

Old Ranch Metropolitan District (**Issuing District**)
 Upper Cottonwood Metropolitan District (**Taxing District**)
 \$6,385,000 Special Revenue Convertible Capital Appreciation Bonds, Series 2007A
 \$1,300,000 Taxable Subordinate Special Revenue Bonds, Series 2007B

PROPOSED REFINANCING SUMMARY

CURRENT STRUCTURE

Old Ranch Metropolitan District was the “Issuing District” of the Bonds and Upper Cottonwood Creek Metropolitan District was the “Taxing District” for the Bonds. Upper Cottonwood Creek Metropolitan District imposed the maximum mill levy allowed under the 2007 Service Plan upon their taxable assessed value and pledges this mill levy revenue along with its associated specific ownership taxes to Old Ranch Metropolitan District for the repayment of the Old Ranch Metropolitan District’s Bonds. This pledge of the revenues is done thru a Capital Pledge Agreement between the two districts.

2007A Tax-Exempt Special Revenue Convertible Capital Appreciation Bonds

Current Amount Outstanding as of 12/31/2021: **\$5,870,000**

Interest Rate: **6.50%**

Maturity Date: **12/1/2036**

2007B Taxable Subordinate Special Revenue Bonds

Current Amount Outstanding as of 12/31/2021: **\$ 3,294,720**

- Principal Amount: **\$1,300,000**
- Unpaid Interest Due: **\$1,994,720**

Interest Rate: **8.00%**

Maturity Date: **12/2/2036**

Projected Unpaid Balance in 2036: **\$10,226,297**

Projected Unpaid Balance in 2046 (40 Year Limit): **\$8,741,127**

PROPOSED REFINANCING STRUCTURE

- Issue **\$7,680,000** (Service Plan Limit) of Old Ranch Metropolitan District Tax-Exempt Senior Bonds at **5.75%** with a Maturity Date of 12/1/2046 (2046 is the 40 Year Limit under the Service Plan)
- Reduce the Interest Rate on the remaining Old Ranch Metropolitan District 2007B Bonds to **6.00%**

Use of Proceeds:

Payoff 2007A Outstanding Principal Amount	\$5,870,000
Pay 2007A Accrued Interest to 4/21/22 (Est. Closing Date)	\$148,381
Payoff a Portion of the Outstanding 2007B Balance	\$1,624,119
Costs of Issuance	\$37,500
Total	\$7,680,000

BENEFITS OF REFINANCING

- Lower the interest rate on the Senior Bonds to **5.75%** from the current 6.50%
- Lower the interest rate on the Subordinate Bonds to **6.00%** from the current 8.00%
- Allows for the ability to lower the mill levy below its maximum levy in the later years
- Allows for the debt to be fully repaid by 2046 vs. having an est. unpaid balance of \$8.7MM for the 2007B bonds in 2046