

**SERVICE PLAN  
FOR  
REGENCY METROPOLITAN DISTRICT  
TOWN OF PARKER, COLORADO**

Prepared

by

McGeady Sisneros, P.C.  
1675 Broadway, Suite 2100  
Denver, CO 80202

**Approved: March 20, 2006**

TABLE OF CONTENTS

I. INTRODUCTION ..... 1  
A. Purpose and Intent..... 1  
B. Need for the District..... 1  
C. Objective of the Town Regarding District’s Service Plan..... 1

II. DEFINITIONS..... 2

III. BOUNDARIES..... 4

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION. 5

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES..... 5  
A. Powers of the District and Service Plan Amendment..... 5  
1. Operations and Maintenance Limitation..... 5  
2. Fire Protection Limitation..... 5  
3. Television Relay and Translation Limitation ..... 6  
4. Construction Standards Limitation ..... 6  
5. Property Acquisition Limitation; Transfer Requirement..... 6  
6. Privately Placed Debt Limitation..... 6  
7. Inclusion and Exclusion Limitations ..... 6  
8. Initial Debt Limitation ..... 6  
9. Total Debt Issuance Limitation..... 7  
10. Monies from Other Governmental Sources ..... 7  
11. Consolidation Limitation ..... 7  
12. Bankruptcy Limitation ..... 7  
13. Revenue Bond Limitation ..... 7  
14. Service Plan Amendment Requirement ..... 7  
B. Capital Plan..... 8

VI. FINANCIAL PLAN..... 9  
A. General..... 9  
B. Maximum Voted Interest Rate and Maximum Underwriting Discount. .... 10  
C. Maximum Debt Mill Levy. .... 10  
D. Maximum Debt Mill Levy Imposition Term. .... 11  
E. Debt Repayment Sources..... 11  
F. Debt Instrument Disclosure Requirement..... 11  
G. Security for Debt..... 12  
H. TABOR Compliance..... 12  
I. District’s Operating Costs..... 12  
J. Subdistricts..... 13

VII. ANNUAL REPORT ..... 13  
A. General ..... 13  
B. Reporting of Significant Events..... 13

VIII. DISSOLUTION ..... 14

IX. DISCLOSURE TO PURCHASERS..... 14

X. INTERGOVERNMENTAL AGREEMENTS..... 15

XI. NON-COMPLIANCE WITH SERVICE PLAN ..... 15

XII. CONCLUSION..... 15

**LIST OF EXHIBITS**

<b>EXHIBIT A</b>	Legal Description
<b>EXHIBIT B</b>	Parker Vicinity Map
<b>EXHIBIT C-1</b>	District Boundary Map
<b>EXHIBIT C-2</b>	Proof of Ownership and Consents for all Properties within District
<b>EXHIBIT D</b>	Capital Plan and Engineer's Certificate
<b>EXHIBIT E</b>	Maps Depicting Public Improvements
<b>EXHIBIT F</b>	Financial Plan
<b>EXHIBIT G</b>	Indemnification Letters
<b>EXHIBIT H</b>	Intergovernmental Agreement

## I. INTRODUCTION

### A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the Town, and, except as may otherwise be provided for by State or local law, or this Service Plan, its activities are subject to review by the Town only insofar as they may deviate in a material matter from the requirements of the Service Plan, Chapter 10.11 of the Town Code or the Intergovernmental Agreement. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements.

The District is not being created to provide ongoing operations and maintenance services other than as specifically set forth in this Service Plan and the Intergovernmental Agreement.

### B. Need for the District.

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

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

The Town's objective in approving the Service Plan for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment and financing of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by limited taxes and Development Fees imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Debt Mill Levy for residential properties. Debt which is issued within these parameters (as further described in the Financial Plan) will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Service Plan is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose of the District is to provide for the Public Improvements associated with the Project. Ongoing operational and maintenance activities may be allowed, but only as specifically provided for in the Intergovernmental Agreement.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt, and if the District has authorized operating functions under an intergovernmental

agreement with the Town, to retain only the power necessary to impose and collect taxes or fees to pay for these costs.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy on residential properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on residential properties. It is the intent of this Service Plan to assure to the extent possible that no residential property bear an economic burden that is greater in amount than that associated with the Maximum Debt Mill Levy and that no property developed for a residential use bear an economic burden that is longer in duration than that associated with the Maximum Debt Mill Levy Imposition Term, even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters and the financing capacity of the District are not costs to be paid by the District. Costs of required Public Improvements that cannot be financed by the District are expected to be financed by the developer of the Project.

## II. DEFINITIONS

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

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

Board: means the board of directors of the District.

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

Capital Plan: means the Capital Plan described in Section V.B. which includes: (a) a comprehensive list of the Public Improvements to be developed by the District; (b) an engineer's estimate of the cost of the Public Improvements; and (c) a pro forma capital expenditure plan correlating expenditures with development.

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

District: means the Regency Metropolitan District.

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

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

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

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

Inclusion Area: **[NOT APPLICABLE]**

Inclusion Area Boundary Map: **[NOT APPLICABLE]**

Intergovernmental Agreement: means the intergovernmental agreement required by Town Code section 10.11.140(a), and attached hereto as Exhibit H.

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

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

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy on a particular property developed for residential uses as set forth in Section VI.D below.

Project: means the development or property commonly referred to as Regency.

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

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped as part of an Approved Development Plan and financed as generally described in the Special District Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of the Service Area as determined by the Board of the District.

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

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

Service Plan Amendment: means an amendment to the Service Plan approved by Town Council in accordance with Chapter 10.11 of the Town Code and the applicable state law.

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

State: means the State of Colorado.

Town: means the Town of Parker, Colorado.

Town Code: means the Town of Parker Municipal Code, as may be amended and in effect from time to time.

Town Council: means the Town Council of the Town of Parker, Colorado.

### **III. BOUNDARIES**

The area of the District Boundaries includes approximately 79.991 acres. A legal description of the District Boundaries is attached hereto as Exhibit A. A map of the District Boundaries is attached hereto as Exhibit C-1. Proof of Ownership and consents of the owners to organization of the District for all properties within the District Boundaries is attached hereto as Exhibit C-2. A vicinity map is attached hereto as Exhibit B. The District's Boundaries are not anticipated to change due to inclusions and exclusions pursuant to Section 32-1-401, et seq., C.R.S., and Section 32-1-501, et seq., C.R.S. However, if the District determines to include or exclude property, such inclusions and/or exclusions shall be subject to the limitations set forth in Article V below.



**IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION**

The Service Area consists of approximately 79.991 acres of land. The current assessed valuation of the Service Area is assumed to be \$0.00, for purposes of this Service Plan and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The residential population of the District at build-out is estimated to be approximately 561 persons.

Approval of this Service Plan by the Town does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units which may be identified in this Service Plan or any of the exhibits attached thereto. The permitted level of the development within the Project is as contained within an Approved Development Plan.

Approval of this Service Plan by the Town in no way releases or relieves the developer of the Project, or the landowner or any subdivider of the Project property, or any of their respective successors or assigns, of obligations to construct Public Improvements for the Project or of obligations to provide to the Town such financial guarantees as may be required by the Town to ensure the completion of the Public Improvements, or of any other obligations to the Town under the Town Code or any applicable annexation agreement, subdivision agreement, or other agreements affecting the Project property or development thereof.

**V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES**

A. Powers of the District and Service Plan Amendment.

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District as such power and authority is described in the Special District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth in this Service Plan and the Intergovernmental Agreement.

1. Operations and Maintenance Limitation. The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District shall dedicate the Public Improvements to the Town or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan, other rules and regulations of the Town, and applicable provisions of the Town Code, all as directed by the Town. The District shall not be authorized to operate and maintain any part or all of the Public Improvements, unless specifically provided for in the Intergovernmental Agreement.

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

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

4. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of federal and state governmental entities having proper jurisdiction, and of those special districts that qualify as “interested persons” under Section 32-1-204(1), C.R.S., as applicable. The District will obtain the Town’s approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

5. Property Acquisition Limitation; Transfer Requirement. The District shall not exercise any power of dominant eminent domain against the Town without the prior written consent of the Town. The District shall at no expense to the Town transfer to the Town all rights-of-way, fee interests and easements that the Town determines are necessary for access to and operation and maintenance of the Public Improvements, consistent with the Approved Development Plan and to the extent such interests have not been acquired by the Town through such Development Plan process.

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

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

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

7. Inclusion and Exclusion Limitations. The District shall not include within any of its boundaries any property outside the Service Area without the prior written consent of the Town Council. The District shall not exclude any property from the District if such exclusion will result, or is reasonably anticipated to result, in detriment to the remaining residents and taxpayers within the District, or to the District’s bondholders.

8. Initial Debt Limitation. On or before the effective date of approval of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill

levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose or collect any fees or revenues from any other source for the purpose of repayment of Debt.

9. Total Debt Issuance Limitation. The District shall not issue Debt in excess of \$3,160,000 total aggregate principal amount.

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

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

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

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

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

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

13. Revenue Bond Limitation. The District shall not issue revenue bonds, except as set forth in this Section. Prior to issuing any revenue bonds, the District shall submit all relevant details of such issuance to the Town Council, which may elect to treat the issuance of the revenue bonds as a material modification of the Service Plan. If the Town Council determines that the issuance of revenue bonds constitutes a material modification of the Service Plan, the District shall proceed to amend the Service Plan in accordance with Section 32-1-207, C.R.S. prior to issuing any revenue bonds.

14. Service Plan Amendment Requirement. This Service Plan is general in nature and does not include specific detail in some instances because development plans have not

been finalized. The Service Plan has been designed with sufficient flexibility to enable the District to provide required Public Improvements under evolving circumstances without the need for numerous amendments. Modification of the general types of services and facilities making up the Public Improvements, and changes in proposed configurations, locations or dimensions of the Public Improvements shall be permitted to accommodate development needs consistent with the then-current Approved Development Plan(s) for the Project, subject to the limitations of this Service Plan and the Intergovernmental Agreement.

The District is an independent unit of local government, separate and distinct from the Town, and its activities are subject to review by the Town only insofar as they may deviate in a material manner from the requirements of the Service Plan, Chapter 10.11 of the Town Code, or the Intergovernmental Agreement. As such, any action of the District which: (1) violates the limitations set forth in Sections V.A.1-14 above; (2) violates the limitations set forth in Section VI.B-H; (3) constitutes a material modification under Town Code section 10.11.060; or (4) constitutes a failure to comply with the Intergovernmental Agreement or other agreement with the Town, which non-compliance has not been waived in writing by the Town, shall be deemed to be a material modification to this Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin such action(s) of the District.

Any Town approval requirements contained in this Service Plan (including, without limitation, any provisions requiring that a change, request, occurrence, act or omission be treated as a Service Plan Amendment or be deemed a “material modification” of the Service Plan) shall remain in full force and effect, and, unless otherwise provided by resolution of the Town Council, such Town approval shall continue to be required, notwithstanding any future change in law modifying or repealing any statutory provision concerning service plans, amendments thereof or modifications thereto.

B. Capital Plan.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within the boundaries of the District and, to the extent necessary to improve adjacent streets and connect Public Improvements to existing infrastructure, without the boundaries of the District, all to be more specifically defined in an Approved Development Plan. A Capital Plan, including: (1) a comprehensive list of the Public Improvements to be developed by the District; (2) an estimate of the cost of the Public Improvements, together with a letter from a Colorado professional registered engineer certifying that such costs are reasonable in the engineer’s opinion and that such estimates were prepared based upon Town construction standards; and (3) a pro forma capital expenditure plan correlating expenditures with development, is attached hereto as Exhibit D. Maps depicting Public Improvements are attached hereto as Exhibit E. As shown in the Capital Plan, the estimated cost of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed by the District is approximately \$3,423,614. Costs of required Public Improvements that cannot be financed by the District within the parameters of this Service Plan and the financial capability of the District are expected to be financed by the developer of the Project.

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

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

## **VI. FINANCIAL PLAN**

### **A. General.**

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. All bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including general ad valorem taxes to be imposed upon all taxable property within the District. The District will also rely upon various other revenue sources authorized by law, such as interest, specific ownership taxes, advances from the Project developer and grants. The District is also authorized to assess and collect a Development Fee as set forth in Section VI.E, below. Unless specifically authorized in the Intergovernmental Agreement, the District shall not impose or assess any fees, rates, tolls, penalties, or charges other than the Development Fee without first obtaining Town approval of an amendment to this Service Plan, which amendment shall be deemed to be a material modification hereof.

The total Debt that the District shall be permitted to issue shall not exceed \$3,160,000 in aggregate principal amount. Debt is permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Capital Plan referenced above and the progression of the development, subject to compliance with this Service Plan. The \$3,160,000 that the District shall be permitted to issue is supported by the Financial Plan prepared by J.W. Simmons & Associates, P.C. ("J.W. Simmons"), attached hereto as Exhibit F. J.W. Simmons shall attach a certification to the Financial Plan, certifying that based upon the assumptions contained therein and its professional opinion, the District is expected to retire all Debt referenced in the Financial Plan within the restrictions set forth in the Service Plan, including but not limited to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is limited to the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt shall not exceed twelve percent (12%). The proposed maximum underwriting discount will be four percent (4%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy.

The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be determined as follows:

1. For the portion of any aggregate District Debt which exceeds 50% of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be thirty-five (35) mills less the number of mills necessary to pay operations and maintenance expenses (provided that the District can contract with its bondholders to limit its operation and maintenance mill levy) and less the number of mills necessary to pay unlimited mill levy Debt described in Section VI.C.2 below; provided that if, on or after January 1, 2000, there are or were changes in the ratio of actual valuation to assessed valuation, pursuant to Article X, Section 3(1)(b) of the Colorado Constitution and legislation implementing such Section, then the mill levy limitation applicable to such Debt may be increased or decreased to offset such change, such mill levy increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy are neither diminished nor enhanced as a result of such changes (a "Gallagher adjustment"). Except for such a permitted Gallagher adjustment, the District's mill levy shall not exceed the Maximum Debt Mill Levy. If the District otherwise proposes to adjust its mill levy above the Maximum Debt Mill Levy for the purpose of offsetting any constitutionally or legislatively mandated credit, cut, abatement or change in the method of calculating assessed valuation, the District shall first submit all relevant details of such proposed adjustment to the Town Administrator, who may approve such proposed adjustment in writing or refer the proposal to the Town Council, which may elect to treat the proposed mill levy adjustment as a material modification of the Service Plan. If the Town Council determines that such adjustment constitutes a material modification of the Service Plan, the District shall proceed to amend the Service Plan in accordance with Section 32-1-207, C.R.S. The District shall obtain written approval of the Town Administrator or of a Service Plan amendment prior to any such mill levy adjustment.

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

3. For purposes of the foregoing, once Debt has been determined to be within Section VI.C.2 above, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such Debt shall remain secured by such

unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

D. Maximum Debt Mill Levy Imposition Term.

The District shall not impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential uses which exceeds forty (40) years after the year of the initial imposition of such mill levy unless a majority of the Board of Directors of the District are residents of the District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, C.R.S. et seq.

E. Debt Repayment Sources.

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

The District may also collect a Development Fee, as allowed and limited by Colorado law, provided that such Development Fee does not exceed the following limits:

1. For each single-family detached residential unit, the Development Fee shall not exceed Two Thousand Dollars (\$2,000).
2. For each single-family attached or multi-family residential unit, the Development Fee shall not exceed One Thousand Five Hundred Dollars (\$1,500).
3. For a structure other than a single-family or multi-family residential structure, the Development Fee shall not exceed Twenty-Five Cents (\$0.25) per square foot of the structure.

The Development Fee set forth in this Service Plan may increase by up to the Consumer Price Index for Denver-Boulder, all items, all urban consumers (or its successor index for any years for which Consumer Price Index is not available) each year thereafter (as an inflation adjustment) commencing on January 1, 2007. The Development Fee shall be collected prior to issuance of a certificate of occupancy. Unless specifically authorized in the Intergovernmental Agreement, the District shall not impose or assess any fees, rates, tolls, penalties, or charges other than the Development Fee, as limited above, without first obtaining Town approval of an amendment to this Service Plan, which amendment shall be deemed to be a material modification hereof.

F. Debt Instrument Disclosure Requirement.

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

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

A substantially similar statement describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District. If no offering documents are used, then the District shall deliver the statement to any prospective purchaser of such Debt. The Town may by written notice to the District require modifications to the form of disclosures statement.

G. Security for Debt.

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

H. TABOR Compliance.

The District will comply with the provisions of TABOR. In the discretion of the Board, the District may set up enterprises or nonprofit entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the District will remain under the control of the District's Board. The activities of such enterprises and entities shall comply with the provisions of this Service Plan.

I. District's Operating Costs.

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

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained, if such maintenance is addressed in the Intergovernmental Agreement. The first year's operating budget is estimated to be \$50,000 which is anticipated to be derived from property taxes and other revenues, including developer advances. The District shall maintain, from revenues derived from the Maximum Debt Mill Levy and other legally available revenues authorized under this Service Plan, sufficient funds to pay such administrative and other costs.

The Maximum Debt Mill Levy for the repayment of Debt shall not apply to the District's ability to increase its mill levy as necessary for provision of operation and maintenance services to its taxpayers and service users, if such operation and maintenance functions are



specifically authorized to the District in the Intergovernmental Agreement. In such case, the authorized mill levy for operations and maintenance activities shall be subject to the limit set forth in the Intergovernmental Agreement. For this District, no such operation or maintenance functions and no separate mill levy therefor are authorized by this Service Plan or the Intergovernmental Agreement, and the District shall impose no mill levy other than the Maximum Debt Mill Levy, as set forth in Section VI.C. above.

J. Subdistricts.

The District may organize subdistricts or areas as allowed by Section 32-1-1101(1)(f), C.R.S., provided, however, that without the approval of the Town, any such subdistrict(s) or area(s) shall be subject all limitations on debt and other provisions of the Service Plan. In accordance with Section 32-1-1101(1)(f)(I), C.R.S., the District shall notify the Town prior to establishing any such subdistrict(s) or area(s), and shall provide the Town with details regarding the purpose, location, and relationship of the subdistrict(s) or area(s). The Town Council may elect to treat the organization of any such subdistrict(s) or area(s) as a material modification of the Service Plan.

**VII. ANNUAL REPORT**

A. General. In accordance with Town Code section 10.11.040, the District shall file an annual report with the Town Clerk not later than September 1<sup>st</sup> of each calendar year commencing with the year in which the Order and Decree creating the District has been issued by the District Court for and in Douglas County, Colorado, which annual report shall reflect activity and financial events of the District through the preceding December 31 (the “report year”). The Town Council reserves the right, pursuant to Section 32-1-207(3)(c), C.R.S., to request annual reports from the District beyond five years after the District’s organization.

B. Reporting of Significant Events.

The annual report shall include the following:

1. A narrative summary of the progress of the District in implementing its Service Plan for the report year;
2. Except when exemption from audit has been granted for the report year under the Local Government Audit Law, the audited financial statements of the District for the report year including a statement of financial condition (i.e., balance sheet) as of December 31 of the report year and the statement of operations (i.e., revenues and expenditures) for the report year;
3. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of Public Improvements in the report year, as well as any Public Improvements proposed to be undertaken in the five (5) years following the report year;
4. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the

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

5. The District's budget for the calendar year in which the annual report is submitted;
6. A summary of the residential development in the District for the report year;
7. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;
8. Certification of the Board that no action, event or condition enumerated in Town Code section 10.11.060 has occurred in the report year, or certification that such event has occurred but that an amendment to the Service Plan that allows such event has been approved by Town Council;
9. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board; and
10. Certification from the Board of Directors of the District that the District is in compliance with all provisions of the Service Plan.

### **VIII. DISSOLUTION**

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

### **IX. DISCLOSURE TO PURCHASERS**

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

There is attached hereto as Exhibit G the Project Developer's Indemnification Letter, which is submitted to the Town by the Developer as part of this Service Plan. There is also attached hereto as Exhibit G the form of a District Indemnification Letter. The District shall

approve and execute the Indemnification Letter at its first Board meeting after its organizational election, in the same form as the Indemnification Letter set forth in Exhibit G and shall promptly deliver an executed original to the Town.

#### **X. INTERGOVERNMENTAL AGREEMENTS**

The form of the intergovernmental agreement required by Town Code section 10.11.140(a), relating to the limitations imposed on the District's activities, is attached hereto as Exhibit H. The District shall approve and execute the Intergovernmental Agreement at its first Board meeting after its organizational election, in the same form as the Intergovernmental Agreement approved by Town Council, and shall promptly deliver an executed original to the Town. Failure of the District to execute the Intergovernmental Agreement as required herein shall constitute a material modification and shall require a Service Plan Amendment. The Town Council may approve the Intergovernmental Agreement at the public hearing approving the Service Plan.

No intergovernmental agreements between the District and any other government are anticipated. Any intergovernmental agreement proposed regarding the subject matter of this Service Plan shall be subject to review and approval by the Town prior to their execution by the District.

#### **XI. NON-COMPLIANCE WITH SERVICE PLAN**

In the event it is determined that the District has undertaken any act or omission which violates the Service Plan or constitutes a material departure from the Service Plan, the Town may impose any of the sanctions set forth in Section 10.11.220 of the Town Code, including but not to affirmative injunctive relief to require the District to act in accordance with the provisions of this Service Plan. To the extent permitted by law, the District hereby waives the provisions of Section 32-1-207(3)(b), C.R.S. and agrees it will not rely on such provisions as a bar to the enforcement by the Town of any provisions of this Service Plan.

#### **XII. CONCLUSION**

It is submitted that this Service Plan for the District, as required by Section 32-1-203(2), C.R.S., and Section 10.11.180 of the Town Code, establishes that:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the District;
2. The existing service in the area to be served by the District is inadequate for present and projected needs;
3. The District is capable of providing economical and sufficient service to the area within its proposed boundaries;
4. The area to be included in the District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;

5. Adequate service is not, and will not be, available to the area through the Town or County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
6. The facility and service standards of the District are compatible with the facility and service standards of the Town;
7. The proposal is in substantial compliance the Town's Master Plan;
8. The proposal is in compliance with any duly adopted Town, regional or state long-range water quality management plan for the area;
9. The creation of the District is in the best interests of the area proposed to be served;
10. The creation of the District is in the best interests of the residents and future residents of the area proposed to be served;
11. The proposal is in substantial compliance with Chapter 10.11 of the Town Code; and
12. The proposal will not foster urban development that is remote or incapable of being integrated with existing urban areas, and will not place a burden on the Town or adjacent jurisdictions to provide urban services to residents of the District.

## EXHIBIT A

### Regency Metropolitan District Boundaries

#### Legal Description

A PARCEL OF LAND BEING A PORTION OF THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, IN THE COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCING** AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 20 BEARS NORTH 00°31'01" WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;

THENCE ALONG SAID WESTERLY LINE NORTH 00°31'01" WEST 240.01 FEET TO THE NORTHWEST CORNER OF A PUBLIC SERVICE COMPANY RIGHT-OF-WAY DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO AND THE **POINT OF BEGINNING**;

THENCE CONTINUING ALONG SAID WESTERLY LINE NORTH 00°31'01" WEST 1330.91 FEET TO A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;

THENCE DEPARTING SAID WESTERLY LINE AND ALONG SAID PARALLEL LINE SOUTH 89°56'42" EAST 2620.88 FEET TO THE WESTERLY RIGHT-OF-WAY OF SOUTH NEWLIN GULCH ROAD, BEING A LINE PARALLEL WITH AND DISTANT WESTERLY 30.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE EASTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;

THENCE DEPARTING SAID PARALLEL LINE AND ALONG SAID WESTERLY RIGHT-OF-WAY SOUTH 00°17'05" EAST 1330.87 FEET TO THE NORTHERLY BOUNDARY OF SAID PUBLIC SERVICE COMPANY RIGHT-OF-WAY, BEING A LINE PARALLEL WITH AND DISTANT NORTHERLY 240.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;

THEN ALONG SAID NORTHERLY BOUNDARY NORTH 89°56'42" WEST 2615.49 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 79.991 ACRES (3,484,400 SQ. FT.), MORE OR LESS.



ROBERT D. SNODGRASS  
COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR, PLS 36580  
FOR AND BEHALF OF AZTEC CONSULTANTS, INC.

THE ABOVE AND FOREGOING DESCRIBES A SURFACE ESTATE ONLY. EXPRESSLY EXCLUDED FROM THIS LEGAL DESCRIPTION ARE ANY ESTATES BELOW THE SURFACE INCLUDING OIL, GAS AND OTHER MINERALS (INCLUDING SAND AND GRAVEL) AND ANY RELATED RIGHTS OF SURFACE USE.

**EXHIBIT B**

Parker Vicinity Map



**NOLTE**  
 BEYOND ENGINEERING

8000 SOUTH CHESTER STREET, SUITE 200, CENTENNIAL, CO. 80122  
 303.220.6400 TEL. 303.220.8001 FAX WWW.NOLTE.COM

**REGENCY METROPOLITAN DISTRICT  
 DISTRICT SERVICE PLAN  
 VICINITY MAP**

PREPARED FOR: 8

DATE SUBMITTED: 01/2006

SHEET NUMBER

**2**

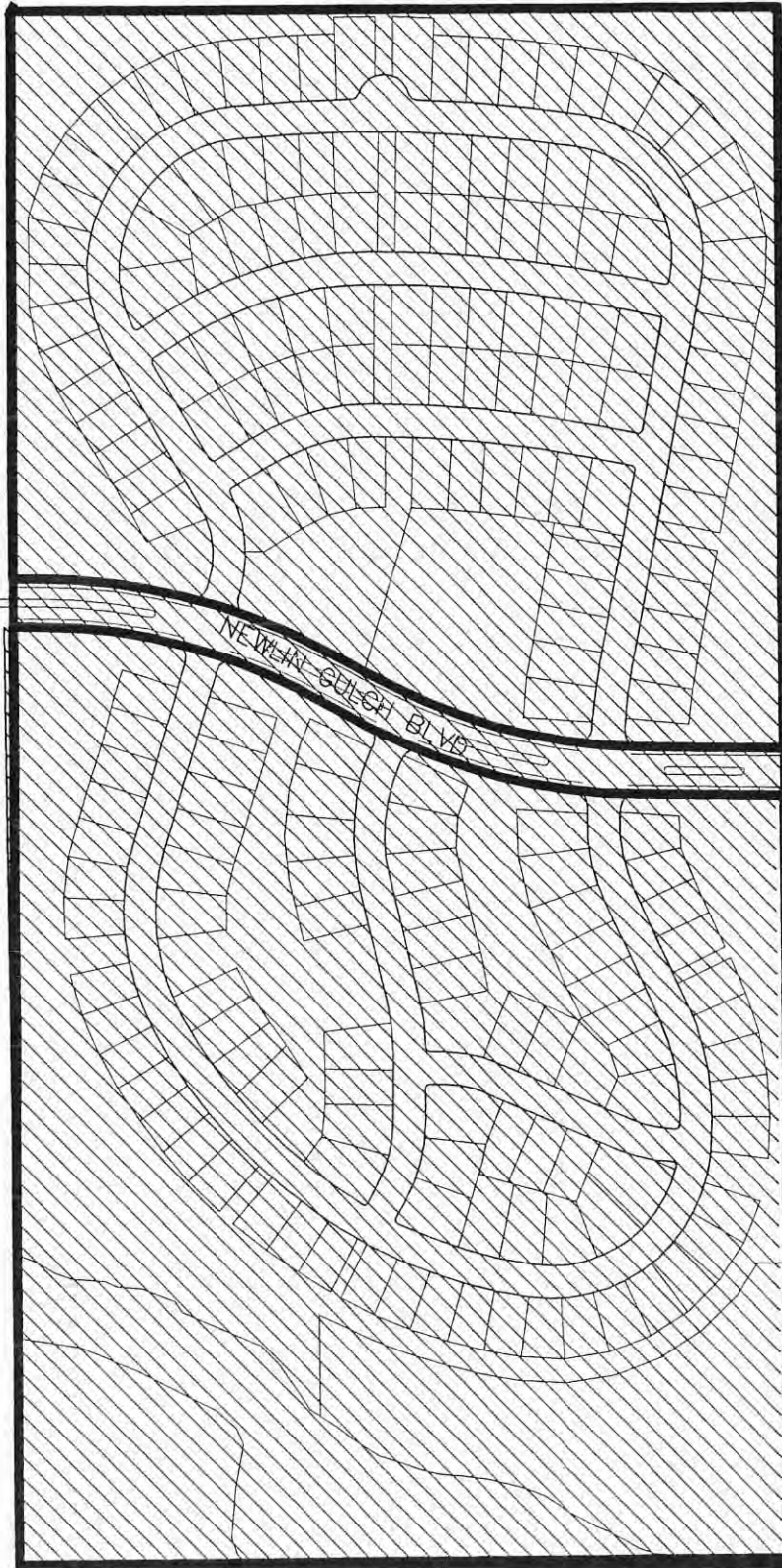
OF **8** SHEETS

JOB NUMBER  
 DVB0194

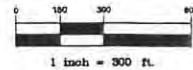
**EXHIBIT C-1**

District Boundary Map





 REGENCY METROPOLITAN DISTRICT



**NOLTE**  
BEYOND ENGINEERING

8000 SOUTH CHESTER STREET, SUITE 200,  
903.220.8400 TEL. 903.220.9001 FAX

CENTENNIAL, CO. 80122  
WWW.NOLTE.COM

**REGENCY METROPOLITAN DISTRICT  
DISTRICT SERVICE PLAN  
BOUNDARY MAP**

PREPARED FOR:

DATE SUBMITTED: 01/2008

SHEET NUMBER

1

OF 9 SHEETS

JOB NUMBER  
DVB0194

**EXHIBIT C-2**

Proof of Ownership and Consents

Form AO/ORT

Our Order No. PC45008019                      Schedule A                      Amount \$7,872,000.00

Property Address: REGENCY - VACANT LAND PARKER CO 80134

1. Policy Date:                      December 30, 2005 at 5:00 P.M.

2. Name of Insured:

BCX DEVELOPMENT PARTNERS #1, LLC, A COLORADO LIMITED LIABILITY COMPANY

3. The estate or interest in the land described or referred to in this Schedule and which is covered by this policy is:

A Fee Simple

4. Title to the estate or interest covered by this policy at the date hereof is vested in:

BCX DEVELOPMENT PARTNERS #1, LLC, A COLORADO LIMITED LIABILITY COMPANY

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

SEE ATTACHED PAGE(S) FOR LEGAL DESCRIPTION

This Policy valid only if Schedule B is attached.

Land Title Guarantee Company  
Representing Old Republic National Title Insurance Company

**LEGAL DESCRIPTION**

## PARCEL 1:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;

THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 AND THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST 1330.91 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT DESCRIBED IN BOOK 1371 AT PAGE 2151. A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;

THENCE DEPARTING SAID WESTERLY LINE AND ALONG SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1582.36 FEET TO THE WESTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE;

THENCE DEPARTING SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY FOLLOWING FIVE (5) COURSES:

1. SOUTH 00 DEGREES 03 MINUTES 15 SECONDS WEST 51.52 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 960.00 FEET;
2. SOUTHWESTERLY ALONG SAID CURVE 451.51 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;
3. TANGENT TO SAID CURVE SOUTH 27 DEGREES 00 MINUTES 06 SECONDS WEST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 1040.00 FEET;
4. SOUTHWESTERLY ALONG SAID CURVE 480.09 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 27 MINUTES 57 SECONDS;
5. TANGENT TO SAID CURVE SOUTH 00 DEGREES 33 MINUTES 09 SECONDS WEST 255.52 FEET TO SAID NORTHERLY BOUNDARY OF THAT TRACT DESCRIBED IN BOOK 129 AT PAGE 319;

THENCE DEPARTING SAID WESTERLY RIGHT-OF-WAY ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1285.45 FEET TO THE POINT OF BEGINNING.

**LEGAL DESCRIPTION**

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMCENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014

## PARCEL 2:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;  
THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT, A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;  
THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1365.45 FEET TO THE EASTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE, AND THE POINT OF BEGINNING;  
THENCE DEPARTING SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE ALONG SAID EASTERLY RIGHT-OF-WAY THE FOLLOWING FIVE (5) COURSES:  
1. NORTH 00 DEGREES 33 MINUTES 09 SECONDS EAST 254.82 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 960.00 FEET;  
2. NORTHEASTERLY ALONG SAID CURVE 443.16 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 26 MINUTES 57 SECONDS;  
3. TANGENT TO SAID CURVE NORTH 27 DEGREES 00 MINUTES 06 SECONDS EAST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 1040.00 FEET;  
4. NORTHEASTERLY ALONG SAID CURVE 489.14 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;  
5. TANGENT TO SAID CURVE NORTH 00 DEGREES 03 MINUTES 15 SECONDS EAST 51.52 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID EASTERLY RIGHT-OF-WAY AND ALONG SAID NORTHERLY BOUNDARY SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 958.52 FEET TO THE WESTERLY RIGHT-OF-WAY OF SOUTH NEWLIN GULCH ROAD, BEING A LINE PARALLEL WITH AND DISTANT WESTERLY 30.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE EASTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;

LTG Policy No. LTAH45008019

Our Order No. PC45008019

**LEGAL DESCRIPTION**

THENCE DEPARTING SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID PARALLEL LINE SOUTH 00 DEGREES 17 MINUTES 05 SECONDS EAST 1330.87 FEET TO SAID NORTHERLY BOUNDARY OF THE TRACT DESCRIBED IN BOOK 129 AT PAGE 319;

THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE, NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1250.04 FEET TO THE POINT OF BEGINNING.

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMcENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014.

Form AO/ORT

Our Order No. PC45008019

## Schedule B

This policy does not insure against loss or damage by reason of the following:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
5. 2005 TAXES AND ASSESSMENTS NOT YET DUE OR PAYABLE.
6. EXISTING LEASES AND TENANCIES, IF ANY.
7. RIGHT OF PROPRIETOR OF A VEIN OR LODGE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES AS RESERVED IN UNITED STATES PATENT RECORDED MARCH 07, 1903, IN BOOK 12 AT PAGE 212.
8. ANY BOUNDARY DISCREPANCY DUE TO THE LOCATION OF FENCE LINES AND THE EFFECT OF ANY RIGHT, TITLE OR INTEREST THAT MAY BE CLAIMED DUE TO ANY SAID DISCREPANCY.
9. RIGHTS OF WAY FOR COUNTY ROADS AND RIGHTS OF OTHERS IN AND TO.
10. ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE CHERRY CREEK BASIN AUTHORITY, AS EVIDENCED BY INSTRUMENT RECORDED MAY 06, 1988, IN BOOK 790 AT PAGE 718.
11. TEMPORARY EASEMENT FOR CONSTRUCTION AND MAINTENANCE AS RECORDED JUNE 17, 2003 UNDER RECEPTION NUMBER 2003089669.
12. EASEMENT AGREEMENT GRANTED TO PARKER WATER AND SANITATION DISTRICT RECORDED MAY 7, 2003 UNDER RECEPTION NUMBER 2003067962.
13. EASEMENT AGREEMENT BETWEEN JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND THE PARKER WATER AND SANITATION DISTRICT RECORDED FEBRUARY 11, 2005 AT

Form AO/ORT

Our Order No. PC45008019

**Schedule B**

RECEPTION NO. 2005012842.

14. MEMORANDUM OF UNDERSTANDING BETWEEN PARKER WATER AND SANITATION DISTRICT AND JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND JAMES PARKER AND AMERIWEST COMMUNITIES, L.L.C., A COLORADO LIMITED LIABILITY COMPANY RECORDED NOVEMBER 29, 2004 AT RECEPTION NO. 2004121366.
15. PETITION FOR INCLUSION OF LAND WITHIN THE PARKER WATER & SANITATION DISTRICT RECORDED NOVEMBER 29, 2004 AT RECEPTION NOS. 2004121365, 2004121364, 2004121363, 2004121362 AND 2004121361.
16. ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE PARKER WATER AND SANITATION DISTRICT, CASE NUMBER 1961CV3121, AS EVIDENCED BY INSTRUMENT RECORDED NOVEMBER 23, 2004, UNDER RECEPTION NO. 2004119931.
17. ORDINANCE NO. 2.162 RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059700.
18. ANNEXATION MAP RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059701.
19. ORDINANCE NO. 3.233 RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059703.
20. TERMS, CONDITIONS AND PROVISIONS OF REGENCY ANNEXATION AGREEMENT RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059702.
21. TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT GUIDE RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059704.
22. TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT PLAN MAP RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059705.
23. DEED OF TRUST DATED DECEMBER 22, 2005, FROM BCX DEVELOPMENT PARTNERS #1, LLC, A COLORADO LIMITED LIABILITY COMPANY TO THE PUBLIC TRUSTEE OF DOUGLAS COUNTY FOR THE USE OF HORIZON BANKS, N.A. TO SECURE THE SUM OF \$5,977,500.00 RECORDED DECEMBER 30, 2005, UNDER RECEPTION NO. 2005125629.
24. DEED OF TRUST DATED DECEMBER 22, 2005, FROM BCX DEVELOPMENT PARTNERS #1,



Form AO/ORT

Our Order No. PC45008019

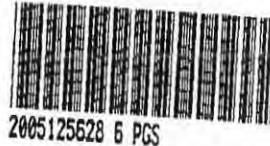
**Schedule B**

LLC, A COLORADO LIMITED LIABILITY COMPANY TO THE PUBLIC TRUSTEE OF DOUGLAS COUNTY FOR THE USE OF RESPOND CORP., A COLORADO CORPORATION TO SECURE THE SUM OF \$2,100,000.00 RECORDED DECEMBER 30, 2005, UNDER RECEPTION NO. 2005125630.

25. FINANCING STATEMENT WITH RESPOND CORP., THE SECURED PARTY, RECORDED DECEMBER 30, 2005, UNDER RECEPTION NO. 2005125631.

ITEM NO. 4 OF THE STANDARD EXCEPTIONS IS DELETED AS TO ANY LIENS RESULTING FROM WORK OR MATERIAL CONTRACTED FOR OR FURNISHED AT THE REQUEST OF JOANNE LANGLEY AND WANDA CRISWELL AND DOUGLAS PARKER AND JAMES PARKER. OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY SHALL HAVE NO LIABILITY FOR ANY LIENS ARISING FROM WORK OR MATERIAL FURNISHED AT THE REQUEST OF BCX DEVELOPMENT PARTNERS #1, LLC, A COLORADO LIMITED LIABILITY COMPANY.

OFFICIAL RECORDS  
DOUGLAS COUNTY CO  
CAROLE R. MURRAY  
CLERK & RECORDER  
RECORDING FEE: \$31.00  
6 PGS  
# 2005125628  
12/30/2005 04:11 PM



SPECIAL WARRANTY DEED

THIS DEED, made as of this 16th day of December, 2005, is by and between Joanne Langley whose address is 1579 Baldknob Rd., Ripley, TN 38063 ("Grantor"), and BCX DEVELOPMENT PARTNERS #1, LLC, a Colorado limited liability company, whose address is 7108 S. Alton Way, Bldg. M, Englewood, CO 80112 ("Grantee").

WITNESSETH, that Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) to Grantor in hand paid by Grantee, the receipt whereof is hereby confessed and acknowledged, has granted, bargained, sold and conveyed and by these presents does grant, bargain, sell, convey and confirm unto Grantee, its heirs, successors and assigns forever, all of Grantor's right, title and interest to the real property situate in the County of Douglas, State of Colorado, and more particularly described in Exhibit A attached hereto and incorporated herein (hereinafter "the Real Property").

TOGETHER with all of Grantor's interest to any and all water rights appurtenant thereto and all and singular the hereditaments and appurtenances thereunto belonging, or in any wise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of Grantor, either in law or equity, together with all of Grantor's right, title and interest, if any, in and to all oil and gas rights, all minerals and mineral rights, and all other hydrocarbon substances, and all air rights appurtenant to the Real Property, all easements, if any, benefiting the Real Property, and all rights and appurtenances pertaining to the foregoing, including any right, title and interest of Grantor in and to streets, gores, alleys or rights-of-way lying adjacent to the Real Property, with the hereditaments and appurtenances (collectively, the "Property")

TO HAVE AND TO HOLD the Property above bargained and described, with the appurtenances unto Grantee, its heirs, successors and assigns forever. And Grantor, for itself, its successors and assigns, does covenant, grant, bargain and agree to and with Grantee, its heirs, successors and assigns, that at the time of the ensembling and delivery of these presents it is well seized of the Property, as of good, sure, perfect, absolute and indefeasible estate of inheritance, in law, in fee simple, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid, and that the same is free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and encumbrances of whatever kind or nature soever except general taxes and assessments for the current year and all subsequent years; and



PR45008019



EXHIBIT A  
LEGAL DESCRIPTION

## PARCEL 1:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;  
THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 AND THE POINT OF BEGINNING;  
THENCE CONTINUING ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST 1330.91 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT DESCRIBED IN BOOK 1371 AT PAGE 2151, A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID WESTERLY LINE AND ALONG SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1582.36 FEET TO THE WESTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY FOLLOWING FIVE (5) COURSES:  
1. SOUTH 00 DEGREES 03 MINUTES 15 SECONDS WEST 51.52 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 960.00 FEET;  
2. SOUTHWESTERLY ALONG SAID CURVE 451.51 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;  
3. TANGENT TO SAID CURVE SOUTH 27 DEGREES 00 MINUTES 06 SECONDS WEST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 1040.00 FEET;  
4. SOUTHWESTERLY ALONG SAID CURVE 480.09 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 27 MINUTES 57 SECONDS;  
5. TANGENT TO SAID CURVE SOUTH 00 DEGREES 33 MINUTES 09 SECONDS WEST 255.52 FEET TO SAID NORTHERLY BOUNDARY OF THAT TRACT DESCRIBED IN BOOK 129 AT PAGE 319;  
THENCE DEPARTING SAID WESTERLY RIGHT-OF-WAY ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1285.45 FEET TO THE POINT OF BEGINNING.

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMCENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014

## PARCEL 2:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PC45008019

Form 426, 430 EXHIBIT A 01/17/03

## EXHIBIT A

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;  
THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT, A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;  
THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1365.45 FEET TO THE EASTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE, AND THE POINT OF BEGINNING;  
THENCE DEPARTING SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE ALONG SAID EASTERLY RIGHT-OF-WAY THE FOLLOWING FIVE (5) COURSES;  
1. NORTH 00 DEGREES 33 MINUTES 09 SECONDS EAST 254.82 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 960.00 FEET;  
2. NORTHEASTERLY ALONG SAID CURVE 443.16 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 26 MINUTES 57 SECONDS;  
3. TANGENT TO SAID CURVE NORTH 27 DEGREES 00 MINUTES 06 SECONDS EAST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 1040.00 FEET;  
4. NORTHEASTERLY ALONG SAID CURVE 489.14 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;  
5. TANGENT TO SAID CURVE NORTH 00 DEGREES 03 MINUTES 15 SECONDS EAST 51.52 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID EASTERLY RIGHT-OF-WAY AND ALONG SAID NORTHERLY BOUNDARY SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 958.52 FEET TO THE WESTERLY RIGHT-OF-WAY OF SOUTH NEWLIN GULCH ROAD, BEING A LINE PARALLEL WITH AND DISTANT WESTERLY 30.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE EASTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;  
THENCE DEPARTING SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID PARALLEL LINE SOUTH 00 DEGREES 17 MINUTES 05 SECONDS EAST 1330.87 FEET TO SAID NORTHERLY BOUNDARY OF THE TRACT DESCRIBED IN BOOK 129 AT PAGE 319;  
THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE, NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1250.04 FEET TO THE POINT OF BEGINNING.

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014.

EXHIBIT B  
PERMITTED EXCEPTIONS

Our Order No. PC45008019-17

EXISTING LEASES AND TENANCIES, IF ANY.

RIGHT OF PROPRIETOR OF A VEIN OR LODGE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES AS RESERVED IN UNITED STATES PATENT RECORDED March 07, 1903, IN BOOK 12 AT PAGE 212.

ANY BOUNDARY DISCREPANCY DUE TO THE LOCATION OF FENCE LINES AND THE EFFECT OF ANY RIGHT, TITLE OR INTEREST THAT MAY BE CLAIMED DUE TO ANY SAID DISCREPANCY.

RIGHTS OF WAY FOR COUNTY ROADS AND RIGHTS OF OTHERS IN AND TO.

ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE CHERRY CREEK BASIN AUTHORITY, AS EVIDENCED BY INSTRUMENT RECORDED May 06, 1988, IN BOOK 790 AT PAGE 718.

TEMPORARY EASEMENT FOR CONSTRUCTION AND MAINTENANCE AS RECORDED JUNE 17, 2003 UNDER RECEPTION NUMBER 2003089669.

EASEMENT AGREEMENT GRANTED TO PARKER WATER AND SANITATION DISTRICT RECORDED MAY 7, 2003 UNDER RECEPTION NUMBER 2003067962.

EASEMENT AGREEMENT BETWEEN JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND THE PARKER WATER AND SANITATION DISTRICT RECORDED FEBRUARY 11, 2005 AT RECEPTION NO. 2005012842.

MEMORANDUM OF UNDERSTANDING BETWEEN PARKER WATER AND SANITATION DISTRICT AND JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND JAMES PARKER AND AMERIWEST COMMUNITIES, L.L.C., A COLORADO LIMITED LIABILITY COMPANY RECORDED NOVEMBER 29, 2004 AT RECEPTION NO. 2004121366.

PETITION FOR INCLUSION OF LAND WITHIN THE PARKER WATER & SANITATION DISTRICT RECORDED NOVEMBER 29, 2004 AT RECEPTION NOS. 2004121365, 2004121364, 2004121363, 2004121362 AND 2004121361.

ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE PARKER WATER AND SANITATION DISTRICT, CASE NUMBER 1961CV3121, AS EVIDENCED BY INSTRUMENT RECORDED November 23, 2004, UNDER RECEPTION NO. 2004119931.

ORDINANCE NO. 2.162 RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059700.

ANNEXATION MAP RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059701.

ORDINANCE NO. 3.233 RECORDED JULY 1, 2005 UNDER RECEPTION NO.

EXHIBIT B

Our Order No. PC45008019-17

2005059703.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY ANNEXATION AGREEMENT  
RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059702.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT GUIDE RECORDED  
JULY 1, 2005 UNDER RECEPTION NO. 2005059704.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT PLAN MAP  
RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059705.

OFFICIAL RECORDS  
DOUGLAS COUNTY CO  
CAROLE R. MURRAY  
CLERK & RECORDER  
RECORDING FEE: \$31.00  
6 PGS  
# 2005125626  
12/30/2005 04:11 PM



2005125626 6 PGS

SPECIAL WARRANTY DEED

THIS DEED, made as of this 13<sup>th</sup> day of December, 2005, is by and between Wanda Criswell whose address is 110 Palmer S/D, Dyersburg, TN 38024 ("Grantor"), and BCX DEVELOPMENT PARTNERS #1, LLC, a Colorado limited liability company, whose address is 7108 S. Alton Way, Bldg. M, Englewood, CO 80112 ("Grantee").

WITNESSETH, that Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) to Grantor in hand paid by Grantee, the receipt whereof is hereby confessed and acknowledged, has granted, bargained, sold and conveyed and by these presents does grant, bargain, sell, convey and confirm unto Grantee, its heirs, successors and assigns forever, all of Grantor's right, title and interest to the real property situate in the County of Douglas, State of Colorado, and more particularly described in **Exhibit A** attached hereto and incorporated herein (hereinafter "the Real Property"),

TOGETHER with all of Grantor's interest to any and all water rights appurtenant thereto and all and singular the hereditaments and appurtenances thereunto belonging, or in any wise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of Grantor, either in law or equity, together with all of Grantor's right, title and interest, if any, in and to all oil and gas rights, all minerals and mineral rights, and all other hydrocarbon substances, and all air rights appurtenant to the Real Property, all easements, if any, benefiting the Real Property, and all rights and appurtenances pertaining to the foregoing, including any right, title and interest of Grantor in and to streets, gores, alleys or rights-of-way lying adjacent to the Real Property, with the hereditaments and appurtenances (collectively, the "Property")

TO HAVE AND TO HOLD the Property above bargained and described, with the appurtenances unto Grantee, its heirs, successors and assigns forever. And Grantor, for itself, its successors and assigns, does covenant, grant, bargain and agree to and with Grantee, its heirs, successors and assigns, that at the time of the ensealing and delivery of these presents it is well seized of the Property, as of good, sure, perfect, absolute and indefeasible estate of inheritance, in law, in fee simple, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid, and that the same is free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and encumbrances of whatever kind or nature soever except general taxes and assessments for the current year and all subsequent years; and

INITIALS  
*MC*



PR 4500809





EXHIBIT A  
LEGAL DESCRIPTION

PARCEL 1:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;  
THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 AND THE POINT OF BEGINNING;  
THENCE CONTINUING ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST 1330.91 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT DESCRIBED IN BOOK 1371 AT PAGE 2151, A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID WESTERLY LINE AND ALONG SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1582.36 FEET TO THE WESTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY FOLLOWING FIVE (5) COURSES:  
1. SOUTH 00 DEGREES 03 MINUTES 15 SECONDS WEST 51.52 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 960.00 FEET;  
2. SOUTHWESTERLY ALONG SAID CURVE 451.51 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;  
3. TANGENT TO SAID CURVE SOUTH 27 DEGREES 00 MINUTES 06 SECONDS WEST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 1040.00 FEET;  
4. SOUTHWESTERLY ALONG SAID CURVE 480.09 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 27 MINUTES 57 SECONDS;  
5. TANGENT TO SAID CURVE SOUTH 00 DEGREES 33 MINUTES 09 SECONDS WEST 255.52 FEET TO SAID NORTHERLY BOUNDARY OF THAT TRACT DESCRIBED IN BOOK 129 AT PAGE 319;  
THENCE DEPARTING SAID WESTERLY RIGHT-OF-WAY ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1285.45 FEET TO THE POINT OF BEGINNING.

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMCENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014

PARCEL 2:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PC45008019

Forms 426, 430 EXHIBIT A1 01/17/03

## EXHIBIT A

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;  
THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT, A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;  
THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1365.45 FEET TO THE EASTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE, AND THE POINT OF BEGINNING;  
THENCE DEPARTING SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE ALONG SAID EASTERLY RIGHT-OF-WAY THE FOLLOWING FIVE (5) COURSES;  
1. NORTH 00 DEGREES 33 MINUTES 09 SECONDS EAST 254.82 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 960.00 FEET;  
2. NORTHEASTERLY ALONG SAID CURVE 443.16 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 26 MINUTES 57 SECONDS;  
3. TANGENT TO SAID CURVE NORTH 27 DEGREES 00 MINUTES 06 SECONDS EAST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 1040.00 FEET;  
4. NORTHEASTERLY ALONG SAID CURVE 489.14 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;  
5. TANGENT TO SAID CURVE NORTH 00 DEGREES 03 MINUTES 15 SECONDS EAST 51.52 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID EASTERLY RIGHT-OF-WAY AND ALONG SAID NORTHERLY BOUNDARY SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 958.52 FEET TO THE WESTERLY RIGHT-OF-WAY OF SOUTH NEWLIN GULCH ROAD, BEING A LINE PARALLEL WITH AND DISTANT WESTERLY 30.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE EASTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;  
THENCE DEPARTING SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID PARALLEL LINE SOUTH 00 DEGREES 17 MINUTES 05 SECONDS EAST 1330.87 FEET TO SAID NORTHERLY BOUNDARY OF THE TRACT DESCRIBED IN BOOK 129 AT PAGE 319;  
THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE, NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1250.04 FEET TO THE POINT OF BEGINNING.

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014.

**EXHIBIT B**  
PERMITTED EXCEPTIONS

Our Order No. PC45008019-17

EXISTING LEASES AND TENANCIES, IF ANY.

RIGHT OF PROPRIETOR OF A VEIN OR LODE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES AS RESERVED IN UNITED STATES PATENT RECORDED March 07, 1903, IN BOOK 12 AT PAGE 212.

ANY BOUNDARY DISCREPANCY DUE TO THE LOCATION OF FENCE LINES AND THE EFFECT OF ANY RIGHT, TITLE OR INTEREST THAT MAY BE CLAIMED DUE TO ANY SAID DISCREPANCY.

RIGHTS OF WAY FOR COUNTY ROADS AND RIGHTS OF OTHERS IN AND TO.

ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE CHERRY CREEK BASIN AUTHORITY, AS EVIDENCED BY INSTRUMENT RECORDED May 06, 1988, IN BOOK 790 AT PAGE 718.

TEMPORARY EASEMENT FOR CONSTRUCTION AND MAINTENANCE AS RECORDED JUNE 17, 2003 UNDER RECEPTION NUMBER 2003089669.

EASEMENT AGREEMENT GRANTED TO PARKER WATER AND SANITATION DISTRICT RECORDED MAY 7, 2003 UNDER RECEPTION NUMBER 2003067962.

EASEMENT AGREEMENT BETWEEN JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND THE PARKER WATER AND SANITATION DISTRICT RECORDED FEBRUARY 11, 2005 AT RECEPTION NO. 2005012842.

MEMORANDUM OF UNDERSTANDING BETWEEN PARKER WATER AND SANITATION DISTRICT AND JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND JAMES PARKER AND AMERIWEST COMMUNITIES, L.L.C., A COLORADO LIMITED LIABILITY COMPANY RECORDED NOVEMBER 29, 2004 AT RECEPTION NO. 2004121366.

PETITION FOR INCLUSION OF LAND WITHIN THE PARKER WATER & SANITATION DISTRICT RECORDED NOVEMBER 29, 2004 AT RECEPTION NOS. 2004121365, 2004121364, 2004121363, 2004121362 AND 2004121361.

ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE PARKER WATER AND SANITATION DISTRICT, CASE NUMBER 1961CV3121, AS EVIDENCED BY INSTRUMENT RECORDED November 23, 2004, UNDER RECEPTION NO. 2004119931.

ORDINANCE NO. 2.162 RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059700.

ANNEXATION MAP RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059701.

ORDINANCE NO. 3.233 RECORDED JULY 1, 2005 UNDER RECEPTION NO.

EXHIBIT B

Our Order No. PC45008019-17

2005059703.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY ANNEXATION AGREEMENT  
RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059702.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT GUIDE RECORDED  
JULY 1, 2005 UNDER RECEPTION NO. 2005059704.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT PLAN MAP  
RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059705.

2 OFFICIAL RECORDS  
DOUGLAS COUNTY CO  
CAROLE R. MURRAY  
CLERK & RECORDER  
RECORDING FEE: \$31.00  
5 PGS  
# 2005125627  
12/30/2005 04:11 PM



2005125627 6 PGS

SPECIAL WARRANTY DEED

THIS DEED, made as of this 16th day of DECEMBER, 2005, is by and between Douglas Parker whose address is 1132 Moore Rd, Halls, TN 38040 ("Grantor"), and BCX DEVELOPMENT PARTNERS #1, LLC, a Colorado limited liability company, whose address is 7108 S. Alton Way, Bldg. M, Englewood, CO 80112 ("Grantee").

WITNESSETH, that Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) to Grantor in hand paid by Grantee, the receipt whereof is hereby confessed and acknowledged, has granted, bargained, sold and conveyed and by these presents does grant, bargain, sell, convey and confirm unto Grantee, its heirs, successors and assigns forever, all of Grantor's right, title and interest to the real property situate in the County of Douglas, State of Colorado, and more particularly described in **Exhibit A** attached hereto and incorporated herein (hereinafter "the Real Property"),

TOGETHER with all of Grantor's interest to any and all water rights appurtenant thereto and all and singular the hereditaments and appurtenances thereunto belonging, or in any wise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of Grantor, either in law or equity, together with all of Grantor's right, title and interest, if any, in and to all oil and gas rights, all minerals and mineral rights, and all other hydrocarbon substances, and all air rights appurtenant to the Real Property, all easements, if any, benefiting the Real Property, and all rights and appurtenances pertaining to the foregoing, including any right, title and interest of Grantor in and to streets, gores, alleys or rights-of-way lying adjacent to the Real Property, with the hereditaments and appurtenances (collectively, the "Property")

TO HAVE AND TO HOLD the Property above bargained and described, with the appurtenances unto Grantee, its heirs, successors and assigns forever. And Grantor, for itself, its successors and assigns, does covenant, grant, bargain and agree to and with Grantee, its heirs, successors and assigns, that at the time of the ensealing and delivery of these presents it is well seized of the Property, as of good, sure, perfect, absolute and indefeasible estate of inheritance, in law, in fee simple, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid, and that the same is free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and encumbrances of whatever kind or nature soever except general taxes and assessments for the current year and all subsequent years; and



PR4500809



EXHIBIT A  
LEGAL DESCRIPTION

## PARCEL 1:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;  
THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 AND THE POINT OF BEGINNING;  
THENCE CONTINUING ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST 1330.91 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT DESCRIBED IN BOOK 1371 AT PAGE 2151, A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID WESTERLY LINE AND ALONG SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1592.36 FEET TO THE WESTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY FOLLOWING FIVE (5) COURSES:  
1. SOUTH 00 DEGREES 03 MINUTES 15 SECONDS WEST 51.52 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 960.00 FEET;  
2. SOUTHWESTERLY ALONG SAID CURVE 451.51 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;  
3. TANGENT TO SAID CURVE SOUTH 27 DEGREES 00 MINUTES 06 SECONDS WEST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 1040.00 FEET;  
4. SOUTHWESTERLY ALONG SAID CURVE 480.09 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 27 MINUTES 57 SECONDS;  
5. TANGENT TO SAID CURVE SOUTH 00 DEGREES 33 MINUTES 09 SECONDS WEST 255.52 FEET TO SAID NORTHERLY BOUNDARY OF THAT TRACT DESCRIBED IN BOOK 129 AT PAGE 319;  
THENCE DEPARTING SAID WESTERLY RIGHT-OF-WAY ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1285.45 FEET TO THE POINT OF BEGINNING.

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMCENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014

## PARCEL 2:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PC45008019

Forms 426, 430 EXHIBIT A1 01/17/03



## EXHIBIT A

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;  
THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT, A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;  
THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1365.45 FEET TO THE EASTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE, AND THE POINT OF BEGINNING;  
THENCE DEPARTING SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE ALONG SAID EASTERLY RIGHT-OF-WAY THE FOLLOWING FIVE (5) COURSES;  
1. NORTH 00 DEGREES 33 MINUTES 09 SECONDS EAST 254.82 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 960.00 FEET;  
2. NORTHEASTERLY ALONG SAID CURVE 443.16 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 26 MINUTES 57 SECONDS;  
3. TANGENT TO SAID CURVE NORTH 27 DEGREES 00 MINUTES 06 SECONDS EAST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 1040.00 FEET;  
4. NORTHEASTERLY ALONG SAID CURVE 489.14 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;  
5. TANGENT TO SAID CURVE NORTH 00 DEGREES 03 MINUTES 15 SECONDS EAST 51.52 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID EASTERLY RIGHT-OF-WAY AND ALONG SAID NORTHERLY BOUNDARY SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 958.52 FEET TO THE WESTERLY RIGHT-OF-WAY OF SOUTH NEWLIN GULCH ROAD, BEING A LINE PARALLEL WITH AND DISTANT WESTERLY 30.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE EASTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;  
THENCE DEPARTING SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID PARALLEL LINE SOUTH 00 DEGREES 17 MINUTES 05 SECONDS EAST 1330.87 FEET TO SAID NORTHERLY BOUNDARY OF THE TRACT DESCRIBED IN BOOK 129 AT PAGE 319;  
THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE, NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1250.04 FEET TO THE POINT OF BEGINNING.

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMEENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014.

**EXHIBIT B**  
PERMITTED EXCEPTIONS

Our Order No. PC45008019-17

EXISTING LEASES AND TENANCIES, IF ANY.

RIGHT OF PROPRIETOR OF A VEIN OR LODE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES AS RESERVED IN UNITED STATES PATENT RECORDED March 07, 1903, IN BOOK 12 AT PAGE 212.

ANY BOUNDARY DISCREPANCY DUE TO THE LOCATION OF FENCE LINES AND THE EFFECT OF ANY RIGHT, TITLE OR INTEREST THAT MAY BE CLAIMED DUE TO ANY SAID DISCREPANCY.

RIGHTS OF WAY FOR COUNTY ROADS AND RIGHTS OF OTHERS IN AND TO.

ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE CHERRY CREEK BASIN AUTHORITY, AS EVIDENCED BY INSTRUMENT RECORDED May 06, 1988, IN BOOK 790 AT PAGE 718.

TEMPORARY EASEMENT FOR CONSTRUCTION AND MAINTENANCE AS RECORDED JUNE 17, 2003 UNDER RECEPTION NUMBER 2003089669.

EASEMENT AGREEMENT GRANTED TO PARKER WATER AND SANITATION DISTRICT RECORDED MAY 7, 2003 UNDER RECEPTION NUMBER 2003067962.

EASEMENT AGREEMENT BETWEEN JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND THE PARKER WATER AND SANITATION DISTRICT RECORDED FEBRUARY 11, 2005 AT RECEPTION NO. 2005012842.

MEMORANDUM OF UNDERSTANDING BETWEEN PARKER WATER AND SANITATION DISTRICT AND JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND JAMES PARKER AND AMERIWEST COMMUNITIES, L.L.C., A COLORADO LIMITED LIABILITY COMPANY RECORDED NOVEMBER 29, 2004 AT RECEPTION NO. 2004121366.

PETITION FOR INCLUSION OF LAND WITHIN THE PARKER WATER & SANITATION DISTRICT RECORDED NOVEMBER 29, 2004 AT RECEPTION NOS. 2004121365, 2004121364, 2004121363, 2004121362 AND 2004121361.

ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE PARKER WATER AND SANITATION DISTRICT, CASE NUMBER 1961CV3121, AS EVIDENCED BY INSTRUMENT RECORDED November 23, 2004, UNDER RECEPTION NO. 2004119931.

ORDINANCE NO. 2.162 RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059700.

ANNEXATION MAP RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059701.

ORDINANCE NO. 3.233 RECORDED JULY 1, 2005 UNDER RECEPTION NO.

EXHIBIT B

Our Order No. PC45008019-17

2005059703.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY ANNEXATION AGREEMENT  
RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059702.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT GUIDE RECORDED  
JULY 1, 2005 UNDER RECEPTION NO. 2005059704.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT PLAN MAP  
RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059705.

OFFICIAL RECORDS  
 DOUGLAS COUNTY CO  
 CAROLE R. MURRAY  
 CLERK & RECORDER  
 RECORDING FEE: \$31.00  
 DOCUMENT FEE: \$350.00  
 TD1000: YES 6 PGS  
 # 2005125625  
 12/30/2005 04:11 PM



2005125625 6 PGS

SPECIAL WARRANTY DEED

THIS DEED, made as of this 16th day of December, 2005, is by and between James Parker whose address is 827 E. Cottonwood Ave, Centennial, CO 80121 ("Grantor"), and BCX DEVELOPMENT PARTNERS #1, LLC, a Colorado limited liability company, whose address is 7108 S. Alton Way, Bldg. M, Englewood, CO 80112 ("Grantee").

WITNESSETH, that Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) to Grantor in hand paid by Grantee, the receipt whereof is hereby confessed and acknowledged, has granted, bargained, sold and conveyed and by these presents does grant, bargain, sell, convey and confirm unto Grantee, its heirs, successors and assigns forever, all of Grantor's right, title and interest to the real property situate in the County of Douglas, State of Colorado, and more particularly described in **Exhibit A** attached hereto and incorporated herein (hereinafter "the Real Property"),

TOGETHER with all of Grantor's interest to any and all water rights appurtenant thereto and all and singular the hereditaments and appurtenances thereunto belonging, or in any wise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of Grantor, either in law or equity, together with all of Grantor's right, title and interest, if any, in and to all oil and gas rights, all minerals and mineral rights, and all other hydrocarbon substances, and all air rights appurtenant to the Real Property, all easements, if any, benefiting the Real Property, and all rights and appurtenances pertaining to the foregoing, including any right, title and interest of Grantor in and to streets, gores, alleys or rights-of-way lying adjacent to the Real Property, with the hereditaments and appurtenances (collectively, the "Property")

TO HAVE AND TO HOLD the Property above bargained and described, with the appurtenances unto Grantee, its heirs, successors and assigns forever. And Grantor, for itself, its successors and assigns, does covenant, grant, bargain and agree to and with Grantee, its heirs, successors and assigns, that at the time of the ensembling and delivery of these presents it is well seized of the Property, as of good, sure, perfect, absolute and indefeasible estate of inheritance, in law, in fee simple, and has good right, full power and lawful authority to grant, bargain, sell and convey the same in manner and form aforesaid, and that the same is free and clear from all former and other grants, bargains, sales, liens, taxes, assessments and encumbrances of whatever kind or nature soever except general taxes and assessments for the current year and all subsequent years; and

JP



PR45008019

except for those matters shown on **Exhibit B** attached hereto and incorporated herein; and the above bargained premises in the quiet and peaceable possession of Grantee, its successors and assigns, will warrant or forever defend against any party claiming by, through or under Grantor.

IN WITNESS WHEREOF, Grantor has executed this Deed as of the day and year first above written.

*James Parker*  
James Parker

STATE OF Colorado )  
 ) ss.  
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this 2<sup>nd</sup> day of December, 2005, by James Parker.

Witness my hand and official seal.

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

*Michelle Capra*  
Notary Public

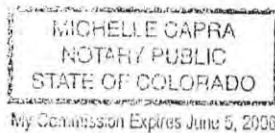


EXHIBIT A  
LEGAL DESCRIPTION

PARCEL 1:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;  
THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 AND THE POINT OF BEGINNING;  
THENCE CONTINUING ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST 1330.91 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT DESCRIBED IN BOOK 1371 AT PAGE 2151, A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID WESTERLY LINE AND ALONG SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1582.36 FEET TO THE WESTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID NORTHERLY BOUNDARY, SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY FOLLOWING FIVE (5) COURSES:  
1. SOUTH 00 DEGREES 03 MINUTES 15 SECONDS WEST 51.52 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 960.00 FEET;  
2. SOUTHWESTERLY ALONG SAID CURVE 451.51 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;  
3. TANGENT TO SAID CURVE SOUTH 27 DEGREES 00 MINUTES 06 SECONDS WEST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 1040.00 FEET;  
4. SOUTHWESTERLY ALONG SAID CURVE 480.09 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 27 MINUTES 57 SECONDS;  
5. TANGENT TO SAID CURVE SOUTH 00 DEGREES 33 MINUTES 09 SECONDS WEST 255.52 FEET TO SAID NORTHERLY BOUNDARY OF THAT TRACT DESCRIBED IN BOOK 129 AT PAGE 319;  
THENCE DEPARTING SAID WESTERLY RIGHT-OF-WAY ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1285.45 FEET TO THE POINT OF BEGINNING.

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMCENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014

PARCEL 2:

A PARCEL OF LAND BEING PART OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151 IN THE OFFICE OF THE CLERK AND RECORDER OF DOUGLAS COUNTY, COLORADO, SITUATED ENTIRELY WITHIN THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PC45008019

Forms 426, 430 EXHIBIT A 01/17/03

## EXHIBIT A

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 20 WHENCE THE WESTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20 BEARS NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST AND ALL BEARINGS ARE MADE AS A REFERENCE HEREON;  
THENCE ALONG SAID WESTERLY LINE, SAME BEING THE WESTERLY BOUNDARY OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 129 AT PAGE 319 IN SAID CLERK AND RECORDER'S OFFICE, NORTH 00 DEGREES 31 MINUTES 01 SECONDS WEST A DISTANCE OF 240.01 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT, A LINE PARALLEL WITH AND 240.00 FEET DISTANT NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;  
THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 1365.45 FEET TO THE EASTERLY RIGHT-OF-WAY OF NEWLIN GULCH BOULEVARD AS DESCRIBED IN DEED RECORDED AT RECEPTION NUMBER 2004001619 IN SAID CLERK AND RECORDER'S OFFICE, AND THE POINT OF BEGINNING;  
THENCE DEPARTING SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE ALONG SAID EASTERLY RIGHT-OF-WAY THE FOLLOWING FIVE (5) COURSES;  
1. NORTH 00 DEGREES 33 MINUTES 09 SECONDS EAST 254.82 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 960.00 FEET;  
2. NORTHEASTERLY ALONG SAID CURVE 443.16 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 26 MINUTES 57 SECONDS;  
3. TANGENT TO SAID CURVE NORTH 27 DEGREES 00 MINUTES 06 SECONDS EAST 141.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 1040.00 FEET;  
4. NORTHEASTERLY ALONG SAID CURVE 489.14 FEET THROUGH A CENTRAL ANGLE OF 26 DEGREES 56 MINUTES 51 SECONDS;  
5. TANGENT TO SAID CURVE NORTH 00 DEGREES 03 MINUTES 15 SECONDS EAST 51.52 FEET TO THE NORTHERLY BOUNDARY OF SAID TRACT OF LAND DESCRIBED IN DEED RECORDED IN BOOK 1371 AT PAGE 2151, A LINE PARALLEL WITH AND DISTANT NORTHERLY 1570.84 FEET, MEASURED AT RIGHT ANGLES, FROM THE SOUTHERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20, SAME BEING THE SOUTHERLY BOUNDARY OF NEW HORIZON FILING NO. 1 AS PER PLAT RECORDED AT RECEPTION NO. 2003103692 IN SAID CLERK AND RECORDER'S OFFICE;  
THENCE DEPARTING SAID EASTERLY RIGHT-OF-WAY AND ALONG SAID NORTHERLY BOUNDARY SAID PARALLEL LINE, AND SAID SOUTHERLY BOUNDARY, SOUTH 89 DEGREES 56 MINUTES 42 SECONDS EAST 958.52 FEET TO THE WESTERLY RIGHT-OF-WAY OF SOUTH NEWLIN GULCH ROAD, BEING A LINE PARALLEL WITH AND DISTANT WESTERLY 30.00 FEET, MEASURED AT RIGHT ANGLES, FROM THE EASTERLY LINE OF SAID SOUTHWEST QUARTER OF SECTION 20;  
THENCE DEPARTING SAID SOUTHERLY BOUNDARY AND ALONG SAID WESTERLY RIGHT-OF-WAY AND SAID PARALLEL LINE SOUTH 00 DEGREES 17 MINUTES 05 SECONDS EAST 1330.87 FEET TO SAID NORTHERLY BOUNDARY OF THE TRACT DESCRIBED IN BOOK 129 AT PAGE 319;  
THENCE ALONG SAID NORTHERLY BOUNDARY AND SAID PARALLEL LINE, NORTH 89 DEGREES 56 MINUTES 42 SECONDS WEST 1250.04 FEET TO THE POINT OF BEGINNING.

THIS DESCRIPTION WAS PREPARED BY RICHARD E. BLACK, COLORADO REGISTERED PROFESSIONAL LAND SURVEYOR P.L.S. 37915 FOR AND ON BEHALF OF MMENGINEERING, INC., 2260 SOUTH XANADU WAY, SUITE 240, AURORA, CO. 80014.

**EXHIBIT B**  
**PERMITTED EXCEPTIONS**

Our Order No. PC45008019-17

EXISTING LEASES AND TENANCIES, IF ANY.

RIGHT OF PROPRIETOR OF A VEIN OR LODGE TO EXTRACT AND REMOVE HIS ORE THEREFROM SHOULD THE SAME BE FOUND TO PENETRATE OR INTERSECT THE PREMISES AS RESERVED IN UNITED STATES PATENT RECORDED March 07, 1903, IN BOOK 12 AT PAGE 212.

ANY BOUNDARY DISCREPANCY DUE TO THE LOCATION OF FENCE LINES AND THE EFFECT OF ANY RIGHT, TITLE OR INTEREST THAT MAY BE CLAIMED DUE TO ANY SAID DISCREPANCY.

RIGHTS OF WAY FOR COUNTY ROADS AND RIGHTS OF OTHERS IN AND TO.

ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE CHERRY CREEK BASIN AUTHORITY, AS EVIDENCED BY INSTRUMENT RECORDED May 06, 1988, IN BOOK 790 AT PAGE 718.

TEMPORARY EASEMENT FOR CONSTRUCTION AND MAINTENANCE AS RECORDED JUNE 17, 2003 UNDER RECEPTION NUMBER 2003089669.

EASEMENT AGREEMENT GRANTED TO PARKER WATER AND SANITATION DISTRICT RECORDED MAY 7, 2003 UNDER RECEPTION NUMBER 2003067962.

EASEMENT AGREEMENT BETWEEN JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND THE PARKER WATER AND SANITATION DISTRICT RECORDED FEBRUARY 11, 2005 AT RECEPTION NO. 2005012842.

MEMORANDUM OF UNDERSTANDING BETWEEN PARKER WATER AND SANITATION DISTRICT AND JOANNE LANGLEY, WANDA CRISWELL, DOUGLAS PARKER AND JAMES PARKER AND AMERIWEST COMMUNITIES, L.L.C., A COLORADO LIMITED LIABILITY COMPANY RECORDED NOVEMBER 29, 2004 AT RECEPTION NO. 2004121366.

PETITION FOR INCLUSION OF LAND WITHIN THE PARKER WATER & SANITATION DISTRICT RECORDED NOVEMBER 29, 2004 AT RECEPTION NOS. 2004121365, 2004121364, 2004121363, 2004121362 AND 2004121361.

ANY TAX, LIEN, FEE, OR ASSESSMENT BY REASON OF INCLUSION OF SUBJECT PROPERTY IN THE PARKER WATER AND SANITATION DISTRICT, CASE NUMBER 1961CV3121, AS EVIDENCED BY INSTRUMENT RECORDED November 23, 2004, UNDER RECEPTION NO. 2004119931.

ORDINANCE NO. 2.162 RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059700.

ANNEXATION MAP RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059701.

ORDINANCE NO. 3.233 RECORDED JULY 1, 2005 UNDER RECEPTION NO.



EXHIBIT B

Our Order No. PC45008019-17

2005059703.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY ANNEXATION AGREEMENT  
RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059702.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT GUIDE RECORDED  
JULY 1, 2005 UNDER RECEPTION NO. 2005059704.

TERMS, CONDITIONS AND PROVISIONS OF REGENCY DEVELOPMENT PLAN MAP  
RECORDED JULY 1, 2005 UNDER RECEPTION NO. 2005059705.

BCX DEVELOPMENT PARTNERS #1, LLC

c/o BCX Development Partners Inc.

7108 S. Alton Way, Bldg. M

Englewood, CO 80112

January 11, 2006

Town Council  
Town of Parker  
20120 E. Mainstreet  
Parker, CO 80138

Re: Proposed Regency Metropolitan District

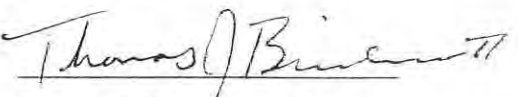
Ladies and Gentlemen:

The undersigned is the sole property owner within the boundaries of the proposed Regency Metropolitan District, and hereby consents to the formation of the proposed district and to the inclusion of such property within the boundaries of the proposed district.

Very truly yours,

BCX DEVELOPMENT PARTNERS #1, LLC,  
a Colorado limited liability company

By: BCX Development Partners Inc., a  
Colorado corporation, its Member

By: 

Name: Thomas J. Brinkman, II

Its: Vice President

**EXHIBIT D**

Capital Plan and Engineer's Certificate

REGENCY METROPOLITAN DISTRICT  
BCX DEVELOPMENT PARTNERS INC.  
DISTRICT ELIGIBLE BUDGET


District Budget Summary  
January 27, 2006

Category	Total District Cost
Sanitary Sewer System	\$ 389,339
Water Systems	\$ 358,271
Streets <sup>1</sup>	\$ 1,376,558
Parks & Landscaping	\$ 787,069
Professional Services	\$ 349,348
Contingency (5%)	\$ 163,029
<b>Total Cost</b>	<b>\$ 3,423,614</b>

<sup>1</sup> Storm Drainage is incorporated into the Streets category.

NOTE: This estimate of probable construction cost is made on the basis of the Engineer's experience and qualifications using estimated quantities and represents the Engineers's best judgement as an experienced and qualified engineer familiar with the construction industry. This estimate has been prepared based upon Town of Parker standards and in the Engineer's opinion these costs are reasonable.

Endorsed by:

  
Signature \_\_\_\_\_ Date 1/27/06  
Joseph M. Culkin P.E.  
Regency Metropolitan District Engineer

PREPARED BY

**NOLTE**  
BEYOND ENGINEERING

1/27/2006

**REGENCY METROPOLITAN DISTRICT  
DISTRICT BUDGET**

**District Improvements**

Item	Description	Unit	Quantity	Unit Price	Total Cost
<b>I. SANITARY SEWER SYSTEM</b>					
	8" PVC Pipe SDR-35	LF	7,618.00	\$ 27.56	\$ 209,952.08
	10" PVC Pipe SDR-35	LF	106.00	\$ 34.84	\$ 3,693.04
	Connect To Existing	EA	1.00	\$ 3,105.44	\$ 3,105.44
	4" Dia. Manhole	EA	58.00	\$ 2,886.00	\$ 167,388.00
	Manhole Over Existing Sanitary	EA	1.00	\$ 5,200.00	\$ 5,200.00
<b>TOTAL SANITARY SEWER SYSTEM:</b>					<b>\$ 389,338.56</b>
<b>II. WATER SYSTEM</b>					
	8" PVC	LF	7,895.00	\$ 27.56	\$ 217,586.20
	8" ARV	EA	2.00	\$ 3,700.32	\$ 7,400.64
	8" Gate Valve	EA	27.00	\$ 920.40	\$ 24,850.80
	8" x 8" Tee	EA	9.00	\$ 676.00	\$ 6,084.00
	Fire Hydrant Assembly	EA	21.00	\$ 3,913.52	\$ 82,183.92
	Water Testing	LF	7,895.00	\$ 1.09	\$ 8,621.34
	Blow Off Assembly	EA	3.00	\$ 1,352.00	\$ 4,056.00
	8" Bends	EA	16.00	\$ 468.00	\$ 7,488.00
<b>TOTAL WATER SYSTEM:</b>					<b>\$ 358,270.90</b>
<b>IV. STREETS</b>					
<b>IV.A. STREETS</b>					
	Traffic Control	LS	1.00	\$ 15,600.00	\$ 15,600.00
	Removals/Tie Ins	EA	5.00	\$ 5,200.00	\$ 26,000.00
	4" Mountable Curb and Gutter	LF	16,445.00	\$ 9.10	\$ 149,649.50
	5' Sidewalk	SF	81,910.00	\$ 2.65	\$ 217,225.32
	Chase Drain	EA	4.00	\$ 520.00	\$ 2,080.00
	Concrete Crosspan	SF	10,200.00	\$ 5.72	\$ 58,344.00
	Curb and Sidewalk Mid-Block Ramp	EA	22.00	\$ 364.00	\$ 8,008.00
	Curb Ramp Local Corner Type L1	EA	26.00	\$ 624.00	\$ 16,224.00
	Subgrade Preparation	SY	23,275.00	\$ 1.61	\$ 37,519.30
	Asphalt Paving HBP - Street 8" Depth	SY	23,275.00	\$ 20.80	\$ 484,120.00
	Range Boxes	EA	20.00	\$ 260.00	\$ 5,200.00
	Street Sign	EA	5.00	\$ 312.00	\$ 1,560.00
	Stop Signs With Attached Street Signs	EA	12.00	\$ 312.00	\$ 3,744.00
	Street Grading	LS	1.00	\$ 70,407.20	\$ 70,407.20
<b>Subtotal District Streets:</b>					<b>\$ 1,095,681.32</b>
<b>IV.B. STORM DRAINAGE SYSTEM</b>					
	18" RCP	LF	299.00	\$ 31.62	\$ 9,453.18
	24" RCP	LF	597.00	\$ 39.78	\$ 23,748.66
	30" RCP	LF	68.00	\$ 55.38	\$ 3,765.84
	36" RCP	LF	681.00	\$ 71.24	\$ 48,514.44
	42" RCP	LF	586.00	\$ 83.62	\$ 48,998.98
	48" RCP	LF	67.00	\$ 95.68	\$ 6,410.56
	30" FES w/ Grate	EA	1.00	\$ 1,040.00	\$ 1,040.00
	42" FES w/ Grate	EA	2.00	\$ 1,279.20	\$ 2,558.40
	48" FES	EA	1.00	\$ 1,560.00	\$ 1,560.00
	5 ft Dia. Std. Manhole	EA	3.00	\$ 2,697.76	\$ 8,093.28
	6 ft Dia. Std. Manhole	EA	2.00	\$ 3,422.64	\$ 6,845.28
	Double Type C Outlet	EA	1.00	\$ 5,200.00	\$ 5,200.00
	Dual Chamber Outlet Box	EA	1.00	\$ 31,200.00	\$ 31,200.00
	Cut off Wall	EA	1.00	\$ 3,120.00	\$ 3,120.00
	Type M Rip Rap	CY	237.00	\$ 52.00	\$ 12,324.00
	Forebay	Ea	1.00	\$ 5,200.00	\$ 5,200.00
	Trickle Channel	LF	342.00	\$ 45.76	\$ 15,649.92
	5-foot Type C Inlet	EA	2.00	\$ 2,600.00	\$ 5,200.00
	5-foot Type R Inlet	EA	3.00	\$ 3,770.00	\$ 11,310.00
	10-foot Type R Inlet	EA	4.00	\$ 4,628.00	\$ 18,512.00
	Gravel Access Road	SF	5,852.00	\$ 2.08	\$ 12,172.16
<b>Subtotal District Storm Drainage System:</b>					<b>\$ 280,876.70</b>
<b>TOTAL STREETS:</b>					<b>\$ 1,376,558.02</b>

**District Improvements**

<b>Item</b>	<b>Description</b>	<b>Unit</b>	<b>Quantity</b>	<b>Unit Price</b>	<b>Total Cost</b>
<b>V. PARKS &amp; LANDSCAPING</b>					
	Park Improvements	LS	1.00	\$ 52,000.00	\$ 52,000.00
	Open Space Permanent Seeding	AC	12.22	\$ 754.00	\$ 9,213.88
	Tree Lawn Landscaping	SF	120,918.00	\$ 1.56	\$ 188,632.08
	Tree Lawn Irrigation	SF	120,918.00	\$ 0.47	\$ 56,589.62
	10 ft Meandering Sidewalk 6" Thick	SF	66,730.00	\$ 2.65	\$ 176,967.96
	15 ft Meandering Sidewalk 6" Thick	SF	1,575.00	\$ 2.65	\$ 4,176.90
	Open Space Parking Lot Curb and Gutter	LF	138.00	\$ 9.10	\$ 1,255.80
	Asphalt Paving HBP - 6" Depth Parking Lot	SY	453.00	\$ 15.60	\$ 7,066.80
	Street Lights Phase 1	EA	4.00	\$ 4,160.00	\$ 16,640.00
	Street Lights Phase 2	EA	2.00	\$ 4,160.00	\$ 8,320.00
	Street Lights Phase 3	EA	5.00	\$ 4,160.00	\$ 20,800.00
	Street Lights Phase 4	EA	4.00	\$ 4,160.00	\$ 16,640.00
	Open Space Grading	LS	1.00	\$ 228,726.50	\$ 228,726.50
<b>TOTAL DISTRICT PARKS &amp; LANDSCAPING</b>					<b>\$ 787,068.54</b>
<b>SUBTOTAL DISTRICT IMPROVEMENTS</b>					<b>\$ 2,911,236.02</b>
<b>PROFESSIONAL SERVICES</b>					
	Geotechnical Services		2.0%	\$	\$ 58,224.72
	Survey		2.0%	\$	\$ 58,224.72
	Construction Management		4.0%	\$	\$ 116,449.44
	Design Engineering		4.0%	\$	\$ 116,449.44
<b>SUBTOTAL PROFESSIONAL SERVICES</b>					<b>\$ 349,348.32</b>
<b>CONTINGENCY (5.0%)</b>					<b>\$ 163,029.22</b>
<b>TOTAL DISTRICT IMPROVEMENTS</b>					<b>\$ 3,423,613.55</b>

**REGENCY METROPOLITAN DISTRICT  
OVERALL PROJECT BUDGET**

**Notes and Assumptions**

**General Notes/Assumptions**

- 1 All estimated unit costs are based on historical data and current pricing from various contractors.
- 2 Budget and quantities based on plan set by MMcEngineering, Inc.(Rev. Date 12-19-05).
- 4 Mobilization costs are calculated at 1.5% of construction costs.
- 3 Bond costs are calculated at 1% of construction costs.
- 4 All site acreages are based on the Illustrative Site Plan (Rev. Date 12-18-05) and the Preliminary Construction Plans (Rev. Date 12-19-05) from MMc Engineering.
- 5 Permits are estimated at 1.5% of construction costs. Actual City of Parker permitting is based on set hourly rate.
- 6 Any costs for relocation of existing water wells is not included in this estimate.

**Grading**

- 1 Grading volume was taken from Quantities provided to BCX Development Partners Inc. from MMc.
- 2 Clear and Grub assumes no structural removals.
- 3 Topsoil is assumed to be stripped and stockpiled for the required volume necessary to place back at 6" in the Open Space and Landscape Areas within the Grading Limits per callout on plan. Excess topsoil will not be stripped but will be assumed to be blended in with remaining cut to fill material.
- 4 Streets are assumed to be over excavated to a depth of 3 feet.
- 5 All lots and open space were estimated to be temporarily seeded upon completion of grading.
- 6 No traffic control assumed across Newlin Gulch Blvd, assumed material balance each side of roadway.

**Utilities**

- 1 Sanitary sewer testing is included in the unit pricing.

**Concrete and Paving**

- 1 Quantities are based on centerline length.
- 2 Assumed 8" depth for all paving except parking lot (6"). No base course or fabric was included. Actual asphalt depth will need to be determined a geotechnical consultant.
- 3 It is assumed the sidewalk along Newlin Gulch Blvd is existing and no improvements are required.

**Landscaping**

- 1 The 1.5' from the ROW to the back of walk is assumed to be the responsibility of the homeowner to improve.
- 2 Park cost is estimated to include playground equipment, landscaping and other miscellaneous improvements.
- 3 Open Space Permanent Seeding incorporates all open space area within the grading limits.

**Professional Services / Contingency**

- 1 Professional Services are estimated at 12% of construction Costs.
- 2 Contingency is estimated at 5% of construction costs.

**EXHIBIT E**

Maps Depicting Public Improvements

Including:

Street Improvements

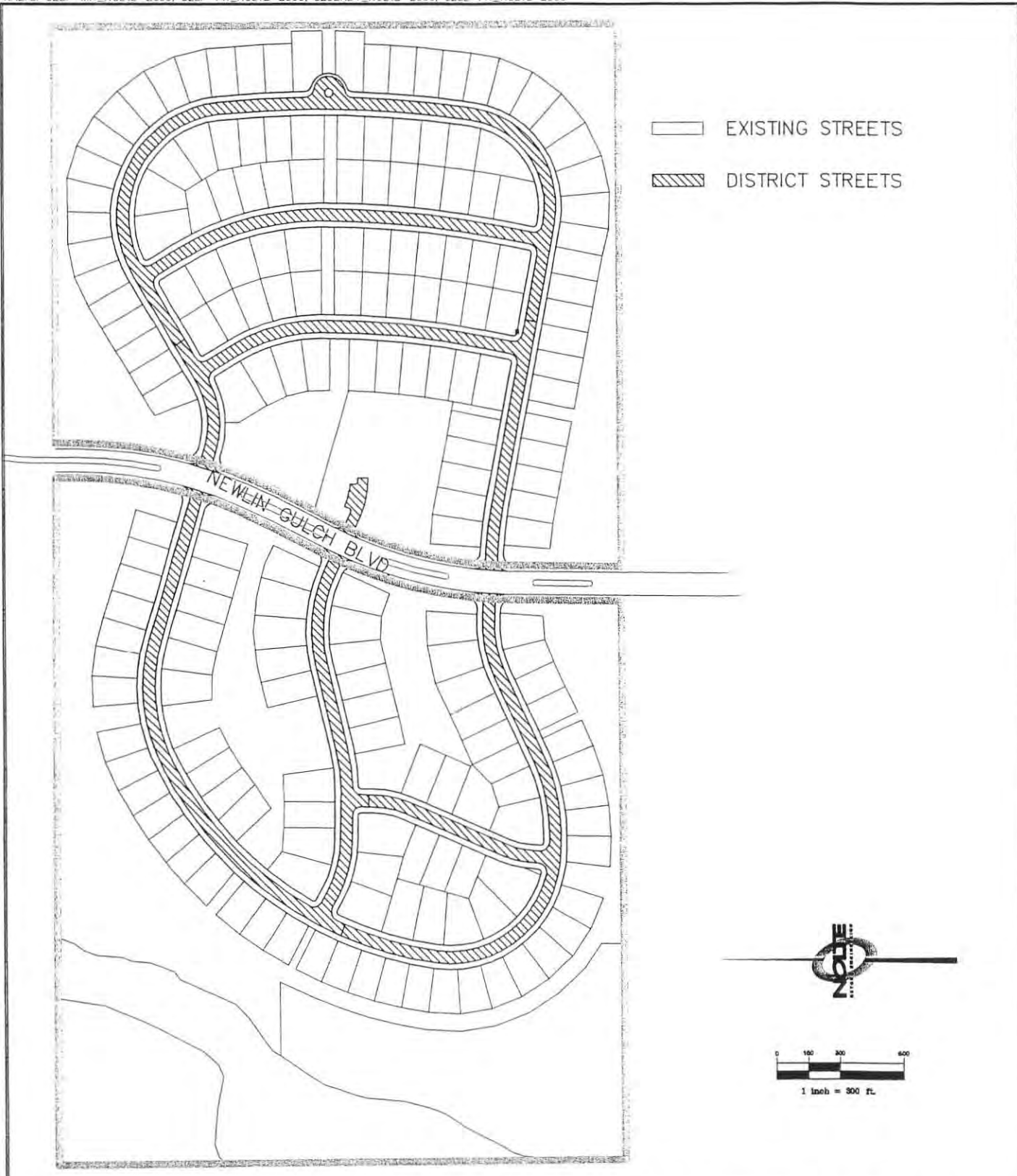
Sanitary Sewer Improvements

Water Improvements

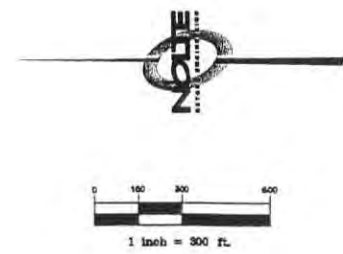
Storm Sewer Improvements

Landscape Improvements





EXISTING STREETS  
 DISTRICT STREETS



**NOLTE**  
 BEYOND ENGINEERING

**REGENCY METROPOLITAN DISTRICT  
 DISTRICT SERVICE PLAN  
 STREET IMPROVEMENTS MAP**

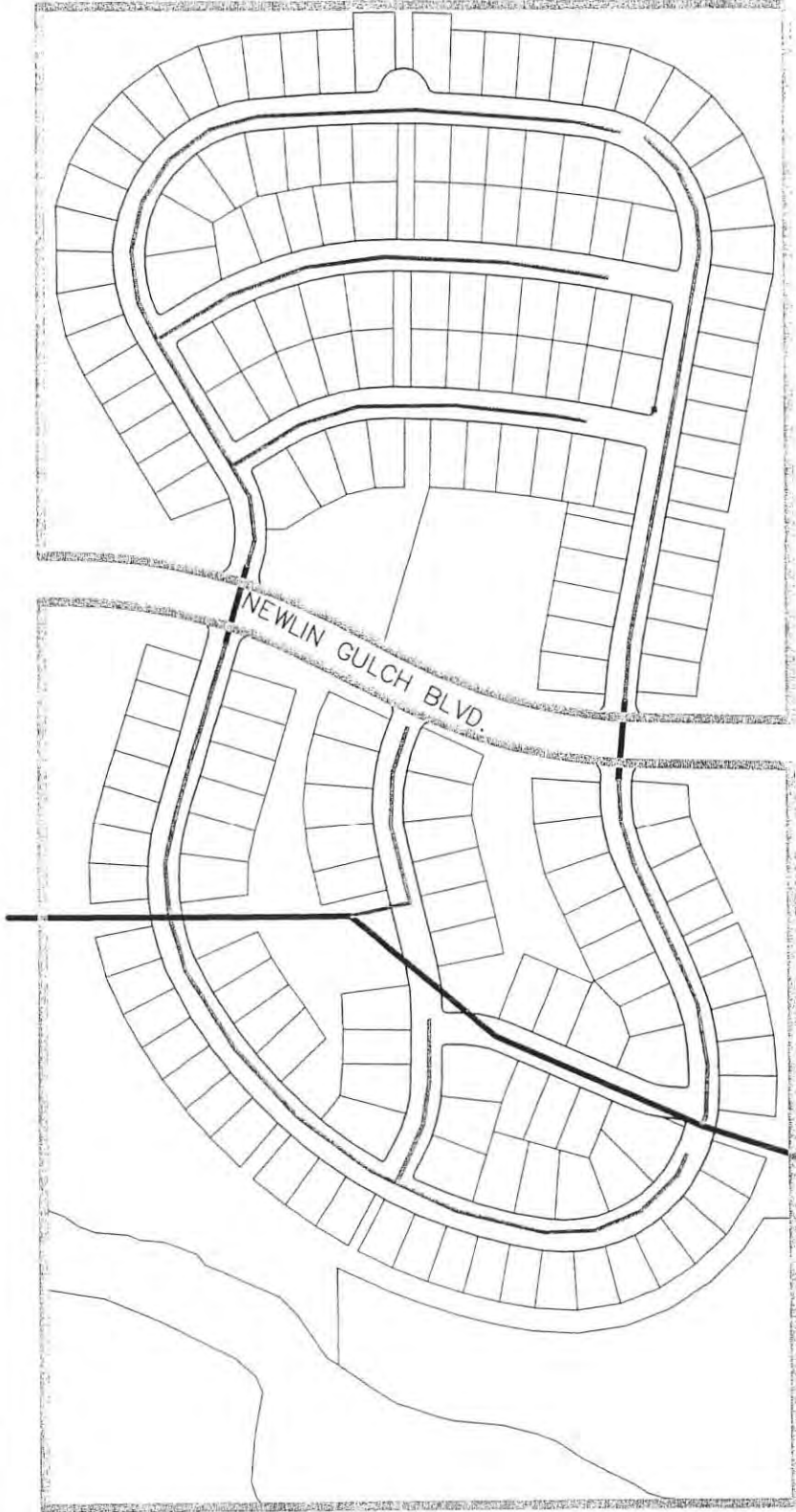
SHEET NUMBER  
**4**  
 OF 8 SHEETS

8000 SOUTH CHESTER STREET, SUITE 200, CENTENNIAL, CO. 80122  
 303.220.8400 TEL. 303.220.8001 FAX WWW.NOLTE.COM

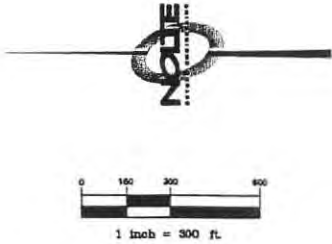
PREPARED FOR: BCX DEVELOPMENT

DATE SUBMITTED: 01/2006

JOB NUMBER  
 DVB0194



— EXISTING SANITARY SEWER  
 — DISTRICT SANITARY SEWER



**NOLTE**  
 BEYOND ENGINEERING

8000 SOUTH CHESTER STREET, SUITE 200, CENTENNIAL, CO. 80112  
 303.220.8400 TEL. 303.220.8001 FAX WWW.NOLTE.COM

**REGENCY METROPOLITAN DISTRICT  
 DISTRICT SERVICE PLAN  
 SANITARY SEWER IMPROVEMENTS MAP**

PREPARED FOR: BCX DEVELOPMENT

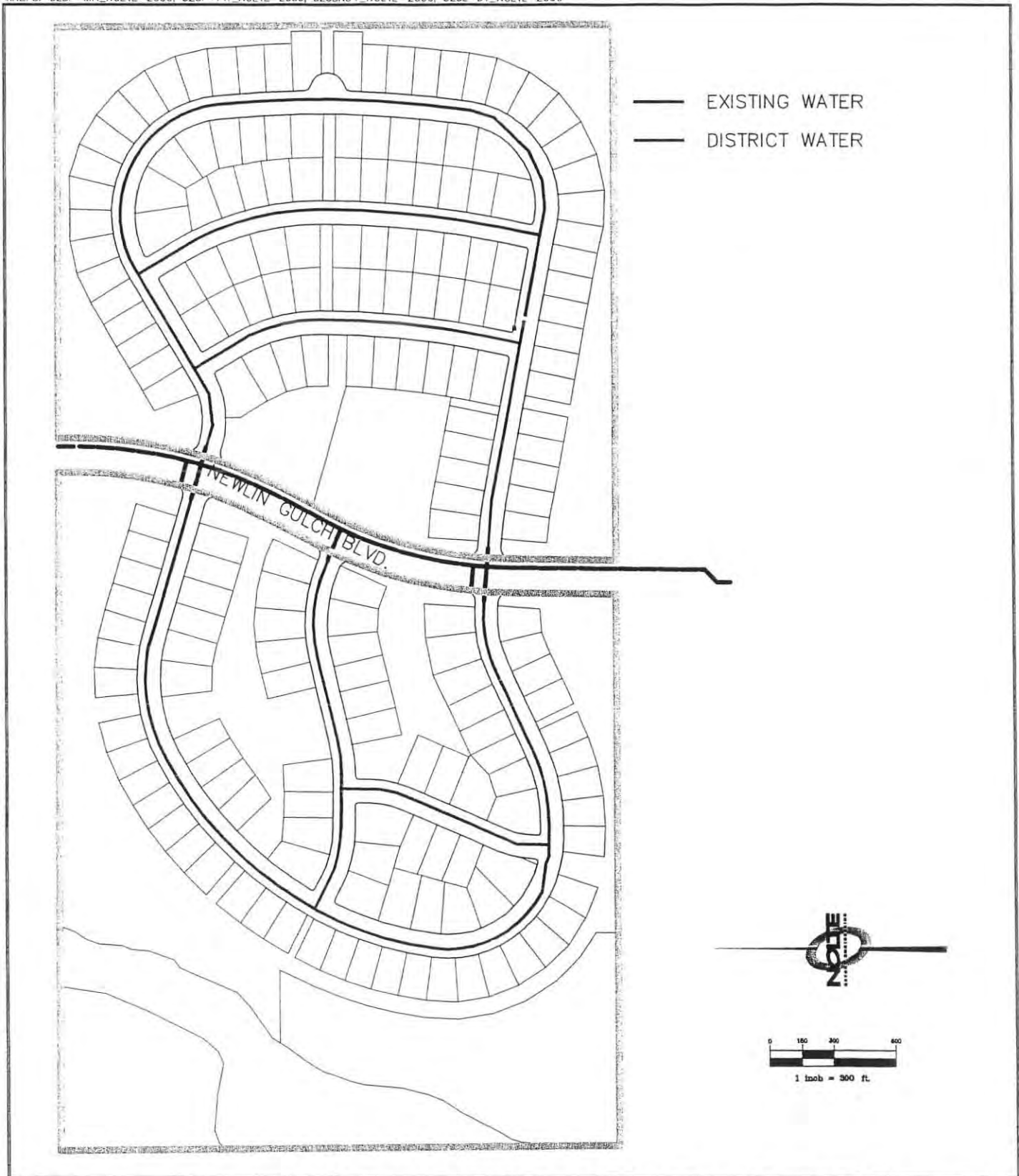
DATE SUBMITTED: 01/2006

SHEET NUMBER

5

OF 8 SHEETS

JOB NUMBER  
 DVB0194



**NOLTE**  
 BEYOND ENGINEERING

8000 SOUTH CHESTER STREET, SUITE 200, CENTENNIAL, CO. 80112  
 303.220.8400 TEL 303.220.8001 FAX WWW.NOLTE.COM

**REGENCY METROPOLITAN DISTRICT  
 DISTRICT SERVICE PLAN  
 WATER IMPROVEMENTS MAP**

PREPARED FOR: BCX DEVELOPMENT

DATE SUBMITTED: 01/2006

SHEET NUMBER

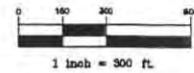
**6**

OF 8 SHEETS

JOB NUMBER  
 DVB0194



— EXISTING STORM SEWER  
 - - - DISTRICT STORM SEWER



**NOLTE**  
 BEYOND ENGINEERING

8000 SOUTH CHESTER STREET, SUITE 200,  
 303.220.8400 TEL. 303.220.8001 FAX

CENTENNIAL, CO. 80122  
 WWW.NOLTE.COM

**REGENCY METROPOLITAN DISTRICT  
 DISTRICT SERVICE PLAN  
 STORM SEWER IMPROVEMENTS MAP**

PREPARED FOR: BCX DEVELOPMENT

DATE SUBMITTED: 01/2006

SHEET NUMBER

7

OF 8 SHEETS

JOB NUMBER  
 DVB0194



**NOLTE**  
 BEYOND ENGINEERING  
 8000 SOUTH CHESTER STREET, SUITE 200, CENTERHALL, CO. 8072  
 908.220.6400 TEL. 908.220.8001 FAX WWW.NOLTE.COM

**REGENCY METROPOLITAN DISTRICT  
 DISTRICT SERVICE PLAN  
 LANDSCAPE IMPROVEMENTS MAP**

SHEET NUMBER  
**8**  
 OF **8** SHEETS  
 JOB NUMBER  
**DVB0194**

PREPARED FOR: BCX DEVELOPMENT

DATE SUBMITTED: 01/2006

**EXHIBIT F**

Financial Plan

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

**For the Years Ending  
December 31, 2006 through 2040**



To the Petitioners of the Proposed  
Regency Metropolitan District  
Parker, Colorado

We have compiled the accompanying forecasted statements of sources and uses of cash of the proposed Regency Metropolitan District (Exhibit I), the related projected debt service schedule (Exhibit II) and an analysis of absorption, development fees and assessed values (Exhibit III) for the years ending December 31, 2006 through 2040, 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.



February 17, 2006



## Regency Metropolitan District

### Summary of Significant Assumptions and Accounting Policies December 31, 2006 through 2040

The foregoing forecast presents, to the best of the Developer's knowledge and belief, the expected cash receipts and disbursements for the forecast period. Accordingly, the forecast reflects its judgement as of February 17, 2006. The assumptions disclosed herein are those that the Developer believes are significant to the forecast. There will usually be differences between the projected 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 District operations, capital improvements and debt retirement with the issuance of a proposed bond issue totaling \$2,530,000 in 2006.

#### Note 1: Ad Valorem Taxes

The primary source of revenue for the District will be the collection of ad valorem taxes. Residential property is projected to be assessed at 7.96% of market values. Market values for 192 single family homes are estimated to range from \$345,000 to \$375,000 as of 2007. Finished lots are projected at 10% of completed market values per lot. Market values are projected to inflate at 2% per year. All property is assumed to inflate at 2% biennially thereafter. Exhibit III details the projected 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 1<sup>st</sup> 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 a reduction to the property tax revenue.

The mill levy imposed by the Districts are proposed to equal 13.00 mills for operations and 29.00 mills for debt service for a total levy of 42.00 mills.

The forecast assumes that Specific Ownership Taxes collected on motor vehicle registrations will be 10% of property taxes collected. It is projected that the percentage of the Specific Ownership Taxes attributable to the Debt Service mill levy will be pledged to the Series 2006 bonds and the percentage attributable to the General Fund mill levy will be used to pay for operating expenses.

#### Note 2: Interest Income

Interest income is assumed to be earned at 4.0% 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.

## Regency Metropolitan District

### Summary of Significant Assumptions and Accounting Policies December 31, 2006 through 2040

#### Note 3: Development Fees

It is projected that the District will impose a \$2,000 development fee on each single family home. Exhibit III details the collection of the above fees by year.

#### Note 4: Bond Assumptions

The District proposes the issuance of general obligation bonds totaling \$2,530,000 in December 2006. The bonds are projected to carry a coupon rate of 6.0% and mature 30 years from their issuance. It is anticipated that the bonds will be secured by the development fee revenues discussed in Note 3, a portion of the Specific Ownership Taxes attributable to the Debt Service Fund mill levy and by a limited mill levy not to exceed 42.830 mills (adjusted for changes in the ratio of assessed values to market values). Exhibit II reflects the proposed repayment schedule of these bonds. The following table reflects the proposed sources and uses of funds for the issues.

	<u>Series 2006</u>
Sources:	
Bond proceeds	<u>\$2,530,000</u>
Uses:	
Issuance costs	101,200
Capitalized interest	164,318
Available for improvements and repayment of developer advances	<u>2,264,482</u>
	<u>\$2,530,000</u>

#### Note 5: District Improvements

Construction costs are estimated to total \$3,423,614 and are projected to be paid in 2006. Construction costs in the amount of \$1,159,132 are not expected to be paid from bond proceeds. These costs are projected to be contributed to the District by the developer.

#### Note 6: Operating and Administrative Expenses

Administrative expenses for legal, accounting, audit, management and insurance are estimated to be \$50,000 per year. Commencing in 2007 operating and administrative expenses are projected to inflate at 1% per year. Operating expenses incurred prior to the collection of ad-valorem taxes are expected to be funded by developer advances totaling \$143,549. The forecast reflects that developer advances can be repaid commencing in 2010 through 2015 without interest.

**Regency Metropolitan District  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2006 through 2040**

	Totals	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Fund</b>												
Beginning cash available	0	0	0	0	(0)	(0)	0	0	0	0	0	20,090
<b>Revenues</b>												
Property taxes	2,686,226	0	0	11,044	43,768	70,416	73,312	74,779	74,779	76,274	76,274	77,800
Specific ownership taxes	268,623	0	0	1,104	4,377	7,042	7,331	7,478	7,478	7,627	7,627	7,780
Developer advances	143,549	50,000	50,500	39,022	4,027	0						
	3,098,398	50,000	50,500	51,171	52,171	77,458	80,644	82,256	82,256	83,902	83,902	85,580
<b>Expenditures</b>												
County treasurer fees	40,293	0	0	166	657	1,056	1,100	1,122	1,122	1,144	1,144	1,167
Repay developer advances	143,549				0	24,371	26,993	28,059	27,528	28,615	7,983	
Operating expenses	2,083,014	50,000	50,500	51,005	51,515	52,030	52,551	53,076	53,607	54,143	54,684	55,231
	2,266,856	50,000	50,500	51,171	52,172	77,457	80,644	82,256	82,256	83,902	63,812	56,398
Ending cash available	831,542	0	0	(0)	(0)	0	0	0	0	0	20,090	49,272
Mill levy		0.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000
<b>Capital Projects Fund</b>												
Beginning cash available	0	0	0	0	0	0	0	0	0	0	0	0
<b>Revenues</b>												
Bond proceeds - GO Bonds	2,530,000	2,530,000										
Developer contribution	1,159,132	1,159,132										
Interest Income	0											
	3,689,132	3,689,132	0	0	0	0	0	0	0	0	0	0
<b>Expenditures</b>												
Issuance costs	101,200	101,200										
Transfer to Debt Service	164,318	164,318										
District improvements	3,423,614	3,423,614					0					
	3,689,132	3,689,132	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

See Summary of Significant Assumptions and Accounting Policies

**Regency Metropolitan District  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2006 through 2040**

	Totals	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
						<b>Debt Service Fund</b>							
Beginning cash available	0	0	165,413	182,230	259,450	244,963	255,395	264,155	273,314	284,640	296,838	306,625	
<b>Revenues</b>													
Property taxes	5,129,100	0	0	24,637	97,636	157,082	163,543	166,814	166,814	170,150	170,150	173,553	
Specific ownership taxes	512,910	0	0	2,464	9,764	15,708	16,354	16,681	16,681	17,015	17,015	17,355	
Development fees	384,000	0	162,000	198,000	24,000	0	0	0	0				
Transfer from Capital Project (Cap Interest)	164,318	164,318	0			0	0	0					
Interest income	479,096	1,095	6,617	7,289	10,378	9,799	10,216	10,566	10,933	11,386	11,874	12,265	
	6,669,424	165,413	168,617	232,390	141,777	182,588	190,113	194,061	194,428	198,551	199,039	203,173	
<b>Expenditures</b>													
Debt service - GO Debt Series 2006	5,809,900		151,800	151,800	151,800	166,800	175,900	179,400	177,600	180,800	183,700	186,300	
Paying agent fees	87,000			3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
County treasurer fees	76,937	0	0	370	1,465	2,356	2,453	2,502	2,502	2,552	2,552	2,603	
	5,973,837	0	151,800	155,170	156,265	172,156	181,353	184,902	183,102	186,352	189,252	191,903	
Ending cash available	695,588	165,413	182,230	259,450	244,963	255,395	264,155	273,314	284,640	296,838	306,625	317,895	
Mill levy		0.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000	
Total Mill Levy		0.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	
<b>Assessed valuation (000's)</b>													
Beginning	0		0	0	850	3,367	5,417	5,639	5,752	5,752	5,867	5,867	
New construction	5,572			850	2,517	1,983	223	0	0	0	0	0	
Inflation (1.0% per annum)	2,018					67		113		115		117	
Ending	7,590	0	0	850	3,367	5,417	5,639	5,752	5,752	5,867	5,867	5,985	
Outstanding GO Bonds			2,530,000	2,530,000	2,530,000	2,530,000	2,515,000	2,490,000	2,460,000	2,430,000	2,395,000	2,355,000	
Ratio of outstanding debt / Assessed Valuation				297.80%	75.15%	46.71%	44.60%	43.29%	42.77%	41.42%	40.82%	39.35%	

**Regency Metropolitan District  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2006 through 2040**

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	<b>General Fund</b>											
Beginning cash available	49,272	77,901	107,660	136,857	167,206	196,980	227,931	258,295	289,858	320,824	353,013	384,591
Revenues												
Property taxes	77,800	79,356	79,356	80,943	80,943	82,562	82,562	84,213	84,213	85,897	85,897	87,615
Specific ownership taxes	7,780	7,936	7,936	8,094	8,094	8,256	8,256	8,421	8,421	8,590	8,590	8,762
Developer advances												
	85,580	87,291	87,291	89,037	89,037	90,818	90,818	92,634	92,634	94,487	94,487	96,377
Expenditures												
County treasurer fees	1,167	1,190	1,190	1,214	1,214	1,238	1,238	1,263	1,263	1,288	1,288	1,314
Repay developer advances												
Operating expenses	55,783	56,341	56,905	57,474	58,048	58,629	59,215	59,807	60,405	61,010	61,620	62,236
	56,950	57,532	58,095	58,688	59,263	59,867	60,454	61,071	61,669	62,298	62,908	63,550
Ending cash available	77,901	107,660	136,857	167,206	196,980	227,931	258,295	289,858	320,824	353,013	384,591	417,418
Mill levy	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
	<b>Capital Projects Fund</b>											
Beginning cash available	0	0	0	0	0	0	0	0	0	0	0	0
Revenues												
Bond proceeds - GO Bonds												
Developer contribution												
Interest Income												
	0	0	0	0	0	0	0	0	0	0	0	0
Expenditures												
Issuance costs												
Transfer to Debt Service												
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

See Summary of Significant Assumptions and Accounting Policies

**Regency Metropolitan District  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2006 through 2040**

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	<b>Debt Service Fund</b>											
Beginning cash available	317,895	332,316	343,779	359,002	371,974	384,366	400,372	416,517	432,105	448,717	465,770	484,805
Revenues												
Property taxes	173,553	177,024	177,024	180,565	180,565	184,176	184,176	187,859	187,859	191,617	191,617	195,449
Specific ownership taxes	17,355	17,702	17,702	18,056	18,056	18,418	18,418	18,786	18,786	19,162	19,162	19,546
Development fees												
Transfer from Capital Project (Cap Interest)												
Interest income	12,716	13,293	13,751	14,360	14,879	15,375	16,015	16,661	17,284	17,949	18,631	19,392
	203,624	208,019	208,478	212,981	213,500	217,968	218,608	223,306	223,930	228,727	229,409	234,386
Expenditures												
Debt service - GO Debt Series 2006	183,600	190,900	187,600	194,300	195,400	196,200	196,700	201,900	201,500	205,800	204,500	207,900
Paying agent fees	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
County treasurer fees	2,603	2,655	2,655	2,708	2,708	2,763	2,763	2,818	2,818	2,874	2,874	2,932
	189,203	196,555	193,255	200,008	201,108	201,963	202,463	207,718	207,318	211,674	210,374	213,832
Ending cash available	332,316	343,779	359,002	371,974	384,366	400,372	416,517	432,105	448,717	465,770	484,805	505,359
Mill levy	29.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000
Total Mill Levy	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000
Assessed valuation (000's)												
Beginning	5,985	5,985	6,104	6,104	6,226	6,226	6,351	6,351	6,478	6,478	6,607	6,607
New construction	0	0										
Inflation (1.0% per annum)		120		122		125		127		130		132
Ending	5,985	6,104	6,104	6,226	6,226	6,351	6,351	6,478	6,478	6,607	6,607	6,740
Outstanding GO Bonds	2,310,000	2,265,000	2,210,000	2,155,000	2,090,000	2,020,000	1,945,000	1,865,000	1,775,000	1,680,000	1,575,000	1,465,000
Ratio of outstanding debt / Assessed Valuation	38.60%	37.11%	36.20%	34.61%	33.57%	31.81%	30.63%	28.79%	27.40%	25.43%	23.84%	21.74%

See Summary of Significant Assumptions and Accounting Policies

**Regency Metropolitan District  
Forecasted Sources and Uses of Cash  
For the Years Ended December 31, 2006 through 2040**

	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
	<b>General Fund</b>											
Beginning cash available	417,418	449,622	483,099	515,941	550,081	583,573	618,390	652,545	688,051	722,883	759,093	794,615
Revenues												
Property taxes	87,615	89,367	89,367	91,155	91,155	92,978	92,978	94,837	94,837	96,734	96,734	98,669
Specific ownership taxes	8,762	8,937	8,937	9,115	9,115	9,298	9,298	9,484	9,484	9,673	9,673	9,867
Developer advances												
	96,377	98,304	98,304	100,270	100,270	102,276	102,276	104,321	104,321	106,407	106,407	108,536
Expenditures												
County treasurer fees	1,314	1,341	1,341	1,367	1,367	1,395	1,395	1,423	1,423	1,451	1,451	1,480
Repay developer advances												
Operating expenses	62,858	63,487	64,122	64,763	65,410	66,065	66,725	67,392	68,066	68,747	69,435	70,129
	64,172	64,827	65,462	66,130	66,778	67,459	68,120	68,815	69,489	70,198	70,886	71,609
Ending cash available	449,622	483,099	515,941	550,081	583,573	618,390	652,545	688,051	722,883	759,093	794,615	831,542
Mill levy	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000
	<b>Capital Projects Fund</b>											
Beginning cash available	0	0	0	0	0	0	0	0	0	0	0	0
Revenues												
Bond proceeds - GO Bonds												
Developer contribution												
Interest Income												
	0	0	0	0	0	0	0	0	0	0	0	0
Expenditures												
Issuance costs												
Transfer to Debt Service												
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

See Summary of Significant Assumptions and Accounting Policies

<b>Regency Metropolitan District</b> <b>Forecasted Sources and Uses of Cash</b> <b>For the Years Ended December 31, 2006 through 2040</b>
---

	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
	<b>Debt Service Fund</b>											
Beginning cash available	505,359	523,935	545,296	565,911	590,677	616,033	642,017	670,139	695,588	695,588	695,588	695,588
Revenues												
Property taxes	195,449	199,358	199,358	203,345	203,345	207,412	207,412	211,560	0	0	0	0
Specific ownership taxes	19,545	19,936	19,936	20,335	20,335	20,741	20,741	21,156	0	0	0	0
Development fees												
Transfer from Capital Project (Cap Interest)												
Interest income	20,214	20,957	21,812	22,636	23,627	24,641	25,681	26,806				0
	235,208	240,251	241,106	246,316	247,307	252,795	253,834	259,522	0	0	0	0
Expenditures												
Debt service - GO Debt Series 2006	210,700	212,900	214,500	215,500	215,900	220,700	219,600	227,900				
Paying agent fees	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000				
County treasurer fees	2,932	2,990	2,990	3,050	3,050	3,111	3,111	3,173	0	0	0	0
	216,632	218,890	220,490	221,550	221,950	226,811	225,711	234,073	0	0	0	0
Ending cash available	523,935	545,296	565,911	590,677	616,033	642,017	670,139	695,588	695,588	695,588	695,588	695,588
Mill levy	29.000	29.000	29.000	29.000	29.000	29.000	29.000	29.000	0.000	0.000	0.000	0.000
Total Mill Levy	42.000	42.000	42.000	42.000	42.000	42.000	42.000	42.000	13.000	13.000	13.000	13.000
Assessed valuation (000's)												
Beginning	6,740	6,740	6,874	6,874	7,012	7,012	7,152	7,152	7,295	7,295	7,441	7,441
New construction				0	0	0	0	0	0	0	0	0
Inflation (1.0% per annum)		135		137		140		143		146		149
Ending	6,740	6,874	6,874	7,012	7,012	7,152	7,152	7,295	7,295	7,441	7,441	7,590
Outstanding GO Bonds	1,345,000	1,215,000	1,075,000	925,000	765,000	595,000	410,000	215,000	0	0	0	0
Ratio of outstanding debt / Assessed Valuation	19.96%	17.67%	15.64%	13.19%	10.91%	8.32%	5.73%	2.95%	0.00%	0.00%	0.00%	0.00%

See Summary of Significant Assumptions and Accounting Policies



<b>Regency Metropolitan District</b> <b>Schedule of General Obligation Debt - Series 2006</b> <b>For the Years Ended December 31, 2006 to 2036</b>
--

Year	Principal	Coupon	Interest	Annual Total	Balance
2006			0	0	2,530,000
2007			75,900		2,530,000
2007			75,900	151,800	2,530,000
2008			75,900		2,530,000
2008			75,900	151,800	2,530,000
2009			75,900		2,530,000
2009			75,900	151,800	2,530,000
2010			75,900		2,530,000
2010	15,000	6.000%	75,900	166,800	2,515,000
2011			75,450		2,515,000
2011	25,000	6.000%	75,450	175,900	2,490,000
2012			74,700		2,490,000
2012	30,000	6.000%	74,700	179,400	2,460,000
2013			73,800		2,460,000
2013	30,000	6.000%	73,800	177,600	2,430,000
2014			72,900		2,430,000
2014	35,000	6.000%	72,900	180,800	2,395,000
2015			71,850		2,395,000
2015	40,000	6.000%	71,850	183,700	2,355,000
2016			70,650		2,355,000
2016	45,000	6.000%	70,650	186,300	2,310,000
2017			69,300		2,310,000
2017	45,000	6.000%	69,300	183,600	2,265,000
2018			67,950		2,265,000
2018	55,000	6.000%	67,950	190,900	2,210,000
2019			66,300		2,210,000
2019	55,000	6.000%	66,300	187,600	2,155,000
2020			64,650		2,155,000
2020	65,000	6.000%	64,650	194,300	2,090,000
2021			62,700		2,090,000
2021	70,000	6.000%	62,700	195,400	2,020,000
2022			60,600		2,020,000
2022	75,000	6.000%	60,600	196,200	1,945,000
2023			58,350		1,945,000
2023	80,000	6.000%	58,350	196,700	1,865,000
2024			55,950		1,865,000
2024	90,000	6.000%	55,950	201,900	1,775,000
2025			53,250		1,775,000
2025	95,000	6.000%	53,250	201,500	1,680,000
2026			50,400		1,680,000
2026	105,000	6.000%	50,400	205,800	1,575,000
2027			47,250		1,575,000
2027	110,000	6.000%	47,250	204,500	1,465,000
2028			43,950		1,465,000
2028	120,000	6.000%	43,950	207,900	1,345,000
2029			40,350		1,345,000
2029	130,000	6.000%	40,350	210,700	1,215,000
2030			36,450		1,215,000
2030	140,000	6.000%	36,450	212,900	1,075,000
2031			32,250		1,075,000
2031	150,000	6.000%	32,250	214,500	925,000
2032			27,750		925,000
2032	160,000	6.000%	27,750	215,500	765,000
2033			22,950		765,000
2033	170,000	6.000%	22,950	215,900	595,000
2034			17,850		595,000
2034	185,000	6.000%	17,850	220,700	410,000
2035			12,300		410,000
2035	195,000	6.000%	12,300	219,600	215,000
2036			6,450		215,000
2036	215,000	6.000%	6,450	227,900	0
	<u>2,530,000</u>		<u>3,279,900</u>	<u>5,809,900</u>	

**Regency Metropolitan District  
Forecasted Schedules of Absorption, Development Fees, Market Values and Assessed Values  
For the Years Ended December 31, 2006 through 2016**

**Schedule of Absorption**

Property description	Single Family Equivalent	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Morrison SFD's 60 x 100	100.00%		45	51									96
Standard Pacific SFD's 60 x 100	100.00%		36	48	12								96
<b>Total Units</b>		<b>0</b>	<b>81</b>	<b>99</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>192</b>
<b>Finished Lots</b>													
Morrison SFD's 60 x 100		45	6	(51)	0	0	0	0	0	0			0
Standard Pacific SFD's 60 x 100		36	12	(36)	(12)	0	0	0	0	0			0
													<u>192</u>

**Schedule of Development Fees**

Single family equivalents		0	81	99	12	0	0	0	0	0	0		192
Development fees	2,000		162,000	198,000	24,000	0	0	0	0	0	0		384,000

**Regency Metropolitan District  
Forecasted Schedules of Absorption, Development Fees, Market Values and Assessed Values  
For the Years Ended December 31, 2006 through 2016**

**Schedule of Market Values**

	Market Value	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Morrison SFD's 60 x 100	375,000		16,875,000	19,507,500	0	0	0	0	0	0	0	0	36,382,500
Standard Pacific SFD's 60 x 100	345,000		12,420,000	16,891,200	4,307,256	0	0	0	0	0	0	0	33,618,456
<b>Finished Lots</b>													
Morrison SFD's 60 x 100	37,500	1,687,500	225,000	(1,912,500)	0	0	0	0	0	0			0
Standard Pacific SFD's 60 x 100	34,500	1,242,000	414,000	(1,242,000)	(414,000)	0	0	0	0	0	0	0	0
<b>Totals</b>		<b>2,929,500</b>	<b>29,934,000</b>	<b>33,244,200</b>	<b>3,893,256</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70,000,956</b>

**Schedule of Assessed Valuation**

	Assessment to Market Ratio	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Residential	7.96%	0	2,331,882	2,897,337	342,858	0	0	0	0	0	0	0	5,572,076
Finished Lots	29.00%	849,555	185,310	(914,805)	(120,060)	0	0	0	0	0	0	0	0
<b>Totals</b>		<b>849,555</b>	<b>2,517,192</b>	<b>1,982,532</b>	<b>222,798</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,572,076</b>
<b>Cumulative</b>		<b>849,555</b>	<b>3,366,747</b>	<b>5,349,279</b>	<b>5,572,076</b>	<b>5,572,076</b>	<b>5,572,076</b>	<b>5,572,076</b>	<b>5,572,076</b>	<b>5,572,076</b>	<b>5,572,076</b>	<b>5,572,076</b>	
<b>Collection Yr</b>		<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	

## EXHIBIT G

### Indemnification Letters

#### 1. Developer's Letter

{date – on or after date of Service Plan approval}

Town of Parker  
20120 E. Mainstreet  
Parker, CO 80138-7334

RE: Regency Metropolitan District

To the Town Council:

This Indemnification Letter (the "Letter") is delivered by the undersigned (the "Developer") in connection with the review by the Town of Parker (the "Town") of the Service Plan, including all amendments heretofore or hereafter made thereto (the "Service Plan") for the Regency Metropolitan District (the "District"). Developer, for and on behalf of itself and its transferees, successors and assigns, represents, warrants, covenants and agrees to and for the benefit of the Town as follows:

1. Developer hereby waives and releases any present or future claims it might have against the Town or the Town's elected or appointed officers, employees, agents, contractors or insurers (the "Released Persons") in any manner related to or connected with the Service Plan or any action or omission with respect thereto. Developer further hereby agrees to indemnify and hold harmless the Released Persons from and against any and all liabilities resulting from any and all claims, demands, suits, actions or other proceedings of whatsoever kind or nature made or brought by any third party, including attorneys' fees and expenses and court costs, which directly or indirectly or purportedly arise out of or are in any manner related to or connected with any of the following: (a) the Service Plan or any document or instrument contained or referred to therein; or (b) the formation of the District; or (c) any actions or omissions of the Developer or the District, or their agents, in connection with the District, including, without limitation, any actions or omissions of the Developer or District, or their agents, in relation to any bonds or other financial obligations of the District or any offering documents or other disclosures made in connection therewith. Developer further agrees to investigate, handle, respond to and to provide defense for and defend against, or at the Town's option to pay the attorneys' fees and expenses for counsel of the Town's choice for any such liabilities, claims, demands, suits, actions or other proceedings.

2. Developer hereby consents to the Debt Instrument Disclosure Requirements as set forth Section VI.F of the Service Plan, acknowledges the Town's right to modify the required disclosures, and waives and releases the Town from any claims Developer might have based on or relating to the use of or any statements made or to be made in such disclosures (including any modifications thereto).

3. This Letter has been duly authorized and executed on behalf of Developer.

Very truly yours,

BCX Development Partners #1, LLC, a  
Colorado limited liability company

By: BCX Development Partners Inc., a  
Colorado corporation, its Member

By: \_\_\_\_\_

Name: Thomas J. Brinkman, II

Its: Vice President

District's Letter  
{date – date of organizational meeting}

Town of Parker  
20120 E. Mainstreet  
Parker, CO 80138-7334

**RE: Regency Metropolitan District**

To the Town Council:

This Indemnification Letter (the "Letter") is delivered by the Regency Metropolitan District (the "District") in order to comply with the Service Plan, including all amendments heretofore or hereafter made thereto (the "Service Plan") for the District. The District, for and on behalf of itself and its transferees, successors and assigns, represents, warrants, covenants and agrees to and for the benefit of the Town as follows:

1. The District hereby waives and releases any present or future claims it might have against the Town or the Town's elected or appointed officers, employees, agents, contractors or insurers (the "Released Persons") in any manner related to or connected with the Service Plan or any action or omission with respect thereto. To the fullest extent permitted by law, the District hereby agrees to indemnify and hold harmless the Released Persons from and against any and all liabilities resulting from any and all claims, demands, suits, actions or other proceedings of whatsoever kind or nature made or brought by any third party, including attorneys' fees and expenses and court costs, which directly or indirectly or purportedly arise out of or are in any manner related to or connected with any of the following: (a) the Service Plan or any document or instrument contained or referred to therein; or (b) the formation of the District; or (c) any actions or omissions of the District, BCX Development Partners #1, LLC, a Colorado Limited Liability Company (the "Developer"), or their agents, in connection with the District, including, without limitation, any actions or omissions of the District or Developer, or their agents, in relation to any bonds or other financial obligations of the District or any offering documents or other disclosures made in connection therewith. The District further agrees to investigate, handle, respond to and to provide defense for and defend against, or at the Town's option to pay the attorneys' fees and expenses for counsel of the Town's choice for any such liabilities, claims, demands, suits, actions or other proceedings.

2. It is understood and agreed that neither the District nor the Town waives or intends to waive the monetary limits (presently \$150,000 per person and \$600,000 per occurrence) or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., as from time to time amended, or otherwise available to the Town, the District, its officers, or its employees.

3. The District hereby consents to the Debt Instrument Disclosure Requirements as set forth Section VI.F of the Service Plan, acknowledges the Town's right to modify the required disclosures, and waives and releases the Town from any claims the District might have based on or relating to the use of or any statements made or to be made in such disclosures (including any modifications thereto).

4. This Letter has been duly authorized and executed on behalf of the District.

Very truly yours,

Regency Metropolitan District

By: \_\_\_\_\_  
\_\_\_\_\_, President

Attest:

\_\_\_\_\_  
\_\_\_\_\_, Secretary

**EXHIBIT H**

Intergovernmental Agreement

**TOWN OF PARKER**

**INTERGOVERNMENTAL AGREEMENT BETWEEN**

**THE TOWN OF PARKER, COLORADO AND THE**

**REGENCY METROPOLITAN DISTRICT**

THIS AGREEMENT is made and entered into as of this \_\_\_ day of \_\_\_\_\_, 2006, by and between the TOWN OF PARKER, a home rule municipal corporation of the State of Colorado (the "Town"), and the REGENCY METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"). The Town and the District are collectively referred to as the Parties.

**WITNESSETH:**

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

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

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

WHEREAS, it is the Town's policy that special districts located within residential projects shall share in regional public improvements, and the model intergovernmental agreement required by Chapter 10.11 of the Town Code includes provisions for special districts to provide regional improvement funds; and

WHEREAS, given the size of the District, and given the requirements set forth in the annexation, subdivision and other agreements applicable to development of the property located within the District's boundaries, including but not limited to required contributions for transportation enhancements to roads in the vicinity of the District, the Town finds that a regional improvement fund contribution is not required in connection with approval of the District's initial Service Plan; and

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



WHEREAS, the Parties have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Intergovernmental Agreement (“Agreement”) to address certain matters related to the organization, powers and authorities of the District.

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

1. Regional Improvements Funding. [INTENTIONALLY OMITTED]
2. Use of Regional Improvements Funds. [INTENTIONALLY OMITTED]
3. Deposit of Regional Improvements Funds. [INTENTIONALLY OMITTED]
4. Operations and Maintenance. The District shall dedicate the Public Improvements (as defined in the Service Plan) to the Town or other appropriate jurisdiction or owners association in a manner consistent with the final approved plat for the property located within the District’s boundaries, other rules and regulations of the Town, and applicable provisions of the Town Code. The District shall not be authorized to operate and maintain any part or all of the Public Improvements, unless specifically provided for in this Agreement or separate agreement with the Town.
5. Fire Protection. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless specifically provided for in this Agreement or separate agreement with the Town. This provision shall not limit the District’s authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system.
6. Television Relay and Translation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless specifically provided for in this Agreement or separate agreement with the Town.
7. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of federal and state governmental entities having proper jurisdiction. The District will obtain the Town’s approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.
8. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed bonds or other obligations, the payment of which the District has promised to impose an ad valorem property tax mill levy (“Debt”), the District shall obtain the certification of an External Financial Advisor substantially as follows:

("Company") is an External Financial Advisor within the meaning of the District's Service Plan.

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

9. Inclusion and Exclusion. The District shall not include within its boundaries any property outside the Service Area (as defined in the Service Plan) without the prior written consent of the Town Council. The District shall not exclude any property from the District if such exclusion will result, or is reasonably anticipated to result, in detriment to the remaining residents and taxpayers within the District, or to the District's bondholders.

10. Total Debt Issuance. The District shall not issue Debt in excess of \$3,160,000 in total aggregate principal amount.

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

12. Consolidation; Dissolution. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town. The District agrees that it shall take all action necessary to dissolve the District in accordance with the provisions of the Service Plan and applicable state statutes.

13. Service Plan Amendment Requirement. Any action of the District which violates the limitations set forth in Sections V.A.1-13 or VI.B-H of the Service Plan, or which constitutes a material modification under Parker Municipal Code section 10.11.060, shall be deemed to be a material modification to the Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin any such action(s) of the District. The Town may also seek damages for breach of this Agreement arising from violations by the District of any provision of the Service Plan.

14. Applicable Laws. The District acknowledges that the property within its boundaries shall be subject to all ordinances, rules and regulations of the Town, including without limitation, ordinances, rules and regulations relating to zoning, subdividing, building and land use, and to all related Town land use policies, master plans and related plans.

15. Annual Report. The District shall submit an annual report (“Annual Report”) to the Town not later than September 1st of each calendar year commencing with the year in which the Order and Decree creating the District has been issued by the District Court for and in Douglas County, Colorado, pursuant to Parker Municipal Code section 10.11.040 and containing the information set forth in Section VII of the Service Plan.

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

To the District:            Regency Metropolitan District  
   c/o McGeady Sisneros, P.C.  
   1675 Broadway, Suite 2100  
   Denver, CO 80202  
   Attn: Mary Jo Dougherty, Esq.  
   Phone: (303) 592-4380  
   Fax: (303) 592-4385

To the Town:                Town of Parker  
   20120 E. Mainstreet  
   Parker, CO 80138-7334  
   Attn: James S. Maloney, Town Attorney  
   cc: Mike Farina, Acting Finance Director  
   Phone: (303) 841-0353  
   Fax: (303) 840-9792

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

17. Miscellaneous.

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

(b) Nonassignability. No party to this Agreement may assign any interest therein to any person without the consent of the other party hereto at that time, and the terms of

this Agreement shall inure to the benefit of and be binding upon the respective representatives and successors of each party hereto.

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

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

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

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

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

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

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

(j) Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

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

(l) Entirety. This Agreement merges and supersedes all prior negotiations, representations, and agreements between the parties hereto relating to the subject matter hereof and this Agreement, together with the Service Plan provisions that serve to supplement or complement this Agreement, constitutes the entire agreement between the Parties concerning the subject matter hereof.

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

**TOWN OF PARKER, COLORADO**

By: \_\_\_\_\_  
\_\_\_\_\_, Mayor

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_, Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
\_\_\_\_\_, Town Attorney

**REGENCY METROPOLITAN  
DISTRICT**, a quasi-municipal corporation  
and political subdivision of the State of  
Colorado

By: \_\_\_\_\_  
\_\_\_\_\_, President

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_, Secretary