
CAPITAL PLEDGE AGREEMENT

DATED AS OF AUGUST __, 2021

BETWEEN

**GREENWAYS METROPOLITAN DISTRICT NO. 1
IN THE CITY OF COLORADO SPRINGS, EL PASO COUNTY, COLORADO**

**GREENWAYS METROPOLITAN DISTRICT NO. 2
IN THE CITY OF COLORADO SPRINGS, EL PASO COUNTY, COLORADO**

**GREENWAYS METROPOLITAN DISTRICT NO. 3
IN THE CITY OF COLORADO SPRINGS, EL PASO COUNTY, COLORADO**

AND

UMB BANK, NATIONAL ASSOCIATION

CAPITAL PLEDGE AGREEMENT

This **CAPITAL PLEDGE AGREEMENT** (this “Agreement”), dated as of August __, 2021, is by and between **GREENWAYS METROPOLITAN DISTRICT NO. 1**, in the City of Colorado Springs, El Paso County, Colorado, a quasi-municipal corporation duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (“District No. 1”), **GREENWAYS METROPOLITAN DISTRICT NO. 2**, in the City of Colorado Springs, El Paso County, Colorado, a quasi-municipal corporation duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (“District No. 2”), **GREENWAYS METROPOLITAN DISTRICT NO. 3**, in the City of Colorado Springs, El Paso County, Colorado, a quasi-municipal corporation duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (“District No. 3”), and **UMB BANK, N.A.** (the “Trustee”). All capitalized terms used herein and not otherwise defined shall have the meanings assigned them in Article I hereof.

RECITALS

WHEREAS, District No. 1, District No. 2, and District No. 3 (each a “District,” and collectively, the “Districts”) are each a quasi-municipal corporation and political subdivision duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado, including particularly Title 32, Article 1, C.R.S (the “Act”); and

WHEREAS, the Districts operate in accordance with a Service Plan for Greenways Metropolitan District Nos. 1-3 (City of Colorado Springs, El Paso County, Colorado) approved on _____, 2020 (the “Districts’ Service Plan”); and

WHEREAS, the Districts were organized as part of a common plan to provide public infrastructure improvements within and without the boundaries of the Districts; and

WHEREAS, pursuant to Article XIV, Section 18(2)(a) of the Colorado Constitution, and Section 29-1-203, C.R.S., the Districts may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract may provide for the sharing of costs, the imposition and collection of taxes, and the incurring of debt; and

WHEREAS, pursuant to Section 32-1-1101(1), C.R.S., the Districts are authorized to incur indebtedness for the foregoing purposes to carry out the purposes of the Districts; and

WHEREAS, at elections of the qualified electors of the Districts, duly called and held on November 3, 2020 (the “2020 Elections”), in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at each of the respective the 2020 Elections voted in favor of, inter alia, the issuance of general obligation indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain improvements and facilities, the questions relating thereto being as set forth in Exhibit A attached hereto; and

WHEREAS, the Board of Directors of District No. 1 (the “District No. 1 Board”), the Board of Directors of District No. 2 (the “District No. 2 Board”), the Board of Directors of District No. 3 and (the “District No. 3 Board” and, together with the District No. 1 Board, and District No. 2 Board, the “Boards”) have heretofore determined that it is in the best interests of the Districts, and the residents and taxpayers thereof, to pay the costs of acquiring, constructing, and installing a portion of the facilities the debt for which was approved by the 2020 Elections (the “Project”); and

WHEREAS, the Boards have determined that it is in the best interests of the Districts, and the residents and taxpayers thereof, that the Project be financed by the issuance of bonds by District No. 1, and that for such purpose District No. 1 shall issue its General Obligation Limited Tax Cash Flow Bonds, Series 2021A(3), in the principal amount of \$15,328,000 (the “District No. 1 Bonds”); and

WHEREAS, the District No. 1 Bonds are being issued pursuant to an Indenture of Trust, dated as of August __, 2021 (the “Indenture”), between District No. 1 and UMB Bank, n.a. as trustee (the “Trustee”); and

WHEREAS, the Indenture contemplate that the District No. 1 Bonds will be secured by revenues pledged by District No. 1, District No. 2, and District No. 3; and

WHEREAS, in order to carry out the intent and objectives of the 2020 Elections and the Districts’ Service Plan, the Districts desire to enter into this Agreement for the purpose of providing ad valorem property tax revenue derived from the taxable property of District No. 2 and District No. 3 (together, the “Pledge Districts”) and other revenue received (and to be received) by the Pledge Districts in order to pay, in combination with revenue of District No. 1, the debt service on the District No. 1 Bonds; and

WHEREAS, it has been determined by the Districts and it is hereby determined that each shall be liable for the repayment of the District No. 1 Bonds generally in accordance with their relative assessed valuations, and that such allocation is fair and is reasonably related to the relative benefit that the residents, property owners, and taxpayers of the Pledge Districts receive from the Project; and

WHEREAS, Boards of the Pledge Districts hereby determine to allocate its obligations under this Agreement to the authorized but unissued indebtedness from their respective 2020 Elections in accordance with the following:

Authorization Used and Remaining From District No. 2 2020 Election¹			
Purpose	Principal Amount Voted	Principal Amount Used by Series 2021A(3) Bonds	Principal Amount Remaining
Water	\$ 35,000,000	(\$0)	\$35,000,000
Street	35,000,000	(0)	35,000,000
Traffic safety	35,000,000	(0)	35,000,000
Security services	35,000,000	(0)	35,000,000
TV relay	35,000,000	(0)	35,000,000
Park and recreation	35,000,000	(0)	35,000,000
Sanitation	35,000,000	(0)	35,000,000
Mosquito control	35,000,000	(0)	35,000,000
Public transportation	35,000,000	(0)	35,000,000
Fire protection	35,000,000	(0)	35,000,000
Refunding	70,000,000	(0)	70,000,000
TOTAL	\$420,000,000	\$ 0	\$420,000,000

[Remainder of page intentionally left blank]

¹ At the 2020 Election, a majority of those qualified to vote and voting at such election also voted in favor of, *inter alia*, general obligation indebtedness and the imposition of taxes for the payment thereof for the purpose of providing certain business recruitment, operations and maintenance, reimbursement agreement, special assessment, and revenue debt. Such ballot questions are set forth in Exhibit A hereto.

Authorization Used and Remaining From District No. 3 2020 Election ²			
Purpose	Principal Amount Voted	Principal Amount Used by Series 2021A(3) Bonds	Principal Amount Remaining
Water	\$ 35,000,000	(\$0)	\$35,000,000
Street	35,000,000	(0)	35,000,000
Traffic safety	35,000,000	(0)	35,000,000
Security services	35,000,000	(0)	35,000,000
TV relay	35,000,000	(0)	35,000,000
Park and recreation	35,000,000	(0)	35,000,000
Sanitation	35,000,000	(0)	35,000,000
Mosquito control	35,000,000	(0)	35,000,000
Public transportation	35,000,000	(0)	35,000,000
Fire protection	35,000,000	(0)	35,000,000
Refunding	70,000,000	(0)	70,000,000
TOTAL	\$420,000,000	\$ 0	\$420,000,000

WHEREAS, to the extent necessary to maintain the validity of this Pledge Agreement, the Pledge Districts reserve the right to re-allocate the above-described use of electoral authorization to any other categorical electoral authorization received from their respective 2020 Elections that is consistent with the use of the proceeds of the District No. 1 Bonds; and

WHEREAS, each of the Pledge Districts' financial obligations hereunder are incurred solely in connection with the District No. 1 Bonds; and

WHEREAS, the District No. 1 Bonds are being issued solely to financial institutions or institutional investors within the meaning of §32-1-1101 (6)(a)(IV), C.R.S.; and

WHEREAS, in accordance with the Districts' Service Plan, because the District No. 1 Bonds are not rated in one of the four highest rating categories by one or more nationally recognized organizations which regularly rate such obligations, the District No. 1 Bonds are being issued in minimum denominations of \$500,000, and are being sold only to accredited investors, as more particularly described in the Indenture; and

WHEREAS, all amendments to this Agreement made pursuant hereto and not in conflict with the ballot questions approved at the 2020 Elections, the Districts' Service Plan, the Authorizing Resolutions, and the District No. 1 Bonds, shall be deemed part of this Agreement and fully authorized by the foregoing.

² At the 2020 Election, a majority of those qualified to vote and voting at such election also voted in favor of, *inter alia*, general obligation indebtedness and the imposition of taxes for the payment thereof for the purpose of providing certain business recruitment, operations and maintenance, reimbursement agreement, special assessment, and revenue debt. Such ballot questions are set forth in Exhibit A hereto.

COVENANTS

NOW, THEREFORE, for and in consideration of the promises and the mutual covenants and stipulations herein, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Interpretation. In this Agreement, unless the context expressly indicates otherwise, the words defined below shall have the meanings set forth below:

(a) The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms, refer to this Agreement as a whole and not to any particular article, section, or subdivision hereof; the term “heretofore” means before the date of execution of the Agreement; and the term “hereafter” means after the date of execution of this Agreement.

(b) All definitions, terms, and words shall include both the singular and the plural, and all capitalized words or terms shall have the definitions set forth in Section 1.02 hereof.

(c) Words of the masculine gender include correlative words of the feminine and neuter genders, and words importing the singular number include the plural number and vice versa.

(d) The captions or headings of this Agreement are for convenience only, and in no way define, limit, or describe the scope or intent of any provision, article, or section of this Agreement.

(e) All schedules, exhibits, and addenda referred to herein are incorporated herein by this reference.

Section 1.02. Definitions. As used herein, unless the context expressly indicates otherwise, the words defined below shall have the respective meanings set forth below. Capitalized terms used herein but not defined below shall have the respective meanings assigned to such terms in the recitals hereto or in the Indenture.

Additional Bonds: (a) all obligations of each of the Pledge Districts for borrowed money and reimbursement obligations, (b) all obligations of each of the Pledge Districts constituting a lien or encumbrance upon the ad valorem tax revenues of each of the Pledge Districts or any part of the Pledge Districts’ Capital Revenue, (c) all obligations of each of the Pledge Districts evidenced by bonds, debentures, notes, or other similar instruments, (d) all obligations of each of the Pledge Districts to pay the deferred purchase price of property or services, (e) all obligations of each of the Pledge Districts as lessee under leases, but excluding such obligations outstanding from time to time with respect to which the aggregate maximum repayment costs for all terms thereof do not exceed \$500,000, or consist of payroll obligations, accounts payable, or taxes incurred or payable in the ordinary course of business of the Pledge

Districts, and (f) all obligations of others guaranteed by either of the Pledge Districts; provided that notwithstanding the foregoing, the term “Additional Bonds” does not include:

(i) obligations the repayment of which is contingent upon either of the Pledge Districts’ annual determination to appropriate moneys therefor, other than leases as set forth in (e) above, which obligations do not constitute a multiple-fiscal year financial obligation and do not obligate such Pledge District to impose any tax, fee, or other governmental charge;

(ii) obligations which are payable solely from the proceeds of additional Pledge District obligations, when and if issued;

(iii) obligations payable solely from periodic, recurring service charges imposed by either of the Pledge Districts for the use of any Pledge District facility or service, which obligations do not constitute a debt or indebtedness of the Pledge Districts or an obligation required to be approved at an election under Colorado law;

(iv) obligations to reimburse any person in respect of surety bonds, financial guaranties, letters of credit, or similar credit enhancements so long as (A) such surety bonds, financial guaranties, letters of credit, or similar credit enhancements are issued as security for any obligations described in the lead-in paragraph to this definition, and (B) such reimbursement obligations are payable from the same or fewer revenue sources, with the same or a subordinate lien priority, as the obligations secured by the surety bonds, financial guaranties, letters of credit, or similar credit enhancements; and

(v) any leases of the Pledge Districts outstanding from time to time with respect to which the aggregate maximum repayment costs for all terms thereof do not exceed \$500,000, or consist of payroll obligations, accounts payable, or taxes incurred or payable in the ordinary course of business of the Pledge Districts.

Additional Mandatory Capital Levy: any debt service mill levy imposed by either of the Pledge Districts to support the payment of any Additional Bonds, including any Specific Ownership Tax related thereto.

Agreement: this Agreement, as the same may be modified or supplemented from time to time in accordance with the provisions hereof.

Authorizing Resolutions: collectively, the resolution of District No. 1 adopted on August __, 2021, authorizing, with respect to District No. 1, the issuance of the District No. 1 Bonds and matters relating thereto; the resolution of District No. 2 adopted on August __, 2021, authorizing, with respect to District No. 2, the execution and delivery of this Agreement and matters relating thereto; and the resolution of District No. 3 adopted on August __, 2021, authorizing, with respect to District No. 3, the execution and delivery of this Agreement and matters relating thereto.

County: means El Paso County, Colorado.

District No. 1: Greenways Metropolitan District No. 1, City of Colorado Springs, El Paso County, Colorado, and its successors and assigns.

District No. 1 Bonds: the Greenways Metropolitan District No. 1 General Obligation Limited Tax Cash Flow Bonds, Series 2021A(3), originally issued in the principal amount of \$15,328,000, pursuant to that certain Indenture of Trust, dated as of August __, 2021, between District No. 1 and UMB Bank, n.a. as trustee.

District No. 2: Greenways Metropolitan District No. 2, City of Colorado Springs, El Paso County, Colorado, and its successors and assigns.

District No. 3: Greenways Metropolitan District No. 3, City of Colorado Springs, El Paso County, Colorado, and its successors and assigns.

Districts' Service Plan: the service plan for the Districts, as approved pursuant to the Act, including all amendments and supplements made thereto as of the date hereof.

Mandatory Capital Levy: shall have the following meaning, net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County:

(a) Subject to paragraph (b) below, an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of each of the Pledge Districts each year in an amount sufficient (together with any PILOT revenues) to pay all of the principal of and interest on the District No. 1 Bonds in full, but (i) not in excess of 30 mills; and (ii) not less than 30 mills or such lesser mill levy which will pay all of the principal of and interest on the District No. 1 Bonds in full; provided however, that in the event there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement after January 1, 2006, the mill levy provided herein shall be increased or decreased to reflect such changes, such increases or decreases to be determined by each Pledge District's respective Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

(b) Notwithstanding anything herein to the contrary, in no event may the Mandatory Capital Levy be established at a mill levy which would cause either of the Pledge Districts to derive tax revenue in any year in excess of the maximum tax increases permitted by each of the Pledge Districts' respective electoral authorizations or the Total Debt Issuance Limitation to the extent limited by the Districts' Service Plan, and if the Mandatory Capital Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by any Pledge District's electoral authorization or the Total Debt Issuance Limitation to the extent limited by the Districts' Service Plan, the Mandatory Capital Levy shall be reduced to the point that such maximum tax increase is not exceeded.

Mandatory Capital Levy Revenue: the revenues generated from the imposition by each of the Pledge Districts of their respective mill levies in accordance with the definition of the Mandatory Capital Levy.

Maximum Debt Mill Levy Imposition Term: this term shall have the meaning ascribed thereto by the Districts' Service Plan.

Pledge Districts Capital Revenue: the following moneys or, as applicable, the moneys derived by each of the Pledge Districts from the following sources:

- (a) the Mandatory Capital Levy Revenue;
- (b) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Mandatory Capital Levy; and
- (c) any PILOT (as defined in the Indenture) revenues received from any PILOT recorded against any Pledge District's property.

Refunding Obligations: means any bonds, notes, certificates or obligations issued or incurred by District No. 1 or either of the Pledge Districts and designated by such issuing District as secured by a lien on all or a portion of the Pledge Districts Capital Revenue payable hereunder, provided that such obligations (i) are issued or incurred for the purpose of refunding all or a portion of the outstanding Bonds, (ii) are issued in compliance with the Colorado Municipal Bond Supervision Act (Section 11-59-101, et seq.) or any successor statute, and (iii) will initially be issued in the manner satisfying the provisions of Section 32-1-1101(6), C.R.S.; and further provided that if the principal amount of such obligations exceeds the principal amount of the District No. 1 Bonds being refunded due to the funding of costs of issuance, funding reserve fund or a surplus fund, but not to finance or reimburse the costs of additional Facilities (the "Excess Principal Amount"), the Excess Principal Amount shall not cause the Pledge Districts to exceed the amount of debt permitted to be issued by the Districts' Service Plan and its electoral authorization.

Specific Ownership Tax: the specific ownership taxes collected by the County and remitted to each of the Pledge Districts pursuant to §42-3-107, C.R.S., or any successor statute.

Termination Date: with respect to the District No. 1 Bonds, December 2, 2061, such date being the date on which no further payments will be due on the District No. 1 Bonds, regardless of the amount of principal and interest paid prior to that date.

ARTICLE II

PAYMENT OBLIGATION

Section 2.01. No Additional Electoral Approval Required. The authorization for issuance of debt, fiscal year spending, revenue collections and other constitutional matters requiring voter approval for purposes of this Agreement, was approved by each of the Pledge Districts at its respective 2020 Election in accordance with law and pursuant to due notice. The performance of the terms of this Agreement requires no further electoral approval.

Section 2.02. Characterization of Obligations. The obligations of each of the Pledge Districts under this Agreement constitute limited tax general obligations (with respect to

the revenue derived from the Mandatory Capital Levy) and revenue obligations (with respect to all other portions of the Pledge Districts Capital Revenue) of the Pledge Districts.

Section 2.03. Electoral Limitations. In no event shall the total or annual obligations of either of the Pledge Districts hereunder exceed the maximum amounts permitted under each Pledge District's respective electoral authority and any other applicable law. Each Pledge District's obligation hereunder will be deemed defeased and no longer outstanding upon the payment by such Pledge District of such amounts.

Section 2.04. Imposition of Mandatory Capital Levy. For so long as the District No. 1 Bonds are outstanding, the Pledge Districts covenant as follows, which covenant shall be deemed made to the Trustee as if it were a party hereto:

(a) Each of the Pledge Districts covenants to cause to be levied on all of the taxable property of each of the Pledge Districts, in addition to all other taxes, direct annual taxes in each year, commencing in December 2021, in the amount of the Mandatory Capital Levy, but not beyond the Maximum Debt Mill Levy Imposition Term to the extent limited by the Districts' Service Plan. Nothing herein shall be construed to require either of the Pledge Districts to levy an ad valorem property tax in excess of the Mandatory Capital Levy. For the avoidance of doubt, (i) it is acknowledged that the proceeds of any general property tax levy imposed to pay current administrative, operations and maintenance shall not be payable to District No. 1 pursuant to this Agreement, shall not be payable to the Trustee (or other entity designated by District No. 1), and shall not be subject to the lien of this Agreement; and (ii) the Districts acknowledge and agree that each shall be liable for the repayment of the District No. 1 Bonds generally in accordance with their relative assessed valuations, and that such allocation is fair and is reasonably related to the relative benefit that the residents, property owners, and taxpayers of the Districts receive from the Project.

(b) The foregoing provisions of this Agreement are hereby declared to be the certificate of the Board of each of the Pledge Districts to the Board of County Commissioners of the City of Colorado Springs, El Paso County, showing the aggregate amount of taxes to be levied from time to time, as required by law, for the purpose of honoring their obligations hereunder with respect to the District No. 1 Bonds.

(c) The amounts derived from performance of each of the Pledge Districts of their obligations hereunder are hereby appropriated for the purpose of paying such amounts to District No. 1, and such amounts as appropriate for each year shall also be included in the annual budget and the appropriation bills to be adopted and passed by the Board of each of the Pledge Districts in each year, respectively, until the District No. 1 Bonds, or any Refunding Obligations thereof, have been fully paid, satisfied, and discharged.

(d) It shall be the duty of the Board of each of the Pledge Districts, annually, at the time and in the manner provided by law for levying other taxes of each of the Pledge Districts, to ratify and carry out the provisions hereof with reference to the levying and collection of taxes; and the Board of each of the Pledge Districts shall levy, certify, and collect said taxes in the manner provided by law for the purposes aforesaid.

(e) Said taxes shall be levied, assessed, collected, and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the State of Colorado, and when collected said taxes shall be paid to the Pledge Districts as provided by law, and the Pledge Districts shall pay such amounts to District No. 1 as provided herein.

(f) The Board of each of the Pledge Districts shall take all necessary and proper steps to enforce promptly the payment of the taxes represented by the Mandatory Capital Levy.

Section 2.05. Pledge of Revenues; Payment and Application of Revenues.

(a) Each of the Pledge Districts hereby pledge all the Pledge Districts Capital Revenue to the payment of the District No. 1 Bonds.

(b) Each of the Pledge Districts hereby agrees to remit to District No. 1, as soon as practicable upon the receipt thereof, all the Pledge Districts Capital Revenue. District No. 1 shall apply such Pledge Districts Capital Revenue, together with all other Pledged Revenue (as defined in the Indenture) in its possession, to the payment of the principal of, premium if any, and interest on the District No. 1 Bonds due in accordance with the terms of the Indenture.

(c) All amounts payable by the Pledge Districts hereunder shall be paid in lawful money of the United States of America by check mailed or delivered, or by wire transfer, to District No. 1. Alternatively, District No. 1 may direct the Pledge Districts in writing to pay such amounts directly to the Trustee for the District No. 1 Bonds and, if so directed, amounts paid by the Pledge Districts to the Trustee for the District No. 1 Bonds shall be deemed, for purposes of this Agreement, to be paid to District No. 1.

(d) District No. 1 hereby agrees that it shall transfer, or cause the transfer of, the Pledge Districts Capital Revenue received by it under this Agreement to the Trustee for the District No. 1 Bonds in the amounts, at the times, and in the manner required by the Indenture.

Section 2.06. Appropriation; No Impairment of Obligations. The sums herein required to pay the amounts due hereunder are hereby appropriated for that purpose, and said amounts for each year shall be included in the annual budget and the appropriation resolution or measures to be adopted or passed by the Board of each of the Pledge Districts in each year while any one or more of the District No. 1 Bonds are outstanding or any amounts remain due and owing under the Indenture. No provisions of any constitution, statute, resolution or other order or measure enacted after the execution of this Agreement shall in any manner be construed as limiting or impairing the obligation of the Pledge Districts to levy ad valorem property taxes, or as limiting or impairing the obligation of the Pledge Districts to levy, administer, enforce and collect the ad valorem property taxes as provided herein for the payment of its obligations hereunder.

Section 2.07. Limited Defenses; Specific Performance. It is understood and agreed by the Pledge Districts that their respective obligations hereunder are absolute, irrevocable, and unconditional except as specifically stated herein, and so long as any one or more of the Indenture are outstanding or any amounts remain due and owing under any of the Indenture or documents pursuant to which the Refunding Obligations have been issued, as

applicable, each of the Pledge Districts agrees that notwithstanding any fact, circumstance, dispute, or any other matter, it will not assert any rights of setoff, counterclaim, estoppel, or other defenses to its obligations hereunder, or take or fail to take any action which would delay a payment to or on behalf of District No. 1 or District No. 1's ability to receive payments due hereunder. Notwithstanding that this Agreement specifically prohibits and limits defenses and claims of the Pledge Districts, in the event that either of the Pledge Districts believes that it has valid defenses, setoffs, counterclaims, or other claims other than specifically permitted by this Agreement, it shall, nevertheless, make all payments as described herein and then may attempt or seek to recover such payments by actions at law or in equity for damages or specific performance, respectively.

Section 2.08. No Future Exclusion of Property. The parties agree that this Agreement constitutes "indebtedness" as contemplated by Section 32-1-503, C.R.S. Any property excluded from the Pledge Districts after the date hereof is to remain liable for the imposition of the Mandatory Capital Levy and payment of the respective proceeds thereof and of the other Pledge Districts Capital Revenue in accordance with the provisions hereof, to the same extent as such property that, by virtue of being included within the boundaries of the Pledge Districts, otherwise remains liable for the indebtedness of the Pledge Districts represented by this Agreement, as provided in Section 32-1-503, C.R.S., for so long as any one or more of the District No. 1 Bonds are outstanding or any amounts remain due and owing under the Indenture. In the event that any order providing for the exclusion of property from the Pledge Districts does not so provide and specifically indicate the liability of such excluded property for the obligations set forth herein, District No. 1 and the Pledge Districts hereby agree to take all actions reasonably necessary to cause the property owners of such proposed excluded property to covenant to assume all responsibilities under this Agreement, which covenants shall run with the land and shall be in a form satisfactory to District No. 1 and the Trustee.

Section 2.09. No Future Pledge of the Pledge Districts Capital Revenue; Exception. The obligations of the Pledge Districts hereunder shall be and remain in effect until the District No. 1 Bonds, or any Refunding Obligations thereof, are fully discharged pursuant to the terms of the Indenture. Notwithstanding the foregoing, with the prior written consent of the Districts, this Agreement may be amended as described in Section 4.07(g) for the purpose of supporting any Parity Bonds (as defined in the Indenture) or Subordinate Bonds (as defined in the Indenture) that may be issued by District No. 1 in the future in accordance with the terms of the Indenture.

Section 2.10. Prohibition Against Superior or Parity Debt. Except as set forth below, the Pledge Districts shall not be permitted to issue any Additional Bonds:

(a) Without the prior consent of District No. 1, the Pledge Districts shall not issue or incur any Additional Bonds that are payable from all or any portion of the Pledge Districts Capital Revenue on a superior, or parity, basis with the District No. 1 Bonds or any Refunding Obligations thereof.

(b) The Pledge Districts may issue Additional Bonds payable exclusively from the proceeds of any Additional Mandatory Capital Levy. The revenue derived from such Additional Mandatory Capital Levy may only be applied to the payment of Additional Bonds

after an amount of revenue equal to the Mandatory Capital Levy Revenue has been transferred to the Trustee for due and owing payment on the District No. 1 Bonds, or any Refunding Obligations thereof, for the applicable calendar year. To enforce the requirements of the immediately preceding sentence, each of the Pledge Districts hereby agrees to transfer all of the revenue produced from the Pledge Districts Capital Revenue and any Additional Mandatory Capital Levy to the Trustee for due and owing payment on the District No. 1 Bonds, or any Refunding Obligations thereof, for the applicable calendar year in accordance with Section 3.05 of the Indenture. After all amounts due and owing have been paid on the District No. 1 Bonds, any Refunding Obligations thereof, and any Additional Bonds issued by the Pledge Districts, the remaining revenue derived from the Pledge Districts Capital Revenue or the Additional Mandatory Capital Levy will be deposited as directed by the applicable Pledge Districts from which the remaining revenue was generated. Furthermore, each of the Pledge Districts agrees to calculate and certify the amount of Mandatory Capital Revenue applicable for due and owing payment on the District No. 1 Bonds, or any Refunding Obligations thereof, to the Trustee no later than January 15 of each calendar year. Notwithstanding the forgoing, this certification shall only apply on and after the date of issuance of any Additional Bonds.

Section 2.11. Representations and Warranties of the Pledge Districts. Each of the Pledge Districts hereby makes the representations and warranties set forth below. Such representations and warranties shall be deemed made to the Trustee as if it were a party hereto.

(a) Each of the Pledge Districts is a quasi-municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Colorado.

(b) Each of the Pledge Districts has all requisite corporate power and authority to execute, deliver, and to perform its obligations under this Agreement. The execution, delivery, and performance of this Agreement by each of the Pledge Districts have been duly authorized by all necessary action.

(c) Each of the Pledge Districts hereby represents it is not in violation of any of the applicable provisions of law or any order of any court having jurisdiction in the matter, which violation could reasonably be expected to materially adversely affect the ability of the respective Pledge District to perform its obligations hereunder. The execution, delivery and performance by each of the Pledge Districts of this Agreement (i) will not violate any provision of any applicable law or regulation or of any order, writ, judgment or decree of any court, arbitrator, or governmental authority, (ii) will not violate any provision of any document or agreement constituting, regulating, or otherwise affecting the operations or activities of the respective Pledge Districts in a manner that could reasonably be expected to result in a material adverse effect on the ability of each of the Pledge Districts to perform its obligations hereunder, and (iii) will not violate any provision of, constitute a default under, or result in the creation or imposition of any lien, mortgage, pledge, charge, security interest, or encumbrance of any kind on any of the revenues or other assets of the Pledge Districts pursuant to the provisions of any mortgage, indenture, contract, agreement, or other undertaking to which either of the Pledge Districts is a party or which purports to be binding upon either of the Pledge Districts or upon any of its revenues or other assets which could reasonably be expected to result in a material adverse effect on the ability of each of the Pledge Districts to perform its obligations hereunder.

(d) Each of the Pledge Districts has obtained all consents and approvals of, and has made all registrations and declarations with any governmental authority or regulatory body required for the execution, delivery, and performance by each of the Pledge Districts of this Agreement.

(e) There is no action, suit, inquiry, investigation, or proceeding to which either of the Pledge Districts is a party, at law or in equity, before or by any court, arbitrator, governmental or other board, body, or official which is pending or, to the best knowledge of each of the Pledge Districts threatened, in connection with any of the transactions contemplated by this Agreement nor, to the best knowledge of each of the Pledge Districts is there any basis therefor, wherein an unfavorable decision, ruling, or finding could reasonably be expected to have a material adverse effect on the validity or enforceability of, or the authority or ability of each of the Pledge Districts to perform its obligations under this Agreement.

(f) This Agreement constitutes a multiple fiscal year financial obligation of each of the Pledge Districts within the meaning of Article X Section 20 of the Colorado Constitution.

(g) This Agreement constitutes the legal, valid, and binding obligation of each of the Pledge Districts, enforceable against each of the Pledge Districts in accordance with its terms (except as such enforceability may be limited by bankruptcy, moratorium, or other similar laws affecting creditors' rights generally and provided that the application of equitable remedies is subject to the application of equitable principles).

Section 2.12. Representations and Warranties of District No. 1. District No. 1 hereby makes the representations and warranties set forth below. Such representations and warranties shall be deemed made to the Trustee as if it were a party hereto.

(a) District No. 1 is a quasi-municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Colorado.

(b) District No. 1 has all requisite corporate power and authority to execute, deliver, and to perform its obligations under this Agreement. District No. 1's execution, delivery, and performance of this Agreement have been duly authorized by all necessary action.

(c) District No. 1 is not in violation of any of the applicable provisions of law or any order of any court having jurisdiction in the matter, which violation could reasonably be expected to materially adversely affect the ability of District No. 1 to perform its obligations hereunder. The execution, delivery and performance by District No. 1 of this Agreement (i) will not violate any provision of any applicable law or regulation or of any order, writ, judgment or decree of any court, arbitrator, or governmental authority, (ii) will not violate any provision of any document or agreement constituting, regulating, or otherwise affecting the operations or activities of District No. 1 in a manner that could reasonably be expected to result in a material adverse effect, and (iii) will not violate any provision of, constitute a default under, or result in the creation or imposition of any lien, mortgage, pledge, charge, security interest, or encumbrance of any kind on any of the revenues or other assets of District No. 1 pursuant to the provisions of any mortgage, indenture, contract, agreement, or other undertaking to which

District No. 1 is a party or which purports to be binding upon District No. 1 or upon any of its revenues or other assets which could reasonably be expected to result in a material adverse effect.

(d) District No. 1 has obtained all consents and approvals of, and has made all registrations and declarations with any governmental authority or regulatory body required for the execution, delivery, and performance by District No. 1 of this Agreement.

(e) There is no action, suit, inquiry, investigation, or proceeding to which District No. 1 is a party, at law or in equity, before or by any court, arbitrator, governmental or other board, body, or official which is pending or, to the best knowledge of District No. 1 threatened, in connection with any of the transactions contemplated by this Agreement nor, to the best knowledge of District No. 1 is there any basis therefor, wherein an unfavorable decision, ruling, or finding could reasonably be expected to have a material adverse effect on the validity or enforceability of, or the authority or ability of District No. 1 to perform its obligations under, this Agreement.

(f) This Agreement constitutes the legal, valid, and binding obligation of District No. 1, enforceable against District No. 1 in accordance with its terms (except as such enforceability may be limited by bankruptcy, moratorium, or other similar laws affecting creditors' rights generally and provided that the application of equitable remedies is subject to the application of equitable principles).

Section 2.13. Other Covenants of the Pledge Districts. The covenants of the Pledge Districts in this Section 2.13 shall be deemed covenants made to the Trustee as if it were a party hereto.

(a) Each of the Pledge Districts will maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the District No. 1 Bonds, and will continue to operate and manage each Pledge District and its facilities in an efficient and economical manner in accordance with all applicable laws, rules, and regulations.

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

(c) In the event any ad valorem taxes are not paid when due, each of the Pledge Districts shall diligently cooperate with the appropriate county treasurer to enforce the lien of such unpaid taxes against the property for which the taxes are owed.

(d) Each of the Pledge Districts covenants that it will not take any action or omit to take any action with respect to any funds of each of the respective Pledge Districts or any facilities financed or refinanced with the proceeds of the District No. 1 Bonds, if such action or omission (i) would cause the interest on any one or more of the District No. 1 Bonds to lose its

exclusion from gross income for federal income tax purposes under Section 103 of the Code, (ii) would cause interest on any one or more of the District No. 1 Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code, or (iii) would cause interest on any one or more of the District No. 1 Bonds to lose its exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law.

(e) In the event that at any time either of the Pledge Districts is of the opinion that for purposes of this Section 2.13(d) it is necessary to restrict or to limit the yield on the investment of any moneys held by either of the Pledge Districts, such Pledge Districts shall so restrict or limit the yield on such investment.

(f) Each of the Pledge Districts shall pay and discharge, when due, all of its liabilities, except when the payment thereof is being contested in good faith by appropriate procedures which will avoid financial liability and with adequate reserves provided therefor.

(g) Each of the Pledge Districts shall keep or cause to be kept adequate and proper records and books of account in which complete and correct entries shall be made with respect to the respective Pledge District, the respective Pledge District's Capital Revenue, and its governmental funds and accounts.

ARTICLE III

EVENTS OF DEFAULT AND REMEDIES

Section 3.01. Events of Default. The occurrence or existence of any one or more of the following events shall be an "Event of Default" hereunder, and there shall be no default or Event of Default hereunder except as provided in this Section 3.01; provided, however, there shall be no Event of Default hereunder until such time as the Trustee or District No. 1 notifies the respective Pledge Districts in writing of the existence thereof:

(a) Either of the Pledge Districts fails to impose the Mandatory Capital Levy as required by the terms of this Agreement;

(b) Either of the Pledge Districts fails to promptly remit its respective Pledge District Capital Revenue to District No. 1 in the manner provided by this Agreement;

(c) Either of the Pledge Districts fails to observe or perform any other of the material covenants, agreements, duties or conditions on the part of the Pledge Districts in this Agreement and such failure is not remedied to the satisfaction of the Trustee or District No. 1 within 30 days after the Pledge Districts receives written notice from the Trustee or District No. 1 of the occurrence of such failure; or

(d) Any representation or warranty made by either of the Pledge Districts in this Agreement proves to have been untrue or incomplete in any material respect when made or deemed made; or

(e) Either of the Pledge Districts files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by this Agreement.

Section 3.02. Remedies for Events of Default. Upon the occurrence and continuance of an Event of Default, the Pledge Districts, District No. 1, or the Trustee may proceed to protect and enforce its rights against the party or parties causing the Event of Default by mandamus or such other suit or action available in equity or at law. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions hereof, the prevailing party in such litigation or other proceeding shall obtain, as part of its judgment or award, its reasonable attorneys' fees and costs. Nothing herein shall be construed as requiring any District's consent or participation in any such enforcement action, the intent being that the Trustee can enforce this agreement independently from any such consent or participation of any District.

Section 3.03. Limited Capital Revenue. Notwithstanding the foregoing or anything else herein to the contrary, no remedy will lie at law or in equity for any Event of Default consisting solely of the failure of District No. 1 to pay the principal of and interest on the District No. 1 Bonds, it being acknowledged by District No. 1 and the Trustee that: (i) the amount of the Pledge Districts Capital Revenue is limited in accordance with the terms hereof; and (ii) acceleration shall not be an available remedy for an Event of Default.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Pledge of Capital Revenue. The creation, perfection, enforcement, and priority of the pledge of each of the Pledge Districts Capital Revenue to secure payment of the District No. 1 Bonds shall be governed by Section 11-57-208 of the Supplemental Act and this Agreement. The Pledge Districts Capital Revenue of each of the Pledge Districts shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against each of the Pledge Districts or District No. 1 irrespective of whether such persons have notice of such liens.

Section 4.02. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board of Directors of a respective Pledge District, or any officer or agent of a respective Pledge District acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the Pledge District Capital Revenue of such Pledge District hereunder. Such recourse shall not be available either directly or indirectly through the Pledge Districts, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of this Agreement and as a part of the consideration hereof, District No. 1 specifically waives any such recourse and the Trustee, as a third party beneficiary hereof, also accepts this Agreement and waives any such recourse.

Section 4.03. Conclusive Recital. Pursuant to Section 11-57-210 of the

Supplemental Act, this Section 4.03 shall constitute a recital that this Agreement is executed and delivered pursuant to certain provisions of the Supplemental Act, and such recital is conclusive evidence of the validity and the regularity of this Agreement after its delivery for value.

Section 4.04. Limitation of Actions. Pursuant to Section 11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization, execution, or delivery of this Agreement shall be commenced more than thirty days after the authorization of this Agreement.

Section 4.05. Notices. Except as otherwise provided herein, all notices and communications required to be given under this Agreement shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, or air freight, to the following addresses:

If to District No. 1: Greenways Metropolitan District No. 1
c/o Spencer Fane LLP
1700 Lincoln St., Suite 2000
Denver, Colorado 80203
Attention: Russ Dykstra, Esq.
Email: rdykstra@spencerfane.com

If to District No. 2: Greenways Metropolitan District No. 2
c/o Spencer Fane LLP
1700 Lincoln St., Suite 2000
Denver, Colorado 80203
Attention: Russ Dykstra, Esq.
Email: rdykstra@spencerfane.com

If to District No. 3: Greenways Metropolitan District No. 3
c/o Spencer Fane LLP
1700 Lincoln St., Suite 2000
Denver, Colorado 80203
Attention: Russ Dykstra, Esq.
Email: rdykstra@spencerfane.com

If to Trustee: UMB Bank, n.a.
1670 Broadway
Denver, Colorado 80202
Attention: John Wahl
Email: John.Wahl@umb.com

All notices or documents delivered or required to be delivered under the provisions of this Agreement shall be deemed received one (1) day after hand delivery or three (3) days after mailing. Either party by written notice so provided may change the address to which future notices shall be sent.

Section 4.06. General Obligation Limited Tax; Termination Date.

(a) Notwithstanding anything herein to the contrary, the payment obligations of each of the Pledge Districts under this Pledge Agreement shall constitute a general obligation limited tax debt of each of the Pledge Districts.

(b) The payment obligations of each of the Pledge Districts hereunder shall continue until the earlier of: (i) the date on which the District No. 1 Bonds, or any Refunding Obligations thereof, are no longer outstanding under the terms of the Indenture; or (ii) the Termination Date. On the date upon which the District No. 1 Bonds, or any Refunding Obligations thereof, are no longer outstanding under the Indenture, all payment obligations hereunder shall terminate and be extinguished, notwithstanding the amounts paid prior to that date.

(c) Notwithstanding anything herein to the contrary, the payment obligations of each of the Pledge Districts under this Pledge Agreement shall be deemed to be paid, satisfied, and discharged upon the Termination Date, regardless of the amount of principal and interest paid on the District No. 1 Bonds prior to the Termination Date; provided however, that the foregoing shall not relieve the Pledge Districts of their respective obligations to impose the Mandatory Capital Levy each year prior to the year in which the Termination Date occurs, subject to the Maximum Debt Mill Levy Imposition Term to the extent limited by the Districts' Service Plan, and apply their respective Pledge Districts Capital Revenue in the manner required herein prior to the Termination Date.

Section 4.07. Miscellaneous.

(a) This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties.

(b) If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement, and such provision shall not affect the legality, enforceability, or validity of the remainder of this Agreement. If any provision or part thereof of this Agreement is stricken in accordance with the provisions hereof, then such stricken provision shall be replaced, to the extent possible, with a legal, enforceable, and valid provision that is as similar in tenor to the stricken provision as is legally possible.

(c) The Trustee shall be a third party beneficiary of this Agreement. It is hereby acknowledged by District No. 1 and by each of the Pledge Districts that the Trustee (for and on behalf of the financial institutions or institutional investors that hold the District No. 1 Bonds) is intended to be the sole beneficiary of the financial obligations incurred by District No. 1 and each of the Pledge Districts pursuant to this Pledge Agreement.

(d) This Agreement may not be assigned or transferred by any party without the prior written consent of each of the other parties; provided, however, District No. 1 may assign its rights to receive revenue hereunder, and to enforce the provisions hereof, to the Trustee. In order to effectuate the foregoing, it is hereby agreed that for so long as any Bonds

remain outstanding under the Indenture, the Trustee and the Paying Agent shall be the same entity.

(e) This Agreement shall be governed by and construed under the applicable laws of the State of Colorado.

(f) Venue for any and all claims brought by any party to enforce any provisions of this Agreement shall be the El Paso County District Court, State of Colorado.

(g) This Agreement may be amended or supplemented by the parties for the purpose of: (i) permitting a pledge of the Pledge Districts Capital Revenue to the payment of any Parity Bonds or Subordinate Bonds, as defined in, and issued pursuant to the terms of the Indenture; or (ii) any other purpose if, in the opinion of nationally recognized bond counsel delivered to the Trustee, such amendment will not materially adversely affect the security for the District No. 1 Bonds or the rights and interests of the holders of the District No. 1 Bonds. Notwithstanding the foregoing, no amendment to this Agreement may permit the application of either of the Pledge Districts Capital Revenue to the payment of any Subordinate Bonds unless and until all payments required to be made on the District No. 1 Bonds and the Parity Bonds in such year have first been made. Furthermore, no amendment to this Agreement may permit the application of any revenue derived from any Additional Mandatory Capital Levy to the payment of Additional Bonds unless and until revenue equal to the Mandatory Capital Levy Revenue has been transferred to the Trustee pursuant to Section 2.10(b) hereof.

(h) If the date for making any payment or performing any action hereunder shall be a legal holiday or a day on which banks in Denver, Colorado are authorized or required by law to remain closed, such payment may be made or act performed on the next succeeding day which is not a legal holiday or a day on which banks in Denver, Colorado are authorized or required by law to remain closed.

(i) Each party has participated fully in the review and revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Agreement. The language in this Agreement shall be interpreted as to its fair meaning and not strictly for or against any party.

(j) This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, District No. 1, District No. 2, District No. 3, and the Trustee have executed this Capital Pledge Agreement as of the day and year first above written.

SEAL

**GREENWAYS METROPOLITAN DISTRICT NO.
1**

By: _____
President

ATTEST:

Secretary or Assistant Secretary

SEAL

**GREENWAYS METROPOLITAN DISTRICT NO.
2**

By: _____
President

ATTEST:

Secretary or Assistant Secretary

[Signature page to Capital Pledge Agreement]

SEAL

**GREENWAYS METROPOLITAN DISTRICT NO.
3**

By: _____
President

ATTEST:

Secretary or Assistant Secretary

UMB BANK, N.A.

By: _____
Authorized Signatory

[Signature page to Capital Pledge Agreement]

EXHIBIT A

**To
CAPITAL PLEDGE AGREEMENT**

(Debt Ballot Questions of District Nos. 1-3)

DRAFT