of Finance will contact the taxpayer or the taxpayer's authorized representative to schedule an informal conference to discuss the procedure to be followed in the administrative hearing, to clarify the relevant issues and facts, and, if possible, to settle the matters in dispute. Participation in the informal conference does not waive any of the taxpayer's or the City's rights under this Section.

(c) Hearing time and place. The Finance Director shall notify the taxpayer in writing of the time and place for the administrative hearing within thirty (30) days of receipt of the taxpayer's request for a hearing. Such notification shall be mailed no less than thirty (30) days prior to the date of hearing. In all cases, the hearing shall be held in the City at the office of the Finance Director. A final decision thereon shall be issued and the results mailed to the taxpayer within ninety (90) days of the City's receipt of the

taxpayer's request for hearing, except that the ninety-day period shall be extended to one hundred eighty (180) days if the taxpayer caused any delay in the holding of the hearing or in the issuance of the decision, and except that the one hundred eighty-day period may be waived by the taxpayer.

(d) Procedures. Hearings before the Finance Director shall be conducted in an informal manner. Formal rules of evidence shall not apply and transcripts or filing of briefs will not be required. The City will supply the taxpayer or representative a procedure booklet entitled "Rules Governing Hearings Before the Finance Director," which outlines the procedural rules to be followed at the hearing.

(e) Exhaustion of local remedies. The taxpayer's participation in a hearing requested and held pursuant to this Section shall be an exhaustion of all local remedies as defined in Section 29-2-106.1(2)(c), C.R.S.

(f) Conduct of hearing. The hearing shall be held before the Finance Director. The Finance Director is authorized to administer oaths and take testimony. At the hearing, the taxpayer may assert any facts, make any arguments and file any briefs and affidavits the taxpayer believes pertinent to the taxpayer's cause.

(g) Request for hearing; time limitation. After the expiration of thirty (30) days from the date of the notice of final determination, assessment and demand for payment or denial of refund, if the tax has not been paid or if no request for hearing has been timely filed, the notice of final determination, assessment and demand for payment previously mailed shall constitute a final assessment of the amount of the tax specified, together with interest and penalties, or shall constitute a final denial of refund, as the case may be.

(h) Adjustment of tax under question. Based on the evidence presented at any hearing or filed in support of the taxpayer's contentions at any hearing, the Finance Director may modify or abate in full any tax, penalty and interest questioned at the hearing or may approve a refund or may uphold the original assessment.

(i) Determination notices. Upon rejection, in whole or in part, of a claim for refund, or upon a finding by the Finance Director that a valid sales or use tax assessment, in whole or in part, has been made against the taxpayer, the Finance Director shall send, within ten (10) days of said finding, a final determination notice to the taxpayer setting forth the amount of the claim for refund that is denied or the amount of sales and use taxes found still due and owing, stating the grounds for such determination. Unless an appeal is taken as provided in this Section, the taxes, together with interest thereon and penalties, if any, shall be paid within thirty (30) days after the date of the final determination notice.

(j) License revocation. A hearing on the revocation of a City business license shall be held upon reasonable notice to the taxpayer by the Finance Director. The hearing shall be before the Finance Director. The final determination made by the Finance Director pursuant to the hearing shall be appealable as prescribed in this Section.

(k) Authority of taxpayer. The taxpayer may appeal a final hearing determination notice issued by the Finance Director pursuant to this Section, provided that the taxpayer files a notice of appeal within thirty (30) days of the mailing of the final hearing determination notice.

(l) Venue. Venue and jurisdiction to hear and determine appeals is conferred on the Adams County District Court.

(m) Review of proceedings. The District Court of Adams County shall have original jurisdiction to review the proceedings, such review being conducted after the final determination by the Finance Director in accordance with Rule 106(a)(4) of the Colorado Rules of Civil Procedure.

(n) Filing of bond. Within fifteen (15) days after filing of the notice of appeal, the taxpayer shall file with the District Court a bond in twice the amount of the taxes, interest and other charges stated which are contested on appeal, provided that the taxpayer may at the taxpayer's option deposit the disputed amount with the Finance Director in lieu of posting bond. If such amount is so deposited, no further interest shall accrue on the deficiency contested during the pendency of the action. At the conclusion of the action or when the time for such appeal has expired, the funds deposited shall be, at the direction of the court, either retained by the Finance Director and applied against the deficiency or returned in whole or in part to the taxpayer, with interest as prescribed in this Article at one-half percent (½%) per month. No claim for refund of the amount so deposited with the Finance Director need be made by the taxpayer in order for such amounts to be repaid in accordance with the direction of the court.

(o) Cases other than license revocation. In all cases other than license revocation, the taxpayer may choose to appeal the hearing determination notice of the Finance Director pursuant to Section 29-2-106.1, C.R.S.

(Ord. 1764 §1, 2002; Ord. 2325, §6, 2020; Ord. 2402 §10—12, 2022)

Sec. 3-28-115. Lien; assessments; collection.

(a) Lien. The sales tax shall be a first and prior lien on the tangible personal property sold, purchased, stored, used, distributed or consumed, subject only to valid mortgage or other liens of record on and prior to the date the notice as required by Subsection (f) of this Section is mailed, and when such tax is collected by retailers or agents, the sales tax imposed by sections under this Article shall be a first and prior lien upon the goods and business fixtures of or used by any retailer under lease, title-retaining contract or other contract arrangement and shall take precedence on all such property over other liens or claims of whatever kind or nature.

(b) Effect of sale of business; purchases subject to lien.

(1) Sale of business. Any person who shall sell out a business or stock of goods or who shall quit business shall be required to make out the return as provided in this Article within ten (10) days after the date the person sold the business or stock of goods or quit business, and such person's successor in business shall be required to withhold sufficient of the purchase money to cover the amount of taxes due and unpaid until such time as the former owner shall produce a receipt from the Finance Director showing that the taxes have been paid or a certificate that no taxes are due.

(2) Purchases subject to lien. If the purchaser of a business or stock or goods shall fail to withhold the purchase money as provided in Subsection (b)(1) above and the taxes shall be due and unpaid after the ten-day period allowed, the purchaser, as well as the seller, shall be personally liable for the payment of the taxes unpaid by the former owner. Likewise, anyone who takes any stock of goods or business fixtures of or used by any person under lease, title retaining contract or other contract arrangement, by purchase, foreclosure sale or otherwise, takes such subject to the lien for any delinquent sales taxes owed by such person and shall be liable for the payment of all delinquent sales taxes of such prior owner, not, however, exceeding the value of the property so taken or acquired.

(c) Status of unpaid tax in bankruptcy and receivership. Whenever the business or property of any taxpayer subject to this Article shall be placed in receivership, bankruptcy or assignment for the benefit of creditors or seized under distraint for property taxes, all taxes, penalties and interest imposed by this Article and for which such retailer is in any way liable under the terms of this Article shall be a prior and preferred lien against all the property of such taxpayer, except as to preexisting claims or liens of a bona fide mortgagee, pledgee, judgment creditor or purchaser whose rights shall have

attached prior to the mailing of the notice as provided in Subsection (f) herein on the property of the taxpayer other than on the goods, stock-in-trade and business fixtures of such taxpayer. No sheriff, receiver, assignee or other officer shall sell the property of any person subject to this Article under process or order of any court without first ascertaining from the Finance Director the amount of any taxes due and payable under this Article, and if there are any such taxes due, owing or unpaid, it shall be the duty of such officer to first pay the amount of such taxes out of the proceeds of such sale before making payment of any monies to judgment creditor or other claims of whatever nature, except that the costs of the proceedings and other preexisting claims liens as above provided.

(d) Construction improvements.

(1) Lien for unpaid taxes on personal property affixed to real property. The full amount of unpaid taxes arising from and required to be reported on personal property affixed to real property under this Article, together with interest and penalties as provided in this Article, shall be and constitute a first and prior lien, which lien shall have precedence over all other liens of whatever kind and nature, except as to liens for general taxes created by state law and except as to preexisting claims or liens of a bona fide mortgagee, pledgee, judgment creditor or purchaser whose rights shall have attached prior to the mailing of the notice of tax lien as provided in Subsection (f) herein on the property of the taxpayer other than on the goods, stock-in-trade and business fixtures of such taxpayer.

(2) Final inspection or certificate of occupancy denied unless tax paid. No final inspection shall be made by the City Building Inspector and no certificate of occupancy shall be issued unless all taxes due, as provided in this Article, on all lumber, fixtures and any other building materials and supplies used in or connected with the construction, reconstruction, alteration, expansion, modification or improvement of any building, dwelling or other structure or improvement to real property within the City have been paid or arrangements therefor made with the Finance Director.

(e) Refusal to file returns.

(1) Assessment of taxes. If any person or taxpayer or vendor fails, neglects or refuses to collect the tax or file a return and pay the tax as required by this Article or fails to remit the proper amount of tax or underpays the tax because of negligence, fraud or on a regular basis, the Finance Director may make an estimate based upon such information as may be available and shall add in addition to the tax, penalty and interest as set forth in Section 3-28-95 hereof and promptly thereafter give to the delinquent taxpayer written notice of such estimated taxes, penalty and interest, which notice of assessment shall be served personally or by mail and which notice of final determination, assessment and demand for payment shall be due and payable thirty (30) days from such service.

(2) Hearing and appeal. The provisions as to hearings and appeals as set forth in Section 3-28-110 hereof shall apply to such notice of final determination, assessment and demand for payment.

(f) Notice of tax lien. If any taxes, penalty or interest imposed by this Article and shown due by returns filed by the taxpayer or as shown by assessments duly made as provided in this Article are not paid within thirty (30) days after such are due, the City shall issue a notice to the taxpayer by mail, setting forth the name of the taxpayer, the amount of the tax, penalties and interest, the date of the accrual thereof and that the City claims a first and prior lien therefor on the real and tangible personal property of the taxpayer, except as to preexisting claims or liens of a bona fide mortgagee, pledgee, judgment creditor or purchaser, whose rights shall have attached prior to the mailing of the notice as provided in this Subsection on property of the taxpayer other than on the goods, stock-in-trade and business

fixtures of such taxpayer. The attachment of such lien is not dependent on the recording of the written notice. The lien remains attached to the property from the date the notice as required herein is mailed until the amounts due are paid. In no event shall failure of the taxpayer or responsible person to receive notice as required herein void the lien provided for in this Section.

(g) Issuance of distraint warrant; filing of lien. Notice of lien shall be on forms prescribed by the Finance Director, whose duties are the collection of such tax and may be filed in the office of the clerk and recorder of any county in the state in which the taxpayer owns real or tangible personal property. The Finance Director may issue a distraint warrant as provided in Subsection (i) of this Section at any time when taxes that are due remain unpaid, regardless of whether a notice of tax lien has been issued.

(h) Jeopardy assessment and distraint.

(1) Jeopardy enforcement. If the Finance Director finds that collection of the tax will be jeopardized by delay, in the Finance Director's sole discretion, the Finance Director may declare the taxable period immediately terminated, determine the tax and issue notice and demand for payment thereof, and having done so, the tax shall be due and payable forthwith, and the Finance Director may proceed immediately to collect such tax as provided in Subsection (i) below.

(2) Immediate enforcement action. In any other case wherein it appears that the revenue is in jeopardy, the Finance Director may immediately issue demand for payment; and, regardless of the provisions of Section 3-28-110 hereof, the tax shall be due and payable forthwith and, in the Finance Director's sole discretion, the Finance Director may proceed immediately to collect the tax as provided in Subsection (i) of this Section.

(3) Security for payment. Collection under either Paragraph (1) or (2) above may be stayed if the taxpayer gives such security for payment as shall be satisfactory to the Finance Director.

(4) Filing and release of lien. Any employee, agent or representative of the City Manager to whom a distraint warrant has been directed may file a notice of lien in such forms as the Finance Director may prescribe with the person in possession of any personal property or right to property belonging to the taxpayer. The Finance Director may release the lien as to any part or all of the property or rights to property covered by any such lien upon such terms as the Finance Director may deem proper.

(i) Methods of enforcing collection.

(1) Issuance of distraint. The Finance Director may issue a warrant under the Finance Director's own hand directed to any employee, agent or representative of the Finance Department, sometimes referred to collectively in this Section as "agent" or "revenue collector" or to any sheriff of any county in the State, commanding such person to distrain, seize cash and cash equivalents, and/or seize and sell the personal property of the taxpayer, except such personal property as is exempt from execution and sale by any statute of this State, for the payment of the tax due together with penalties and interest accrued thereon and cost of execution:

a. When any deficiency in tax is not paid within thirty (30) days from the mailing of notice of final determination, assessment and demand for payment therefor and no hearing has been requested and no appeal from such deficiency assessment has been docketed with any district court of this State within such period;

b. When any other amount of tax, penalty or interest is not paid within thirty (30) days from the mailing of assessment and demand for payment thereof; or

c. Immediately upon making of a jeopardy assessment or of the issuance of a demand for payment as provided in Subsection (h) above.

(2) Distraint seizure; advertisement of sale. The agent charged with the collection shall make or cause to be made an account of the goods or effects distrained, a copy of which, signed by the agent making such distraint, shall be left with the owner or possessor or at the owner's or possessor's usual place of abode with some member of the owner's or possessor's family over the age of eighteen (18) years or at the owner's or possessor's usual place of business with the owner's or possessor's stenographer, bookkeeper or chief clerk or, if the taxpayer is a corporation, shall be left with any officer, manager, general agent or agent for process, with a note of the sum demanded and the time and place of sale; and shall forthwith cause to be published a notice of the time and place of sale, together with a description of the property to be sold, in a newspaper or on a publicly accessible web page within the City, or, in lieu thereof and in the discretion of the Finance Director, the agent or sheriff shall cause such notice to be publicly posted at the Brighton City Hall, and copies thereof to be posted in at least two (2) other public places within the City. The time fixed for the sale shall not be less than ten (10) days nor more than sixty (60) days from the date of such notification to the owner or possessor of the property and the publication or posting of such notices. The sale may be adjourned from time to time by such agent or sheriff if it is deemed advisable, but not for a time to exceed a total of ninety (90) days from the date first fixed for the sale. When any personal property is advertised for sale under distraint, the agent or sheriff making the seizure shall proceed to sell such property at public auction, offering the property at not less than a fair minimum price, including the expenses of making the seizure and of advertising the sale, and if the amount bid for the property at the sale is not equal to the fair minimum price so fixed, the agent or sheriff conducting the sale may declare such to be purchased by such agent or sheriff for the City. The property so purchased may be sold by the agent or the sheriff under such regulations as may be prescribed by the Finance Director. In any case of distraint for the payment of taxes, the goods, chattels or effects so distrained shall be restored to the owner or possessor if, prior to the sale, the amount due is paid, together with the fees and other charges, or may be redeemed by any person holding evidence satisfactory to the Finance Director of right of possession.

(3) Certificate of sale; evidence of purchase. In all cases of sale, the agent or sheriff making the sale shall issue a certificate of sale to each purchaser, and such certificate shall be prima facie evidence of the right of the agent or sheriff to make such sale and the conclusive evidence of the regularity of the agent's or sheriff's proceedings in making the sale and shall transfer to the purchaser all right, title and interest in and to the property sold; and where such property consists of certificates of stock in the possession of the agent or sheriff, the certificate of sale shall be notice, when received, to any corporation, company or association of the transfer, and the certificate of such sale shall be authority for such corporation, company or association to record the transfer on its books and records; and where the subject of sale is securities or other evidences of debt in the possession of the agent or sheriff, the certificate of sale shall be good and valid evidence of title in the person holding such as against any other person. Any surplus remaining above the taxes, penalties, interest, costs and expenses of making the seizure and of advertising the sale shall be returned to the owner or such other person having a legal right thereto, and, on demand, the Finance Director shall render an account in writing of the sale.

(4) Filing and release of lien. Any employee, agent or representative of the City Manager to whom a distraint warrant has been directed may file a notice of lien in such forms as the Finance Director may prescribe with the person in possession of any personal property or right to property belonging to the taxpayer, and if not previously recorded, the filing of such notice of lien shall

operate from the date of such filing. The Finance Director may release the lien as to any part or all of the property or rights to property covered by any such lien upon such terms as the Finance Director may deem proper.

(5) Lien released. Any lien for taxes as shown on the records of the County Clerk and Recorder as provided in this Section, upon payment of all taxes, penalties and interest covered thereby, shall be released by the Finance Director in the same manner as mortgages and judgments are released.

(j) Recovery of unpaid tax by action at law.

(1) Action at law. The Finance Director may also treat any such taxes, penalties or interest due and unpaid as a debt due the City from the taxpayer. In case of failure to pay the tax or any portion thereof or any penalty or interest thereon when due, the Finance Director may receive at law the amount of such taxes, penalties and interest in such county or district court of the county wherein the taxpayer resides or has a principal place of business having jurisdiction of the amounts sought to be collected. The return of the taxpayer or the assessment made by the Finance Director as provided in this Article shall be prima facie proof of the amount due.

(2) Writs of attachment. Such actions may be actions in attachment and writs of attachment may be issued to the sheriff, and in any such proceedings no bond shall be required of the Finance Director nor shall any sheriff require of the Finance Director an indemnifying bond for executing the writ of attachment or writ of execution upon any judgment entered in such proceedings, and the Finance Director may prosecute appeals or writs of error in such cases without the necessity of providing bond therefor. It shall be the duty of the City Attorney, when requested by the Finance Director, to commence action for the recovery of taxes due under this Article, and this remedy shall be in addition to all other existing remedies or remedies provided in this Article.

(3) Civil action to enforce lien. In any case where there has been a refusal or neglect to pay any tax due the City and a notice shall have been mailed as provided herein and which creates a lien upon any real property for such tax, the Finance Director may cause a civil action to be filed in the district court of the county in which is situated any real property which is subject to such lien to enforce the lien of the City for such tax upon the real property situated in that county or in any other county in the State which may be subject to such lien or to subject any real property or any right, title or interest in real property to the payment of such tax. The court shall decree a sale of such real property and distribute the proceeds of such sale, according to the findings of such court in respect to the interest of the parties and the City. The proceedings in such action, the manner of sale, the period for and manner of redemption from such sale and the execution of deed of conveyance shall be in accordance with the law and practice relating to foreclosures of mortgages upon real property. In any such action, the court may appoint a receiver of the real property involved in such action if equity so requires.

(k) City as party defendant. In any action affecting the title to real estate or the ownership or rights to possession of personal property, the City may be made a party defendant for the purpose of obtaining an adjudication or determination of its lien upon the property involved therein, and in any such action service of summons upon the Finance Director or any other person permitted by law shall be sufficient service and binding upon the City.

(l) Certificate of discharge.

(1) Subject to lien. If any property, real or personal, under the law shall be subject to a lien for the payment of any tax due the City, the Finance Director may issue a certificate of discharge of any part of the property subject to the lien if the Finance Director finds that the fair market value of

that part of such property remaining subject to the lien is at least double the amount of the liability remaining unsatisfied in respect to such tax and the amount of all prior liens upon such property.

(2) Part of property. If any property, real or personal, under the law shall be subject to a lien for the payment of any tax due the City, the Finance Director may issue a certificate of discharge for any part of the property subject to the lien if there is paid over to the Finance Director, in part satisfaction of the liability in respect to such tax, an amount determined by the Finance Director which shall not be less than the value, as determined by the Finance Director, of the interest of the City in the part to be so discharged.

(3) Determination of values. In determining such values, the Finance Director shall give consideration to the fair market value of the part to be so discharged and to such liens thereon as have priority to the lien of the City.

(4) Certificate of release conclusive. A certificate of release or of partial discharge issued under Subparagraph (1) above shall be held conclusive in order that the lien of the City upon the property released therein is extinguished, but shall not extinguish nor release any portion of the lien nor property not specified in the release.

(m) Summons to court for violation of Article. The Finance Director may, at the discretion of the Finance Director, summon to Municipal Court any person who may be in violation of this Article as set forth in Section 3-28-100 hereof and elsewhere in this Article.

(n) Closing agreements.

(1) Satisfaction of liability. For the purpose of facilitating the settlement and distribution of estates, trusts, receiverships, other fiduciary relationships or corporations in the process of dissolution or which have been dissolved, the Finance Director may agree with the fiduciary or director upon the amount of taxes due from the decedent, the decedent's estate, the trust, receivership or other fiduciary relationship or corporation for any of the fiduciary's or director's or its taxable periods under the provisions of the taxes covered by this Article and, except upon a showing of fraud, malfeasance or misrepresentation of a material fact, payment in accordance with such agreement shall be full satisfaction of the taxes for the taxable periods to which the agreement related.

(2) Personal liability. Except as provided in Paragraph (4) below, any personal representative of a decedent or of the estate of a decedent or any trustee, receiver or other person acting in a fiduciary capacity or any director of a corporation in the process of dissolution or which has been dissolved who distributes the estate or fund in such person's control without having first paid any taxes covered by this Article due from such decedent's estate, trust estate, receivership or corporation covered by this Article and which may be assessed within the time limited by this Article shall be personally liable to the extent of the property so distributed, for any unpaid taxes of the decedent, decedent's estate, trust estate, receivership or corporation covered by this Article and which may be assessed within the time limited by this Article.

(3) Notification of liability. The distributee of a decedent's estate or a trust estate or fund or the stockholder of any dissolved corporation who receives any of the property of such decedent's estate, trust estate, fund or corporation shall be liable to the extent of the decedent, trust estate, fund or corporation covered by this Article and which may be assessed within the time limited by this Article. Notice to such distributee or stockholder shall be given in the same manner and within the time limit which would have been applicable had there been no distribution.

(4) Limitation of liability.

a. In case the tax imposed by this Article is due from a decedent or the decedent's estate or by a corporation, in order for personal liability under Subparagraph (2) above to remain in effect, determination of the tax due shall be made and notice and demand therefor shall issue within eighteen (18) months after written request for such determination, filed after the filing of the decedent's final return or filed after the filing of the return of the decedent's estate with respect to which such request is applicable by any personal representative of such decedent or by the corporation, filed after the filing of its return, but a request under this provision shall not extend the period of limitation otherwise applicable.

b. This Subsection will not apply in the case of a corporation unless:

1. Such request notified the Finance Director that the corporation contemplates dissolution at or before the expiration of such eighteen-month period.

2. The dissolution is begun in good faith before the expiration of such eighteen-month period.

3. The dissolution is completed.

c. Upon the expiration of the eighteen-month period, without determination being made and notice and demand being issued, the personal representative or representatives of the decedent and the directors of the corporation no longer will be liable under the provisions of Subparagraph (2) above.

(Ord. 1764 §1, 2002; Ord. 1893 §5, 2006; Ord. 2123 §6, 2011; Ord. 2350 §7, 2021; Ord. 2402 §13—16, 2022)

Sec. 3-28-120. Limitations.

(a) General limitations.

(1) Statutory limitations. Except as provided in this Section, the taxes for any period, together with the interest thereon and penalties with respect thereto, imposed by this Article shall not be assessed nor credit taken nor shall any notice of lien be filed or distraint warrant issued or suit for collection be instituted or any other action to collect such be commenced more than three (3) years after the date on which the tax was or is payable; nor shall any lien continue after such period, except for taxes assessed before the expiration of such period, notice of lien with respect to which has been filed prior to the expiration of such period, in which case such lien shall continue only for one (1) year after the filing of notice thereof. In the case of a false or fraudulent return with intent to evade the tax or in the case of failure to obtain a license as required by Section 3-28-85 hereof, the tax, together with interest and penalties thereon, may be assessed or proceedings for the collection of such taxes may be commenced at any time.

(2) Date fixed. For purposes of this Section, a tax return filed before the last day prescribed by law or by regulation promulgated pursuant to law for the filing thereof shall be considered as filed on such last day.

(3) Extension of period. Where, before the expiration of the time prescribed in this Section for the assessment of tax, both the Finance Director and the taxpayer have consented in writing to any assessment after such time, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

(4) Revision qualification; periods covered. Nothing in this Section shall be construed to limit any right accrued or to revive any liability barred by any statute at the effective date of the ordinance from which this Article derives.

(b) Trust status of tax in possession of retailer. All sums of money paid by the purchaser to the retailer as taxes imposed by this Article shall be and remain public money, the property of the City in the hands of such retailer, and the retailer shall hold the money in trust for the sole use and benefit of the City until paid to the City, and for failure to so pay to the City such retailer shall be punished as provided by law.

(Ord. 1764 §1, 2002)

Sec. 3-28-125. Coordinated audit.

(a) Any taxpayer licensed in this City pursuant to Section 3-28-140 hereof and holding a similar business license in at least four (4) other Colorado municipalities that administer their own sales tax collection may request a coordinated audit as provided in this Section.

(b) Within fourteen (14) days of receipt of notice of an intended audit by any municipality that administers its own sales tax collection, the taxpayer may provide to the Finance Director, by mail, return receipt requested, a written request for a coordinated audit indicating the municipality from which the notice of intended audit was received and the name of the official who issued such notice. Such request shall in-clude a list of those municipalities utilizing local collection of their sales tax in which the taxpayer holds a current business license and a declaration that the taxpayer will sign a waiver of any passage-of-time-based limitation upon this City's right to recover tax owed by the vendor for the audit period.

(c) Except as provided in Subsection (g) below, any taxpayer who submits a complete request for a coordinated audit and promptly signs a waiver of limitation under Section 3-28-120 hereof may be audited by this City during the twelve (12) months after such request is submitted only through a coordinated audit involving all municipalities electing to participate in such an audit.

(d) If this City desires to participate in the audit of a taxpayer who submits a complete request for a coordinated audit pursuant to Subsection (c) above, the Finance Director shall so notify the Finance Director of the municipality whose notice of audit prompted the taxpayer's request within ten (10) days after receipt of the taxpayer's request for a coordinated audit. The Finance Director shall then cooperate with other participating municipalities in the development of arrangements for the coordinated audit, including arrangement of the time during which the coordinated audit will be conducted, the period of time to be covered by the audit, and a coordinated notice to the taxpayer of those records most likely to be required for completion of the coordinated audit.

(e) If the taxpayer's request for a coordinated audit was in response to a notice of audit issued by this City, this City's Finance Director shall facilitate arrangements between this City and other municipalities participating in the coordinated audit unless and until an official from some other participating municipality agrees to assume the responsibility. The Finance Director shall cooperate with other participating municipalities to, whenever practicable, minimize the number of auditors that will be present on the taxpayer's premises to conduct the coordinated audit on behalf of the participating municipalities. Information obtained by or on behalf of those municipalities participating in the coordinated audit may be shared only among such participating municipalities.

(f) If the taxpayer's request for a coordinated audit was in response to a notice of audit issued by this City, this City's Finance Director shall, once arrangements for the coordinated audit between the City and other participating municipalities are completed, provide written notice to the taxpayer of which

municipalities will be participating, the period to be audited and the records most likely to be required by participating municipalities for completion of the coordinated audit. The Finance Director shall also propose a schedule for the coordinated audit.

(g) The coordinated audit procedure set forth in this Section shall not apply:

(1) When the proposed audit is a jeopardy audit;

(2) To audits for which a notice of audit was given prior to the effective date of the ordinance from which this Section derives;

(3) When a taxpayer refuses to promptly sign a waiver of Section 3-28-120 hereof; or

(4) When a taxpayer fails to provide a timely and complete request for a coordinated audit as provided in Subsection (b) above.

(Ord. 1764 §1, 2002; Ord. 2325, §7, 2020; Ord. 2402 §17, 2022)

Sec. 3-28-130. Claims for recovery.

(a) The intent of this Section is to streamline and standardize procedures related to situations where tax has been remitted to the incorrect municipality. It is not intended to reduce or eliminate the responsibilities of the taxpayer or vendor to correctly pay, collect and remit sales and use taxes to the City.

(b) As used in this Section, the term *claim for recovery* means a claim for reimbursement of sales and use taxes paid to the wrong taxing jurisdiction.

(c) When it is determined by the Finance Director that sales and use tax owed to the City has been reported and paid to another municipality, the City shall promptly notify the vendor that the taxes are being improperly collected and remitted, and that as of the date of the notice the vendor must cease improper tax collections and remittances.

(d) The City may make a written claim for recovery directly to the municipality that received the tax and/or penalty and interest owed to the City or, in the alternative, may institute procedures for collection of the tax from the taxpayer or vendor. The decision to make a claim for recovery lies in the sole discretion of the City. Any claim for recovery shall include a properly executed release of claim from the taxpayer and/or vendor releasing its claim to the taxes paid to the wrong municipality, evidence to substantiate the claim, and a request that the municipality approve or deny, in whole or in part, the claim within ninety (90) days of its receipt. The municipality to which the City submits a claim for recovery may, for good cause, request an extension of time to investigate the claim, and approval of such extension by the City shall not be unreasonably withheld.

(e) Within ninety (90) days after receipt of a claim for recovery, the City shall verify to its satisfaction whether or not all or a portion of the tax claimed was improperly received and shall notify the municipality submitting the claim in writing that the claim is either approved or denied in whole or in part, including the reasons for the decision. If the claim is approved in whole or in part, the City shall remit the undisputed amount to the municipality submitting the claim within thirty (30) days of approval. If a claim is submitted jointly by a municipality and a vendor or taxpayer, the check shall be made to the parties jointly. Denial of a claim for recovery may only be made for good cause.

(f) The City may deny a claim on the grounds that it has previously paid a claim for recovery arising out of an audit of the same taxpayer.

(g) The period subject to a claim for recovery shall be limited to the thirty-six-month period prior to the date the municipality that was wrongly paid the tax receives the claim for recovery.

(Ord. 1764 §1, 2002)

Sec. 3-28-140. Business license required; term.

A business license shall be required for every retailer or vendor that is engaged in business in the City, unless exempt as set forth in Section 5-4-20. A business license shall be granted and issued by the Finance Director or designee for a period of one (1) year.

Where no business license is required but sales of tangible personal property or furnishing of services are provided within the City limits, the seller is required to open a sales tax account and pay sales and use taxes to the City. A failure to obtain a business license or to remit sales tax is a violation of this municipal code.

Secs. 3-28-150—3-28-200. Reserved.

Editor's note(s)—Ord. 2490 §6, adopted November 4, 2025, repealed §§ 3-28-150—3-28-190, which pertained to business license required for separate places of business; contents of application; renewal of license; licensee's duties; license fee; license contents; posting; nontransferability and derived from Ord. 635 §3(3-2—3-6), adopted 1970; Ord. 722 §1, adopted 1972; Ord. 1589, adopted 1999; Ord. 1764 §1, adopted 2002; Ord. 2325, §§9—13, adopted 2020; Ord. 2350 §§9, 10, adopted 2021; Ord. 2372 §1, adopted 2021; Ord. 2402 §18, adopted 2022. Ord. 2490 §6, adopted November 4, 2025, also renumbered the former § 3-28-200 as § 5-4-30. The historical notation has been retained with the amended provisions for reference purposes.

Sec. 3-28-210. Unlicensed sales prohibited.

Any person engaged in business in the City, without having secured a license therefor, except as specifically provided herein, shall be guilty of a violation of this Article.

Sec. 3-28-220. Amendments.

The rate of sales tax, the items taxed and exempted from the sales tax hereunder, and the pledge and use of the sales tax revenues provided for herein shall not be amended, altered, deleted or changed without being submitted to the electors of the City for their approval. Other provisions of this Article may be amended, altered, deleted or changed by the adoption of an amending ordinance in accordance with law and without being submitted to the electors of the City for their approval.

Sec. 3-28-230. Violation; penalty.

Any person convicted of violating any of the provisions of Sections 3-28-10 through 3-28-40, 3-28-60 and 3-28-80 through 3-28-220 shall be punishable as provided in Article 1-24 of this Code.

Sec. 3-28-240. Tax credit.

Notwithstanding any other provisions of this Article, and in order to implement the provisions of the Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement, and Intergovernmental Agreement for Prairie Center, Brighton, Colorado, (the "Agreement"), dated December 5, 2005, by and among the City of Brighton, the City of Brighton Water, Sewer and Drainage Enterprise, THF Prairie Center Development, L.L.C., THF Prairie Center Retail One, L.L.C., Prairie Center Metropolitan District No. 1 and Prairie Center Metropolitan District No. 2, there shall be granted to each person or entity obligated to pay, collect or remit the sales tax on the sale or provision of goods or services which are subject to City sales taxes occurring within the PIF Property, as defined in the PIF Covenant, and incorporated herein by this reference, a tax credit against collection of the sales tax as hereinafter set forth. Such tax credit shall be granted in the form of a reduction in the applicable sales tax rate in an amount equivalent to the rate of the Credit PIF, and shall attach to a particular transaction only to the extent that the Credit PIF Revenues are collected and received by the Credit PIF Collecting Agent for such transaction. Notwithstanding any other provisions of this Article, there shall be granted to each applicant for a building permit within the PIF Property a tax credit against the collection of the City's use tax (on building materials only) as hereinafter set forth. Such tax credit shall be granted in the form of a reduction in the applicable use tax rate (on building materials only) in an amount equivalent to the rate of the Credit PIF, and shall attach to a particular transaction only to the extent that the Credit PIF Revenues are collected and received by the Credit PIF Collecting Agent for such transaction. The tax credit for both the sales tax and the use tax shall be automatic and shall take effect immediately upon the applicable retailer's (as reflected on the retailer's periodic sales tax report to the City) or building permit applicant's remittance to and receipt by the Credit PIF Collecting Agent of the Credit PIF Revenues in accordance with the PIF Covenant and the Agreement. The tax credit for both the sales tax and the use tax shall be granted during the Credit PIF Period and shall terminate when the Credit PIF Period terminates. The sales tax credit granted pursuant to this provision shall be granted first against the one percent (1%) City sales tax deposited in the City's Capital Improvement Fund as provided in Section 3-28-15(c)(1) of this Code, and second against one-quarter percent (0.25%) of the City sales tax deposited in the City's Parks and Recreation Capital Improvement Fund as provided in Section 3-28-15(c)(2) of this Code. The use tax credit granted pursuant to this provision shall be granted against the use tax deposited in the City's General Fund. The maximum amount of credit that shall be granted hereunder is one and one-quarter percent (1.25%). All capitalized terms used in this Section and not otherwise defined herein shall have the meanings given to them in the Agreement.

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