

RESOLUTION NO. 94-18

A RESOLUTION APPROVING AN AMENDED AND RESTATED SERVICE PLAN FOR THE BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT No. 2

WHEREAS, Section 32-1-207, C.R.S., provides that no special district may materially modify its service plan except upon petition to the governing body of the municipality within which the special district lies and adoption of a resolution of approval by such governing body; and

WHEREAS, pursuant to the provisions of Title 32, Colorado Revised Statutes, and pursuant to proper notice having been provided as required by law, the City Council held a public hearing and approved a Service Plan (the "First Amended and Restated Service Plan") for the Banning Lewis Ranch Regional Metropolitan District (the "District") (by Resolution No. 100-10), and a Second Amended and Restated Service Plan for the Banning Lewis Ranch Regional Metropolitan District (by Resolution 39-18)

WHEREAS, Clayton Properties Group II Inc., d/b/a Oakwood Homes has petitioned the City to approve an Amended and Restated Service Plan for Banning Lewis Ranch Regional Metropolitan District No. 2- formerly Banning Lewis Ranch Metropolitan District No. 7 ("Amended and Restated Service Plan"); and

WHEREAS, the petitioner submitted for review and City Council reviewed the Amended and Restated Service Plan; and

WHEREAS, City Council considered this Amended and Restated Service Plan, as well as all other testimony and evidence presented at a properly noticed and duly held public hearing on August 28, 2018, to determine whether to approve the proposed Amended and Restated Service Plan for .

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. The above and foregoing recitals are incorporated herein by reference and are adopted as findings and determinations of the City Council.

Section 2. Council hereby finds that approval of the Amended and Restated Service Plan is in the best interests of the City and the District.


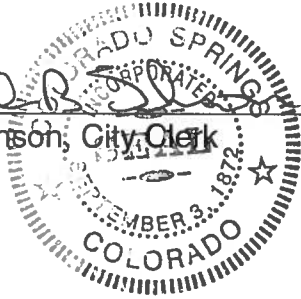
Section 3. The Amended and Restated Service Plan as attached in Exhibit 1 hereto and incorporated by reference herein is hereby approved.

DATED at Colorado Springs, Colorado, this 28th day of August, 2018.



Council President

ATTEST:


Sarah B. Johnson, City Clerk

AMENDED AND RESTATED SERVICE PLAN
FOR
BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NO. 2
(formerly Banning Lewis Ranch Metropolitan District No. 7)
IN THE CITY OF COLORADO SPRINGS, COLORADO

Prepared

by

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June 18, 2018

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EXHIBIT D	Description of Permitted Services to be Provided by the District
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I. INTRODUCTION

A. Purpose and Intent

This Amended and Restated Service Plan ("Service Plan") amends and restates the consolidated Amended and Restated Service Plan for Banning Lewis Ranch Metropolitan District Nos. 1-5 and 7, dated February 26, 2008, previously approved by City Council Resolution No. 52-08, adopted March 11, 2008 (the "Consolidated Service Plan"), as such Consolidated Service Plan pertains to Banning Lewis Ranch Metropolitan District No. 7 only. This Service Plan does not alter or amend the Consolidated Service Plan in regards to any other district. The purpose of this Service Plan is to change the name of Banning Lewis Ranch Metropolitan District No. 7 to Banning Lewis Ranch Regional Metropolitan District No. 2 (hereinafter, the "District"), to modify the District's boundaries and Service Area as described in Exhibit A and as depicted in Exhibits B, C and D and to repurpose the District's powers and authority from that of a standard metropolitan district to a regional metropolitan district as further described herein.

Pursuant to the Consolidated Service Plan, the District was intended to include only commercial property and was subject to a maximum debt mill levy of 50 mills as described therein. As further set forth in this Service Plan, the District is now intended to provide public improvements of a regional scope only and will be subject to a lower maximum debt mill levy of 9 mills, subject to adjustment as described herein.

The District is part of a collection of metropolitan districts including Banning Lewis Ranch Metropolitan District No. 1 ("District No. 1"), Banning Lewis Ranch Metropolitan District Nos. 2-5, and Banning Lewis Ranch Regional Metropolitan District (collectively referred to herein as the "Other Banning Lewis Ranch Districts"), which districts were organized to support the Banning Lewis Ranch development (as defined herein, the "Project").

The District is an independent unit of local government, separate and distinct from the City, 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 City only insofar as they may deviate in a material matter from the requirements of the Service Plan. It is intended that the District will provide financing for a part or all of the Regional Public Improvements, as defined herein, 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 the Regional Public Improvements in coordination with District No. 1, the City, and Colorado Springs Utilities ("Springs Utilities") which Regional Public Improvements will then be conveyed to the City or Springs Utilities.

It is anticipated that District No. 1 will provide operational services to the District as it currently does for several of the Other Banning Lewis Ranch Districts, and that District No. 1 will also coordinate the financial activities of the District, all pursuant to an intergovernmental agreement between the District and District No. 1 (the "District IGA").

B. Need for the District

There remains a need for certain but not yet formally defined Regional Public Improvements to be financed and constructed to serve the Banning Lewis Ranch development

and the surrounding region, and there are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the financing and related obligations of such Regional Public Improvement.

It is intended that the District will exist to provide only public improvements that are regional in nature as described herein and which will benefit the taxpayers and inhabitants of the entirety of the District as well as the region. It is anticipated the District will provide the Regional Public Improvements and the services authorized by this Service Plan in coordination with District No. 1 and the City, but without duplicating or interfering with the public improvements and services provided by the Other Banning Lewis Ranch Districts. The purpose, need and structure of the District are similar to that of Banning Lewis Ranch Regional Metropolitan District, but the boundaries of the two regional metropolitan districts will not overlap and their public improvements and services will not duplicate or interfere with each other; rather, the improvements and services will coordinate with each other's and those of the City and Springs Utilities.

C. Objective of the City Regarding District Service Plan

The City's objective in approving the Service Plan for the District is to authorize the District to, through the imposition of its mill levy, provide the revenue streams necessary to fund or finance the Regional Public Improvements, first through cash flow, then, as 'needed, the issuance of Debt, and to authorize District No. 1 to coordinate such financings through a binding intergovernmental agreement between the District and District No. 1 (together, the "Districts") pursuant to which the District will collect the proceeds of the Maximum Debt Mill Levy and either pay them to District No. 1 so that it may finance the costs of the Regional Public Improvements, or pay Debt issued directly by the District for those purposes. This Service Plan contemplates that the District will impose and collect taxes for no longer than the Maximum Debt Mill Levy Imposition Term (except as permitted by this Service Plan) and at a tax mill levy no higher than the Maximum Debt Mill Levy for the District to directly fund the Regional Public Improvements. Such taxes shall be considered as a primary source of the District's funding, though other legally available revenues may be used to assist in such funding, and the District also has the statutory ability to assess fees, rates, tolls and charges to supplement the proceeds of the Maximum Debt Mill Levy and any Debt proceeds to fund the Regional Public Improvements.

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 funding for the Regional Public Improvements defined herein. The District shall undertake no operational activities except limited administrative activities necessary to comply with State law; i.e., regular board meetings, accounting, budget and appropriation, audits, elections and the like. As specified in Exhibit E to this Service Plan, the District will provide no utility services.

As further described in Section VII, it is the intent of the District to dissolve upon the accomplishment of the purposes for which the District was created, and payment or

defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt.

The District shall be authorized to finance the Regional Public Improvements that can be funded from revenue and/or debt obligations issued by the District or District No. 1 using revenues provided by the District, to be repaid from tax revenue collected by the District from a mill levy which shall not exceed the Maximum Debt Mill Levy in the District and which shall not exceed the Maximum Debt Mill Levy Imposition Term (except as permitted by this Service Plan) and other legally available revenues as further set forth in this Service Plan. The District anticipates that these obligations will be repaid in part by development fees, as long as such development fees are not imposed upon or collected from taxable property owned or occupied by an End User for the purpose of creating a capital cost payment obligation as further described in Section V.B.11. It is the intent of this Service Plan to assure to the extent possible that no property in the District bears an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount, and that no property will bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the costs of Regional Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

Because the Regional Public Improvement and infrastructure needs of the District and the surrounding region will change and evolve over time, and because the surrounding region is projected to continue to grow at a rate well above the national average, this Service Plan has been drafted to retain a high degree of flexibility with regard to the Regional Public Improvements and services that will be provided and undertaken by the District.

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: a master plan or other more detailed land use approvals established by the City for identifying, among other things, Regional Public Improvements necessary for facilitating the development of property within the Service Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time.

Board: the board of directors of the District.

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

City: the City of Colorado Springs, Colorado and its enterprises.

City Code: the City Code of the City of Colorado Springs, Colorado.

City Council: the City Council of the City of Colorado Springs, Colorado.

Colorado Springs Utilities or Springs Utilities: Colorado Springs Utilities, an enterprise of the City.

Debt: any bond, note debenture, contract or other multiple-year financial obligation of the District which is payable in whole or in part from, or which constitutes a lien or encumbrance on the proceeds of, ad valorem property tax imposed by the District.

Debt Service Mill Levy: the District's mill levy imposed for the payment of Debt.

Debt to Actual Market Value Ratio: the ratio derived by dividing the then-outstanding principal amount of all Debt of the District by the actual market valuation of the taxable property of the District, as such actual market valuation is certified from time to time by the appropriate county assessor.

District: the Banning Lewis Ranch Regional Metropolitan District No. 2 (formerly the Banning Lewis Ranch Metropolitan District No. 7).

District IGA: the intergovernmental agreement described in Section VI which is anticipated to set forth the cooperative effort between the District and District No. 1 to (1) certify the Maximum Debt Mill Levy, (2) transfer the proceeds thereof to District No. 1, or (3) pay District Debt to fund the Regional Public Improvements.

District No. 1: the Banning Lewis Ranch Metropolitan District No. 1.

End User: means any owner, or tenant of any owner, of any taxable improvement within the District, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

External Financial Advisor: 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 of the District.

Financial Plan: 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; and (c) the estimated operating revenue derived from property taxes for the first budget year.

Inclusion Area Boundaries: the boundaries of the area depicted in the Inclusion Area Boundary Map, including all rights-of-way therein, including but not limited to Banning Lewis Ranch Parkway.

Inclusion Area Boundary Map: the map attached hereto as Exhibit C-2, describing the property proposed for inclusion within the boundaries of the District.

Initial District Boundaries: the boundaries of the area depicted in the District Boundary Map and described in Exhibit A, including all rights-of-way therein, including but not limited to Banning Lewis Ranch Parkway.

Initial District Boundary Map: the map attached hereto as Exhibit C, depicting the District's boundaries.

Maximum Debt Mill Levy: the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VI.E below.

Maximum Debt Mill Levy Imposition Term: the maximum term for imposition of a Debt Service mill levy in the District as set forth in Section VI.F below.

Maximum Operating Mill Levy: the maximum mill levy the District is permitted to impose for payment of operating and maintenance expenses as set forth in Section VI.J below.

Project: the development or property commonly referred to as the Banning Lewis Ranch.

Regional Public Improvements: a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed by the District 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: the property within the Initial District Boundaries and the Inclusion Area Boundaries, as depicted in the Initial District Boundary Map and the Inclusion Area Boundary Map.

Service Plan: this amended and restated service plan for the District approved by City Council.

Service Plan Amendment: an amendment to the Service Plan approved by City Council in accordance with the City's ordinance and the applicable State law.

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

State: the State of Colorado.

III. BOUNDARIES

The area of the Initial District Boundaries includes approximately 3.58 acres and the total area proposed to be included in the Inclusion Area Boundaries is approximately 1,403 acres. A legal description of the Initial District Boundaries and the Inclusion Area Boundaries is attached

hereto as Exhibit A. A map of the Initial District Boundaries is attached hereto as Exhibit C-1, and a map of the Inclusion Area Boundaries is attached hereto as Exhibit C-2. A vicinity map is attached hereto as Exhibit B. It is anticipated that the District's boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to Section 32-1-401, et seq., CRS, and Section 32-1-501, et seq., CRS, subject to the limitations set forth in Article V below.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS

The Service Area consists of approximately 1,407 acres of currently developed and undeveloped land. The current assessed valuation of the Service Area is \$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 population of the District at build-out is estimated to be approximately 20,000 residents.

Approval of this Service Plan by the City 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 or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached hereto, unless the same is contained within an Approved Development Plan.

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 finance the design, acquisition, construction, installation, relocation, development and redevelopment of the Regional 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 herein. It is anticipated that all Regional Public Improvements provided by the District will be dedicated by the District to the City or Springs Utilities upon completion and, following acceptance by the City or Springs Utilities, the City or Springs Utilities will own, operate and maintain such Regional Public Improvements.

The District's powers include but are not limited to the power to enter into intergovernmental agreements to provide for the financing and construction of the Regional Public Improvements and the District's operations; to issue Debt; to levy and collect development fees and fees, tolls, rates, charges, and taxes necessary to pay its obligations; to receive reimbursements upon the connection by entities inside and outside the District to the Regional Public Improvements, through sources including but not limited to the collection of charges, advance recovery charges, tap fees, or other fees; and, to carry out all other activities necessary to fulfill the District's purposes.

The District's power and authority to finance the design, acquisition, construction, installation, relocation, development and redevelopment of the Regional Public Improvements shall include but is not limited to the following services and public improvements pursuant to CRS §§ 32-1-1001 and 32-1-1004, as amended.

1. Water

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for potable water and irrigation water facilities and systems, including, but not limited to, water supply, treatment, storage, transmission, and distribution systems for domestic, irrigation, fire control, and other public purposes, together with all necessary and proper reservoirs, treatment facilities, wells, equipment, and appurtenances incident thereto, which may include, but shall not be limited to, transmission lines, pipes, distribution mains and laterals, storage facilities, and ditches, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

2. Storm Sewer

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for flood and surface drainage improvements, including, but not limited to, culverts, dams, retaining walls, access way inlets, detention and retention ponds, paving, roadside swales, curbs and gutters, disposal works and facilities, water quality facilities, and all necessary and proper equipment, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

3. Sanitation and Wastewater Treatment

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, assess tap or other facility fees, and provide for sanitation and wastewater treatment facilities, including, but not limited to, sanitary sewers and to transport wastewater to an appropriate wastewater treatment facility, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

4. Street Improvements

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for arterial streets and roadway improvements including, but not limited to, bridges, curbs, gutters, culverts, storm sewers and drainage facilities, detention and retention ponds, retaining walls and appurtenances, sidewalks, paving, lighting, grading, landscaping, streetscaping, placement of underground utilities, snow removal, tunnels, and other street improvements, and architectural enhancements to any or all of the above, with all necessary and incidental and appurtenant facilities, land and easements, together with extensions and improvements thereto.

5. Traffic Safety Protection

The District shall have the power and authority to finance, design, construct, acquire, install, maintain, and provide for safety protection through traffic control devices and safety controls on streets, as well as such other facilities and improvements as are necessary or prudent, including, but not limited to, signalization at intersections, traffic signs, area identification signs, directional assistance and driver information signs, with all necessary and

incidental and appurtenant facilities, and land and easements, together with extensions and improvements thereto.

6. Mosquito Control

The District shall have the power and authority to finance, design, construct, acquire, install, operate, maintain, and provide for systems and methods for the elimination and control of mosquitoes.

B. Limitations

1. Regional Improvements Limitation. All Regional Public Improvements provided by the District under this Service Plan must be regional in nature, providing a benefit throughout the District's Service Area and the larger region. The following types of improvements are expressly recognized as being regional in nature, and are explicitly authorized by this Service Plan:

- a. water and sanitary sewer lines of a size greater than or equal to twelve inches in diameter;
- b. water and sanitary sewer booster stations and lift stations;
- c. water storage facilities;
- d. streets classified as arterial or greater, and related traffic safety protection improvements, roundabouts, bridges or stormwater drainage culverts;
- e. traffic control signals;
- f. stormwater retention and detention facilities; and
- g. stormwater channel stabilization and management improvements.

The foregoing list of Regional Public Improvements is not exhaustive. Other improvements generally recognized as regional improvements and improvements recognized as Regional Public Improvements by agreement between the District and either the City or Springs Utilities may also be considered Regional Public Improvements authorized under this Service Plan, and a Service Plan Amendment shall not be required for the District to proceed with the development of such improvements.

2. No Duplication of Public Improvements or Services. The District shall not be authorized or empowered to provide any public improvement or provide any service that is duplicative of or interferes with public improvements or services actually provided by the Other Banning Lewis Ranch Districts.

3. Operations and Maintenance Limitation. The primary purpose of the District is to finance the design, acquisition, construction, installation, relocation, and redevelopment of the Regional Public Improvements. It is anticipated that all Regional Public

Improvements will be conveyed to and owned by the City or Springs Utilities upon completion in a manner consistent with the rules and regulations of the City or Springs Utilities and applicable provisions of the City Code. The District shall not be authorized to operate and maintain any part or all of the Regional Public Improvements after such conveyance in the absence of a specific agreement between the District and the City or Springs Utilities.

4. **City Charter Limitations.** In accordance with Article 7-100 of the City Charter, the District shall not issue any Debt instrument for any purpose other than construction of capital improvements with a public purpose necessary for development.

As further set forth in Article 7-100 of the City Charter, the total Debt of the District shall not exceed 10 percent of the total assessed valuation of the taxable property within the District unless approved by at least a two-thirds vote of the entire City Council.

5. **Use of Bond Proceeds and Other Revenue of the District Limitation.** Proceeds from the sale of debt instruments and other revenue of the District may not be used to pay landowners within the District for any real property required to be dedicated for public use by annexation agreements or land use codes, unless consent from the City Council is given. Examples of ineligible reimbursements include, but are not limited to: the acquisition of rights of way, easements, water rights, land for prudent line drainage, parkland, or open space. Proceeds from the sale of debt instruments and other revenue of the District also may not be used to pay for the construction of any utility infrastructure except for those categories of utility infrastructure covered by utility tariffs, rules, and regulations, unless consent from the City Council is given. Additionally, if the landowner/developer constructs the Regional Public Improvements and conveys them to Springs Utilities in return for a reimbursement obligation from the District, prior to making such reimbursement for such amounts, the District must receive the report of an independent engineer or accountant confirming that the amount of the reimbursement is reasonable.

6. **Construction Standards Limitation.** The Regional Public Improvements will be designed and constructed by the District in accordance with the standards and specifications of the City, Springs Utilities and/or other governmental entities having proper jurisdiction

7. **Privately Placed Debt Limitation.** Prior to the issuance of any privately placed Debt for capital related costs, 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), CRS) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [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.

8. **Inclusion Limitation.** The District shall not include within any of its boundaries any property outside the District Service Area without the prior written consent of the City Council.

9. **Overlap Limitation.** The District's boundaries overlap or are anticipated to overlap the boundaries of some of the Other Banning Lewis Ranch Districts. Notwithstanding this overlap, the District's mill levy for payment of Debt shall not be subject to the maximum debt mill levy of the Other Banning Lewis Ranch Districts.

10. **Initial Debt Limitation.** On or before the date on which there is an Approved Development Plan, the District shall not (a) issue any Debt, (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, or (c) impose and collect any fees used for the purpose of repayment of Debt.

11. **Total Debt Issuance Limitation.** The issuance of all bonds or other debt instruments of the District shall be subject to the approval of the City Council. City Council's review of the bonds or other debt instruments of the District shall be conducted to ensure compliance with the Service Plan and all applicable laws. The District, together with Banning Lewis Ranch Regional Metropolitan District, shall collectively not issue Debt in an aggregate principal amount in excess of \$150,000,000, provided that the foregoing amount shall not include the principal amount of Debt issued for the purpose of refunding or refinancing lawfully issued Debt.

The foregoing Debt limitation is supported by the estimated cost of the below categories of Regional Public Improvements anticipated to be provided by the District during buildout of the Project, which buildout is expected to take 15-20 years, taking into consideration reasonable costs of inflation and contingencies. The following list provides a non-comprehensive list of anticipated categories of Regional Public Improvements that may be provided by the District and is not exhaustive or otherwise restrictive:

Category of Regional Public Improvements	Estimated Cost
Sanitation and Wastewater Treatment	\$8,145,000
Water	\$9,657,000
Storm Sewer	\$42,157,000
Streets	\$41,589,500
TOTAL	\$101,548,500

The Debt anticipated to be issued by the District shall either be in the form of the District IGA, pursuant to authorization approved by the District's electorate, or Debt issued directly by the District to finance Regional Public Improvements directly. If possible, District No. 1 is expected to issue revenue obligations secured by the obligation of the District to certify the Maximum Debt Mill Levy over the life of the District IGA and transfer the proceeds thereof to District No. 1. In any event, the maximum term for any Debt issued by the District shall be forty (40) years.

12. Fee Limitation. The District may impose and collect Fees as a source of revenue for repayment of debt, capital costs, and/or for operations and maintenance. No Fee related to the funding of costs of a capital nature shall be authorized to be imposed upon or collected from Taxable Property owned or occupied by an End User which has the effect, intentional or otherwise, of creating a capital cost payment obligation in any year on any Taxable Property owned or occupied by an End User. Notwithstanding any of the foregoing, the restrictions in this definition shall not apply to any Fee imposed upon or collected from Taxable Property for the purpose of funding operation and maintenance costs of the District.

13. 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 nonprofit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

14. 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 City.

15. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term have been established under the authority of the City to approve this Service Plan with conditions pursuant to Section 32-1-204.5, CRS. 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 or the Maximum Debt Mill Levy Imposition Term, shall be deemed a material departure from this Service Plan pursuant to Section 32-1-207, CRS, and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

16. **Service Plan Amendment Requirement.** This Service Plan has been designed with sufficient flexibility to enable the District to provide required services and facilities under evolving circumstances without the need for numerous amendments. While the assumptions upon which this Service Plan are generally based are reflective of an Approved Development Plan(s) for the property within the District, modification of the general types of services and facilities, and changes in proposed configurations, locations, or dimensions of various facilities and improvements from time to time shall be permitted to accommodate development needs consistent with then-current Approved Development Plans for the property without the need to amend this Service Plan as development plans change. Actions of the District which violate the limitations set forth in V.A.1-14 above or in VI.B-F. shall be deemed to be material departures from this Service Plan and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

17. **Eminent Domain Powers Limitation.** The District shall not exercise the power of eminent domain to acquire property except upon the prior written consent of the City.

18. **Local Improvement Districts.** The District shall not organize any local improvement district without the prior written consent of the City.

C. **Engineering Standards**

The District shall have authority to finance the planning, design, acquisition, construction, installation, relocation, and redevelopment of the Regional Public Improvements within and without the boundaries of the District. All of the Regional Public Improvements described herein will be designed in such a way as to assure that the Regional Public Improvements standards will be compatible with those of the City and Springs Utilities and shall be in accordance with the requirements of any Approved Development Plan.

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

All of the Regional Public Improvements described herein will be designed in such a way as to assure that the Regional Public Improvements standards will be compatible with those of the City and shall be in accordance with the requirements of the Agreement and any Approved Development Plan. All descriptions of the Regional Public Improvements to be constructed, and their related costs, are estimates only and are subject to modification as engineering, development plans, economics, Springs Utilities' and the City's requirements, and construction scheduling may require. Upon approval of this Service Plan, the Districts and Springs Utilities will continue to develop and refine cost estimates contained herein and prepare for issuance of District No. 1 revenue obligations. All cost estimates will be inflated to then-current dollars at the time of such issuances of District No. 1 revenue obligations and construction. All construction cost estimates assume construction to applicable local, State or Federal requirements.

D. Multiple District Structure.

It is anticipated that the District and District No. 1, together, will undertake the financing of the Regional Public Improvements and of such activities and efforts as are necessary to fulfill the obligations under the District IGA. Said District IGA will be designed to help assure the orderly development of the Regional Public Improvements in accordance with the requirements of this Service Plan and those of the City and Springs Utilities. Implementation of the District IGA is essential to the orderly implementation of this Service Plan. Accordingly, except as may be otherwise provided in the District IGA, any determination of either Board of Directors to set aside the District IGA without the consent of the Board of Directors of the other District shall be a material modification of the Service Plan. The District IGA may be amended by mutual agreement of the Districts without the need to amend this Service Plan.

VI. FINANCIAL PLAN

A. General

The District shall be authorized to provide for the planning, design, financing, acquisition, construction, installation, relocation and/or redevelopment of the Regional Public Improvements from its revenue and by and through cash flow and the proceeds of Debt to be issued by the District after approval of City Council, payable from the revenue derived from the Maximum Debt Mill Levy and other legally available revenue, consistent with the Maximum Debt Mill Levy Imposition Term. The District will also rely upon various other revenue sources authorized by law. These will include the power to assess fees, rates, tolls, penalties, or charges as provided in the Special District Act or other State statutes. The District will not be allowed to impose a sales tax.

B. No-Default Provisions

The District IGA shall be structured so that the following are events of default, without limitation: (1) failure to impose or collect the Maximum Debt Mill Levy or such portion thereof as may be pledged thereto, or to apply the same in accordance with the terms of the District IGA; (2) failure to impose or collect other revenue sources lawfully pledged to the payment thereof or to apply the same in accordance with the terms of the District IGA; (3) failure to abide by other covenants made in connection with the District IGA; or (4) filing by the District as a debtor under any bankruptcy or other applicable insolvency laws. Notwithstanding the foregoing, no event of default shall require the District to increase the Maximum Debt Mill Levy in the District or the Maximum Debt Mill Levy Imposition Term except as described in this Service Plan.

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 of the District for payment of Debt, and shall be determined as follows:

The Maximum Debt Mill Levy shall be 9 mills; provided that if, on or after January 1, 2017, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement, the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the District's Board of Directors in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenue generated by the mill levy, as adjusted for changes occurring after January 1, 2017, 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.

To the extent that the District is composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "District" as used in this Section VI shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this Section VI.

D. Maximum Debt Mill Levy Imposition Term

The District shall not impose a Debt Service Mill Levy which exceeds 40 years after the year of the initial imposition of such Debt Service Mill Levy unless:

(1) a majority of the Board of Directors of the District imposing the mill levy are residents of such District, and (2) such Board has voted in favor of issuing Debt with a term which requires or contemplates the imposition of a Debt Service Mill Levy for a longer period of time than the limitation contained herein; or

(2) District No. 1, with the approval of City Council, issues its revenue obligations with a term that would extend beyond the 40th year of the Maximum Debt Mill Levy Imposition Term, in which case the District IGA may be deemed to have been renewed and extended as of the date of such issuance, and the Maximum Debt Mill Levy Imposition Term shall be automatically extended to the year following the final year of maturity of such bonds.

E. Debt Repayment Sources

The District may impose a mill levy on taxable property within its boundaries, and charge tap fees¹ at the time of building permit issuance, as the primary sources of revenue for repayment of debt service and for operations and maintenance. The District may also rely upon various other revenue sources for repayment of debt service and for operations and maintenance authorized by law. At the District's discretion, these may include the power to assess fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(1), C.R.S., as amended from time to time; provided, that bonds shall not be issued which pledge ongoing fees, rates, tolls, penalties, or charges to End Users as a principal source of revenue for debt service, but the District shall have the authority, as a means of enhancing the credit of bond issues to

¹ "Tap fees" are charges solely of the District and are not Colorado Springs Utilities Development Charges.

pledge such fees, rates, tolls, penalties, or charges as a secondary source of revenue to be utilized in such event that the Maximum Debt Mill Levy does not yield revenues adequate to meet current debt service obligations; and provided further that with respect to any proposed bond issue by the District, City Council may review, and in the exercise of their discretion limit, the maximum exposure of property owners to escalating fees rates, tolls, penalties, or charges, as part of their review and approval of specific bond documents pursuant to Section V.B.11, above. In no event shall the Debt Service Mill Levy in the District exceed the Maximum Debt Mill Levy or the Maximum Debt Mill Levy Imposition Term except as allowed by this Service Plan.

F. Security for Debt

No Debt or other financial obligation of the District will constitute a debt or obligation of the City in any manner. The faith and credit of the City will not be pledged for the repayment of any Debt or other financial obligation of any District. This will be clearly stated on all offering circulars, prospectuses, or disclosure statements associated with any securities issued by any District. The District shall not utilize the City of Colorado 'Springs's name in the name of the District.

G. Maximum Operating Mill Levy

In addition to the capital costs of the Regional Public Improvements, the District will require operating funds for administration and to plan and cause the Regional Public Improvements to be constructed and maintained. '

The Maximum Operating Mill Levy for the payment of the District operating and maintenance expenses shall be 1 mill; provided that if, on or after January 1, 2008, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such operating and maintenance expenses may be increased or decreased to reflect such changes, such 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 revenue generated by the mill levy, as adjusted for changes occurring after January 1, 2008, 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.

H. Developer Financial Assurances

The mere existence of the District will not be considered a substitute for financial assurances required under applicable City land use ordinances and regulations.

VII. ANNUAL REPORT

A. General

The District shall be responsible for submitting an annual report to the Director of the City's Budget Department no later than August 1 of each year following the year in which this Service Plan is approved.

B. Reporting of Significant Events

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.
2. Intergovernmental agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.
3. Copies of the District's rules and regulations, if any, as of December 31 of the prior year.
4. A summary of any litigation which involves the District's Regional Public Improvements as of December 31 of the prior year.
5. Status of the District's construction of the Regional Public Improvements as of December 31 of the prior year.
6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.
7. The assessed valuation of the District for the current year.
8. Current year budget including a description of the Regional Public Improvements to be constructed in such year.
9. Audit of the District financial statements for the year ending December 31 of the previous year prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.
10. Notice of any uncured events of noncompliance by the District under any Debt instrument, which continue beyond a 90-day period.
11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a 90-day period.
12. Copies of any Certifications of an External Financial Advisor provided as required by the Privately Placed Debt Limitation provision.

VIII. DISSOLUTION

Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file a petition in the appropriate District Court 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 District will use reasonable efforts to assure that all developers of the property located within the District provide written notice to all purchasers of property in the District regarding the Maximum Debt Mill Levy, as well as a general description of the 'District's authority to impose and collect rates, fees, tolls and charges. The form of notice shall be substantially in the form of Exhibit F hereto; provided that such form may be modified by the District so long as a new form is submitted to the City prior to modification. Within 90 days of approval of this Service Plan, the District will record the approved Disclosure form with the El Paso County Clerk and Recorder against all property included in the Initial District Boundaries and provide a recorded copy to the City Clerk's Office.

X. CONCLUSION

It is submitted that this Service Plan for the District, as required by Section 32-1-203(2), C.R.S., and Section 122-35 of the City 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; and
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 City 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 City within which the special district is to be located and each municipality which is an interested party under Section 32-1-204(1), CRS.
7. The proposal is in substantial compliance with a comprehensive plan adopted pursuant to the City Code.
8. The proposal is in compliance with any duly adopted City, regional or State long-range water quality management plan for the area.
9. The approval of this Service Plan is in the best interests of the area proposed to be served.

EXHIBIT A

Legal Descriptions

Initial District Boundaries

**TRACT D AS PLATTED IN BANNING LEWIS RANCH FILING NO. 5, RECORDED
NOVEMBER 9, 2006, UNDER RECEPTION NO. 206712464, RECORDS OF EL PASO
COUNTY, COLORADO.**

EXHIBIT A

Legal Descriptions

Inclusion Area Boundaries

(Legal Description of the Property)

A PARCEL OF LAND BEING IN A PORTION OF SECTIONS 14, 15, AND 22, TOWNSHIP 13 SOUTH, RANGE 65 WEST, OF THE 6TH PRINCIPAL MERIDIAN, CITY OF COLORADO SPRINGS, COUNTY OF EL PASO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: BEARINGS ARE COLORADO STATE PLANE CENTRAL ZONE GRID BEARINGS BASED ON GPS OBSERVATION OF COLORADO SPRINGS UTILITIES FACILITIES INFORMATION MANAGEMENT SYSTEM (FIMS) SURVEY CONTROL NETWORK MONUMENTS BL74 AT THE NORTHERLY END OF THE LINE, AND BL07 AT THE SOUTHERLY END OF THE LINE, BOTH MONUMENTED BY A BERSTSEN TOP SECURITY MONUMENT, SAID LINE HAVING A BEARING OF N02°51'45"E A DISTANCE OF 12,718.82 FEET.

COMMENCING AT THE NORTH QUARTER CORNER OF SAID SECTION 14, MONUMENTED BY 3.25" ALUMINUM CAP FLUSH TO THE SURFACE STAMPED "SURVCON INC. 2005 PLS 30829";

THENCE S89°17'51"W, ALONG THE NORTHERLY LINE OF THE NORTHWEST QUARTER OF SAID SECTION 14, A DISTANCE OF 1,019.31 FEET;

THENCE S00°29'39"E, PERPENDICULAR TO THE SOUTHERLY RIGHT-OF-WAY LINE OF DUBLIN BLVD. AS DEFINED IN THE FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3, RECORDED MAY 5TH, 2005 AT RECEPTION NO. 205064513 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO, 63.66 FEET TO A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP STAMPED "PLS 38313" MARKING THE NORTHWESTERLY CORNER OF DRAINAGE TRACT 1 AS DEFINED IN THE FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 4, RECORDED JUNE 16TH, 2005 AT RECEPTION NO. 205090006 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO, BEING THE POINT OF BEGINNING;

THENCE ALONG THE WESTERLY LINE OF SAID DRAINAGE TRACT 1 THE FOLLOWING NINETEEN (19) COURSES:

1. THENCE S45°29'39"E 27.95 FEET;
2. THENCE S00°29'39"E 31.27 FEET;
3. THENCE S04°00'24"E 62.55 FEET;
4. THENCE S07°31'09"E 214.47 FEET;
5. THENCE S00°29'39"E 5.91 FEET TO THE BEGINNING OF A CURVE;
6. THENCE 42.31 FEET ALONG ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 12°49'38", HAVING A RADIUS OF 189.00 FEET, AND WHOSE CHORD BEARS S05°55'10"W 42.22 FEET TO THE BEGINNING OF A REVERSE CURVE;
7. THENCE 131.95 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 24°18'33", HAVING A RADIUS OF 311.00 FEET, AND WHOSE CHORD BEARS S00°10'43"W 130.96 FEET;
8. THENCE S11°58'34"E 91.75 FEET TO THE BEGINNING OF A CURVE,

9. THENCE 46.20 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 14°00'17", HAVING A RADIUS OF 189.00 FEET, AND WHOSE CHORD BEARS S 04°58'25" E 46.08 FEET;

10. THENCE S02°01'43"W 151.54 FEET TO THE BEGINNING OF A CURVE,

11. THENCE 18.66 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 03°26'19", HAVING A RADIUS OF 311.00 FEET, AND WHOSE CHORD BEARS S 00°18'34" W 18.66 FEET;

12. THENCE S01°24'36"E 465.69 FEET TO THE BEGINNING OF A CURVE,

13. THENCE 169.84 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 31°17'25", HAVING A RADIUS OF 311.00 FEET, AND WHOSE CHORD BEARS S 17°03'18" E 167.74 FEET;

14. THENCE S32°42'01"E 111.78 FEET TO THE BEGINNING OF A CURVE,

15. THENCE 84.51 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 25°37'07", HAVING A RADIUS OF 189.00 FEET, AND WHOSE CHORD BEARS S 19°53'27" E 83.81 FEET;

16. THENCE S07°04'54"E 314.35 FEET TO THE BEGINNING OF A CURVE,

17. THENCE 140.98 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 25°58'23", HAVING A RADIUS OF 311.00 FEET, AND WHOSE CHORD BEARS S 20°04'05" E 139.78 FEET TO THE BEGINNING OF A REVERSE CURVE;

18. THENCE 80.17 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 57°59'21", HAVING A RADIUS OF 79.21 FEET, AND WHOSE CHORD BEARS S 04°03'36" E 76.79 FEET.

19. THENCE S24°56'04"W 36.53 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF VISTA DEL PRADO BLVD. AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3;

THENCE CONTINUING S24°56'04"W 96.00 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID VISTA DEL PRADO BLVD;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE THE FOLLOWING FIVE (5) COURSES:

1. THENCE N65°03'56"W 31.50 FEET;

2. THENCE S69°56'04"W 28.28 FEET;

3. THENCE N65°03'56"W 60.00 FEET;

4. THENCE N20°03'56"W 28.28 FEET;

5. THENCE N65°03'56"W 628.15 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF FALCON MEADOW BLVD. AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3;

THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE THE FOLLOWING FIFTEEN (15) COURSES:

1. THENCE S69°56'04"W 31.11 FEET;

2. THENCE S24°56'04"W 464.88 FEET TO THE BEGINNING OF A CURVE,
3. THENCE 724.95 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 14°04'14", HAVING A RADIUS OF 2952.01 FEET, AND WHOSE CHORD BEARS S 17°53'57" W 723.13 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENT LINE.
4. THENCE S34°52'13"E 30.96 FEET;
5. THENCE S09°51'16"W 60.00 FEET;
6. THENCE S54°34'45"W 30.96 FEET TO THE BEGINNING OF A NON-TANGENT CURVE,
7. THENCE 494.31 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 09°35'39", HAVING A RADIUS OF 2952.01 FEET, AND WHOSE CHORD BEARS S 04°02'53" W 493.73 FEET.
8. THENCE S00°44'56"E 137.62 FEET;
9. THENCE S45°44'56"E 31.11 FEET;
10. THENCE S00°44'56"E 60.00 FEET;
11. THENCE S44°15'04"W 31.11 FEET;
12. THENCE S00°44'56"E 183.34 FEET;
13. THENCE S04°56'35"E 150.40 FEET;
14. THENCE S00°44'56"E 218.26 FEET;
15. THENCE S45°48'15"E 42.38 FEET TO A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP STAMPED "PLS 38313" MARKING THE INTERSECTION OF THE EASTERLY RIGHT-OF-WAY LINE OF SAID FALCON MEADOW BLVD. AND THE NORTHERLY RIGHT-OF-WAY LINE OF STETSON HILLS BLVD. AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF STETSON HILLS BLVD THE FOLLOWING ELEVEN (11) COURSES, ALL OF WHICH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP STAMPED "PLS 38313" UNLESS OTHERWISE NOTED;

1. THENCE S85°47'36"W 183.34 FEET;
2. THENCE S89°15'04"W 1204.10 FEET TO A (FOUND) NO. 5 REBAR WITH A YELLOW PLASTIC CAP STAMPED "PLS 30829" MARKING THE BEGINNING OF A CURVE,
3. THENCE 997.73 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 27°31'24", HAVING A RADIUS OF 2077.00 FEET, AND WHOSE CHORD BEARS S 75°29'23" W 988.16 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENT LINE.
4. THENCE S62°43'35"W 180.89 FEET TO THE BEGINNING OF A NON-TANGENT CURVE,
5. THENCE 164.30 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 04°35'28", HAVING A RADIUS OF 2050.39 FEET, AND WHOSE CHORD BEARS S 54°29'02" W 164.26 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENT LINE.
6. THENCE S52°17'46"W 75.88 FEET;

7. THENCE S48°17'44"W 159.46 FEET;
8. THENCE S52°15'04"W 542.57 FEET TO THE BEGINNING OF A CURVE,
9. THENCE 675.83 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 41°57'50", HAVING A RADIUS OF 922.75 FEET, AND WHOSE CHORD BEARS S 73°13'59" W 660.83 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENT LINE.
10. THENCE N79°48'59"W 179.15 FEET;
11. THENCE N82°57'05"W 7.30 FEET TO THE INTERSECTION OF SAID NORTHERLY RIGHT-OF-WAY LINE OF STETSON HILLS BLVD. WITH THE EASTERLY RIGHT-OF-WAY LINE OF BANNING LEWIS PARKWAY AS DEFINED IN THE FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 1, RECORDED JUNE 13TH, 2005 AT RECEPTION NO. 2050087777 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF BANNING LEWIS PARKWAY THE FOLLOWING THIRTEEN (13) COURSES, ALL OF WHICH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP STAMPED "PLS 38313":

1. THENCE N82°57'05"W 188.41 FEET;
2. THENCE N36°12'18"W 41.69 FEET;
3. THENCE N10°32'27"E 163.01 FEET TO THE BEGINNING OF A CURVE,
4. THENCE 185.88 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 10°00'00", HAVING A RADIUS OF 1065.00 FEET, AND WHOSE CHORD BEARS N 05°32'27" E 185.64 FEET.
5. THENCE N00°32'27"E 518.81 FEET TO THE BEGINNING OF A CURVE,
6. THENCE 197.33 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 09°57'41", HAVING A RADIUS OF 1135.00 FEET, AND WHOSE CHORD BEARS N 05°31'17" E 197.08 FEET TO THE BEGINNING OF A NON-TANGENT CURVE.
7. THENCE 530.87 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 05°12'49", HAVING A RADIUS OF 5834.00 FEET, AND WHOSE CHORD BEARS N 24°34'01" E 530.68 FEET.
8. THENCE N27°10'26"E 1915.79 FEET TO THE BEGINNING OF A NON-TANGENT CURVE,
9. THENCE 385.02 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 03°36'04", HAVING A RADIUS OF 6125.80 FEET, AND WHOSE CHORD BEARS N 25°23'06" E 384.96 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENT LINE.
10. THENCE N30°14'51"E 475.52 FEET;
11. THENCE N27°14'06"E 588.67 FEET TO THE BEGINNING OF A NON-TANGENT CURVE,
12. THENCE 827.22 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 30°34'42", HAVING A RADIUS OF 1550.00 FEET, AND WHOSE CHORD BEARS N 14°45'11" E 817.44 FEET.

13. THENCE N00°32'10"W 110.61 FEET TO THE INTERSECTION OF SAID EASTERLY RIGHT-OF-WAY LINE OF BANNING LEWIS PARKWAY WITH THE SOUTHERLY RIGHT-OF-WAY LINE OF DUBLIN BLVD. AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 1;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF DUBLIN BLVD. AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 1 THE FOLLOWING FIVE (5) COURSES, ALL OF WHICH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP STAMPED "PLS 38313":

1. THENCE N44°30'54"E 42.38 FEET;
2. THENCE N89°30'13"E 60.60 FEET;
3. THENCE N87°35'40"E 300.17 FEET;
4. THENCE N89°29'38"E 49.89 FEET;

5. THENCE N87°13'00"E 111.94 FEET TO THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE OF DUBLIN BLVD. AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 1 WITH SAID SOUTHERLY RIGHT-OF-WAY LINE OF DUBLIN BLVD AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF DUBLIN BLVD. THE FOLLOWING SIX (6) COURSES, ALL OF WHICH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP STAMPED "PLS 38313"

1. THENCE N87°13'00"E 163.20 FEET;
2. THENCE N89°30'21"E 562.77 FEET;
3. THENCE S87°02'13"E 180.34 FEET;
4. THENCE N89°32'12"E 233.80 FEET;
5. THENCE N85°43'44"E 168.72 FEET;
6. THENCE N89°30'21"E 1251.81 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THOSE PORTIONS OF THE FOREGOING PROPERTY THAT HAVE BEEN DEDICATED AS PUBLIC RIGHT-OF-WAY AS SHOWN ON SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3, RECORDED MAY 5TH, 2005 AT RECEPTION NO. 205064513 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

ADDITIONALLY EXCEPTING THEREFROM THOSE PORTIONS OF THE FOREGOING PROPERTY THAT HAVE BEEN DEDICATED AS DRAINAGE TRACTS AS SHOWN ON SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 4, RECORDED JUNE 16TH, 2005 AT RECEPTION NO. 205090006 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO.

(Legal Description of the Property)

A PARCEL OF LAND BEING IN A PORTION OF SECTIONS 13 AND 14, TOWNSHIP 13 SOUTH, RANGE 65 WEST, OF THE 6TH PRINCIPAL MERIDIAN, CITY OF COLORADO SPRINGS, COUNTY OF EL PASO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: BEARINGS ARE COLORADO STATE PLANE CENTRAL ZONE GRID BEARINGS BASED ON GPS OBSERVATION OF COLORADO SPRINGS UTILITIES FACILITIES INFORMATION MANAGEMENT SYSTEM (FIMS) SURVEY CONTROL NETWORK MONUMENTS BL74 AT THE NORTHERLY END OF THE LINE, AND BL07 AT THE SOUTHERLY END OF THE LINE, BOTH MONUMENTED BY A BERSTSEN TOP SECURITY MONUMENT, SAID LINE HAVING A BEARING OF N02°51'45"E A DISTANCE OF 12,718.82 FEET.

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 14, MONUMENTED BY A 3.25" ALUMINUM CAP FLUSH TO THE SURFACE STAMPED "AZTEC CONSULTANTS 2015 PLS 38256";
THENCE S89°50'23"E, ALONG THE NORTHERLY LINE OF THE NORTHWEST QUARTER OF SAID SECTION 13, 1328.02 FEET TO A (FOUND) 3.25 INCH ALUMINUM CAP STAMPED "SURVCON INC. 2005 PLS 30829" MARKING THE W1/16 CORNER OF SECTION 12 AND 13, TOWNSHIP 13 SOUTH, RANGE 65 WEST, OF THE 6TH PRINCIPAL MERIDIAN;
THENCE S00°24'02"E, ALONG THE EASTERLY LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 13, 1342.77 FEET TO A (FOUND) NO. 5 REBAR WITH A 1.5" ALUMINUM CAP STAMPED "DB CO. LS 17664" MARKING THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 13;
THENCE N89°52'56"E, ALONG THE SOUTHERLY LINE OF SAID NORTHEAST QUARTER OF THE NORTHWEST QUARTER, 350.10 FEET TO A (FOUND) NO. 5 REBAR WITH A 1.5" ALUMINUM CAP STAMPED "DB CO. LS 17664" MARKING A POINT ALONG THE NORTHWESTERLY RIGHT-OF-WAY LINE OF COLORADO STATE HIGHWAY 24;
THENCE S27°56'26"W, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, 3744.35 FEET TO A (FOUND NO. 5 REBAR WITH A 1.5 INCH ALUMINUM CAP STAMPED "SURVCON LS 30829" MARKING THE POINT OF INTERSECTION OF SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF COLORADO STATE HIGHWAY 24 WITH THE EASTERLY LINE OF THAT PARCEL OF LAND CONVEYED TO PUBLIC SERVICE COMPANY OF COLORADO BY BOOK 2194 PAGE 154 OF THE EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;
THENCE N00°23'38"W, ALONG SAID EASTERLY LINE 1954.88 FEET TO A (FOUND) NO. 5 REBAR WITH A YELLOW PLASTIC CAP STAMPED" LS 30829";
THENCE N00°25'00"W, CONTINUING ALONG SAID EASTERLY LINE, 1030.76 FEET TO A (FOUND) NO. 5 REBAR WITH A 1.5" ALUMINUM CAP STAMPED "DB CO. LS 17664" MARKING THE INTERSECTION WITH THE SOUTHERLY LINE OF PARCEL NO. 11 AS DEFINED IN THAT SPECIAL WARRANTY DEED RECORDED JUNE 18, 2004 AT RECEPTION NO. 204101430 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO (FORMALLY THE SOUTHERLY RIGHT-OF-WAY LINE OF THE CHICAGO, ROCK ISLAND AND PACIFIC RAILWAY) BEING THE BEGINNING OF A NON-TANGENT CURVE, THENCE 266.30 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 02°38'24", HAVING A RADIUS OF 5779.64 FEET, AND WHOSE CHORD BEARS S 57°15'18"W 266.27 FEET TO A (FOUND) NO. 5 REBAR WITH A 1.5" ALUMINUM CAP STAMPED "DB CO. LS 17664" MARKING THE INTERSECTION WITH THE WESTERLY LINE OF SAID PUBLIC SERVICE COMPANY OF COLORADO PARCEL, BEING A NON-TANGENT LINE TO THE PREVIOUSLY DESCRIBED CURVE;
THENCE S00°25'00"E, ALONG SAID WESTERLY LINE, 888.32 FEET TO A (FOUND) NO. 5 REBAR WITH A YELLOW PLASTIC CAP STAMPED" LS 30829";
THENCE S00°23'36"E CONTINUING ALONG SAID WESTERLY LINE, 2213.88 FEET TO A (SET) NO. 5

REBAR WITH A 1.5" ORANGE PLASTIC CAP STAMPED "PLS 38313" MARKING THE INTERSECTION OF SAID WESTERLY LINE WITH SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF COLORADO STATE HIGHWAY 24 WHENCE A (FOUND) 3.25 INCH ALUMINUM CAP STAMPED "CDOT ROW PT#343 PROJ. # NH 0243-058 PLS 25381" BEARS S27°57'05"W 2.00 FEET;

THENCE S27°57'05"W, ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE, 308.39 FEET TO A (SET) NO. 5 REBAR WITH A 1.5" ORANGE PLASTIC CAP STAMPED "PLS 38313" MARKING THE INTERSECTION OF SAID NORTHWESTERLY RIGHT-OF-WAY LINE WITH THE NORTHERLY RIGHT-OF-WAY LINE OF STETSON HILLS BLVD. AS DEFINED IN THE FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3 RECORDED MAY 5TH, 2005 AT RECEPTION NO. 205064513 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE THE FOLLOWING NINE (9) COURSES, ALL OF WHICH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5" ORANGE PLASTIC CAP STAMPED "PLS 38313";

1. THENCE N62°01'59"W 829.03 FEET TO THE BEGINNING OF A CURVE,
2. THENCE 538.19 FEET ALONG THE ARC OF SAID CURVE TURNING TO THE LEFT THROUGH A CENTRAL ANGLE OF 14°50'47", HAVING A RADIUS OF 2077.00 FEET, AND WHOSE CHORD BEARS N 69°27'22"W 536.69 FEET;
3. THENCE N76°52'46"W 217.69 FEET TO THE BEGINNING OF A NON-TANGENT CURVE,
4. THENCE 226.62 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 06°13'07", HAVING A RADIUS OF 2088.00 FEET, AND WHOSE CHORD BEARS N 85°56'40"W 226.51 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENT LINE;
5. THENCE S85°29'40"W 159.03 FEET;
6. THENCE S89°20'47"W 579.09 FEET;
7. THENCE S89°13'00"W 1324.10 FEET;
8. THENCE N87°17'10"W 180.34 FEET;
9. THENCE S89°13'00"W 232.77 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF FALCON MEADOW BLVD. AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3;

THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE THE FOLLOWING FIFTEEN (15) COURSES:

1. THENCE N45°48'15"W 42.38 FEET;
2. THENCE N00°44'56"W 218.26 FEET;
3. THENCE N04°56'35"W 150.40 FEET;
4. THENCE N00°44'56"W 183.34 FEET;
5. THENCE N44°15'04"E 31.11 FEET;
6. THENCE N00°44'56"W 60.00 FEET;
7. THENCE N45°44'56"W 31.11 FEET;
8. THENCE N00°44'56"W 137.62 FEET TO THE BEGINNING OF A CURVE,
9. THENCE 494.31 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 09°35'39", HAVING A RADIUS OF 2952.01 FEET, AND WHOSE CHORD BEARS N 04°02'53"E 493.73 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENT LINE;
10. THENCE N54°34'45"E 30.96 FEET;
11. THENCE N09°51'16"E 60.00 FEET;
12. THENCE N34°52'13"W 30.96 FEET TO THE BEGINNING OF A NON-TANGENT CURVE,
13. THENCE 724.95 FEET ALONG THE ARC OF SAID CURVE TURNING TO THE RIGHT THROUGH A CENTRAL ANGLE OF 14°04'14", HAVING A RADIUS OF 2952.01 FEET, AND WHOSE CHORD BEARS N 17°53'57"E 723.13 FEET;
14. THENCE N24°56'04"E 464.88 FEET;
15. THENCE N69°56'04"E 31.11 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID VISTA DEL PRADO BLVD AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3;

THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE THE FOLLOWING FIVE (5) COURSES:

1. THENCE S65°03'56"E 628.15 FEET;
2. THENCE S20°03'56"E 28.28 FEET;
3. THENCE S65°03'56"E 60.00 FEET;
4. THENCE N69°56'04"E 28.28 FEET;

5. THENCE S65°03'56"E 31.50 FEET;
THENCE N24°56'04"E 96.00 FEET TO THE SOUTHWESTERLY CORNER OF DRAINAGE TRACT I AS
DEFINED IN THE FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 4 RECORDED JUNE 16, 2005 AT
RECEPTION NO. 205090006 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF
COLORADO;

THENCE ALONG THE WESTERLY LINE OF SAID DRAINAGE TRACT I THE FOLLOWING NINETEEN (19)
COURSES:

1. THENCE N24°56'04"E 36.53 FEET TO THE BEGINNING OF A CURVE,
 2. THENCE 80.17 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF
57°59'21", HAVING A RADIUS OF 79.21 FEET, AND WHOSE CHORD BEARS N 04°03'36"W 76.79 FEET TO
THE BEGINNING OF A REVERSE CURVE;
 3. THENCE 140.98 FEET ALONG THE ARC OF SAID CURVE TURNING TO THE RIGHT THROUGH A
CENTRAL ANGLE OF 25°58'23", HAVING A RADIUS OF 311.00 FEET, AND WHOSE CHORD BEARS N
20°04'05"W 139.78 FEET;
 4. THENCE N07°04'54"W 314.35 FEET TO THE BEGINNING OF A CURVE,
 5. THENCE 84.51 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF
25°37'07", HAVING A RADIUS OF 189.00 FEET, AND WHOSE CHORD BEARS N 19°53'27"W 83.81 FEET;
 6. THENCE N32°42'01"W 111.78 FEET TO THE BEGINNING OF A CURVE,
 7. THENCE 169.84 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE
OF 31°17'25", HAVING A RADIUS OF 311.00 FEET, AND WHOSE CHORD BEARS N 17°03'18"W 167.74
FEET;
 8. THENCE N01°24'36"W 465.69 FEET TO THE BEGINNING OF A CURVE,
 9. THENCE 18.66 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE
OF 03°26'19", HAVING A RADIUS OF 311.00 FEET, AND WHOSE CHORD BEARS N 00°18'34"E 18.66
FEET;
 10. THENCE N02°01'43"E 151.54 FEET TO THE BEGINNING OF A CURVE,
 11. THENCE 46.20 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE
OF 14°00'17", HAVING A RADIUS OF 189.00 FEET, AND WHOSE CHORD BEARS N 04°58'25"W 46.08
FEET;
 12. THENCE N11°58'34"W 91.75 FEET TO THE BEGINNING OF A CURVE,
 13. THENCE 131.95 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL
ANGLE OF 24°18'33", HAVING A RADIUS OF 311.00 FEET, AND WHOSE CHORD BEARS N 00°10'43"E
130.96 FEET TO THE BEGINNING OF A REVERSE CURVE;
 14. THENCE 42.31 FEET ALONG THE ARC OF SAID CURVE TURNING TO THE LEFT THROUGH A
CENTRAL ANGLE OF 12°49'38", HAVING A RADIUS OF 189.00 FEET, AND WHOSE CHORD BEARS N
05°55'10"E 42.22 FEET;
 15. THENCE N00°29'39"W 5.91 FEET;
 16. THENCE N07°31'09"W 214.47 FEET;
 17. THENCE N04°00'24"W 62.55 FEET;
 18. THENCE N00°29'39"W 31.27 FEET;
 19. THENCE N45°29'39"W 27.95 FEET TO A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP
STAMPED "PLS 38313" MARKING THE INTERSECTION OF SAID WESTERLY LINE OF DRAINAGE TRACT I
WITH THE SOUTHERLY LINE OF DUBLIN BLVD AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS
RANCH FILING NO. 3;
- THENCE ALONG SAID SOUTHERLY LINE AND THE EXTENSION THEREOF, THE FOLLOWING SIX (6)
COURSES, ALL OF WHICH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE
PLASTIC CAP STAMPED "PLS 38313" UNLESS OTHERWISE NOTED:
1. THENCE N89°30'21"E 1379.65 FEET;
 2. THENCE S86°59'50"E 180.34 FEET;
 3. THENCE N89°30'21"E 239.09 FEET;
 4. THENCE N85°10'26"E 146.41 FEET TO A (FOUND) NO. 5 REBAR WITH A YELLOW PLASTIC CAP
STAMPED "LS 30829";
 5. THENCE N89°30'21"E 999.51 FEET TO THE BEGINNING OF A CURVE,

6. THENCE 428.02 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 04°49'49", HAVING A RADIUS OF 5077.00 FEET, AND WHOSE CHORD BEARS N 87°05'27"E 427.90 FEET TO A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP STAMPED "PLS 38313" MARKING THE POINT OF INTERSECTION OF SAID EXTENSION OF DUBLIN BLVD. WITH THE WESTERLY LINE OF SAID PUBLIC SERVICE COMPANY OF COLORADO PARCEL;
THENCE S00°25'00"E, ALONG SAID WESTERLY LINE, 1,633.25 FEET TO THE NORTHERLY LINE OF SAID PARCEL NO. 11, BEING THE BEGINNING OF A NON-TANGENT CURVE WHENCE A (FOUND) NO. 5 REBAR WITH A 1.5 INCH ALUMINUM CAP STAMPED "PLS 17664" BEARS N78°35'39"W 0.32 FEET;
THENCE 268.21 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT OF SAID NORTHERLY LINE, THROUGH A CENTRAL ANGLE OF 02°42'21", HAVING A RADIUS OF 5679.64 FEET, AND WHOSE CHORD BEARS N 56°36'50"E 268.19 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENT LINE BEING THE EASTERLY LINE OF SAID PUBLIC SERVICE COMPANY PARCEL WHENCE A (FOUND) NO. 5 REBAR WITH A 1.5 INCH ALUMINUM CAP STAMPED "PLS 12103" BEARS N44°27'17"E 0.49 FEET;
THENCE N00°25'00"W, ALONG SAID EASTERLY LINE, 1546.27 FEET TO THE NORTHERLY LINE OF THE NORTHEAST QUARTER OF SAID SECTION 14 WHENCE A FOUND NO. 5 REBAR WITH NO CAP BEARS N50°55'12"W 0.33 FEET;
THENCE N89°17'50"E, ALONG SAID NORTHERLY LINE, 100.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THOSE PORTIONS OF THE FOREGOING PROPERTY THAT HAVE BEEN DEDICATED AS PUBLIC RIGHT-OF-WAY AS SHOWN ON SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3, RECORDED MAY 5TH, 2005 AT RECEPTION NO. 205064513 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

ADDITIONALLY EXCEPTING THEREFROM THOSE PORTIONS OF THE FOREGOING PROPERTY THAT HAVE BEEN DEDICATED AS DRAINAGE TRACTS AS SHOWN ON SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 4, RECORDED JUNE 16TH, 2005 AT RECEPTION NO. 205090006 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO.

(Legal Description of the Property)

PARCEL OF LAND BEING IN A PORTION OF SECTIONS 10 AND 11, TOWNSHIP 13 SOUTH, RANGE 65 WEST, OF THE 6TH PRINCIPAL MERIDIAN, CITY OF COLORADO SPRINGS, COUNTY OF EL PASO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: BEARINGS ARE COLORADO STATE PLANE CENTRAL ZONE GRID BEARINGS BASED ON GPS OBSERVATION OF COLORADO SPRINGS UTILITIES FACILITIES INFORMATION MANAGEMENT SYSTEM (FIMS) SURVEY CONTROL NETWORK MONUMENTS BL74 AT THE NORTHERLY END OF THE LINE, AND BL07 AT THE SOUTHERLY END OF THE LINE, BOTH MONUMENTED BY A BERSTSEN TOP SECURITY MONUMENT, SAID LINE HAVING A BEARING OF N02°51'45"E A DISTANCE OF 12,718.82 FEET.

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 14, MONUMENTED BY A 3.25" ALUMINUM CAP FLUSH TO THE SURFACE STAMPED "AZTEC CONSULTANTS 2015 PLS 38256";

THENCE S89°17'50"W, ALONG THE NORTHERLY LINE OF THE NORTHEAST QUARTER OF SAID SECTION 14, A DISTANCE OF 325.00 FEET TO THE WESTERLY LINE OF THAT PARCEL OF LAND CONVEYED TO PUBLIC SERVICE COMPANY OF COLORADO BY BOOK 2194 PAGE 154 OF THE EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

THENCE N00°25'00"W, ALONG SAID WESTERLY LINE, 1.69 FEET TO A (FOUND) NO. 5 REBAR WITH A YELLOW PLASTIC CAP STAMPED" LS 30829";

THENCE N00°23'31"W, CONTINUING ALONG SAID WESTERLY LINE, 101.07 FEET TO A (SET) NO. 5 REBAR WITH A 1.5" ORANGE PLASTIC CAP STAMPED "PLS 38313", MARKING THE INTERSECTION OF THE EXTENSION OF THE NORTHERLY RIGHT-OF-WAY LINE OF DUBLIN BLVD. AS DEFINED IN THE FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3 RECORDED MAY 5TH, 2005 AT RECEPTION NO. 205064513 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO WITH SAID WESTERLY LINE, AND BEING THE POINT OF BEGINNING;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE AND THE EXTENSION THEREOF THE FOLLOWING TEN (10) COURSES, ALL OF WHICH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5" ORANGE PLASTIC CAP STAMPED "PLS 38313" UNLESS OTHERWISE NOTED:

1. THENCE 428.32 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 04° 59' 28", HAVING A RADIUS OF 4917.00 FEET, AND WHOSE CHORD BEARS S 87°00'38"W 428.18 FEET.
2. THENCE S89°30'21"W 581.49 FEET;
3. THENCE N86°59'49"W 180.34 FEET;
4. THENCE S89°30'21"W 237.13 FEET;
5. THENCE S85°31'28"W 159.28 FEET;
6. THENCE S89°30'21"W 2618.46 FEET;
7. THENCE N86°59'50"W 180.34 FEET;

8. THENCE S89°30'21"W 240.09 FEET TO A (FOUND) NO. 5 REBAR WITH A YELLOW PLASTIC CAP STAMPED" LS 30829";

9. THENCE S85°49'49"W 173.36 FEET;

10. THENCE S89°30'21"W 1134.98 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF DUBLIN BLVD. AS DEFINED IN THE FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 1, RECORDED JUNE 13TH, 2005 AT RECEPTION NO. 2050087777 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

THENCE ALONG SAID NORTHERLY LINE THE FOLLOWING FOUR (4) COURSES, ALL OF WHICH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5" ORANGE PLASTIC CAP STAMPED "PLS 38313":

1. THENCE S89°30'21"W 11.45 FEET;

2. THENCE N86°29'21"W 300.74 FEET;

3. THENCE S89°30'24"W 211.09 FEET;

4. THENCE N45°30'53"W 35.37 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF BANNING LEWIS PARKWAY AS DEFINED IN SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3;

THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF BANNING LEWIS PARKWAY THE FOLLOWING TEN (10) COURSES, ALL OF WHICH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP STAMPED "PLS 38313":

1. THENCE N00°32'10"W 112.41 FEET TO THE BEGINNING OF A CURVE,

2. THENCE 321.96 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 11°51'47", HAVING A RADIUS OF 1555.00 FEET, AND WHOSE CHORD BEARS N06°28'03"W 321.39 FEET.

3. THENCE N12°23'57"W 330.74 FEET;

4. THENCE N00°30'53"W 241.72 FEET TO THE BEGINNING OF A NON-TANGENT CURVE,

5. THENCE 129.55 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 37°06'48", HAVING A RADIUS OF 200.00 FEET, AND WHOSE CHORD BEARS N18°54'09"W 127.30 FEET.

6. THENCE N00°20'45"W 256.50 FEET TO THE BEGINNING OF A CURVE,

7. THENCE 165.29 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 31°34'05", HAVING A RADIUS OF 300.00 FEET, AND WHOSE CHORD BEARS N 16°07'48"W 163.21 FEET TO A POINT OF INTERSECTION WITH A NON-TANGENT LINE.

8. THENCE N00°22'32"W 392.95 FEET;

9. THENCE N02°39'59"W 300.24 FEET;

10. THENCE N00°22'32"W 1247.94 FEET TO THE NORTHERLY LINE OF PARCEL NO. 7 AS DEFINED IN THAT SPECIAL WARRANTY DEED RECORDED NOVEMBER 12, 2014 AT RECEPTION NO. 214104176 OF THE EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

THENCE ALONG SAID NORTHERLY LINE OF PARCEL NO. 7 THE FOLLOWING TWO (2) COURSES;

THENCE N89°19'34"E 1675.38 FEET TO A (FOUND) NO. 4 REBAR WITH A 1 INCH ALUMINUM CAP STAMPED "DB CO. LS 17664" MARKING THE INTERSECTION OF SAID NORTHERLY LINE WITH THE EASTERLY LINE OF THE NORTHEAST QUARTER OF SAID SECTION 10;

THENCE S89°40'21"E 3883.93 FEET TO A (FOUND) NO. 4 REBAR WITH A 1 INCH ALUMINUM CAP STAMPED "DB CO. LS 17664" MARKING THE INTERSECTION W OF SAID NORTHERLY LINE WITH THE WESTERLY LINE OF THAT PARCEL OF LAND CONVEYED TO THE CITY OF COLORADO SPRINGS BY BOOK 2609 PAGE 177 OF THE EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

THENCE S00°23'31"E 145.09 FEET TO A (FOUND) NO. 4 REBAR WITH NO CAP MARKING THE NORTHWEST CORNER OF THAT PARCEL OF LAND CONVEYED TO GOLDEN WEST POWER PARTNERS, LLC BY SPECIAL WARRANTY DEED RECORDED MAY 28, 2014 AT RECEPTION NO. 214044794 OF THE EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

THENCE ALONG THE WESTERLY AND SOUTHERLY LINES OF SAID PARCEL THE FOLLOWING TWO COURSES, BOTH BEING MONUMENTED BY A (SET) NO. 5 REBAR WITH A 1.5 INCH ORANGE PLASTIC CAP STAMPED "PLS 38313";

1. THENCE S00°24'23"E 300.03 FEET;
2. THENCE S89°39'59"E 1,119.98 FEET TO THE WESTERLY LINE OF SAID PUBLIC SERVICE COMPANY OF COLORADO PARCEL;

THENCE S00°23'46"E 461.65 FEET TO A (FOUND) NO. 5 REBAR WITH A YELLOW PLASTIC CAP STAMPED "LS 30829";

THENCE S00°23'31"E, CONTINUING ALONG SAID WESTERLY LINE, 2,526.58 FEET TO THE POINT OF BEGINNING;

EXCEPTING THEREFROM THOSE PORTIONS OF THE FOREGOING PROPERTY THAT HAVE BEEN DEDICATED AS PUBLIC RIGHT-OF-WAY AS SHOWN ON SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 3, RECORDED MAY 5TH, 2005 AT RECEPTION NO. 205064513 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO;

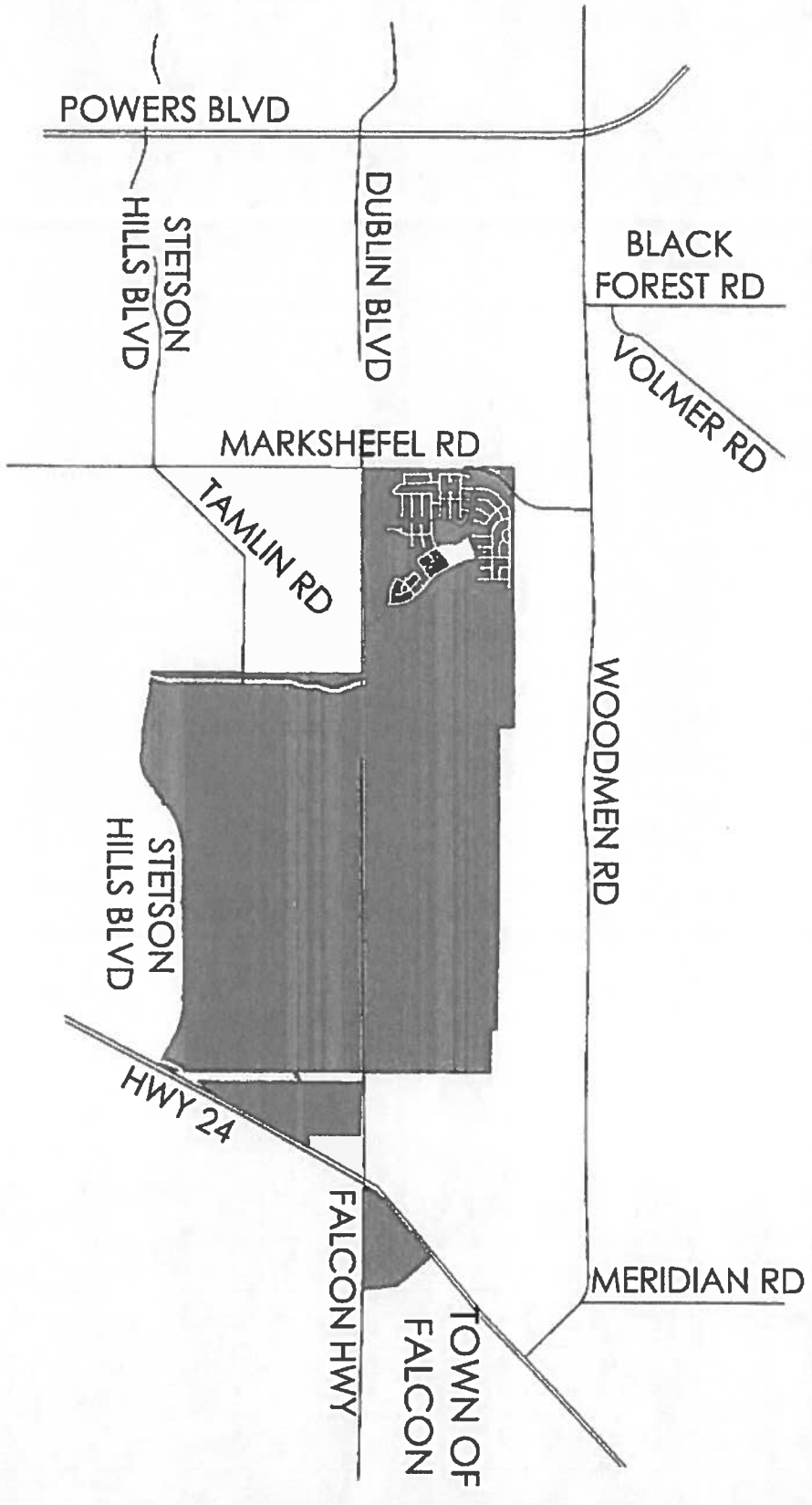
ADDITIONALLY EXCEPTING THEREFROM THOSE PORTIONS OF THE FOREGOING PROPERTY THAT HAVE BEEN DEDICATED AS DRAINAGE TRACTS AS SHOWN ON SAID FINAL PLAT OF BANNING LEWIS RANCH FILING NO. 4, RECORDED JUNE 16TH, 2005 AT RECEPTION NO. 205090006 OF THE RECORDS OF EL PASO COUNTY CLERK AND RECORDER, STATE OF COLORADO

SAID PARCEL OF LAND CONTAINS 441.088 ACRES MORE OR LESS.

JAMES B. RICHARDS, PLS 38313
DATE: JUNE 30, 2016
JOB NO.: 16001116
FOR AND ON BEHALF OF ATWELL, LLC

EXHIBIT B

Colorado Springs Vicinity Map



VICINITY MAP
NOT TO SCALE

EXHIBIT C-1

Initial District Boundary Map

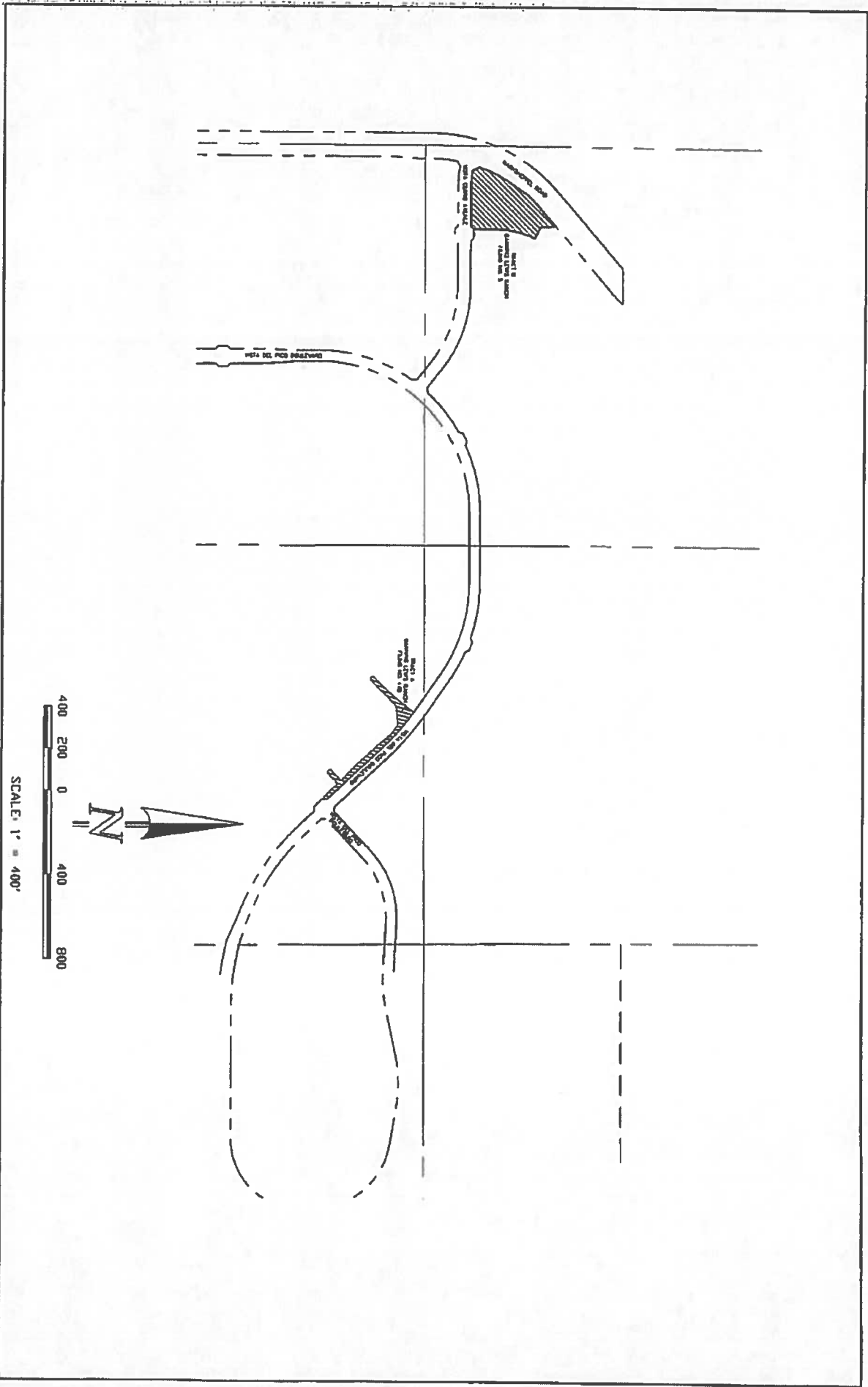


EXHIBIT C-2

Inclusion Area Boundary Map



DEVELOPMENT SUMMARY

DEVELOPMENT TYPE	VILLAGE 1	VILLAGE 2	VILLAGE 3	VILLAGE 4	TOTALS
HOME SITES	228 D.U.	208 D.U.	287 D.U.	291 D.U.	1,014 D.U.
COMMERCIAL OFFICES	448 D.U.	448 D.U.	447 D.U.	570 D.U.	1,913 D.U.
PROFESSIONAL OFFICES	207 D.U.	246 D.U.	296 D.U.	291 D.U.	1,040 D.U.
CD COLLECTIVE D.U.'S	128 D.U.	182 D.U.	209 D.U.	174 D.U.	793 D.U.
APARTMENT D.U.'S	81 D.U.	87 D.U.	144 D.U.	177 D.U.	489 D.U.
OVERALL DEVELOPING	900 D.U.	701 D.U.	871 D.U.	773 D.U.	3,245 D.U.
RESERVATION OF 1% LAND TOTAL RESERVATION DEVELOPMENT	1,183 D.U. (37.8% AC)	1,234 D.U. (38.0% AC)	1,183 D.U. (36.0% AC)	1,299 D.U. (39.0% AC)	5,903 D.U. (17.8% AC)
COMMERCIAL OFFICES	818 AC	818 AC	818 AC	1,044 AC	3,518 AC
LANDSCAPE / PARKING AREA	898 AC	218 AC	913 AC	488 AC	2,517 AC
HOODS / STRIPS	128 AC	118 AC	118 AC	238 AC	602 AC
LANDSCAPE	84 AC	84 AC	84 AC	238 AC	430 AC
TOTAL AREA	2818 AC	2220 AC	2988 AC	2488 AC	10,514 AC

BANNING LEWIS RANCH
VILLAGE 4, 5 & 6 DEVELOPMENT MASTER PLAN


GARLAND
 CONSULTANTS


LAI DESIGN GROUP
 ARCHITECTS


LAI
 13011
 4000 E. 15th Ave.

EXHIBIT D

Description of Permitted Services to be Provided by the District

Any utilities or utility-related Regional Public Improvements provided by the District will be conveyed to the City or Springs Utilities. The District will provide no utility services.

EXHIBIT E (Page 1 of 2)

NOTICE OF SPECIAL DISTRICT DISCLOSURE

Name of District:	Banning Lewis Ranch Regional Metropolitan District No. 2
Contact Information for District:	Spencer Fane LLP 1700 Lincoln Street, Suite 2000 Denver, CO 80203 (303) 839-3800 (main line) (303) 839-3838 (facsimile)
Type of District: (i.e. if dual or three districts concept - insert language regarding limited rights of property owners)	Metropolitan district organized pursuant to CRS § 32-1-101 <i>et seq.</i>
Identify District Improvements Financed by Proposed Bonds (List by major categories, i.e. Roads – Powers Blvd):	Water; Storm Sewer; Sanitation and Wastewater Treatment; Street Improvements; Traffic Safety Protection
Identify Services/Facilities Operated/Maintained by District:	All facilities will be conveyed to and operated by the City or Springs Utilities upon completion.
Mill Levy Cap: <i>(Note: This District may or may not be certifying a mill levy at the time of your purchase. Please verify by contacting the District.)</i>	District: Maximum Debt Mill Levy: nine (9) mills Maximum Operating Mill Levy: one (1) mill If there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitations set forth above may be increased or decreased to reflect such changes, so that to the extent possible, the actual tax revenue generated by the mill levy, as adjusted for changes occurring after January 1, 2010, are neither diminished nor enhanced as a result of such changes.
Authorized Debt of the District per Service Plan:	N/A
Voter Authorized Debt per Election:	\$600,000,000.00
District Boundaries:	See attached legal description and map

EXHIBIT E (Page 2 of 2)

Sample Mill Levy Calculation for a Residential Property

Assumptions:

Actual market value (as determined by Assessor)
is \$250,000

Mill levy is 9 mills

Calculation:

$\$250,000 \times .0796 = \$19,900$ (Assessed Valuation)

$\$19,900 \times .009$ mills = **\$179.00 per year in taxes**
owed solely to the Special District