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File No. 5113865.0002

October 1, 2025

Kevin Walker
Director of Planning and Neighborhood Services
City Administration Building
30 S. Nevada Avenue, Suite 105
Colorado Springs, Colorado 80903

Re: Old Ranch Metropolitan District – 2025 Bond Issuance

Dear Mr. Walker:

This office represents the Old Ranch Metropolitan District (the “District”). The District would like to issue revenue bonds in the immediate future and is seeking approval from the Colorado Springs City Council pursuant to Section V.A.10 of the District’s Service Plan. A check in the amount of \$1,100 will be delivered to the City Clerk. On behalf of the District, please find enclosed copies of the following documents pertaining to the bond issuance:

- (a) the draft resolution and form of bond for the Revenue Bond, Series 2025 (the “Bond”);
- (b) a preliminary financing plan for the Bond;
- (c) a draft opinion letter from Spencer Fane as bond counsel confirming that the proposed bond issuance is consistent with applicable law and regulations;
- (d) a draft opinion letter from Spencer Fane as District counsel confirming that the proposed bond issuance is consistent with the District’s Service Plan, the City of Colorado Springs’s current policy relating to special districts, and applicable law;
- (e) a letter from RBC Capital Markets, an External Financial Advisor to the District, regarding the fairness and feasibility of the interest rate and structure of the Bond;
- (f) a copy of the 2006 Amended and Restated Service Plan.

The District was formed in 2002 and operates pursuant to the Amended and Restated Service Plan the City Council approved via Resolution No. 37-06 on March 28, 2006 (“Service Plan”). The District operates and maintains certain public infrastructure serving the Wolf Ranch community on behalf of the Upper Cottonwood Creek Metropolitan District and Upper Cottonwood Creek Metropolitan District Nos. 2-5. The Service Plan authorizes the District, *inter alia*, to provide park and recreation services.

As development progresses within the Wolf Ranch community, the District has identified a need for a new recreational facility to benefit the residents, homeowners, and general public (the “New Recreational Facility”). The estimated costs to build the New Recreational Facility are approximately \$35,943,000 and consist of the following:

October 1, 2025
Page 2

Land:	\$1,500,000
Hard Construction Cost:	\$28,143,000
Fixtures and Equipment:	\$925,000
Design/Engineering/Management/Permit:	\$2,473,000
Contingency:	\$1,577,000
Developer Fee:	\$1,325,000
Total:	\$35,943,000

To support the funding of the New Recreational Facility, the District has determined to issue privately placed revenue bonds in an amount not to exceed \$40,000,000 and with an interest rate of approximately 6.00%. The Bond will be issued through the District's recently formed Old Ranch Park and Recreation Activity Enterprise (the "Enterprise"). The revenue pledged to repay the bonds consists of monthly fees, adjusted annually for inflation, that are imposed against the homeowners within the Wolf Ranch community.

The District currently has the following outstanding bonds:

- A. Series 2007B Subordinate Special Revenue Bonds
 - a. Outstanding Principal Balance: \$1,380,420
 - b. Interest Rate: 8.00%
 - c. Pledged Revenue: Property tax revenue and specific ownership tax revenue from Upper Cottonwood Creek Metropolitan District
- B. Series 2022 Limited Special Revenue Refunding Bonds
 - a. Outstanding Principal Balance: \$7,650,000
 - b. Interest Rate: 5.75%
 - c. Pledged Revenue: Property tax revenue and specific ownership tax revenue from Upper Cottonwood Creek Metropolitan District

At your earliest convenience, the District requests the City Council to review the enclosed documents. Please do not hesitate to contact this office if you have any questions or need anything further.

Best regards,

SPENCER FANE LLP

/s/ Nicole R. Peykov

Nicole R. Peykov

Enclosures