

SERVICE PLAN
FOR
WATERFRONT METROPOLITAN DISTRICT

Prepared by

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EXHIBIT A – Map of the District

EXHIBIT B – Legal Description of the District

EXHIBIT C – Facilities Diagrams (C-1; C-2; C-3; C-4; C-5)

EXHIBIT D – Cost Estimates

EXHIBIT E – Financing Plan

EXHIBIT F – Statutory Contents of This Service Plan

EXHIBIT G – Market Study

EXHIBIT H – Draft Election Questions

I. INTRODUCTION

A. General Overview

1. Scope of Service Plan. This service plan ("Service Plan") for Waterfront Metropolitan District (the "District") constitutes a Service Plan for a special district proposed for organization to serve the needs of a new development to be known as "Waterfront" in the City of Loveland (the "City") in Larimer County (the "County"). The District is generally located on the east shore of Boyd Lake, south of Larimer County Road 30 and west of North Boyd Lake Avenue (Larimer County Road 9). It consists of approximately 170 total acres for residential development. Construction is scheduled over the next two to five years. Exhibit A contains a map of the District and Exhibit B contains a legal description for the District. All "Exhibits" referred to herein are attached to the end of this Service Plan.

Considerable public infrastructure will be constructed to provide the required water, wastewater, streets and other improvements needed for the area. This Service Plan addresses the improvements which will be provided by the special district and demonstrates how it will work to provide the necessary public improvements.

2. Configuration of District. It is possible that in the future additional property may be included in the District. Under Colorado law, the fee owner or owners of one hundred percent of any property proposed for inclusion may petition the board of directors for the District for inclusion, or annexation, of property into the District. Additionally, less than one hundred percent of the owners of an area may petition the District for inclusion, or the board of directors may adopt a resolution calling for an election on inclusion of the property. Boundary adjustments which add to, or subtract from, the total acreage of the District, as referenced in Exhibits A and B shall be considered a material modification of this Service Plan and shall require the approval of the City Council.

3. Long-Term District Plan. After all bonds or other debt instruments have been issued by the District and adequate provision has been made for payment of all District debt and the operation and maintenance of all District-owned facilities, the electorate of the District will have the opportunity to consider dissolution in accordance with state law. Ultimately, control of this decision will rest with the electorate in the District. At any time after the District's debt obligations have been fully discharged, the City may file an application with the District Board pursuant to § 32-1-701(3) C.R.S., and the District shall thereupon dissolve in a prompt and orderly manner. In such event, the authorized purposes and powers of the District shall automatically be curtailed and expressly limited to taking actions reasonably necessary to dissolve, the board of directors of the District will be deemed to have agreed with the City to dissolve without election pursuant to § 32-1-704(3)(b) C.R.S., and the District shall thereupon dissolve.

4. Existing Services and Districts. There are currently no other entities in existence in the development which have the ability and/or desire to undertake the design, financing, construction and operation and maintenance of the improvements designated herein which are needed for the community. It is also the developer's understanding that the City does not

consider it feasible or practicable to provide the necessary services and facilities for the development, as further described herein. Consequently, use of the new District is deemed necessary for the provision of public improvements in the development.

In order to minimize the proliferation of new governmental structures and personnel, the District intends to utilize existing entities as much as possible for the operation and maintenance of public improvements. Consequently, while the District will finance capital improvements and coordinate the provision of services, it is expected to utilize existing entities and personnel as much as possible. Double taxation will be avoided by the District undertaking the necessary capital financing with debt levies, and existing service providers furnishing day-to-day operations and maintenance with service charges and operating levies. Improvements, including storm drainage, street and traffic safety and associated landscaping improvements, will be conveyed to the City by the District and subsequent operations and maintenance of these improvements shall rest with the City. Park and recreation improvements will be owned, operated and maintained by the District or by a property owner association as described below. The District is located within the boundaries of the Fort Collins-Loveland Water District (the "Water District") and the South Fort Collins Sanitation District (the "Sanitation District"). All water and wastewater improvements constructed by the District will be conveyed to the appropriate water or sanitation provider for operation and maintenance. Water and wastewater services will be provided to the District by the appropriate service provider. The timing for conveyance of the improvements will be developed by mutual agreement between the District and the appropriate party as generally described above and in Section V hereof.

5. Property Owner Associations. Certain services may be provided within the District by one or more property owner associations which may be organized as Colorado non-profit, private membership organizations comprised of all property owners in the District. The associations are expected to provide architectural control services, community organizations, common area maintenance and other programs which may be beyond the scope of the District.

In addition, the District may contract with the associations for the provision of certain maintenance services for facilities within the boundaries of the District for which the District has assumed long-term operations and maintenance responsibility.

B. General Financial Information and Assumptions

The estimated assessed valuation within the District at build-out is expected to be approximately \$13,335,000.

The anticipated cost of the improvements necessary to provide access to and appropriate services within the District are provided in Exhibit D. Costs are shown for each category of improvements and the time at which they are anticipated to be constructed by the District. The District may obtain financing for the capital improvements needed for the development through the issuance of general obligation bonds or other debt instruments and from revenue bonds or other instruments. General obligation debt will be payable from revenues derived from ad valorem property taxes and from other sources. The preliminary financial forecasts ("Financing Plan") for the District are contained in Exhibit E to this Service Plan. The Financing Plan demonstrates one

method which might be used by the District to finance the cost of infrastructure. At the time bonds or other debt instruments are proposed to be issued, alternative financing plans may be employed and be utilized by the District as long as such an alternative financing plan does not result in any material economic deviation or a change in the risk to property owners.

The Financing Plan demonstrates that the cost of infrastructure described herein can be provided with reasonable mill levies. The figures contained herein depicting costs of infrastructure and operations shall not constitute legal limits on the financial powers of the District; provided, however, that the District shall not be permitted to issue bonds which are not in compliance with the bond registration and issuance requirements of Colorado law.

C. Contents of Service Plan

This Service Plan consists of a preliminary financial analysis and preliminary engineering plan showing how the facilities and services for the District can be provided and financed by the District. Numerous items are included in this Service Plan in order to satisfy the requirements of law for formation of special districts. Those items are listed in Exhibit F attached hereto. Each of the requirements of law are satisfied by this Service Plan.

The assumptions contained within this Service Plan were derived from a variety of sources. Information regarding the present status of property within the District, as well as the current status and projected future level of similar services, was obtained from the developer. Construction cost estimates were assembled by TST, Inc., which has experience in the costing and construction of similar facilities. Legal advice in the preparation of this Service Plan was provided by the law firm of White and Associates Professional Corporation which represents numerous special districts. Financial recommendations and legal advice in the preparation of the Financing Plan in this Service Plan were provided by J. W. Simmons and Associates which has experience in the preparation of financial plans for numerous special districts. The Owners of the real property comprising the District are R.S. Investments/Waterfront, LLC and The Genesee Company, LLC. The developer of the real property in the District is The Genesee Company, LLC (the "Developer"), a subsidiary of The Lennar Corporation, which has experience in residential and commercial development. The Genesee Company, LLC has developed many communities in the Denver and Fort Collins markets. Recent communities include:

- Genesee – Jefferson County
- Westwoods Ranch – Arvada
- Tablerock – Jefferson County
- Pine Ridge – Douglas County
- Horseshoe Lake – Loveland
- The Waterfront at Boyd Lake – Loveland
- Stonebridge - Golden

D. Modification of Service Plan

This Service Plan has been designed with sufficient flexibility to enable the District to provide required services and facilities under evolving circumstances without the need for numerous amendments. While the assumptions upon which this Service Plan are generally based are reflective of current zoning for the property within the District, the cost estimates and Financing Plan are sufficiently flexible to enable the District to provide necessary services and facilities without the need to amend this Service Plan as zoning changes. Modification of the general types of services and facilities, and changes in proposed configurations, locations, or dimensions of various facilities and improvements shall be permitted to accommodate development needs consistent with then-current zoning for the property. Boundary changes which do not add or subtract from the property originally comprising the District shall not be considered a material modification of this Service Plan, nor shall such boundary changes require the approval of the City.

II. NEED FOR NEW DISTRICT AND GENERAL POWERS

A. Need for Metropolitan District

The property in the District is currently undeveloped. No other public entities exist which will finance the construction of the facilities needed for the District. The intergovernmental agreements referred to in Section V hereof will address and define the activities to be undertaken by various entities with regard to public improvements. In order to make the most efficient utilization of existing governmental entities, the District may enter into cost share agreements for the financing and construction of certain improvements and for operations and maintenance of certain improvements.

B. General Powers of the District

The District will have power and authority to provide the services and facilities described in this Section both within and outside their boundaries in accordance with the law.

The District shall have authority to provide the services and facilities listed below, all of which shall be in conformance with City standards and specifications or those of other entities which may operate and maintain the completed improvements. The District will obtain all City – required approval of civil engineering plans and any required permits from the City for construction and installation of all improvements, as well as any approvals and permits required by the Water District and the Sanitation District. The District shall pay the City's fees associated with any and all such review and permit approval.

1. Sanitation. The design, acquisition, installation and construction of storm or sanitary sewers, or both, flood and surface drainage improvements including but not limited to, culverts, dams, retaining walls, access ways inlets, detention ponds and paving, roadside swales and curb and gutter, wastewater lift stations, force mains and wetwell storage facilities, and all necessary or proper equipment and appurtenances incident thereto, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions

of and improvements to said facilities or systems. The District shall not design, acquire, install, construct, operate or maintain any sewer treatment or disposal works or facilities.

2. Water. The design, acquisition, installation and construction of a complete water and irrigation water system, including but not limited to, water rights, water supply, transmission and distribution systems for domestic and other public or private purposes, together with all necessary and proper water rights, equipment and appurtenances incident thereto which may include, but shall not be limited to, transmission lines, distribution mains and laterals, storage facilities, land and easements, together with extensions of and improvements to said systems. The District shall not design, acquire, install, construct, operate or maintain any water well or water treatment or storage works or facilities.

3. Streets. The design, acquisition, installation, construction, operation, and maintenance of arterial street and roadway improvements, including but not limited to curbs, gutters, culverts, storm sewers and other drainage facilities, detention ponds, retaining walls and appurtenances, as well as sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, undergrounding of public utilities, snow removal equipment, or tunnels and other street improvements, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities.

4. Traffic and Safety Controls. The design, acquisition, installation, construction, operation, and maintenance of traffic and safety protection facilities and services through traffic and safety controls and devices on arterial streets and highways, as well as other facilities and improvements including but not limited to, signalization at intersections, traffic signs, area identification signs, directional assistance, and driver information signs, together with all necessary, incidental, and appurtenant facilities, land easements, together with extensions of and improvements to said facilities.

5. Parks and Recreation. The design, acquisition, installation, construction, operation and maintenance of public park and recreation facilities or programs including, but not limited to, grading, soil preparation, sprinkler systems, playgrounds, playfields, bike and hiking trails, pedestrian trails, pedestrian bridges, picnic areas, gazebos, boat docks and ramps, common area landscaping and weed control, outdoor lighting of all types, community events, and other facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

6. Transportation. The design, acquisition, installation, construction, operation and maintenance of public transportation system improvements, including transportation equipment, park and ride facilities and parking lots, parking structures, roofs, covers, and facilities, including structures for repair, operations and maintenance of such facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

7. Television Relay and Translator. The acquisition, construction, completion, installation and/or operation and maintenance of television relay and translator facilities, including but not limited to cable television and communication facilities, together

with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities.

8. Legal Powers. The powers of the District will be exercised by its board of directors to the extent necessary to provide the services contemplated in this Service Plan. The foregoing improvements and services, along with all other activities permitted by law, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act, other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time. However, the District may not exercise its power of eminent domain outside the boundaries of the District without the approval of the City Council.

9. Other. In addition to the powers enumerated above, the board of directors of the District shall also have the following authority:

a. To amend this Service Plan as needed, subject to the appropriate statutory notice and procedures, provided that any material modification of this Service Plan shall be made only with the approval of the City Council in accordance with § 32-1-207, C.R.S. The District shall have the right to amend this Service Plan independent of the participation of other districts; provided, that the District shall not be permitted to amend those portions of this Service Plan which affect, impair, or impinge upon the rights or powers of another district without such other district's consent; and

b. To forego, reschedule, or restructure the financing and construction of certain improvements and facilities, in order to better accommodate the pace of growth, resource availability, and potential inclusions of property within the District, or if the development of the improvements and facilities would best be performed by another entity; and

c. To provide all such additional services and exercise all such powers as are expressly or impliedly granted by Colorado law, and which the District is required to provide or exercise or, in its discretion, choose to provide or exercise; and

d. To exercise all necessary and implied powers under Title 32, C.R.S. in the reasonable discretion of the board of directors of the District.

10. City's Laws and Regulations. Notwithstanding anything contained herein to the contrary, the District shall be subject to and comply with all applicable provisions of the City's Charter, Code, rules, regulations, standards and policies. In addition, the District shall timely provide to the City Clerk a copy of all notices of all District board meetings.

III. DESCRIPTION OF FACILITIES AND IMPROVEMENTS

The District will be permitted to exercise its statutory powers and its respective authority as set forth herein to finance, construct, acquire, operate and maintain the public facilities and improvements described in Section II of this Service Plan either directly or by contract. Where appropriate, the District will contract with various public and/or private entities to undertake such functions. The District may also petition existing governmental entities for inclusion of part or all

of the property within the District into an existing service area. Improvements which are to be dedicated to the City shall be designed and constructed in accordance with City and applicable State and Federal laws, regulations and standards. There are currently no other entities in the vicinity of the proposed District providing the following services, nor shall the services provided by the District duplicate or interfere with those services provided by the City.

The diagrams contained in this Section show the conceptual layouts of the public facilities and improvements described in Section II hereof. Detailed information for each type of improvement needed for the District is set forth in the following pages. It is important to note that the preliminary layouts contained in this Section are conceptual in nature only, and that modifications to the type, configuration, and location of improvements will be necessary as development proceeds. The District may build the arterial roads and main water and sewer improvements necessary to serve the Project. All local and lateral improvements are expected to be handled by the Developer or individual builders, as appropriate. All facilities will be designed in such a way as to assure that the facility and service standards will be compatible with those of the City, and of other municipalities and special districts which may be affected thereby. The District shall not be required to issue letters of credit to the City or to provide other security for public improvements to be constructed by the District except as required by City ordinances, regulations and standards.

The following sections contain general descriptions of the contemplated facilities and improvements which will be financed by the District.

A. General

Construction of all planned facilities and improvements will be scheduled to allow for proper sizing and phasing to keep pace with the need for service. All descriptions of the specific facilities and improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, requirements of the City, and construction design or scheduling may require. As depicted herein, the majority of capital improvements to be constructed by the District are necessary in the initial years of development.

B. General Design Standards

Improvements within the District, including, without limitation, those specifically listed herein, will be designed and installed District in conformance with current standards adopted by the District, the City and the appropriate service providers including, without limitation, the Water District and the Sanitation District. Designs and contract documents prepared for improvements must be reviewed and approved by the District and the City with payment by the District of the City's associated costs of review and must be in accordance with the applicable standards and specifications as set forth herein.

1. Wastewater System. The sanitary sewer lines will be designed and installed to conform to the current standards and recommendations of the Colorado Department of Health, the City, the Sanitation District, the Rules and Regulations adopted by the District and sound engineering judgment.

All major elements of the sanitary sewer lines required for proper operation will be designed and installed by the District. Operations and maintenance of all wastewater facilities will be provided by the Sanitation District. The development plan for the proposed sanitary sewer lines is described in Exhibit C-1.

2. Storm Drainage.

a. Generally. The District plans to install the necessary storm drainage system to serve the development. The proposed elements of the storm drainage system will provide a network of culverts, roadside swales, pipes, detention and water quality ponds, inlet and outlet structures, and curbs and gutters designed and installed in accordance with applicable regulatory standards and sound engineering judgement. The District will design and install all storm drainage improvements except for specific improvements within individual development parcels which will be designed and installed by individual developers.

All major storm drainage facilities will be designed to conform to the standards and recommendations for drainage improvements pursuant to City design criteria, the Rules and Regulations of the District and standards of other affected governmental entities. The development plan for the proposed storm drainage system within the project is more specifically described in Exhibit C-2.

b. Culverts. Culverts will be installed under all roadways that intersect storm drainage channels. Culverts will be designed to pass flows as required and may include headwalls, wing walls, inlet and outlet structures, and riprap protection to enhance their hydraulic capacity and reduce bank or channel erosion. Low water crossing shall be allowed in place of culverts at the discretion of the District and with the approval of the City.

An overall drainage plan will be developed that will identify the major facilities necessary to convey the storm runoff from the District. This plan will include all infrastructure required to convey the flows generated within the District. This plan must maintain the flexibility to modify the major drainage facilities as more detailed information is generated during the design of the individual phases. The overall drainage plan will include the utilization of storm sewers, drainage channels, streets, gutters, culverts and ponds.

3. Water System.

a. Overall Plan. The water system will be comprised of a water distribution system consisting of buried water mains, fire hydrants, and related appurtenances located predominately within the District's boundaries. The final configuration of the internal water system is yet to be designed. When design and construction are finalized, the system will serve each development tract from adjacent streets and roads. All major elements of the water facilities will be designed, and installed by the District. Operations and maintenance of all water facilities will be provided by the Water District in accordance with Section III.C of this Service Plan.

b. Design Criteria. The proposed domestic potable water distribution system is expected to include pressurized water mains with multiple pressure zones. Water system components will be installed in accordance with the applicable standards of all entities with jurisdiction over the District. The proposed water system shall be constructed in compliance with any applicable City standards and any applicable standards set forth by the Water District. The water system will also be designed based on applicable fire protection requirements. The development plan for the proposed water system is more specifically described in Exhibit C-3.

4. Street System and Traffic Safety.

a. General. The District proposes to construct a collector street system to serve the development. The existing and proposed elements of the street system will provide a network of rural collector or local streets to serve the flow of traffic within the District. All facilities will be designed and installed in accordance with applicable regulatory standards and sound engineering judgement. The development plan for the proposed street system is more specifically described in Exhibit C-4.

b. Streets. Public streets shall be designed and installed to conform to the standards and recommendations of Colorado Department of Highways (where applicable), City standards and specifications and the Rules and Regulations adopted by the District.

Traffic controls and signage shall be provided along streets to enhance the flow of traffic within the project in accordance with the City's standards. Street lights shall be installed by the District along collector roadways in accordance with the City's standards. Lighting of local roadways will be the responsibility of the individual developers of the residential parcels.

c. Landscaping. Landscaping shall be installed by the District along the roadway rights-of-way and trail easements in accordance with City standards. The District shall also install and maintain landscaped highlights along the internal streets and entry features at major entrances. Additional features may be installed and maintained by the developers of the individual parcels.

d. Signals and Signage. Signals and signage shall be installed by the District as required by traffic studies, the District's Rules and Regulations, the City and the Colorado Department of Transportation. Additional signage may be installed as needed to accommodate development.

5. Parks and Recreation. Any park and recreational facilities and/or services that the District determines to undertake shall be constructed in accordance with plans and specifications approved by the City. All park and recreational facilities will be constructed in accordance with engineering and design requirements appropriate for the surrounding terrain, and shall be compatible with the City's standards or the standards of other local public entities, as appropriate. The development plan for the proposed park and recreation system is more specifically described in Exhibit C-5.

C. Dedication of Improvements.

The District shall dedicate the following public improvements to the City upon completion of their construction and installation: all public streets and those streets dedicated by plat, all public drainage facilities and all public sidewalks as well as all rights-of-way and easements necessary for access to facilities. The District shall dedicate public water improvements to the Water District and all sanitary sewer improvements to the Sanitation District. The District shall, at its sole cost and expense, acquire all property required by the City or other special districts for the construction of public improvements to be provided by the District pursuant to this Service Plan. All land and easements customarily dedicated by a developer to public entities such as the City, the County, school districts or other public entities will be dedicated by the Developer directly to such entities and will not be purchased by the District for dedication to such entities.

An initial acceptance letter shall be issued by the City specifying that the public improvements dedicated to the City shall be warranted for a period of two calendar years from the date of such dedication. Should the public improvements conform to the City's specifications and standards, the City shall issue a "Final Acceptance" form letter to the District at the completion of the warranty period. At the City's discretion, dedication may take place after the expiration of the two-year warranty period.

Failure of the District to comply with these dedication requirements shall be deemed to be a material departure from this Service Plan. Such dedication requirements shall not be amended without prior approval of the City Council.

D. Services of the District.

The District will require operating funds to plan and cause the facilities contemplated herein to be completed. Such costs are expected to include reimbursement of organizational costs, legal, engineering, accounting, bond issuance costs and compliance with state reporting and other administrative requirements. The first year's operating budget is estimated to be approximately \$30,000. An overall Financing Plan showing the anticipated operating costs for the first budget year and thereafter, phasing of bond issues, and related matters is attached as Exhibit E. Notwithstanding the projections set forth in the Financing Plan such amounts are therefore subject to increase and may be paid from any legally available revenues including, but not limited to, fees or charges legally imposed by the District. Organizational costs and capital costs expended for public infrastructure prior to the date of organization, if any, will be reimbursed to the Developer by the District out of their initial revenue sources including bond issue proceeds. The District may acquire completed improvements from the Developer with bond proceeds. Certain of those improvements will then be conveyed by the District to the appropriate service provider, or to the City.

E. Estimated Cost of Facilities

The estimated cost of the facilities to be constructed, installed and/or acquired by the District are shown in Exhibit D and include contingencies, supervision for the administrative oversight

process including necessary approvals, and construction management for onsite management of ongoing capital construction. The estimated costs do not include the costs of acquisition of any land or easements needed by the District for the Improvements, however, the District shall have the ability to finance such acquisitions.

IV. DEVELOPMENT PROJECTIONS

The Genesee Company is under contract to purchase 150 of the 200 lots in the District and will build several different single-family detached series of homes on these lots. The remaining 50 lots are custom lots and will be sold to individuals and custom builders. There is currently a list of over 100 potential purchasers who have expressed an interest in custom lots at the District. While it is impossible to be certain, the Developer is confident that the pace of development will match its expectations of the growth potential in this particular community. Attached as Exhibit G is a Market Study prepared by a local analyst which shows that the absorption rates proposed by the Developer are reasonable.

V. PROPOSED AND EXISTING AGREEMENTS

A. Agreements/Authority

To the extent practicable, the District may enter into intergovernmental and private agreements to better ensure long-term provision of the improvements and services and effective management. Agreements may also be executed with property owner associations and other service providers. All such agreements are authorized to be provided by the District, pursuant to Colorado Constitution, Article XIV, Section 18 (2)(a) and Sections 29-1-201, *et seq.*, C.R.S.

VI. OPERATION AND MAINTENANCE COSTS

Estimated costs for operation and maintenance functions are presented in the Financing Plan, attached hereto as Exhibit E.

VII. FINANCIAL PLAN

A. Debt Issuance Limitation.

The District shall be responsible for construction of the facilities described herein to the extent it has borrowed funds from private entities as previously discussed or to the extent the District has the financial resources to provide funding for the construction of such facilities. The total estimated costs of the facilities is approximately \$9,000,000, in 2003 dollars, that are exclusive of costs of issuance, organizational costs, inflation and other similar costs, but inclusive of contingencies, engineering and construction management. The total amount of bonds or other evidence of borrowing which may be issued by the District shall be \$7,000,000, inclusive of costs of issuance, organizational costs, inflation, and other similar costs ("Debt Issuance Limit"). Debt may be restructured to accomplish a refunding or reissuance, provided the principal amount of debt does not exceed the Debt Issuance Limit set forth above. The Debt Limit shall not be increased unless approved by the City and as permitted by statute. Any

change in Debt Issuance Limit shall be considered a material modification of the Service Plan requiring City Council approval.

B. Approval of Debt Issuance.

It is currently anticipated that the District will issue general obligation bonds in amounts sufficient to permit it to construct all or a portion of the needed facilities. The District anticipates it will issue debt in the approximate amount of \$6,200,000. The timing of issuance of bonds may be adjusted from time to time to meet development requirements, however the District may not issue any bonds after 2014, except with prior approval of the City Council as evidenced by a resolution after a public hearing thereon, and any attempted issuance in violation of this provision shall be deemed to be a material departure from the Service Plan. All bonds or other financial obligations shall provide that the District's obligations shall be discharged thirty (30) years after the date of issuance regardless of whether such obligations are paid in full. The District will be seeking initial voter approval for general obligation debt issuance in the approximate amount of \$16,300,000. Despite the amount of voted authorization, the above Service Plan Debt Issuance Limit serves as the ultimate cap for the bonds or other financial obligations the District shall incur. The general form of questions authorizing the issuance of debt and the levying of taxes proposed to be submitted by the District to their voters are attached hereto as Exhibit H which may be modified as deemed reasonably necessary by the District's bond counsel. A copy of any such changes shall be sent to the City's legal department for its files. Prior to the issuance of any bonds or the incurrence of any other financial obligations evidencing a borrowing, the District must provide the City Attorney with an opinion prepared by nationally recognized bond counsel or District counsel evidencing that the District has complied with all Service Plan requirements relating to such bonds or such other financial obligations.

C. Identification of District Revenue.

All bonds issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all taxable property within the District, subject to the following limitations:

1. So long as the state residential assessment ratio is set at 7.96% the maximum mill levy the District may impose for the payment of general obligation debt and for operations and maintenance shall be 46 mills ("the "Mill Levy Cap"). The Mill Levy Cap may be eliminated when the total assessed valuation of the District reaches \$15 million. The Mill Levy Cap shall be subject to adjustment if, at any time after the date of approval of the Service Plan, the laws of the State change with respect to the assessment of property for taxation purposes, the ratio for determining assessed valuation changes, or other similar changes occur. In any of these events, the Mill Levy Cap shall be automatically adjusted so that the tax liability of individual property owners neither increases nor decreases as a result of any such changes, thereby maintaining a constant level of tax receipts of the District and overall tax payments from property owners. The District shall not impose or attempt to impose a mill levy on any of the property conveyed or dedicated to the City as provided in this Service Plan.

2. Any debt issued by the District must be issued in compliance with the requirements of § 32-1-1101(6) C.R.S., as amended, and must be exempt from registration under §11-59-110 C.R.S., as amended. The District anticipates issuing debt that is exempt from registration by virtue of being credit enhanced or issued exclusively to “accredited investors” as such term is defined under Sections 3(b) and (4)(2) of the Federal Securities Act of 1933. This will ensure that appropriate development risk associated with current and future development within Waterfront remains with the Developer until such time as the assessed valuation therein is sufficient to support the debt service requirements of the District with the imposition of the maximum allowable Mill Levy Cap. It is anticipated that the initial funding for both capital and ongoing administrative requirements of the District will be provided by the Developer in the form of advances in exchange for bonds or for promissory notes, short-term reimbursement agreements or other acceptable agreements, which will provide for repayment to the Developer from general obligation bond proceeds or other legally available sources of revenue, and refinancing of the same shall not require prior City approval, except that prior to the issuance of any such bonds, the City Attorney shall receive the opinion of nationally recognized bond counsel or of District counsel as required by Section VII.B hereof. Interest shall not be allowed on such repayment obligation to the Developer unless the assessed valuation in the District generates sufficient cash flow to pay all such interest annually. Such interest may not compound.

The District shall not issue bonds with a provision that allows as a remedy upon default acceleration of payment of the principal of any bonds or other financial obligations of the District, except the District is authorized to accelerate payment of credit enhanced bonds or obligations, provided that the credit-enhancer shall be responsible for payment on such accelerated bonds or obligations.

In addition to revenues from the District’s mill levy, the District may receive revenue from specific ownership taxes, Developer advances, interest income, oversizing and reimbursement agreements with the City, Developer fees and other sources. The District shall have the authority to use all available revenues in any legally permissible manner.

D. Security for Debt.

The District shall not pledge any revenue or property or other assets of the City as security for the indebtedness set forth in the Financial Plan of the proposed District.

E. Refinancing of District Debt.

Notwithstanding any provision of state statute to the contrary, the District shall not extend the final maturity or increase the total debt service of any debt through refinancing or any other method without the prior approval of the City Council, following a public hearing thereon.

F. Filings with City and Quinquennial Review.

(i) The District shall file with the City the following information and documents promptly after they become available in their final, executed form:

- (a) Audited financial statements of the District;
- (b) Annual Budgets of the District;
- (c) Construction Contracts;
- (d) Intergovernmental Agreements;
- (e) Resolutions regarding issuance of bonds or other financial obligations, including relevant financing documents, credit agreements and official statements.

(ii) Pursuant to § 32-1-1101.5, at the City's request, the District shall submit an application for a quinquennial finding of reasonable diligence in every fifth calendar year after the calendar year in which the District's ballot issues to incur general obligation indebtedness were approved by its electors. In the event that the City determines that a public hearing is necessary on such application, such hearing shall be held in accordance with § 32-1-1101.5(2)(a) and a determination for continuation of the authority of the board of directors of the District to issue any remaining authorized general obligation debt shall be made at that time. At the City's sole discretion, the District shall pay an administrative fee for any review required by City under this Section.

The Financing Plan demonstrates one method that might be used by the District to finance the cost of infrastructure. Due to the support expected to be received from the Developer, the Financing Plan demonstrates that the cost of infrastructure described herein can be provided with reasonable mill levies assuming reasonable increases in assessed valuation and assuming the rate of build-out estimated in the Financing Plan.

G. Other Financial Information

The balance of the information contained in this Article VII is preliminary in nature. Upon approval of this Service Plan, the District will continue to develop and refine cost estimates contained herein and prepare for bond issues. All cost estimates will be inflated to then-current dollars at the time of bond issuance and construction. All construction cost estimates assume construction to applicable local, state or federal requirements.

In addition to ad valorem property taxes, and in order to offset the expenses of the anticipated construction as well as operations and maintenance, the District will rely upon various other revenue sources authorized by law. These will include the power to assess fees, rates, tolls, penalties, or charges as provided in § 32-1-1001(l), C.R.S., as amended, from time to time. It is anticipated that a system of user charges may also be established for any recreational improvements and other improvements not owned and operated by the City.

The Financing Plan does not project any significant accumulation of fund balances which might represent receipt of revenues in excess of expenditures under the TABOR Amendment. To the extent annual District revenues exceed expenditures in this manner, the District will comply with the provisions of TABOR and either refund the excess or obtain voter approval to retain such amounts. Initial spending and revenue limits of the District, as well as mill levies, will be established by elections which satisfy TABOR requirements. In the discretion of the board of

directors, the District may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the District will remain under the control of its board of directors.

The estimated costs of the facilities and improvements to be constructed and installed by the District, including the costs of engineering services, legal services, administrative services, initial proposed indebtedness, and other major expenses related to the facilities and improvements to be constructed and installed, are set forth in Exhibit D of this Service Plan. The maximum net effective interest rate on bonds shall be 12 percent (12%). The proposed maximum underwriting discount shall be five percent (5%). The general obligation bonds, when issued, shall mature not more than thirty (30) years from date of issuance, and the first maturity shall be not later than three (3) years from the date of its issuance, as required by statute. The estimated costs of the organization and initial operation of the District through December 31, 2003 including legal, engineering, administrative and financial services, are expected to be approximately \$100,000. Organizational costs will be reimbursed to the Developer by the District out of their initial revenue sources including bond issue proceeds. The timing of issuance of bonds, as set forth in Exhibit E hereto, may be adjusted from time to time except that the District may not issue any bonds after 2014 without prior approval of the City Council as evidenced by a resolution after a public hearing thereon, and any attempted issuance in violation of this provision shall be deemed a material departure from the Service Plan.

H. Enterprises.

The District's board of directors may not set up enterprises to manage, fund and operate such facilities, services and programs as may qualify for enterprise status using the procedures and criteria provided by Article X, Section 20, of the Colorado State Constitution without the prior written consent of the City. To the extent provided by law, any enterprise created by the District will remain under the control of the board of directors of the District. Additionally, the District and the board of directors may not establish 63-20 Corporations without the prior written consent of the City.

I. Conservation Trust Fund.

The District shall claim no entitlement to funds from the Conservation Trust Fund, the Great Outdoor Colorado Fund or any other grant moneys for which the City may be eligible, without the prior written consent of the City.

J. Elections; Other Requirements

All elections will be conducted as provided by the Uniform Election Code of 1992, as amended, and the TABOR Amendment. The election questions may include TABOR Amendment ballot questions. Thus, the ballot may deal with the following topics (in several questions, but not necessarily using the exact divisions shown here):

1. Approval of new taxes,
2. Approval of maximum operational mill levies,
3. Approval of bond and other indebtedness limits,
4. Approval of property tax revenue limitations,
5. Approval of total revenue limits, and
6. Approval of a four-year delay in voting on ballot issues.

Ballot issues may be consolidated as approved in Court orders. The City should be assured that the District intends to follow both the letter and the spirit of the Special District Act, the Uniform Election Code of 1992, and the TABOR Amendment and any City requirements. Future elections to comply with the TABOR Amendment are anticipated, and may be held as determined by the elected board of directors of the District.

VIII. CONCLUSIONS

It is submitted that this Service Plan for Waterfront Metropolitan District as required by § 32-1-203(2), C.R.S., has established that:

1. There is sufficient existing and projected need for organized service in the area to be served by the District;
2. The existing service in the area to be served by the District is inadequate for present and projected needs;
3. The District is capable of providing economical and sufficient service to the area within its boundaries;
4. The area included in the District will have the financial ability to discharge the proposed indebtedness on a reasonable basis;
5. Adequate service is not, and will not be, available to the area through the City, or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
6. The facility and service standards of the District are compatible with the facility and service standards of the City within which the District is to be located;
7. The proposal is in substantial compliance with a master plan adopted by the City pursuant to § 31-23-206, C.R.S.;

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

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

Therefore, it is requested that the City Council of the City, which has jurisdiction to approve this Service Plan by virtue of § 32-1-204.5, et seq., C.R.S., as amended, adopt a resolution which approves this Service Plan for Waterfront Metropolitan District as submitted.

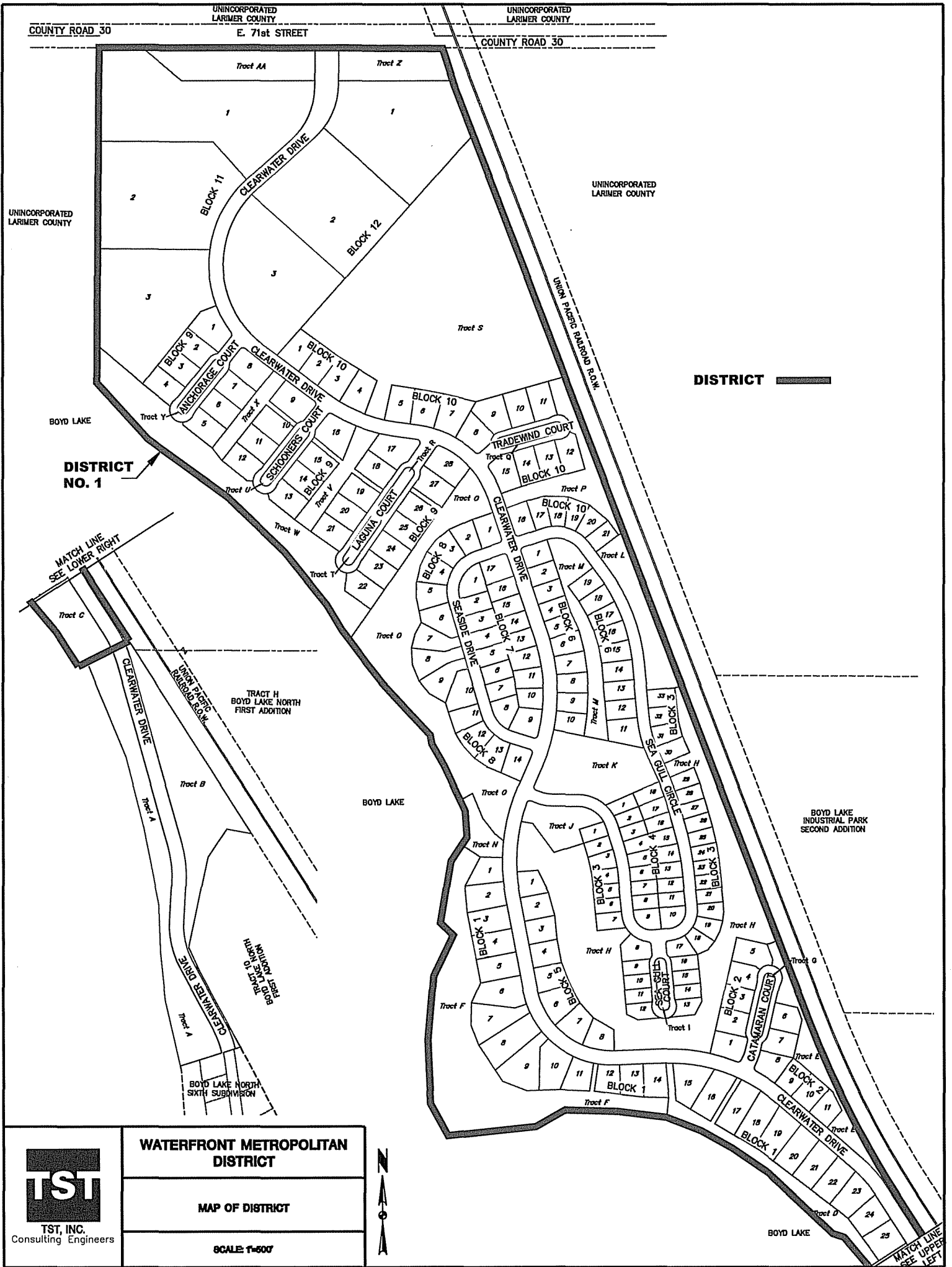
Respectfully submitted,

By: _____

Alysse A. Emery

White and Associates Professional Corporation
Counsel to Proponents of the District

EXHIBIT A
Map of the District



TST, INC.
Consulting Engineers

WATERFRONT METROPOLITAN DISTRICT

MAP OF DISTRICT

SCALE: 1"=500'

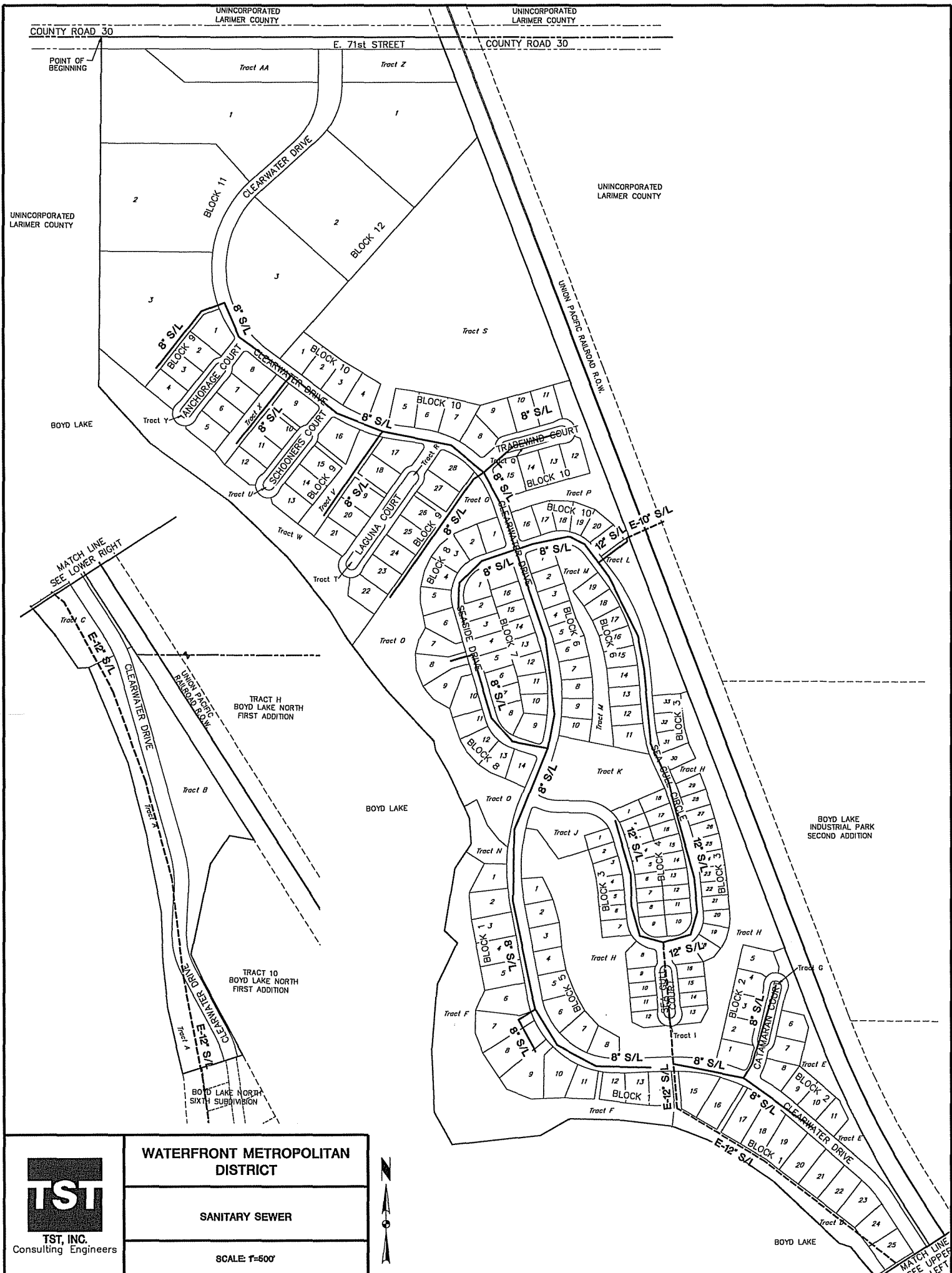


EXHIBIT B
Legal Description of the District

Legal Description
Waterfront Metropolitan District

Waterfront First Subdivision as recorded June 26, 2002 at Reception No. 2002068407 in the office of the Larimer County Clerk and Recorder, less and except Tracts A & B. Said parcel contains 174.09 Acres (758,3425 s.f.) more or less.

EXHIBIT C-1
Sanitary Sewer Improvements



 TST, INC. Consulting Engineers	WATERFRONT METROPOLITAN DISTRICT
	SANITARY SEWER
	SCALE: 1"=500'



EXHIBIT C-2
Storm Drainage Improvements

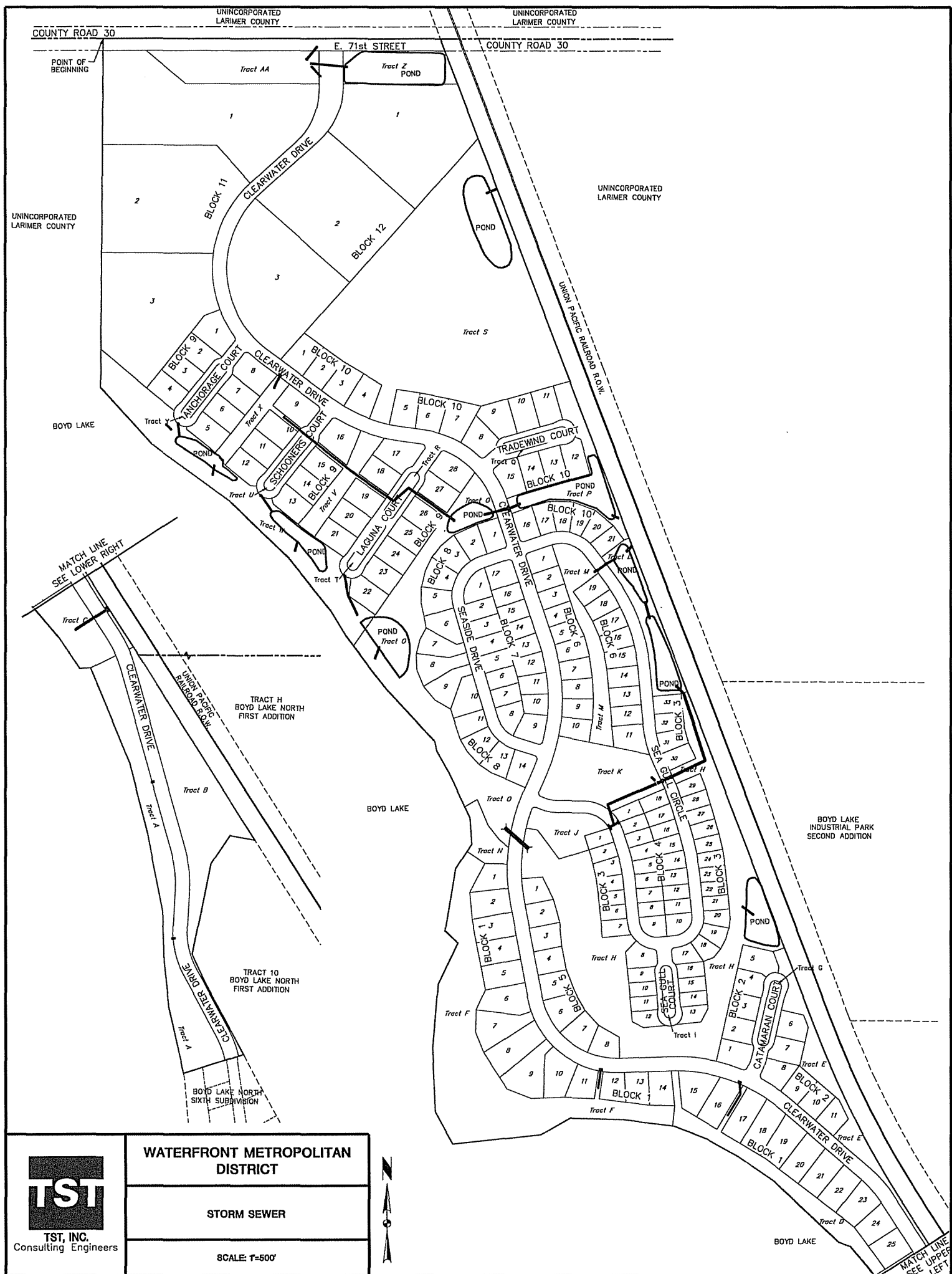


EXHIBIT C-3
Water Improvements

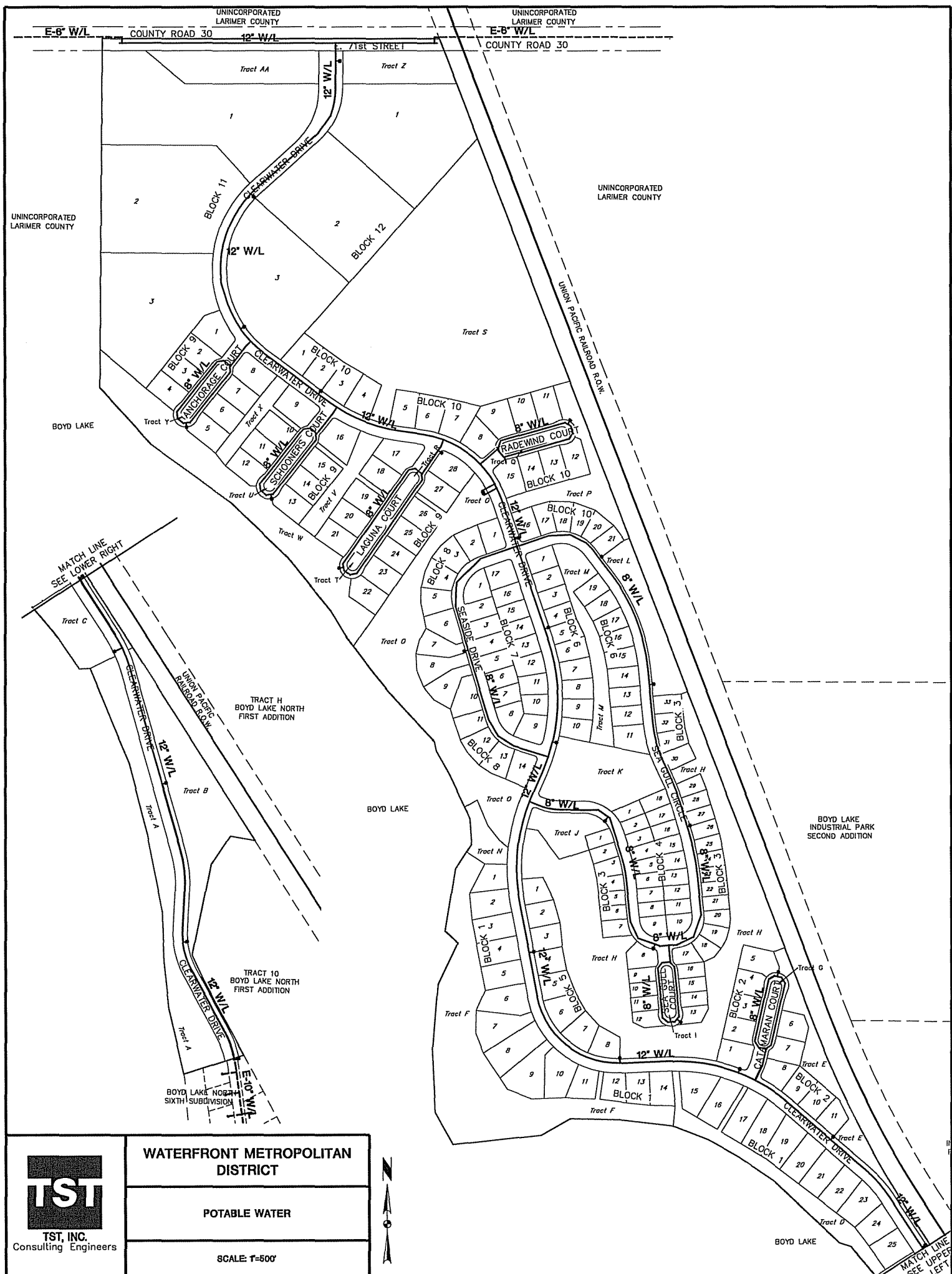


EXHIBIT C-4
Street and Roadway Improvements

UNINCORPORATED
LARIMER COUNTY

BOYD LAKE

BOYD LAKE
INDUSTRIAL PARK
SECOND ADDITION

BOYD LAKE NORTH
SIXTH SUBDIVISION

**WATERFRONT METROPOLITAN
DISTRICT**

STREET PLAN

SCALE: T=500'



TST, INC.
Consulting Engineers

MATCH LINE
SEE UPPER
LEFT

EXHIBIT C-5
Parks and Recreational Improvements

UNINCORPORATED LARIMER COUNTY

UNINCORPORATED LARIMER COUNTY

BOYD LAKE

BOYD LAKE

BOYD LAKE INDUSTRIAL PARK
SECOND ADDITION

BOYD LAKE

MATCH LINE
SEE LEFT

MATCH LINE
SEE LOWER RIGHT

TRACT H
BOYD LAKE NORTH
FIRST ADDITION

TRACT 10
BOYD LAKE NORTH
FIRST ADDITION

BOYD LAKE NORTH
SIXTH SUBDIVISION

**WATERFRONT METROPOLITAN
DISTRICT**

PARKS AND RECREATION PLAN

SCALE: 1"=500'



TST, INC.
Consulting Engineers



EXHIBIT D
Cost Estimates

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
 Project: Waterfront Metropolitan District
 Job No. 0738039

Date: 5/14/03
 By: N.M.D.

No.	Item	Quantity	Units	Unit Cost	Total
1. SANITARY SEWER					
	8" PVC SEWER (UNDER 15')	5,895	LF	\$28.60	\$168,597
	12" PVC SEWER (UNDER 15')	1,695	LF	\$31.90	\$54,071
	8" PVC SEWER (OVER 15')	3,533	LF	\$36.30	\$128,248
	12" PVC SEWER (OVER 15')	795	LF	\$40.70	\$32,357
	4' DIAMETER MANHOLE	61	EA	\$1,633.50	\$99,644
	6" SERVICES	1	EA	\$1,529.00	\$1,529
	4" SERVICES	177	EA	\$935.00	\$165,495
	4" SERVICE ON EXISTING	19	EA	\$889.90	\$16,908
	ABANDON EXISTING MHS	4	EA	\$231.00	\$924
	TIE TO EXISTING	3	EA	\$1,617.00	\$4,851
	ADJUST MANHOLES	62	EA	\$408.10	\$25,302
	60" PLATFORM MANHOLE	1	EA	\$3,657.50	\$3,658
	16" STEEL CASING	24	LF	\$96.80	\$2,323
	ADD FOR DROP MANHOLES	3	EA	\$737.00	\$2,211
UNDERDRAIN					
	4" PERFORATED PVC	750	LF	\$22.00	\$16,500
	4" NON-PERFORATED PVC	847	LF	\$22.00	\$18,634
	4" PVC 90 BEND	3	EA	\$9.90	\$30
	4" PVC 45 BEND	2	EA	\$7.70	\$15
	4" PVC 22 BEND	2	EA	\$7.70	\$15
	4" PVC 11 BEND	3	EA	\$7.70	\$23
	4" CLEANOUT	8	EA	\$96.80	\$774
	WEEPHOLE	5	EA	\$119.90	\$600
	LAMPHOLE COVERS	13	EA	\$168.30	\$2,188
	ADJUST LAMPHOLE COVERS	13	EA	\$192.50	\$2,503
<i>Sanitary Sewer & Underdrain Subtotal</i>					\$747,398
2. STORM SEWER					
	12" HDPE	45	LF	\$28.60	\$1,287
	18" HDPE	992	LF	\$30.80	\$30,554
	24" HDPE	70	LF	\$39.60	\$2,772
	30" HDPE	217	LF	\$44.00	\$9,548
	36" HDPE	91	LF	\$52.80	\$4,805
	42" HDPE	491	LF	\$72.60	\$35,647
	18" HDPE FES	16	EA	\$170.50	\$2,728
	24" HDPE FES	1	EA	\$232.10	\$232
	30" HDPE FES	1	EA	\$585.20	\$585
	36" HDPE FES	2	EA	\$634.70	\$1,269
	42" HDPE FES	1	EA	\$936.10	\$936

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
 Project: Waterfront Metropolitan District
 Job No. 0738039

Date: 5/14/03
 By: N.M.D.

38 X 60 RCP FES	1	EA	\$674.30	\$674
4' X 6' RC BOX CULVERT	127	LF	\$374.00	\$47,498
38 X 60" RCP	30	LF	\$148.50	\$4,455
34 x 53" RCP	45	LF	\$123.20	\$5,544
30" RCP	51	LF	\$56.10	\$2,861
27" RCP	375	LF	\$53.90	\$20,213
24" RCP	893	LF	\$48.40	\$43,221
18" RCP	210	LF	\$40.70	\$8,547
30" RCP FES	1	EA	\$672.10	\$672
24" RCP FES	2	EA	\$531.30	\$1,063
18" RCP FES	1	EA	\$460.90	\$461
CONCRETE ENCASE 18" JOINTS	3	EA	\$383.90	\$1,152
CONCRETE ENCASE 34 x 53" JOINTS	3	EA	\$573.10	\$1,719
CONCRETE ENCASE 27" JOINTS	3	EA	\$459.80	\$1,379
18" ADS CLAY BARRIERS	4	EA	\$326.70	\$1,307

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
Project: Waterfront Metropolitan District
Job No. 0738039

Date: 5/14/03
By: N.M.D.

HEADWALL FOR 18"	7	EA	\$1,565.30	\$10,957
HEADWALL FOR 18" W / FLAPPER GATE	4	EA	\$2,486.00	\$9,944
HEADWALL FOR 27"	2	EA	\$3,853.30	\$7,707
HEADWALL FOR 27" W / FLAPPER GATE	1	EA	\$3,895.10	\$3,895
HEADWALL FOR 36"	1	EA	\$1,612.60	\$1,613
HEADWALL FOR 38 X 60"	1	EA	\$2,109.80	\$2,110
HEADWALL FOR 4 X 6' RC BOX CULVERT	2	EA	\$8,886.90	\$17,774
5' TYPE R INLET	5	EA	\$3,059.10	\$15,296
10' TYPE R INLET	6	EA	\$3,480.40	\$20,882
20' TYPE R INLET	2	EA	\$6,927.80	\$13,856
TYPE C INLET	2	EA	\$2,082.30	\$4,165
TRIPLE TYPE C INLETS	1	EA	\$3,833.50	\$3,834
4' DIAMETER MANHOLE	3	EA	\$1,357.40	\$4,072
5' DIAMETER MANHOLE	7	EA	\$1,881.00	\$13,167
TYPE L RIPRAP 1.25' DEPTH	1,072	SF	\$5.50	\$5,896
BURIED CL 9 RIPRAP	10,410	SF	\$4.40	\$45,804
CLASS 9 GROUTED RIPRAP	1,150	SF	\$12.10	\$13,915
ADJUST MANHOLES	10	EA	\$331.10	\$3,311
OVERLOT GRADING	1	LS	\$301,744.30	\$301,744
EROSION CONTROL	1	LS	\$222,420.00	\$222,420
RETAINING WALL (BLOCK)	352	LF	\$126.50	\$44,528
WETLANDS MITIGATION	1	LS	\$84,213.80	\$84,214
SWALE STABILIZATION	1	LS	\$48,629.90	\$48,630
Storm Sewer Subtotal				\$429,325
3. WATER				
12" PVC	9,590	LF	\$27.50	\$263,725
8" PVC	5,705	LF	\$20.90	\$119,235
6" PVC	4,850	LF	\$19.80	\$96,030
20" STEEL CASING	22	LF	\$104.17	\$2,292
TIE TO EXISTING	2	EA	\$1,475.10	\$2,950
12 X 10 REDUCER	1	EA	\$239.80	\$240
12" VALVE / BOX	8	EA	\$1,479.50	\$11,836
12" 11 1/4 BEND	3	EA	\$346.50	\$1,040
12" LOWERING	3	EA	\$2,087.80	\$6,263
12" RESTRAINED JOINTS	270	LF	\$13.20	\$3,564
PIPE DEFLECTION	370	LF	\$5.94	\$2,198
12 X 8 TEE	3	EA	\$482.90	\$1,449
12 X 6 TEE	19	EA	\$412.50	\$7,838

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
Project: Waterfront Metropolitan District
Job No. 0738039

Date: 5/14/03
By: N.M.D.

12 X 8 CROSS	1	EA	\$541.20	\$541
8" VALVE / BOX	8	EA	\$834.90	\$6,679
8 X 8 TEE	1	EA	\$310.20	\$310
8 X 6 TEE	9	EA	\$298.10	\$2,683
8 X 6 REDUCER	5	EA	\$180.40	\$902

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
 Project: Waterfront Metropolitan District
 Job No. 0738039

Date: 5/14/03
 By: N.M.D.

TEMPORARY FIRE HYDRANT	8	EA	\$1,651.10	\$13,209
8" 45 BEND	11	EA	\$237.60	\$2,614
8" 22 1/2 BEND	11	EA	\$238.70	\$2,626
8" 11 1/4 BEND	7	EA	\$242.00	\$1,694
FIRE HYDRANT	28	EA	\$1,651.10	\$46,231
6" VALVE / BOX	43	EA	\$589.60	\$25,353
6 X 6 TEE	10	EA	\$233.20	\$2,332
6" 90 BEND	1	EA	\$210.10	\$210
6" 45 BEND	37	EA	\$196.90	\$7,285
6" 22 1/2 BEND	1	EA	\$201.30	\$201
6" 11 1/4 BEND	5	EA	\$213.40	\$1,067
1" AIR RELEASE ASS.	3	EA	\$2,082.30	\$6,247
1" SERVICE	1	EA	\$889.90	\$890
3/4" SERVICE	200	EA	\$733.70	\$146,740
ADJUST VALVE BOXES	59	EA	\$255.20	\$15,057
ASPHALT PATCHING	30	SY	\$41.58	\$1,247
TRAFFIC CONTROL	1	LS	\$2,506.90	\$2,507
8" PRESSURE REDUCING VALVE/VAULT	1	EA	\$32,629.30	\$32,629
Water Subtotal				\$837,912
4. STREETS (ON-SITE)				
OVERLOT GRADING	1	LS	\$301,744.30	\$301,744
CURB GRADING	19,600	LF	\$1.10	\$21,560
DETACHED WALK GRADING	14,860	LF	\$2.20	\$32,692
SIDEWALK GRADING	985	LF	\$2.20	\$2,167
TRICKLE PAN GRADING	6,295	LF	\$2.20	\$13,849
PATH GRADING (CONCRETE)	1,535	LF	\$2.20	\$3,377
PATH GRADING (GRAVEL)	5,950	LF	\$2.20	\$13,090
30" VERTICAL CURB AND GUTTER	14,900	LF	\$8.25	\$122,925
18" MEDIAN CURB AND GUTTER	2,664	LF	\$7.70	\$20,513
30" DRIVE OVER CURB AND GUTTER	9,277	LF	\$9.02	\$83,679
4" THICK WALK 4' WIDE	4,514	LF	\$7.48	\$33,765
4" THICK WALK 5' WIDE	14,295	LF	\$9.35	\$133,658
4" THICK WALK 6' WIDE	3,332	LF	\$11.22	\$37,385
MID BLOCK RAMPS	30	EA	\$422.40	\$12,672
CONCRETE MISC.	1	LS	\$325,497.70	\$325,498
3.5" HBP	32,465	SY	\$7.70	\$249,981

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
 Project: Waterfront Metropolitan District
 Job No. 0738039

Date: 5/14/03
 By: N.M.D.

6" ABC	45,075	SY	\$4.40	\$198,330
8" ABC	29,175	SY	\$5.50	\$160,463
4" HMA	41,785	SY	\$8.80	\$367,708
SUBGRADE PREP	74,250	SY	\$1.10	\$81,675
12" FLYASH TREATED SUBGRADE (12%)	45,075	SY	\$5.50	\$247,913
12" FLYASH TREATED SUBGRADE @ CURB (12%)	8,710	SY	\$6.60	\$57,486
SUBGRADE PREP (CONC. DR.)	2,880	SY	\$2.20	\$6,336
SIGNING & STRIPING (CLEARWATER)	1	LS	\$44,047.30	\$44,047
RETAINING WALL W/FORM LINER	1	LS	\$197,219.00	\$197,219
STREET LIGHTING	1	LS	\$150,000.00	\$150,000
Street (On-site) Subtotal				\$2,919,730

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
Project: Waterfront Metropolitan District
Job No. 0738039

Date: 5/14/03
By: N.M.D.

5. OFF-SITE IMPROVEMENTS				
LARIMER COUNTY RD 30				
WATER				
12" PVC	1,350.00	LF	\$35.20	\$47,520
6" PVC	80.00	LF	\$19.80	\$1,584
12 X 12 TEE	1.00	EA	\$510.40	\$510
12 X 6 TEE	2.00	EA	\$429.00	\$858
12" VALVE / BOX	4.00	EA	\$1,521.30	\$6,085
12" MJ PLUG	2.00	EA	\$154.00	\$308
6" TIE TO EXISTING	2.00	EA	\$660.00	\$1,320
6" 90 BEND	2.00	EA	\$203.50	\$407
6" VALVE / BOX	2.00	EA	\$566.50	\$1,133
ASPHALT PATCHING	100.00	SY	\$56.10	\$5,610
TRAFFIC CONTROL	1.00	LS	\$2,277.00	\$2,277
STORM SEWER				
REMOVE CULVERT	75.00	LF	\$18.70	\$1,403
29 X 45" RCP	95.00	LF	\$25.30	\$2,404
29 X 45" FES	2.00	EA	\$246.40	\$493
24" HDPE	45.00	LF	\$36.30	\$1,634
24" HDPE FES	1.00	EA	\$260.70	\$261
4' DIAMETER MANHOLE	1.00	EA	\$1,137.40	\$1,137
12" RIPRAP	60.00	SF	\$5.50	\$330
ASPHALT PATCHING	100.00	SY	\$56.10	\$5,610
TRAFFIC CONTROL	1.00	LS	\$1,519.10	\$1,519
GRADING & PAVING				
STRIPPING	3,590	CY	\$4.40	\$15,796
UNCLASSIFIED EXCAVATION	13,312	CY	\$3.30	\$43,930
EMBANKMENT	13,312	CY	\$3.30	\$43,930
REPLACE TOPSOIL	3,590	CY	\$4.40	\$15,796
SAWCUT ASPHALT	3,368	LF	\$1.10	\$3,705
REMOVE ASPHALT	375	SY	\$7.70	\$2,888
TRAFFIC CONTROL	1	LS	\$7,596.60	\$7,597
4" HBP	5,677	SY	\$8.80	\$49,958
4" ABC	5,677	SY	\$3.30	\$18,734
12" FLYASH TREATED SUBGRADE	7,173	SY	\$6.60	\$47,342
8" ABC SHOULDER	735	TON	\$13.20	\$9,702
SIGNING & STRIPING	1	LS	\$14,152.60	\$14,153
TRAFFIC CONTROL	1	LS	\$1,772.10	\$1,772
NORTH BOYD LAKE AVENUE & VALLEY OAK				
STORM SEWER				
REMOVE & RELOCATE 18" RCP	110.00	LF	\$30.80	\$3,388

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
Project: Waterfront Metropolitan District
Job No. 0738039

Date: 5/14/03
By: N.M.D.

REMOVE & RELOCATE 18" FES	2.00	EA	\$245.30	\$491
REMOVE & REPLACE 60" FES	2.00	EA	\$446.60	\$893
60" RCP	16.00	LF	\$162.80	\$2,605
ASPHALT PATCHING	22.00	TON	\$88.00	\$1,936
TRAFFIC CONTROL	1.00	LS	\$632.50	\$633
GRADING & PAVING				
STRIPPING	962	CY	\$5.50	\$5,291
UNCLASSIFIED EXCAVATION	943	CY	\$7.70	\$7,261
IMPORT	437	CY	\$6.60	\$2,884
EMBANKMENT	1,380	CY	\$6.60	\$9,108
REPLACE TOPSOIL	962	CY	\$6.60	\$6,349
SAWCUT ASPHALT	2,756	LF	\$1.10	\$3,032
REMOVE ASPHALT	306	SY	\$8.80	\$2,693
TRAFFIC CONTROL	1	LS	\$2,279.20	\$2,279
2" HBP / 8.5" PMBB	2,505	SY	\$22.00	\$55,110
6" ABC SHOULDER	450	TON	\$13.20	\$5,940
SUBGRADE PREP	3,721	SY	\$2.20	\$8,186
SIGNING & STRIPING	1	LS	\$11,150.70	\$11,151
TRAFFIC CONTROL	1	LS	\$1,772.10	\$1,772
NORTH BOYD LAKE AVENUE & 24E				
STORM SEWER				
REMOVE 18" CULVERT	55.00	LF	\$9.90	\$545
18" CMP	55.00	LF	\$28.60	\$1,573
18" CMP FES	2.00	EA	\$159.50	\$319
12" CMP W / FES	24.00	LF	\$30.80	\$739
RIPRAP	60.00	SF	\$5.50	\$330
ASPHALT PATCHING	45.00	SY	\$41.80	\$1,881
TRAFFIC CONTROL	1.00	LS	\$2,506.90	\$2,507
GRADING & PAVING				
STRIPPING	443	CY	\$3.30	\$1,462
UNCLASSIFIED EXCAVATION	775	CY	\$11.00	\$8,525
EMBANKMENT	775	CY	\$4.40	\$3,410
REPLACE TOPSOIL	443	CY	\$3.30	\$1,462
SAWCUT ASPHALT	3,166	LF	\$1.10	\$3,483
REMOVE ASPHALT	352	SY	\$5.50	\$1,936
SILT FENCE	1,410	LF	\$2.20	\$3,102
TRAFFIC CONTROL	1	LS	\$1,911.80	\$1,912
2" HBP / 8.5" PMBB	2,650	SY	\$23.10	\$61,215
6" ABC SHOULDER	1,385	SY	\$5.50	\$7,618
SUBGRADE PREP	4,035	SY	\$3.30	\$13,316
SIGNING & STRIPING	1	LS	\$12,709.40	\$12,709

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
 Project: Waterfront Metropolitan District
 Job No. 0738039

Date: 5/14/03
 By: N.M.D.

TRAFFIC CONTROL	1	LS	\$2,279.20	\$2,279
NORTH BOYD LAKE AVENUE & FRANK ROAD				
STRIPPING	730	CY	\$3.30	\$2,409
UNCLASSIFIED EXCAVATION	995	CY	\$8.80	\$8,756
EMBANKMENT	995	CY	\$4.40	\$4,378
REPLACE TOPSOIL	730	CY	\$4.40	\$3,212
SAWCUT ASPHALT	8,214	LF	\$1.10	\$9,035
REMOVE ASPHALT	912	SY	\$6.60	\$6,019
TRAFFIC CONTROL	1	LS	\$2,279.20	\$2,279
2" HBP / 8.5" PMBB	3,395	SY	\$26.40	\$89,628
6" ABC SHOULDER	3,242	SY	\$5.50	\$17,831
SUBGRADE PREP	6,637	SY	\$2.20	\$14,601
STRIPING	1	LS	\$1,645.60	\$1,646
TRAFFIC CONTROL	1	LS	\$2,785.20	\$2,785
NORTH BOYD LAKE AVENUE				
PAVING	1	LS	\$100,000.00	\$100,000
<i>Off-Site Improvements Subtotal</i>				\$881,605
6. PARKS AND RECREATION				
LANDSCAPING	1	LS	\$888,024.50	\$888,025
BOAT RAMP	1	LS	\$88,000.00	\$88,000
FENCING	1	LS	\$12,100.00	\$12,100
PLAY STRUCTURE	1	LS	\$27,500.00	\$27,500
ENTRY STRUCTURE	1	LS	\$27,500.00	\$27,500
<i>Parks and Recreation Subtotal</i>				\$888,025

CONCEPTUAL OPINION OF COST

Client: The Genesee Company
Project: Waterfront Metropolitan District
Job No. 0738039

Date: 5/14/03
By: N.M.D.

SUBTOTAL RECAP	
1. SANITARY SEWER & UNDERDRAIN	\$747,398
2. STORM SEWER	\$429,325
3. WATER	\$837,912
4. STREETS (ON-SITE)	\$2,919,730
5. OFF-SITE IMPROVEMENTS	\$881,605
6. PARKS AND RECREATION	\$888,025
CONSTRUCTION COST SUBTOTAL	\$6,703,995
CONTINGENCY, ADMINISTRATION, ENGINEERING (30%)	\$2,011,198
CONSTRUCTION COST TOTAL	\$8,715,193

This is an Opinion of Cost and supplied only as a guide.

TST is not responsible for fluctuation in costs of material, labor or unforeseen contingencies.

EXHIBIT E
Financing Plan

**Waterfront Metropolitan District
Forecasted Statement of Sources
and Uses of Cash**

**For the Years Ending
December 31, 2003 through 2037**



J. W. Simmons & Associates, P. C.

Certified Public Accountants

To the Petitioners of the Proposed
Waterfront Metropolitan District
City of Loveland, Colorado

We have compiled the accompanying forecasted statements of sources and uses of cash of the proposed Waterfront Metropolitan District (Exhibit I), the related projected debt service schedules (Exhibit II to IV) and the analysis of absorption and assessed values (Exhibit V) for the years ending December 31, 2003 through 2037, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

PRELIMINARY DRAFT.....SUBJECT TO CHANGE

September 9, 2003

Waterfront Metropolitan District

Summary of Significant Assumptions and Accounting Policies December 31, 2003 through 2037

The foregoing forecast presents, to the best of the Petitioner's knowledge and belief, the expected cash receipts and disbursements for the forecast period. Accordingly, the forecast reflects its judgement as of September 9, 2003. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The purpose of this forecast is to show the amount of funds available for the future construction of infrastructure within the District by the issuance of general obligation bonds and subordinate developer advances and the anticipated funds available for repayment of the bonds and advances.

Note 1: Ad Valorem Taxes

The primary source of revenue for the District will be the collection of ad valorem taxes. Residential property is forecasted to be assessed at 7.96% of market values. Market values for 200 residential homes are estimated to range from value from \$300,000 to \$1,000,000 as of 2003. Market values are forecasted to inflate at 2% per year. All property is assumed to inflate at 3% biennially thereafter. Exhibit V details the forecasted absorption, market values and related assessed values.

Property is assumed to be assessed annually as of January 1st. Property included in this forecast is assumed to be assessed on the January 1st subsequent to completion. The forecast recognizes the related property taxes as revenue in the subsequent year.

The County Treasurer currently charges a 1.5% fee for the collection of property taxes. These charges are reflected in the accompanying forecast as tax collection fees.

The forecast assumes that Specific Ownership Taxes collected on motor vehicle registrations will be 8% of property taxes collected.

The mill levy imposed by the District is proposed to equal 5.747 mills for operations and 40.232 mills for debt service for a total mill levy of 45.979 mills.

Note 2: Interest Income

Interest income is assumed to be earned at 3.0% per annum. Interest income is based on the year's beginning cash balance and an estimate of the timing of the receipt of revenues and the outflow of disbursements during the course of the year.

Waterfront Metropolitan District

Summary of Significant Assumptions and Accounting Policies December 31, 2003 through 2037

Note 3: Bond Assumptions

The District proposes the issuance of general obligation bonds totaling \$4,800,000 in 2004 and 2008. The bonds will have a maturity of 30 years from the date of issuance. The Series 2004 bonds are proposed to carry a coupon rate of 7.25% and the Series 2008 bonds are estimated to have a coupon of 6.25%. It is estimated that \$192,000 of the bond proceeds will be available for issuance costs.. Exhibits II and III reflect the proposed repayment schedule of these bonds. The Bonds are anticipated to be secured by a limited mill levy not to exceed 45.000 mills (adjusted for changes in the ratio of assessed values to market values). The following table reflects the proposed sources and uses of funds for each bond issue.

	<u>Series 2004</u>	<u>Series 2008</u>
Sources:		
Bond Proceeds	<u>\$3,000,000</u>	<u>\$1,800,000</u>
Uses:		
Issuance costs	120,000	72,000
Available for improvements	2,880,000	-
Repay developer advances	<u>-</u>	<u>1,728,000</u>
	<u>\$3,000,000</u>	<u>\$1,800,000</u>

The District also intends to issue \$1,373,505 of subordinate developer owned bonds or loans in 2004 and 2005. The bonds will be available to fund District improvements. The bonds carry an estimated coupon rate of 7.5% for 30 years and it is forecasted that the District will be repay the bonds or loans from the proceeds of the above described Series 2008 bonds and other available revenues not required for the Series 2005 and Series 2008 bonds. Exhibit IV reflects the forecasted repayment of the principal and interest on the subordinate bonds or loans.

Note 4: Construction Costs

Construction costs are forecasted to total \$8,715,193 and are forecasted to be paid from 2004 through 2006. A portion of the construction costs totaling \$4,461,688 are forecasted not to be supported by bonds or developer owned bonds or loans. It is forecasted that these amounts will be contributed to the District by the developer.

Note 5: Operating and Administrative Expenses

Administrative expenses for legal, accounting, audit, management and insurance are forecasted at \$30,000 per year. Inflation is provided for operating and administrative expenses at 2% per year commencing in 2005.

Operating expenses incurred prior to the collection of ad-valorem taxes are expected to be funded by developer advances totaling \$72,700. The forecast reflects that developer advances can be repaid commencing in 2007 through 2013 with no interest.

Waterfront Metropolitan District

Summary of Significant Assumptions and Accounting Policies December 31, 2003 through 2037

Note 6: Development Fees

The forecast assumes that a development fee in the amount of \$4,000 will be collected on each equivalent residential unit upon the issuance of a building permit. It is anticipated that the primary developer will enter into a prepaid development fee agreement with the District as a condition of the issuance of the Series 2004 Bonds. The development fees are pledged solely for the repayment of principal and interest on the Series 2004 Bonds. Exhibit V reflects the anticipated collection of development fees per the agreement.

Waterfront Metropolitan District
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2003 through 2037

	Totals	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund												
Beginning cash available	0	0	0	(0)	(0)	(0)	(0)	0	(0)	(0)	0	(0)
Revenues												
Property taxes	1,382,110	0	144	144	17,914	32,661	42,379	44,095	45,418	45,418	46,781	46,781
Specific ownership taxes	110,569	0	11	11	1,433	2,613	3,390	3,528	3,633	3,633	3,742	3,742
Facility fees	0	0	0	0	0	0	0	0	0	0	0	0
Developer advances	72,700	0	29,849	30,449	12,402							
	1,565,378	0	30,004	30,604	31,749	35,274	45,770	47,623	49,051	49,051	50,523	50,523
Expenditures												
County treasurer fees	41,463	0	4	4	537	980	1,271	1,323	1,363	1,363	1,403	1,403
Repay developer advances	72,700					2,458	12,025	13,178	13,904	13,228	13,970	3,937
Operating expenses	1,441,014	0	30,000	30,600	31,212	31,836	32,473	33,122	33,785	34,461	35,150	35,853
	1,555,177	0	30,004	30,604	31,749	35,274	45,769	47,623	49,051	49,051	50,523	41,193
Ending cash available	10,201	0	(0)	(0)	(0)	(0)	0	(0)	(0)	0	(0)	9,330
Mill levy		0.000	5.747	5.747	5.747	5.747	5.747	5.747	5.747	5.747	5.747	5.747
Capital Projects Fund												
Beginning cash available	0	0	0	(0)	(0)	(0)	(0)	0	0	0	0	0
Revenues												
Bond proceeds	4,800,000		3,000,000				1,800,000					0
Developer advances	1,373,505		606,077	767,428								
Developer Contributions	4,461,688			1,847,130	2,614,558							
Interest Income	0	0										
	10,635,193	0	3,606,077	2,614,558	2,614,558	0	1,800,000	0	0	0	0	0
Expenditures												
Issuance costs	192,000	0	120,000	0	0	0	72,000	0				0
Repay developer advances	1,728,000						1,728,000					0
District improvements	8,715,193	0	3,486,077	2,614,558	2,614,558				0	0	0	0
	10,635,193	0	3,606,077	2,614,558	2,614,558	0	1,800,000	0	0	0	0	0
Ending cash available	0	0	(0)	(0)	(0)	(0)	0	0	0	0	0	0

**Waterfront Metropolitan District
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2003 through 2037**

	Totals	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
						Debt Service Fund						
Beginning cash available	0	0	0	153,972	190,356	275,487	273,068	236,982	206,767	163,678	119,447	89,812
Revenues												
Property taxes	10,398,821	0	1,006	1,006	125,409	228,646	296,678	308,689	317,950	317,950	327,488	327,488
Specific ownership taxes	831,906	0	80	80	10,033	18,292	23,734	24,695	25,436	25,436	26,199	26,199
Development fees	800,000	0	350,000	250,000	200,000	0	0	0	0	0	0	0
Interest income	70,582		2,275	2,813	4,071	4,035	3,502	3,056	2,419	1,765	1,327	806
	12,101,309	0	353,362	253,899	339,513	250,973	323,914	336,440	345,805	345,151	355,015	354,493
Expenditures												
Debt service - GO Debt Series 2004	7,585,625	0	199,375	217,500	252,500	249,963	252,425	249,525	251,625	253,363	249,738	251,113
Debt service - GO Debt Series 2008	4,282,500						103,125	112,500	132,500	131,250	130,000	133,750
County treasurer fees	155,982	0	15	15	1,881	3,430	4,450	4,630	4,769	4,769	4,912	4,912
	12,024,107	0	199,390	217,515	254,381	253,392	360,000	366,655	388,894	389,382	384,650	389,775
Ending cash available	77,201	0	153,972	190,356	275,487	273,068	236,982	206,767	163,678	119,447	89,812	54,530
Mill levy		0.000	40.232	40.232	40.232	40.232	40.232	40.232	40.232	40.232	40.232	40.232
Total Mill Levy		0.000	45.979	45.979	45.979	45.979	45.979	45.979	45.979	45.979	45.979	45.979
Assessed valuation (000's)												
Beginning	25	25	25	25	25	3,117	5,683	7,374	7,673	7,903	7,903	8,140
New construction	7,476			0	3,091	2,566	1,520	299	0	0	0	0
Inflation (1.5% per annum)	4,104				1		170		230		237	
Ending	11,606	25	25	25	3,117	5,683	7,374	7,673	7,903	7,903	8,140	8,140

**Waterfront Metropolitan District
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2003 through 2037**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
	General Fund											
Beginning cash available	9,330	16,777	23,493	30,783	37,312	44,426	50,747	57,662	63,754	70,448	76,285	82,734
Revenues												
Property taxes	41,921	41,921	43,179	43,179	44,474	44,474	45,808	45,808	47,182	47,182	48,598	48,598
Specific ownership taxes	3,354	3,354	3,454	3,454	3,558	3,558	3,665	3,665	3,775	3,775	3,888	3,888
Facility fees	0	0	0	0	0	0	0	0	0	0	0	0
Developer advances												
	45,275	45,275	46,633	46,633	48,032	48,032	49,473	49,473	50,957	50,957	52,486	52,486
Expenditures												
County treasurer fees	1,258	1,258	1,295	1,295	1,334	1,334	1,374	1,374	1,415	1,415	1,458	1,458
Repay developer advances												
Operating expenses	36,570	37,301	38,047	38,808	39,584	40,376	41,184	42,007	42,847	43,704	44,578	45,470
	37,827	38,559	39,343	40,104	40,919	41,710	42,558	43,381	44,263	45,120	46,036	46,928
Ending cash available	16,777	23,493	30,783	37,312	44,426	50,747	57,662	63,754	70,448	76,285	82,734	88,292
Mill levy	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
	Capital Projects Fund											
Beginning cash available	0	0	0	0	0	0	0	0	0	0	0	0
Revenues												
Bond proceeds												
Developer advances												
Developer Contributions												
Interest Income												
	0	0	0	0	0	0	0	0	0	0	0	0
Expenditures												
Issuance costs												
Repay developer advances												
District improvements												
	0	0	0	0	0	0	0	0	0	0	0	0
Ending cash available	0	0	0	0	0	0	0	0	0	0	0	0

Waterfront Metropolitan District
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2003 through 2037

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
	Debt Service Fund											
Beginning cash available	54,530	36,668	19,464	9,363	1,090	6,516	9,664	28,080	40,390	69,880	94,853	138,983
Revenues												
Property taxes	343,576	343,576	353,883	353,883	364,500	364,500	375,435	375,435	386,698	386,698	398,299	398,299
Specific ownership taxes	27,486	27,486	28,311	28,311	29,160	29,160	30,035	30,035	30,936	30,936	31,864	31,864
Development fees												
Interest income	542	288	138	16	96	143	415	597	1,033	1,402	2,054	2,664
	371,604	371,350	382,332	382,210	393,756	393,803	405,885	406,066	418,666	419,035	432,217	432,826
Expenditures												
Debt service - GO Debt Series 2004	252,125	252,775	253,063	252,988	252,550	251,750	250,588	254,063	251,813	254,200	250,863	252,163
Debt service - GO Debt Series 2008	132,188	130,625	134,063	132,188	130,313	133,438	131,250	134,063	131,563	134,063	131,250	133,438
County treasurer fees	5,154	5,154	5,308	5,308	5,467	5,467	5,632	5,632	5,800	5,800	5,974	5,974
	389,466	388,554	392,433	390,483	388,330	390,655	387,469	393,757	389,175	394,063	388,087	391,574
Ending cash available	36,668	19,464	9,363	1,090	6,516	9,664	28,080	40,390	69,880	94,853	138,983	180,234
Mill levy	40.979	40.979	40.979	40.979	40.979	40.979	40.979	40.979	40.979	40.979	40.979	40.979
Total Mill Levy	45.979	45.979	45.979	45.979	45.979	45.979	45.979	45.979	45.979	45.979	45.979	45.979
Assessed valuation (000's)												
Beginning	8,140	8,384	8,384	8,636	8,636	8,895	8,895	9,162	9,162	9,436	9,436	9,720
New construction	0	0										
Inflation (1.5% per annum)	244		252		259		267		275		283	
Ending	8,384	8,384	8,636	8,636	8,895	8,895	9,162	9,162	9,436	9,436	9,720	9,720

**Waterfront Metropolitan District
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2003 through 2037**

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>2037</u>
	General Fund											
Beginning cash available	88,292	83,960	78,700	73,755	67,845	62,250	55,651	49,366	42,037	35,020	26,916	19,124
Revenues												
Property taxes	40,045	40,045	41,246	41,246	42,483	42,483	43,758	43,758	45,071	45,071	46,423	46,423
Specific ownership taxes	3,204	3,204	3,300	3,300	3,399	3,399	3,501	3,501	3,606	3,606	3,714	3,714
Facility fees	0	0	0	0	0	0	0	0	0	0	0	0
Developer advances												
	43,248	43,248	44,546	44,546	45,882	45,882	47,259	47,259	48,676	48,676	50,137	50,137
Expenditures												
County treasurer fees	1,201	1,201	1,237	1,237	1,275	1,275	1,313	1,313	1,352	1,352	1,393	1,393
Repay developer advances	46,379	47,307	48,253	49,218	50,203	51,207	52,231	53,275	54,341	55,428	56,536	57,667
Operating expenses	47,581	48,508	49,490	50,456	51,477	52,481	53,543	54,588	55,693	56,780	57,929	59,060
Ending cash available	83,960	78,700	73,755	67,845	62,250	55,651	49,366	42,037	35,020	26,916	19,124	10,201
Mill levy	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000
	Capital Projects Fund											
Beginning cash available	0	0	0	0	0	0	0	0	0	0	0	0
Revenues												
Bond proceeds												
Developer advances												
Developer Contributions												
Interest Income												
	0	0	0	0	0	0	0	0	0	0	0	0
Expenditures												
Issuance costs												
Repay developer advances												
District improvements												
	0	0	0	0	0	0	0	0	0	0	0	0
Ending cash available	0	0	0	0	0	0	0	0	0	0	0	0

Waterfront Metropolitan District
Forecasted Sources and Uses of Cash
For the Years Ended December 31, 2003 through 2037

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>2037</u>
	Debt Service Fund											
Beginning cash available	180,234	237,610	294,095	275,096	261,242	254,231	249,627	254,811	138,183	125,920	109,033	99,689
Revenues												
Property taxes	410,248	410,248	340,280	340,280	350,488	350,488	361,003	361,003	191,550	191,550	197,297	197,297
Specific ownership taxes	32,820	32,820	27,222	27,222	28,039	28,039	28,880	28,880	15,324	15,324	15,784	15,784
Development fees												
Interest income	3,511	4,346	4,065	3,861	3,757	3,689	3,766	2,042	1,861	1,611	1,473	1,141
	446,579	447,414	371,568	371,363	382,284	382,216	393,649	391,925	208,735	208,486	214,554	214,221
Expenditures												
Debt service - GO Debt Series 2004	252,738	252,588	251,713	250,113	252,788	249,375	250,238	370,013				
Debt service - GO Debt Series 2008	130,313	132,188	133,750	130,000	131,250	132,188	132,813	133,125	218,125	222,500	220,938	233,750
County treasurer fees	6,154	6,154	5,104	5,104	5,257	5,257	5,415	5,415	2,873	2,873	2,959	2,959
	389,204	390,929	390,567	385,217	389,295	386,820	388,465	508,553	220,998	225,373	223,897	236,709
Ending cash available	237,610	294,095	275,096	261,242	254,231	249,627	254,811	138,183	125,920	109,033	99,689	77,201
Mill levy	40.979	40.979	33.000	33.000	33.000	33.000	33.000	33.000	17.000	17.000	17.000	17.000
Total Mill Levy	44.979	44.979	37.000	37.000	37.000	37.000	37.000	37.000	21.000	21.000	21.000	21.000
Assessed valuation (000's)												
Beginning	9,720	10,011	10,011	10,312	10,312	10,621	10,621	10,939	10,939	11,268	11,268	11,606
New construction				0	0	0	0	0	0	0	0	0
Inflation (1.5% per annum)	292		300		309		319		328		338	
Ending	10,011	10,011	10,312	10,312	10,621	10,621	10,939	10,939	11,268	11,268	11,606	11,606

Waterfront Metropolitan District
Schedule of General Obligation Debt - Series 2004
For the Years Ended December 31, 2004 to 2033

Year	Principal	Coupon	Interest	Annual Total	Balance
2004			90,625		3,000,000
2004			108,750	199,375	3,000,000
2005			108,750		3,000,000
2005			108,750	217,500	3,000,000
2006			108,750		3,000,000
2006	35,000	7.25%	108,750	252,500	2,965,000
2007			107,481		2,965,000
2007	35,000	7.25%	107,481	249,963	2,930,000
2008			106,213		2,930,000
2008	40,000	7.25%	106,213	252,425	2,890,000
2009			104,763		2,890,000
2009	40,000	7.25%	104,763	249,525	2,850,000
2010			103,313		2,850,000
2010	45,000	7.25%	103,313	251,625	2,805,000
2011			101,681		2,805,000
2011	50,000	7.25%	101,681	253,363	2,755,000
2012			99,869		2,755,000
2012	50,000	7.25%	99,869	249,738	2,705,000
2013			98,056		2,705,000
2013	55,000	7.25%	98,056	251,113	2,650,000
2014			96,063		2,650,000
2014	60,000	7.25%	96,063	252,125	2,590,000
2015			93,888		2,590,000
2015	65,000	7.25%	93,888	252,775	2,525,000
2016			91,531		2,525,000
2016	70,000	7.25%	91,531	253,063	2,455,000
2017			88,994		2,455,000
2017	75,000	7.25%	88,994	252,988	2,380,000
2018			86,275		2,380,000
2018	80,000	7.25%	86,275	252,550	2,300,000
2019			83,375		2,300,000
2019	85,000	7.25%	83,375	251,750	2,215,000
2020			80,294		2,215,000
2020	90,000	7.25%	80,294	250,588	2,125,000
2021			77,031		2,125,000
2021	100,000	7.25%	77,031	254,063	2,025,000
2022			73,406		2,025,000
2022	105,000	7.25%	73,406	251,813	1,920,000
2023			69,600		1,920,000
2023	115,000	7.25%	69,600	254,200	1,805,000
2024			65,431		1,805,000
2024	120,000	7.25%	65,431	250,863	1,685,000
2025			61,081		1,685,000
2025	130,000	7.25%	61,081	252,163	1,555,000
2026			56,369		1,555,000
2026	140,000	7.25%	56,369	252,738	1,415,000
2027			51,294		1,415,000
2027	150,000	7.25%	51,294	252,588	1,265,000
2028			45,856		1,265,000
2028	160,000	7.25%	45,856	251,713	1,105,000
2029			40,056		1,105,000
2029	170,000	7.25%	40,056	250,113	935,000
2030			33,894		935,000
2030	185,000	7.25%	33,894	252,788	750,000
2031			27,188		750,000
2031	195,000	7.25%	27,188	249,375	555,000
2032			20,119		555,000
2032	210,000	7.25%	20,119	250,238	345,000
2033			12,506		345,000
2033	345,000	7.25%	12,506	370,013	0
	<u>3,000,000</u>		<u>4,585,625</u>	<u>7,585,625</u>	

Sources:

Bond Proceeds 3,000,000

Uses:

Issuance costs 120,000
Capital improvements 2,880,000
3,000,000

Waterfront Metropolitan District
Schedule of General Obligation Debt - Series 2008
For the Years Ended December 31, 2008 to 2037

Year	Principal	Coupon	Interest	Annual Total	Balance
2008			46,875		1,800,000
2008			56,250	103,125	1,800,000
2009			56,250		1,800,000
2009		6.25%	56,250	112,500	1,800,000
2010			56,250		1,800,000
2010	20,000	6.25%	56,250	132,500	1,780,000
2011			55,625		1,780,000
2011	20,000	6.25%	55,625	131,250	1,760,000
2012			55,000		1,760,000
2012	20,000	6.25%	55,000	130,000	1,740,000
2013			54,375		1,740,000
2013	25,000	6.25%	54,375	133,750	1,715,000
2014			53,594		1,715,000
2014	25,000	6.25%	53,594	132,188	1,690,000
2015			52,813		1,690,000
2015	25,000	6.25%	52,813	130,625	1,665,000
2016			52,031		1,665,000
2016	30,000	6.25%	52,031	134,063	1,635,000
2017			51,094		1,635,000
2017	30,000	6.25%	51,094	132,188	1,605,000
2018			50,156		1,605,000
2018	30,000	6.25%	50,156	130,313	1,575,000
2019			49,219		1,575,000
2019	35,000	6.25%	49,219	133,438	1,540,000
2020			48,125		1,540,000
2020	35,000	6.25%	48,125	131,250	1,505,000
2021			47,031		1,505,000
2021	40,000	6.25%	47,031	134,063	1,465,000
2022			45,781		1,465,000
2022	40,000	6.25%	45,781	131,563	1,425,000
2023			44,531		1,425,000
2023	45,000	6.25%	44,531	134,063	1,380,000
2024			43,125		1,380,000
2024	45,000	6.25%	43,125	131,250	1,335,000
2025			41,719		1,335,000
2025	50,000	6.25%	41,719	133,438	1,285,000
2026			40,156		1,285,000
2026	50,000	6.25%	40,156	130,313	1,235,000
2027			38,594		1,235,000
2027	55,000	6.25%	38,594	132,188	1,180,000
2028			36,875		1,180,000
2028	60,000	6.25%	36,875	133,750	1,120,000
2029			35,000		1,120,000
2029	60,000	6.25%	35,000	130,000	1,060,000
2030			33,125		1,060,000
2030	65,000	6.25%	33,125	131,250	995,000
2031			31,094		995,000
2031	70,000	6.25%	31,094	132,188	925,000
2032			28,906		925,000
2032	75,000	6.25%	28,906	132,813	850,000
2033			26,563		850,000
2033	80,000	6.25%	26,563	133,125	770,000
2034			24,063		770,000
2034	170,000	6.25%	24,063	218,125	600,000
2035			18,750		600,000
2035	185,000	6.25%	18,750	222,500	415,000
2036			12,969		415,000
2036	195,000	6.25%	12,969	220,938	220,000
2037			6,875		220,000
2037	220,000	6.25%	6,875	233,750	0
<u>1,800,000</u>			<u>2,482,500</u>	<u>4,282,500</u>	

Sources:

Bond Proceeds 1,800,000

Uses:

Issuance costs 72,000
 Repay developer advances 1,728,000
1,800,000

Waterfront Metropolitan District Analysis of Developer Advances
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<u>Year</u>	<u>Advance</u>	<u>7.50%</u> <u>Interest</u>	<u>Principal</u>	<u>Repayments</u> <u>Interest</u>	<u>Total</u>	<u>Cummulative</u> <u>Principal</u>	<u>Interest</u>
2003						0	0
2004	606,077	22,728			0	606,077	22,728
2005	767,428	74,234			0	1,373,505	96,962
2006	0	103,013			0	1,373,505	199,975
2007	0	103,013			0	1,373,505	302,988
2008	0	51,506	1,373,505	354,494	1,728,000	(0)	(0)
2009	0	(0)			0	(0)	(0)
2010		(0)			0	(0)	(0)
2011		(0)			0	(0)	(0)
2012		(0)			0	(0)	(0)
2013		(0)			0	(0)	(0)
	<u>1,373,505</u>	<u>354,494</u>	<u>1,373,505</u>	<u>354,494</u>	<u>1,728,000</u>		

Waterfront Metropolitan District
Forecasted Schedules of Absorption, Market Values and Assessed Values
For the Years Ended December 31, 2003 through 2013

Schedule of Absorption

Property description	Single Family Equivalent	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Rural	100.00%		2	2	2								6
Lake Custom	100.00%		12	10	3								25
Off Lake Custom	100.00%		8	8	3								19
Estate	100.00%		15	13	20	9							57
Conventional	100.00%		30	16									46
Patio	100.00%		16	17	14								47

Schedule of Absorption for Development Fees

Absorption Residential (SFE's)		0	83	66	42	9	0	0	0	0	0	0	200
Development fees residential	4,000	0	332,000	264,000	168,000	36,000	0	0	0	0	0	0	800,000
			0	0	0	0	0	0	0	0	0	0	0
		0	332,000	264,000	168,000	36,000	0	0	0	0	0	0	800,000
Actual amounts paid per agreement		0	350,000	250,000	200,000	0	0	0	0				800,000

Schedule of Market Values

	Market Value	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Rural	800,000		1,632,000	1,664,640	1,697,933	0	0	0	0	0	0	0	4,994,573
Lake Custom	1,000,000		12,240,000	10,404,000	3,183,624	0	0	0	0	0	0	0	25,827,624
Off Lake Custom	500,000		4,080,000	4,161,600	1,591,812	0	0	0	0	0	0	0	9,833,412
Estate	385,000		5,890,500	5,207,202	8,171,302	3,750,627	0	0	0	0	0	0	23,019,631
Conventional	330,000		10,098,000	5,493,312	0	0	0	0	0	0	0	0	15,591,312
Patio	300,000		4,896,000	5,306,040	4,457,074	0	0	0	0	0	0	0	14,659,114
			0	0	0	0	0	0	0	0	0	0	0
Totals		0	38,836,500	32,236,794	19,101,744	3,750,627	0	0	0	0	0	0	93,925,665

Schedule of Assessed Valuation

	Assessment to Market Ratio	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Residential	7.96%	0	3,091,385	2,566,049	1,520,499	298,550	0	0	0	0	0	0	7,476,483
Commercial	29%	0	0	0	0	0	0	0	0	0	0	0	0
Totals		0	3,091,385	2,566,049	1,520,499	298,550	0	0	0	0	0	0	7,476,483
Cumulative		0	3,091,385	5,657,434	7,177,933	7,476,483	7,476,483	7,476,483	7,476,483	7,476,483	7,476,483	7,476,483	
Collection Yr		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	

EXHIBIT F
Statutory Contents of This Service Plan

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed;
3. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
4. A map of the District's boundaries and an estimate of the population and valuation for assessment of the District;
5. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the District are compatible with facility and service standards of the City and of municipalities and special districts which are interested parties pursuant to § 32-1-204(1), C.R.S.;
6. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the District;
7. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the District and such other political subdivisions;
8. Information satisfactory to establish that each of the following criteria as set forth in § 32-1-203, C.R.S., has been met:
 - (a) That there is sufficient existing and projected need for organized service in the area to be served by the District;
 - (b) That the existing service in the area to be served by the District is inadequate for the present and projected needs;
 - (c) That the District is capable of providing economical and sufficient service to the area within their boundaries;
 - (d) That the area to be included in the District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
 - (e) That adequate service is not, or will not be available to the area through the City, other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;

(f) That the facility and service standards of the District are compatible with the facility and service standards of the City within which the District is to be located and each municipality which is an interested party under § 32-1-204(1), C.R.S.;

(g) The proposal is in substantial compliance with any master plan adopted pursuant to § 30-28-106, C.R.S.;

(h) That the proposal is in compliance with any duly adopted city, county, regional, or state long-range water quality management plan for the area; and

(i) That the continued existence of the District will be in the best interests of the area proposed to be served.

EXHIBIT G
Market Study

WATERFRONT METROPOLITAN DISTRICT

MARKET RESEARCH REPORT

Completed for:
The Genesee Company
and
US Home Corporation

For Review by:
The City of Loveland, Colorado

Completed by:
King & Associates, Inc.
730 Monaco Parkway
Denver, Colorado 80220
303.333.3834

May 8, 2003

Executive Summary

The Genesee Company retained King & Associates, Inc. to provide an independent assessment of future development potential within the Waterfront Metropolitan District (the District). The District is comprised entirely of Waterfront at Boyd Lake – a 200-unit residential development located south of County Road 30 and west of County Road 9, along the eastern shore of Boyd Lake in Loveland, Colorado. The findings below highlight the results of this analysis.

The Proposed Development:

- The District, as proposed, is comprised of 200 single-family detached residential units.
- Single-family residential product within Waterfront is focused on the middle to very high-end of the Loveland-Ft. Collins MSA residential market price range for new-detached product. Home prices in the District are expected to range from \$300,000 to \$1 million.
- Single-family detached absorption is anticipated to begin in 2003 and is expected to average 40 units per year through 2007. The highest single year of absorption proposed by the Developer is 65 units.

Assessment of Proposed Development:

- Single-family detached residential development proposed for the District will require a reasonable 5.0 percent capture of forecast trade area single-family demand over the planned absorption period and no more than 11.6 percent within any one price bracket. These capture rates seem especially reasonable given that historical absorption in the trade area is much higher than what has been assumed in the analysis (as forecast by Claritas, Inc.).
- In light of the price range for the products proposed by the Developer, the strong growth and income projections for the identified trade area, and the unique ability to offer both private and community access to Boyd Lake, King & Associates, Inc. believes the Waterfront Metropolitan District can achieve the proposed average annual absorption of residential lots with complete sellout in five years.

Introduction

The Genesee Company (the Developer) retained King & Associates, Inc. to provide an independent assessment of future development potential within the Waterfront Metropolitan District (the District). The District will be entirely comprised of Waterfront at Boyd Lake (Waterfront), a 200-unit residential development located south of County Road 30 and west of County Road 9, along the eastern shore of Boyd Lake in Loveland, Colorado.

The District is being formed in order to provide essential infrastructure improvements to support development within the District's boundaries. This report presents a development forecast of residential demand in the greater Loveland area and an assessment of the Developer's forecast absorption in light of that forecast. The purpose of the analysis is to provide an independent assessment of the proposed development from which the District's future assessed value, and thus its financial feasibility, can be determined.

The first section of the document presents a general overview of the Ft. Collins-Loveland Metropolitan Statistical Area (MSA) economy. The second section defines a trade area for the District and reviews the housing market within that trade area through 2007. The third section presents the Developer's planned absorption for the District and an analysis of the required capture rate within the defined market area in order to accommodate the planned absorption for the proposed residential product. The fourth section analyzes the reasonableness of achieving the proposed capture rate in light of trade area demand, development trends, and other competitive projects in the market area.

It should be noted that the analysis presented herein only addresses the market feasibility of planned absorption and does not take into account the physical and logistical feasibility of what is proposed.

Section 1: Ft. Collins-Loveland MSA Overview

Historical Trends: 1995 to 2002

Throughout the 1990's the Ft. Collins-Loveland MSA economy experienced one of the largest expansions in its history. Area employment grew at a compounded average annual rate of 3.14 percent between 1995 and 2000, forming almost 4,100 new jobs each year. Unemployment during this period dropped from 3.9 percent in 1995 to 3.0 percent in 2000.

The economic expansion of the late 1990's ended in 2000 and by year-end 2001 the unemployment rate had risen to 3.5 percent. Driven by a slowdown in the manufacturing, construction, and service sectors, unemployment reached an all time high of 5.2 percent in 2002. Area unemployment has continued to rise during 2003 and stood at 5.5 percent in February 2003 – slightly below the state average of 5.8 percent. The Table below presents employment statistics for the MSA from 1995 to 2002.

Ft. Collins-Loveland MSA -- Employment Trends

Year	Labor Force	Employed	Unemployment Rate
1995	127,256	122,249	3.90%
1996	131,018	126,000	3.80%
1997	133,508	129,259	3.20%
1998	140,302	134,944	3.80%
1999	140,739	136,403	3.10%
2000	147,119	142,719	3.00%
2001	150,998	145,667	3.50%
2002	156,630	148,558	5.20%

Source: Colorado Department of Labor and Employment

From 1995 to 2000, the Ft. Collins-Loveland MSA population grew at a compounded average rate of 2.67 percent annually. This translated into absolute population growth of approximately 6,240 residents per year and the formation of an estimated 2,476 new households annually. Since 2000, the slowed pace of job creation has lead to a slowdown in population growth as well. In 2002, the area added approximately 5,500 new residents or slightly under 2,200 households. The chart below depicts the steady population growth in the area from 1995 to 2002.

Ft. Collins-Loveland MSA -- Population Trends

Year	Population	Annual % Increase
1995	221,600	3.10%
1996	227,200	2.50%
1997	232,800	2.50%
1998	239,100	2.70%
1999	246,200	3.00%
2000	252,800	2.70%
2001	259,700	2.70%
2002	265,200	2.10%

Source: Colorado State Demographer

Estimates and Forecasts: 2002 to 2007

The year 2001 marked the end of a decade-long national economic expansion and, in the aftermath of September 11, the beginning of a cycle of economic uncertainty that continues to confound forecasters. Nationally, the brunt of the slowdown was felt in 2001 when the economy grew by less than one-half of one percent. Somewhat surprisingly, by year-end 2002 the national economy seemed on its way to recovery with a reported 2.4 percent increase in GDP for the year.

The initial slowdown in the national economy was especially detrimental to Colorado, where exposure to the downturns in the telecommunications and high tech industries are more than double the National average. Because Colorado's economy typically lags the Nation's by two quarters or more, however, the slowdown here was coupled with the destabilizing events of September 11, a season of wildfires and below average snowfall. The combined effect of these events was a significant downturn in Colorado tourism. As a result, the State has seen job losses greater than the nation as a whole and a net reduction in retail sales.

At year-end 2002, non-farm employment in Colorado was down 2 percent, reflecting the loss of more than 58,000 jobs in a single year. In the Ft. Collins-Loveland MSA, unemployment averaged 5.2 percent for the year as growth in the labor force outpaced employment growth. Looking forward, most analysts predict positive economic growth (and a decline in area unemployment rates) by year-end 2003. Current forecasts are for statewide employment growth of 0.5 to 0.7 percent in 2003 and between 2.1 and 2.3 percent for 2004.

Despite the uncertainty surrounding the Ft. Collins-Loveland economy in the near-term, in the long-term, the area will continue to benefit from its diversified economy and high quality of living and should continue to match or outperform the state economy on the whole. That said, local uncertainties – surrounding issues like water capacity, growth control measures, impact fees, and housing costs – could pose danger to the long-term prospects for the area's growth. The table below presents historical and forecast population figures for the MSA from 1990 to 2007.

Ft. Collins-Loveland MSA -- Demographic Forecasts

	1990	2000	CAAGR	2002	2007	CAAGR
Population	186,136	251,494	3.1%	263,931	295,292	2.3%
Households	70,472	97,164	3.3%	102,310	115,374	2.4%
MSA Forecast Annual Population Growth					6,272	
MSA Forecast Annual Household Growth					2,613	

Source: US Census; Claritas, Inc.; and King & Associates, Inc.

CAAGR: Compound Average Annual Growth Rate

The table shows increasing population and household growth throughout the next five years as the national and local economies improve. The forecast calls for an average annual increase of approximately 2,613 new households between 2002 and 2007. It should be noted that the number presented is a five year average and that demand in the near term is likely to fall below that average while demand in 2004 and beyond is likely to surpass it.

As with the state as a whole, even after the economy has fully recovered, demographic forecasts are substantially lower than what the MSA experienced during the recent expansion of the late 1990's. Yet while the growth rate is expected to lower, the larger population base results in a slightly larger forecast

of new households forming in the area through 2007. As a result, historical construction and absorption data remain a good measure of future demand for new housing stock.

The Housing Market

Like the job market, the area's housing market entered the 1990's at near record low levels but grew steadily throughout the decade. By 2001, the housing market reached an all time high with new home construction reaching levels more 35 percent higher than in 1995. The table below presents MSA home building trends from 1995 to 2002.

Ft. Collins-Loveland MSA -- Building Permit Trends

Year	Single Family	Percent of total	Multi-family	Percent of total	Total
2002	2,733	80.2%	673	19.8%	3,406
2001	2,822	73.4%	1,024	26.6%	3,846
2000	2,792	77.7%	800	22.3%	3,592
1999	2,788	73.4%	1,008	26.6%	3,796
1998	2,894	83.4%	575	16.6%	3,469
1997	2,312	82.7%	484	17.3%	2,796
1996	2,434	69.6%	1,065	30.4%	3,499
1995	2,223	78.4%	611	21.6%	2,834

Source: US Census (Construction Reports); Town of Wellington; Town of Estes Park; Larimer County Building Department; and King & Associates, Inc.

Not surprisingly, home sales also increased steadily throughout the economic expansion of the late 1990's. During the seven-year period from 1995 to 2002, home sales in the area increased 47.5 percent and the average price rose more than 57 percent. The table below presents home sales statistics for the area.

Ft. Collins-Loveland MSA -- Home Sales

Year	Fort Collins/Wellington		Loveland/Berthoud	
	Number of Homes Sold	Average Sales Price	Number of Homes Sold	Average Sales Price
1995	2,833	\$143,245	1,384	\$133,938
1996	3,109	\$147,503	1,513	\$144,679
1997	3,165	\$153,725	1,624	\$150,177
1998	3,834	\$159,686	1,816	\$159,080
1999	3,855	\$175,036	1,751	\$175,533
2000	3,674	\$194,042	1,965	\$193,089
2001	4,059	\$213,042	1,866	\$210,327
2002	4,175	\$217,314	2,045	\$218,034

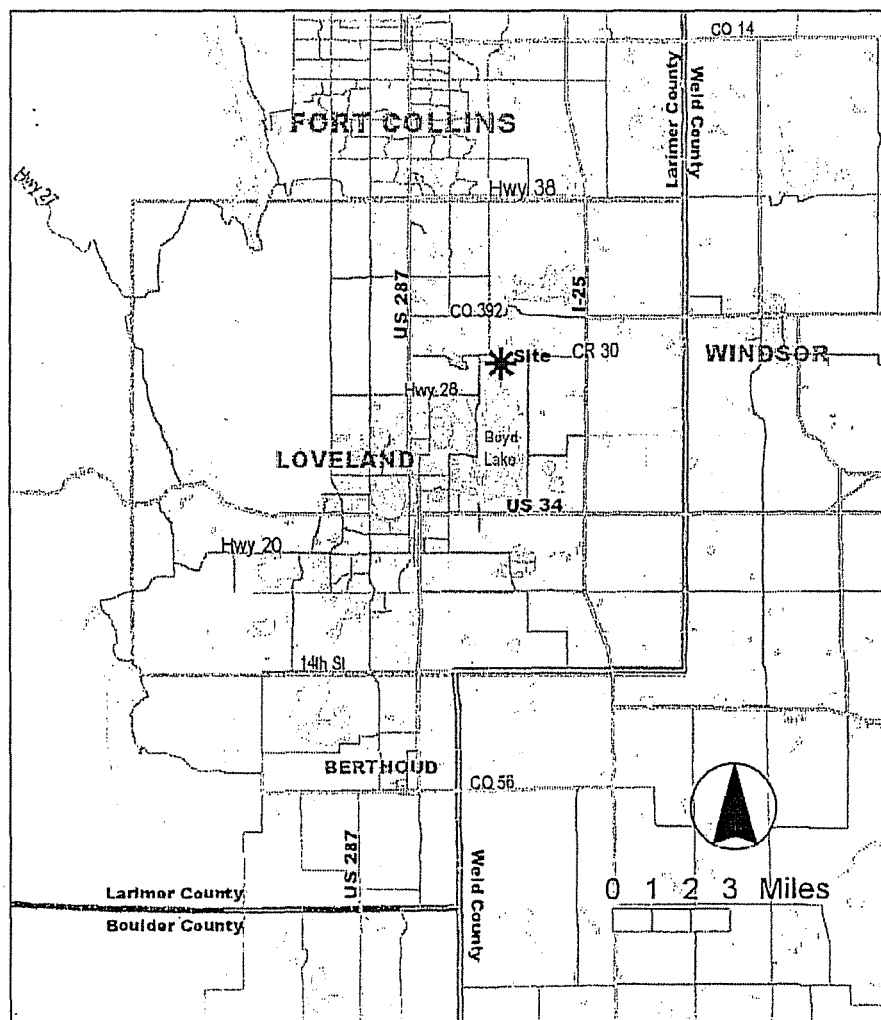
Source: The Group, Inc. and King & Associates, Inc.

Section 2: Trade Area Housing Market

Definition of Residential Market Area for Subject Property

A market area for the District is utilized to help assess projected absorption. The map below depicts the residential market area for the District, as defined by King and Associates, Inc. The market area map is meant to depict the area of potential residential growth, from which the District is most likely to attract homebuyers, as well as the area in which other developments are competing for the same potential homebuyers. The defined primary market area is shown in yellow.

Waterfront Metropolitan District Residential Market Area:



Source: King & Associates, Inc.

Market Area Characteristics

Employment Centers

The market area is characterized as one of the fastest growing markets in the nation. In addition to numerous employment centers in the immediate vicinity of Loveland; proximity to I-25 and HY 287 provide ready access to employment centers in surrounding communities in Larimer, Weld, and Boulder counties. Employment projections from the Colorado Department of Local Affairs (DOLA) indicate that Larimer County employment is forecast to grow at a compounded average annual rate of more than 2.6 percent a year through 2015 – one of the highest rates in the state. Combined annual employment growth in Larimer and Weld counties is anticipated to add more than 79,000 jobs in the region by 2015. In the opinion of King & Associates, Inc., the proximity to current and forecast employment opportunities is a positive attribute that will contribute to the project's marketability.

Neighborhood and Regional Shopping

With a five-minute drive to Eisenhower Road (US 34) providing ready access to central Loveland and new developments along the road to I-25, Waterfront's access to neighborhood and regional shopping is very good.

School District

Waterfront lies within the Thompson R-2J Public School District. The nearest elementary schools are Cottonwood Plains and Werner, which received scores of high and excellent on the most recent state school accountability report. The nearest upper schools are Conrad Ball Middle School and Loveland High School, which received scores of average and high on the most recent state school accountability report. Because elementary schools typically have the greatest impact on homebuyer preferences, the local public school options are likely to have a positive impact on project absorption, given the high end nature of the housing proposed for the District.

Recreational Opportunities

Offering both private and community access to Boyd Lake, Waterfront is unique among its competitors in its ability to offer a high level of recreational opportunities without ever getting into a car. In addition to its access to nearby recreational opportunities, the project's location in Loveland and its proximity to US 34 provide it with ready access to numerous Rocky Mountain recreational opportunities as well. Beyond outdoor activities, the Cities of Loveland and Ft. Collins provide numerous cultural attractions. In the opinion of King & Associates, Inc., the recreational opportunities, both near and far, associated with the District is one of its strongest attributes and will provide it with a strong competitive advantage.

It should be noted that the unique nature of the Waterfront development is primarily a function of proximity to Boyd Lake and, at this time, the water level in the lake is at an historical low. The analysis presented here assumes that the drought conditions leading to the current situation will be resolved by the time the project comes to market. In the opinion of King & Associates, Inc., if water levels remain low through the forecast period of absorption, the project's greatest strength could not be utilized.

Conclusion

In the opinion of King & Associates, Inc., the proximity of neighborhood and regional shopping, large employment centers, recreational opportunities, and good schools will allow the Waterfront project to compete favorably with other projects in Loveland-Ft. Collins sub-markets.

Market Area Demographics and Demand

Forecast Trade Area Growth

Within the market area defined by King & Associates, Inc., demand for new housing is strong. The table below gives projections for the market area defined in the map on page 7. The projections are based on data provided by the US Census and Claritas, Inc.

Waterfront Metro District Market Area Demographics

Population Estimates and Projections						
	1990	2000	CAAGR	2002	2007	CAAGR
Primary Trade Area	56,805	86,960	4.4%	91,601	103,267	2.4%
Larimer County	186,136	251,494	3.1%	263,931	295,292	2.3%
Household Estimates and Projections						
	1990	2000	CAAGR	2002	2007	CAAGR
Primary Trade Area	20,885	32,582	4.5%	34,442	39,118	2.6%
Larimer County	70,472	97,164	3.3%	102,310	115,374	2.4%
Primary Trade Area Forecast Annual Household Growth					935	
Larimer County Forecast Annual Household Growth					2,613	

Source: US Census; Claritas, Inc.; and King & Associates, Inc.
CAAGR: Compound Average Annual Growth Rate

The primary trade area population is forecast to grow at rate of 2.4 percent annually through 2007. According to Claritas, Inc., annual primary trade area household growth is expected to average 935 households per year and account for approximately 35.8 percent of projected countywide household growth. For Larimer County as a whole, this figure is expected to be slightly over 2,613 new households each year.

It should be noted that growth rates during the forecast period are averages and that those averages are negatively affected by the current economic downturn. As a result, it is likely that near-term demand for new housing will be lower than this average, while demand in 2004 and beyond will be substantially higher.

Household Incomes and Demand by Price Point

In addition to strong household growth projections, the trade area is also notably wealthier than Larimer County as whole. Within the primary trade area, the median annual household income is currently estimated by Claritas, Inc. to be \$58,358. This compares favorably with Larimer County at \$52,465.

Waterfront Metro District Market Area Median Household Income

	1990	2002	CAAGR	2007	CAAGR
Primary Trade Area	\$32,204	\$58,358	5.1%	\$72,521	4.4%
Larimer County	\$29,696	\$52,465	4.9%	\$65,383	4.5%

Source: US Census; Claritas, Inc.; and King & Associates, Inc.
CAAGR: Compound Average Annual Growth Rate

Applying year 2007 estimates of household income distribution within the market area to forecast annual household growth, (see table of demographic projections above), King & Associates, Inc. is able to forecast annual demand for housing within the market area by the price points associated with the products the Developer intends to offer within the District. These findings are presented in the tables below.

Forecast Residential Demand in Primary Market Area – Waterfront

Annual Income Range	Approx. Home Price Range	Percent of HHs in Income Bracket (2007)	Annual Demand from New Households (2002-07)		
			Total Units*	Percent Renters	Total Ownership Units
up to \$25K	up to \$85K	10.4%	102	50%	51
\$25-35K	\$85 to \$120K	8.7%	85	40%	51
\$35-50K	\$120 to \$175K	12.6%	124	30%	87
\$50-75K	\$175 to \$250K	20.2%	198	20%	159
\$75-100K	\$250 to \$350K	15.7%	154	10%	139
\$100-150K	\$350 to \$500K	17.7%	174	5%	165
\$150-250K	\$500K and \$850K	10.2%	100	0%	100
\$250 and up	\$850 and up	4.4%	43	0%	43
Totals		100%	982	19%	795

Source: Claritas, Inc. and King & Associates, Inc.

Assumptions:

- Total market area annual new demand for housing = 935
- Annual vacancy rate of 5%
- Overall trade area single/multi-family ratio of 81:19

As shown in the previous table, the primary trade area is expected to require an estimated 795 new for sales housing units per year over the next five years. Within the Larimer County as a whole, overall growth is expected to be 2,189 new houses annually. As a result, it is expected that fully 36 percent of all homebuyers within Larimer County will locate within the primary trade area identified for the District by King & Associates, Inc. The table below presents forecast demand for new homes by price point within Larimer County

Forecast Residential Demand in Larimer County

Annual Income Range	Approx. Home Price Range	Percent of HHs in Income Bracket (2007)	Annual Demand from New Households (2002-07)		
			Total Units	Percent Renters	Total Ownership Units
up to \$25K	up to \$85K	14.6%	401	45%	220
\$25-35K	\$85 to \$120K	10.0%	274	35%	178
\$35-50K	\$120 to \$175K	13.2%	362	30%	253
\$50-75K	\$175 to \$250K	18.9%	519	20%	415
\$75-100K	\$250 to \$350K	14.1%	387	10%	348
\$100-150K	\$350 to \$500K	16.1%	442	5%	420
\$150K and up	\$500K and up	9.0%	247	0%	247
\$250 and up	\$850 and up	4.1%	112	0%	108
Totals		100%	2,743	20%	2,189

Source: Claritas, Inc. and King & Associates, Inc.

Assumptions:

- Total market area annual new demand for housing = 2,613
- Annual vacancy rate of 5%
- Overall trade area single/multi-family ratio of 80:20

Within the primary trade area, it is estimated that 48 percent of future demand will be for housing units priced at or above \$250,000 and that more than 32 percent of new area residents will be able to afford a home price at or above \$500,000.

Historical Absorption and Competitive Supply

In a review of primary trade area new home sales, as tracked by the Meyers Group, King & Associates, Inc. found 33 active communities with combined average annual sales of 1,331 units in 2001 and 2002. Average absorption in the trade area is approximately 40 units per year, with the largest project, Marianna Butte, averaging over 100 units per year. King & Associates, Inc. estimates the current number of homes "in the pipeline" among these active projects to be approximately 2,785 or slightly more than a two-year supply of product.

The table below presents a partial list of the residential supply of for-sale detached product with a track record in and around the market area:

Selection of Market Area SFD Residential Developments – Waterfront Metro District

Project Name	Location	Low Base Price	High Base Price	Project Overall Sales Rate	Average Annual Sales (01-02)	Estimated Units Remaining	Estimated Build-out
TALON'S REACH	Loveland	\$141,500	\$223,900	2.07	25	89	2007
SHENANDOAH	Fort Collins	\$152,950	\$308,000	2.61	31	0	2002
GREENBRIAR	Loveland	\$158,000	\$224,995	4.78	57	0	2002
PROVINCETOWNE	Fort Collins	\$160,495	\$260,995	3.22	39	154	2007
STANTON CREEK	Fort Collins	\$172,000	\$307,500	6.38	77	56	2004
LINDEN PARK	Fort Collins	\$172,300	\$224,300	5.32	64	112	2005
NAMAQUA VALLEY	Loveland	\$179,990	\$219,990	1.44	17	49	2006
REGISTRY RIDGE	Fort Collins	\$182,950	\$365,950	7.25	87	324	2007
WESTCHASE	Fort Collins	\$183,950	\$360,950	7.48	90	159	2005
RIVER RIDGE	Windsor	\$185,000	\$447,829	4.86	58	2	2003
MARIANNA BUTTE	Loveland	\$187,950	\$394,950	8.71	105	12	2003
HUNTINGTON HILLS	Fort Collins	\$188,950	\$398,259	5.38	65	0	2002
BLACKBIRD KNOLLS	Loveland	\$190,200	\$224,700	4.63	56	125	2005
RIDGEWOOD HILLS	Fort Collins	\$192,450	\$303,450	7.2	86	239	2006
SAGE CREEK	Fort Collins	\$198,100	\$267,900	2.24	27	67	2005
CENTERRA	Loveland	\$199,900	\$299,900	2.49	30	152	2008
FOSSIL LAKE RANCH	Fort Collins	\$203,450	\$399,000	4.67	56	39	2004
HARVEST	Fort Collins	\$207,000	\$302,000	3.8	46	246	2008
OBSERVATORY VILLAGE	Fort Collins	\$212,500	\$310,000	1.64	20	368	2009
HIGHLAND MEADOWS	Windsor	\$218,990	\$373,990	5.11	61	102	2005
HUNTERS RUN	Loveland	\$219,000	\$353,950	3.88	47	250	2008
COVE AT HORESHORE LAKE	Loveland	\$224,990	\$261,990	0.79	9	7	2004
GATES AT WOODRIDGE	Fort Collins	\$244,500	\$320,140	1.76	21	28	2004
WATERFRONT @ BOYD LAKE	Loveland	\$244,990	\$319,990	1.87	22	0	2002
COUNTRY FARMS	Fort Collins	\$265,500	\$372,990	2.38	29	0	2002
SOUTHRIDGE	Fort Collins	\$286,000	\$407,000	0.5	6	0	2002
MIRAMONT VALLEY	Fort Collins	\$303,000	\$501,094	1.5	18	0	2002
PENINSULA @ HORSESHOE LK.	Loveland	\$321,990	\$378,990	1	12	0	2003
STEEPLECHASE	Windsor	\$344,990	\$458,990	1.58	19	205	2008
Detached Totals:				111	1,331	2,785	2005

Source: Meyers Group and King & Associates, Inc.

In addition to the single family detached projects listed above, King & Associates, Inc. found 10 single-family attached developments whose combined average annual absorption was 447 units in 2001 and 2002. Combined with single-family detached sales in the area, it is estimated that the trade area absorbed more than 1,700 new single-family units a year in 2001 and 2002 – substantially higher than the forecast annual demand. While this discrepancy is partially explained by the recent increased demand for for-sale housing created by historically low interest rates; in the opinion of King & Associates, Inc., it also suggests that forecasters have underestimated the percentage of northern Front Range residential demand locating in the trade area. As a result, it is likely that future trade area demand will be higher than what has been forecast here as well.

Section 3: Planned Absorption and Capture Rate

Development Description (Product Summary and Planned Absorption)

The District, as proposed, is comprised of 200 single-family detached residential units. Proposed single-family residential development within Waterfront is focused on the high-end of the price range for new product in the area.

The development schedule calls for an average of 40 new single-family detached homes to be sold annually over a five-year absorption period. There are six primary product types being offered: Patio Homes with an average price of \$300,000, Conventional with an average price of \$330,000, Estate with an average price of \$385,000, Off-Lake Custom with an average price of 500,000, Rural with an average price of \$800,000, and Lake Custom with an average price of \$1 million. It should be noted that the Developer will be the builder of most, but not all, of the homes in Waterfront. As a result, the prices listed here are estimates based on previous sales in an adjoining development and the base price of the lots. The following table summarizes the Developer's planned residential absorption between 2004 and 2018.

Waterfront Metro District – Proposed Residential Absorption Schedule

Product:							Total:
	Patio Homes	Conventional	Estate	Off-Lake Custom	Lake Custom	Rural	<i>Total Units</i>
Average Price:	\$300,000	\$330,000	\$385,000	\$500,000	\$1 million	\$800,000	
Year:							
2003	3	6	3				12
2004	14	20	12	8	8	2	64
2005	14	20	13	8	8	2	65
2006	16		14	3	9	2	44
2007			15				15
Total	47	46	57	19	25	6	200

Source: US Home Corporation and King & Associates, Inc.

Market Area Capture Rate for the Proposed Residential Absorption Schedule

By comparing the planned number of new units for the District with forecast demand for residential units in the market area as a whole, King & Associates, Inc. is able to forecast the percentage of demand the District will be required to capture in order to meet the Developer's proposed absorption schedule. The table below presents the total capture rate for the District over the five-year build-out period under consideration here, as well the capture rate during the most aggressive year planned by the Developer. Overall demand for the project trade area is equal to 100 percent of forecast primary trade area demand and does not take into account additional demand from the remainder of Larimer County.

Because historical new home absorption within the trade area is substantially higher than the forecast used here, King & Associates, Inc. considers the analysis that follows to be a conservative estimate of the District's potential capture requirement.

Waterfront Residential Market Area Capture Rates

	Average price point (2003 dollars)	Total absorption	Highest single year	Overall market			Within price bracket		
				Forecast market area demand over project life	Capture rate over project life	Highest 1-year capture rate	Forecast market area demand over project life	Capture rate over project life	Highest 1-year capture rate
Patio Homes	\$300,000	47	16	3,974	1.2%	2.0%	1,563	3.0%	7.2%
Conventional	\$330,000	46	20	3,974	1.2%	2.5%	1,563	2.9%	9.0%
Estate	\$385,000	57	15	3,974	1.4%	1.9%	1,563	3.6%	6.7%
Off-Lake Custom	\$500,000	19	8	3,974	0.5%	1.0%	914	2.1%	6.1%
Rural	\$800,000	6	2	3,974	0.2%	0.3%	466	1.3%	3.0%
Lake Custom	\$1 million	25	9	3,974	0.6%	1.1%	216	11.6%	29.2%
Total		200	70	3,974	5.0%	8.7%	2,236	8.9%	21.6%

Notes:

1) The assumed project life is 5 years.

2) Source: Claritas, Inc.; Meyers Group, Inc.; 2000 US Census US; Homes; and King & Associates, Inc.

As proposed, the District will be required to capture approximately 5.0 percent of total market area demand for new single family housing over the life of the project and 8.7 percent in the most aggressive year proposed by the Developer. Within any one-price bracket, capture rates for single-family detached range from a low of 1.3 percent to an estimated 11.6 percent for the highest priced Lake Custom homes.

Section 4: Feasibility of Planned Absorption

Assessment of Absorption Proposed for the District

Having reviewed market area development activity, King & Associates, Inc. believes current and forecast market conditions are favorable for absorption of the District in the timeframe laid out by the Developer. It should be noted that the analysis presented herein only addresses the *market* feasibility of planned absorption and does not take into account the physical and logistical feasibility of what is proposed (e.g., lot delivery, construction timing, water restrictions, permitting, etc.).

Numerous active projects in the trade area currently achieve high rates of annual absorption targeting homebuyers in the under \$500,000 market. With 150 of the District's 200 lots priced below \$400,000 and a unique array of project amenities, such as access to Boyd Lake, the project is well suited to successfully compete for demand in this price bracket. While the Metro economy remains sluggish, the housing market remains in check, largely due to low interest rates and pent up demand for affordable units. Given that most analysts predict that strong job growth will return to Colorado by the time the homes in the District will come to market, forecast market conditions seem favorable.

In the near-term, a review of fourth quarter 2002 area home sales listed on IRES (the area's multiple listing service) suggests that demand for existing homes in the \$500,000 and above price bracket has slowed. In the opinion of King & Associates, Inc., this is likely a function of the recent economic downturn. Given the strong projection for income growth within the trade area, when job growth returns to the trade area, demand for homes in this price range will return as well.

A review of the competitive projects within the trade area did not reveal any projects currently targeting the \$500,000 and above market for new homes. In large measure this is due to the relatively small size of the overall market rather than to a lack of area demand. Conversations with area realtors suggest that high-priced lakeside lots in the first phase of Waterfront at Boyd Lake absorbed quickly and that there is already a waiting list for lots in the District. Given the limited supply of lake front lots in the MSA, the District is well positioned to capture demand for new high-end homes within the trade area and beyond.

King & Associates, Inc. estimates that a reasonable capture rate for a project of the size and scope of Waterfront will typically fall between 5 and 10 percent of the overall market area demand and approximately 20 percent or less of any one price bracket over the life of the project.

The Developer's planned absorption schedule anticipates capturing 5.0 percent of the overall market and approximately 8.9 percent of homes priced above \$250,000 and thus is considered reasonable by this measure. As a result, King & Associates, Inc. believes there is market support for the Developer's proposed absorption schedule.

Finally, it should be restated that planned price points for the higher-end homes in Waterfront are primarily a function of proximity to Boyd Lake and, at this time, the water level in the lake is at an historical low. The analysis presented here assumes that the drought conditions leading to the current situation will be resolved by the time the project comes to market. If water levels remain low through the forecast period of absorption, project absorption will likely be lower than the forecast presented here, especially among higher-end units.

EXHIBIT H
Draft Election Questions

NO. 01

OFFICIAL BALLOT FOR WATERFRONT METROPOLITAN DISTRICT, CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO

November 4, 2003

Date of Election

/s/ K. Sean Allen

Facsimile of Signature of the Designated Election Official of the District

WARNING

Any person who, by use of force or other means, unduly influences an eligible elector to vote in any particular manner or to refrain from voting, or who falsely makes, alters, forges, or counterfeits any mail ballot before or after it has been cast, or who destroys, defaces, mutilates, or tampers with a ballot is subject, upon conviction, to imprisonment, or to a fine, or both.

1-7.5-107(3)(b), C.R.S.

This may not be your only ballot. Other elections may be held by other political subdivision by mail or by polling place. Refer to the ballot instructions for complete information on voting. Review your ballot. Be sure you have voted on every office and issue.

To vote, place crossmark (X) at the right of the name of each candidate and ballot issue and ballot question.

1-5-407(2), C.R.S.

BALLOT QUESTION A:

FOR THE DIRECTORS OF WATERFRONT METROPOLITAN DISTRICT

(VOTE FOR TWO DIRECTORS TO ACT UNTIL THEY OR THEIR SUCCESSORS ARE ELECTED AND QUALIFIED AT THE NEXT REGULAR SPECIAL DISTRICT ELECTION IN 2004, IF WATERFRONT METROPOLITAN DISTRICT IS ORGANIZED. PLACE AN (X) OPPOSITE TWO OF THE NAMES BELOW).

BALLOT QUESTION B:

FOR THE DIRECTORS OF WATERFRONT METROPOLITAN DISTRICT

(VOTE FOR THREE DIRECTORS TO ACT UNTIL THEY OR THEIR SUCCESSORS ARE ELECTED AND QUALIFIED AT THE NEXT REGULAR SPECIAL DISTRICT ELECTION IN 2006, IF WATERFRONT METROPOLITAN DISTRICT IS ORGANIZED. PLACE AN (X) OPPOSITE THREE OF THE NAMES BELOW).

BALLOT ISSUE C:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$7,300,000, WITH A REPAYMENT COST OF NOT MORE THAN \$59,860,000 AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$8,614,000, ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER FINANCIAL OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, STREET IMPROVEMENTS INCLUDING CURBS, GUTTERS, CULVERTS, OTHER DRAINAGE FACILITIES, SIDEWALKS, BRIDGES, PARKING FACILITIES, PAVING, LIGHTING, POWER LINE RELOCATION, GRADING, LANDSCAPING, AND OTHER STREET IMPROVEMENTS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES, SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY, SEMIANNUALLY, OR MORE OFTEN AS MAY BE DETERMINED BY THE DISTRICT, SUCH DEBT TO BE ISSUED OR INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE OR BECOME PAYABLE IN NOT MORE THAN 40 YEARS AFTER ISSUANCE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY AND ALL OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

YES: _____

NO: _____

BALLOT ISSUE D:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$1,000,000, WITH A REPAYMENT COST OF NOT MORE THAN \$8,200,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$1,180,000 ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER FINANCIAL OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, A SYSTEM OF TRAFFIC AND SAFETY CONTROLS AND DEVICES ON STREETS AND HIGHWAYS AND AT RAILROAD CROSSINGS, INCLUDING TRAFFIC SIGNALS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES, SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY, SEMIANNUALLY, OR MORE OFTEN AS MAY BE DETERMINED BY THE DISTRICT, SUCH DEBT TO BE ISSUED OR INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE OR BECOME PAYABLE IN NOT MORE THAN 40 YEARS AFTER ISSUANCE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY AND ALL OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR ANY OTHER LAW AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

YES: _____

NO: _____

BALLOT ISSUE E:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$1,800,000 WITH A REPAYMENT COST OF NOT MORE THAN \$14,760,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$2,124,000 ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER FINANCIAL OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE

BOUNDARIES OF THE DISTRICT, A COMPLETE POTABLE AND NON-POTABLE WATER SUPPLY, STORAGE, TRANSMISSION, AND DISTRIBUTION SYSTEM, INCLUDING TRANSMISSION LINES, DISTRIBUTION MAINS AND LATERALS, IRRIGATION FACILITIES, AND STORAGE FACILITIES, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES, SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY, SEMIANNUALLY, OR MORE OFTEN AS MAY BE DETERMINED BY THE DISTRICT, SUCH DEBT TO BE ISSUED OR INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE OR BECOME PAYABLE IN NOT MORE THAN 40 YEARS AFTER ISSUANCE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY AND ALL OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

YES: _____
NO: _____

BALLOT ISSUE F:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$1,900,000, WITH A REPAYMENT COST OF NOT MORE THAN \$15,580,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$2,242,000 ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER FINANCIAL OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, A COMPLETE LOCAL SANITARY SEWAGE COLLECTION AND TRANSMISSION SYSTEM, INCLUDING COLLECTION MAINS AND LATERALS, TRANSMISSION LINES, TREATMENT FACILITIES, STORM SEWER, FLOOD, AND SURFACE DRAINAGE FACILITIES AND SYSTEMS, AND DETENTION AND RETENTION PONDS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES, SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY, SEMIANNUALLY, OR MORE OFTEN AS MAY BE DETERMINED BY THE DISTRICT, SUCH DEBT TO BE ISSUED OR INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE OR BECOME PAYABLE IN NOT MORE THAN 40 YEARS AFTER ISSUANCE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL

LEVY IMPOSED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY AND ALL OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

YES: _____
NO: _____

BALLOT ISSUE G:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$1,800,000 WITH A REPAYMENT COST OF NOT MORE THAN \$14,760,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$2,124,000 ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER FINANCIAL OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, PARKS AND RECREATIONAL FACILITIES, IMPROVEMENTS, AND PROGRAMS, INCLUDING PARKS, BIKE PATHS AND PEDESTRIAN WAYS, OPEN SPACE, LANDSCAPING, CULTURAL ACTIVITIES, COMMUNITY RECREATION CENTERS, WATER BODIES, IRRIGATION FACILITIES AND OTHER ACTIVE AND PASSIVE RECREATION FACILITIES AND PROGRAMS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES, SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY, SEMIANNUALLY, OR MORE OFTEN AS MAY BE DETERMINED BY THE DISTRICT, SUCH DEBT TO BE ISSUED OR INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE OR BECOME PAYABLE IN NOT MORE THAN 40 YEARS AFTER ISSUANCE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED; TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY AND ALL OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME

THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

YES: _____

NO: _____

BALLOT ISSUE H:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$500,000, WITH A REPAYMENT COST OF NOT MORE THAN \$4,100,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$590,000 ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER FINANCIAL OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, A SYSTEM TO TRANSPORT THE PUBLIC BY BUS, RAIL, OR ANY OTHER MEANS OF CONVEYANCE, OR ANY COMBINATION THEREOF, INCLUDING PUBLIC TRANSPORTATION SYSTEM IMPROVEMENTS, TRANSPORTATION EQUIPMENT, PARK AND RIDE FACILITIES, PUBLIC PARKING LOTS, STRUCTURES, ROOFS, COVERS, AND FACILITIES, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES, SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY, SEMIANNUALLY, OR MORE OFTEN AS MAY BE DETERMINED BY THE DISTRICT, SUCH DEBT TO BE ISSUED OR INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE OR BECOME PAYABLE IN NOT MORE THAN 40 YEARS AFTER ISSUANCE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY AND ALL OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

YES: _____

NO: _____

BALLOT ISSUE I:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$500,000, WITH A REPAYMENT COST OF NOT MORE THAN \$4,100,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$590,000 ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER FINANCIAL OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, TELEVISION RELAY AND TRANSLATION SYSTEM IMPROVEMENTS, INCLUDING EQUIPMENT, FACILITIES, AND STRUCTURES, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES, SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY, SEMIANNUALLY, OR MORE OFTEN AS MAY BE DETERMINED BY THE DISTRICT, SUCH DEBT TO BE ISSUED OR INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE OR BECOME PAYABLE IN NOT MORE THAN 40 YEARS AFTER ISSUANCE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY AND ALL OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

YES: _____

NO: _____

BALLOT ISSUE J:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$1,500,000, WITH A REPAYMENT COST OF NOT MORE THAN \$12,300,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$1,770,000 ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER FINANCIAL OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF OPERATING AND MAINTAINING OR OTHERWISE PROVIDING THE DISTRICT'S SYSTEMS, OPERATIONS, ADMINISTRATION, FACILITIES,

AND IMPROVEMENTS FOR THE PURPOSE OF CARRYING OUT THE OBJECTS AND PURPOSES FOR WHICH THE DISTRICT WAS ORGANIZED, TOGETHER WITH ALL NECESSARY INCIDENTAL AND APPURTENANT PROPERTIES, FACILITIES, EQUIPMENT, PERSONNEL, CONTRACTORS, CONSULTANTS, AND COSTS AND ALL LAND EASEMENTS, AND APPURTENANCES NECESSARY OR APPROPRIATE IN CONNECTION THEREWITH, SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY, SEMIANNUALLY, OR MORE OFTEN AS MAY BE DETERMINED BY THE DISTRICT, SUCH DEBT TO BE ISSUED OR INCURRED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE OR BECOME PAYABLE IN NOT MORE THAN 40 YEARS AFTER ISSUANCE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY AND ALL OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

YES: _____

NO: _____

BALLOT ISSUE K:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$14,800,000, WITH A REPAYMENT COST OF NOT MORE THAN \$121,360,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$17,464,000 ANNUALLY AFTER TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS, REVENUE BONDS OR OTHER FINANCIAL OBLIGATIONS, ISSUED FOR THE PURPOSE OF REFUNDING, PAYING, OR DEFEASING, IN WHOLE OR IN PART, BONDS, NOTES OR OTHER FINANCIAL OBLIGATIONS OF THE DISTRICT; SUCH DEBT TO BEAR INTEREST AT A RATE TO BE DETERMINED BY THE DISTRICT, WHICH INTEREST RATE MAY BE HIGHER THAN THE INTEREST RATE BORNE BY THE OBLIGATIONS BEING REFUNDED; SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY, SEMIANNUALLY, OR MORE OFTEN AS MAY BE DETERMINED BY THE DISTRICT TO BE ISSUED AT ONE TIME OR FROM TIME TO TIME AND TO MATURE OR BECOME PAYABLE IN NOT MORE THAN 40 YEARS AFTER ISSUANCE, TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY WITHIN THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY

PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY AND ALL OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

YES: _____

NO: _____

BALLOT ISSUE L:

SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED \$100,000 ANNUALLY AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$100,000 ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT'S OPERATIONS, MAINTENANCE, AND OTHER EXPENSES: SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNTS AS MAY BE NECESSARY, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATIONS ARE CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS MAY BE AMENDED, TO BE USED FOR THE PURPOSE OF PAYING THE DISTRICT'S OPERATIONS, MAINTENANCE, AND OTHER EXPENSES; AND SHALL THE PROCEEDS OF SUCH TAXES AND INVESTMENTS INCOME THEREON CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT IN 2003 AND IN EACH YEAR THEREAFTER WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, OR SECTION 29-1-301, COLORADO REVISED STATUTES?

YES: _____

NO: _____

BALLOT ISSUE M:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$16,300,000 WITH A REPAYMENT COST OF NOT TO EXCEED \$13,360,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$19,234,000 ANNUALLY TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PROVIDE FOR THE PAYMENT OF SUCH DISTRICT DEBT: SUCH DEBT TO CONSIST OF A CONTRACT WITH ONE OR MORE OTHER POLITICAL SUBDIVISIONS OF THE STATE, WHICH CONTRACT WILL CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION AND WHICH WILL OBLIGATE THE DISTRICT TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING, OR OTHERWISE PROVIDING, AND THE COSTS OF OPERATING AND MAINTAINING, CERTAIN WATER, STREET, TRAFFIC SAFETY, TELEVISION RELAY AND TRANSLATION, TRANSPORTATION, PARK AND RECREATION, MOSQUITO AND PEST CONTROL AND SANITATION FACILITIES AND IMPROVEMENTS, ALL AS MAY BE PROVIDED IN SUCH CONTRACT; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED WITHOUT LIMITATION OF RATE AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET

FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, OR TO BE IMPOSED WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE DISTRICT, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE FINANCIAL OBLIGATIONS INCURRED PURSUANT TO THE CONTRACT; AND SHALL ANY PROCEEDS OF SUCH CONTRACT AND THE PROCEEDS OF SUCH TAXES, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY EXPENDITURE, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER STATUTORY OR CONSTITUTIONAL EXPENDITURE OR REVENUE-RAISING LIMITATION?

YES: _____

NO: _____

BALLOT ISSUE N:

SHALL WATERFRONT METROPOLITAN DISTRICT DEBT BE INCREASED \$16,300,000 WITH A REPAYMENT COST OF NOT TO EXCEED \$13,360,000; AND SHALL WATERFRONT METROPOLITAN DISTRICT TAXES BE INCREASED AS IS NECESSARY SO AS TO RESULT IN NET REVENUE OF UP TO \$19,234,000 ANNUALLY, AFTER TAKING INTO ACCOUNT ANY PROPERTY TAX CUT OR LIMIT SPECIFIED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PROVIDE FOR THE PAYMENT OF SUCH DISTRICT DEBT: SUCH DEBT TO CONSIST OF A REIMBURSEMENT AGREEMENT WITH ONE OR MORE PRIVATE ENTITIES, WHICH CONTRACT WILL CONSTITUTE A MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION AND WHICH WILL OBLIGATE THE DISTRICT TO PAY THE COSTS OF REIMBURSEMENT TO SUCH ENTITY OR ENTITIES FOR ADVANCES MADE TO THE DISTRICT FOR THE PURPOSES OF ACQUIRING, CONSTRUCTING, OR OTHERWISE PROVIDING, AND THE COSTS OF OPERATING AND MAINTAINING, CERTAIN WATER, STREET, TRAFFIC SAFETY, PARK AND RECREATION, AND SANITATION FACILITIES AND IMPROVEMENTS, ALL AS MAY BE PROVIDED IN SUCH CONTRACT; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED WITHOUT LIMITATION OF RATE AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, OR TO BE IMPOSED WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE DISTRICT, PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATION IS CALCULATED, INCLUDING A CHANGE IN THE PERCENTAGE OF ACTUAL VALUATION USED TO DETERMINE ASSESSED VALUATION, AND (II) TO OFFSET ANY PROPERTY TAX CUT OR LIMIT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OR OTHER PROVISIONS OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE FINANCIAL OBLIGATIONS INCURRED PURSUANT TO THE CONTRACT; AND SHALL ANY PROCEEDS OF SUCH CONTRACT AND THE PROCEEDS OF SUCH TAXES, AND INVESTMENT INCOME THEREON, CONSTITUTE VOTER-APPROVED REVENUE CHANGES AND BE COLLECTED AND SPENT BY THE DISTRICT WITHOUT REGARD TO ANY EXPENDITURE, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER STATUTORY OR CONSTITUTIONAL EXPENDITURE OR REVENUE-RAISING LIMITATION?

YES: _____

NO: _____

BALLOT ISSUE O:

SHALL WATERFRONT METROPOLITAN DISTRICT BE AUTHORIZED TO ISSUE, CREATE, EXECUTE, AND DELIVER MORTGAGES, LIENS, AND OTHER ENCUMBRANCES ON DISTRICT REAL AND PERSONAL PROPERTY, WHETHER NOW OWNED OR HEREAFTER ACQUIRED, AND INCLUDING WATER AND WATER RIGHTS, SUCH ENCUMBRANCES TO BE IN THE TOTAL PRINCIPAL AMOUNT OF NOT MORE THAN \$500,000, PLUS INTEREST THEREON AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS TO BE NECESSARY OR APPROPRIATE IN CONNECTION WITH THE ISSUANCE OF BONDS, NOTES, CONTRACTS, OR OTHER FINANCIAL OBLIGATIONS OF THE DISTRICT; SUCH ENCUMBRANCES TO BE CREATED FOR THE PURPOSE OF PROVIDING ADDITIONAL SECURITY FOR DISTRICT FINANCIAL OBLIGATIONS, AND TO BE

CREATED AT ONE TIME OR FROM TIME TO TIME; SUCH MORTGAGES, LIENS, OR OTHER ENCUMBRANCES TO ENTITLE THE OWNER OR BENEFICIARY THEREOF TO FORECLOSE UPON AND TAKE TITLE TO AND POSSESSION OF THE DISTRICT PROPERTY SO ENCUMBERED, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE SUCH COVENANTS REGARDING THE USE OF THE ENCUMBERED PROPERTY AND OTHER MATTERS ARISING UNDER THE ENCUMBRANCES, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF THE DISTRICT?

YES: _____
NO: _____

BALLOT ISSUE P:

SHALL WATERFRONT METROPOLITAN DISTRICT BE AUTHORIZED TO COLLECT, RETAIN, AND SPEND THE AMOUNT OF ALL TAXES, TAP FEES, SYSTEM DEVELOPMENT FEES, RENTAL INCOME, SERVICE CHARGES, INSPECTION CHARGES, ADMINISTRATIVE CHARGES, GRANTS OR ANY OTHER FEE, RATE, TOLL, PENALTY, OR CHARGE AUTHORIZED BY LAW TO BE IMPOSED OR COLLECTED BY THE DISTRICT AND ANY OTHER REVENUES, INCOME, OR PAYMENTS RECEIVED BY THE DISTRICT (INCLUDING, WITHOUT LIMITATION, REVENUES RECEIVED BY THE DISTRICT FROM THE STATE, ANY POLITICAL SUBDIVISION OF THE STATE, OR ANY OTHER GOVERNMENTAL ENTITY) DURING FISCAL YEAR 2003 AND EACH YEAR THEREAFTER FOR AS LONG AS THE DISTRICT CONTINUES IN EXISTENCE WITHOUT LIMITATION BY THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW, AS THEY CURRENTLY EXIST OR AS THEY MAY BE AMENDED IN THE FUTURE?

YES: _____
NO: _____

BALLOT QUESTION Q:

SHALL WATERFRONT METROPOLITAN DISTRICT BE AUTHORIZED TO EXERCISE THE POWER TO ESTABLISH, MAINTAIN, AND OPERATE A SYSTEM TO TRANSPORT THE PUBLIC BY BUS, RAIL, OR ANY OTHER MEANS OF CONVEYANCE, OR ANY COMBINATION THEREOF, AND MAY THE DISTRICT CONTRACT TO UNDERTAKE SUCH ACTIVITIES?

YES: _____
NO: _____

BALLOT QUESTION R:

SHALL WATERFRONT METROPOLITAN DISTRICT BE ORGANIZED AS A SPECIAL DISTRICT PURSUANT TO ARTICLE 1 OF TITLE 32, C.R.S., AND, PURSUANT TO ITS SERVICE PLAN?

YES: _____
NO: _____

BALLOT QUESTION S:

SHALL MEMBERS OF THE BOARD OF DIRECTORS OF WATERFRONT METROPOLITAN DISTRICT BE AUTHORIZED TO SERVE WITHOUT LIMITATION ON THEIR TERMS OF OFFICE PURSUANT TO THE RIGHT GRANTED TO THE VOTERS OF THE DISTRICT IN ARTICLE XVIII, SECTION 11 OF THE COLORADO CONSTITUTION TO LENGTHEN, SHORTEN, OR ELIMINATE THE LIMITATIONS ON THE TERMS OF OFFICE IMPOSED BY SUCH SECTION?

YES: _____
NO: _____