

COLORADO CROSSING METROPOLITAN DISTRICT NO. 2
LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020A-1

TERM SHEET – AS OF SEPTEMBER 30, 2020

FOR DISTRICT USE ONLY
PROSPECTIVE INVESTORS SHOULD REVIEW THE BOND DOCUMENTS

Delivery Date:	October 2020
Sources:	
Par Amount:	\$23,365,000 (estimated)
Uses:	
Refunding Deposits:	\$18,515,094 (estimated)
Capitalized Interest:	\$2,112,261 (estimated)
Reserve Fund:	\$2,074,938 (estimated)
Costs of Issuance:	\$870,075 (estimated)
Structure:	
Final Maturity:	December 1, 2047
Interest Rate:	5.75% (estimated rate; actual rate determined at pricing)
Payment Dates:	Semi-annual interest payments on June 1 and December 1 with principal payments annually on December 1.
Tax Status:	Tax-exempt, Non-AMT
Redemption:	Optional Redemption: Estimated 12/1/2025 at \$103 premium declining 1% per year (actual redemption provisions determined at pricing) Extraordinary Mandatory Redemption: After Surplus Fund is full, excess Pledged Revenues will be applied to redeem the A-1 Bonds each year; redemptions to occur in inverse order of maturities.
Credit Rating:	Non-Rated
Pledged Revenue:	Pledged Revenues consist of the revenue generated from the following: <ul style="list-style-type: none"> - District No. 1 mill levy of ~10 mills (subject to Gallagher adjustment), plus related S.O. taxes; - District No. 2 mill levy of ~15 mills (subject to Gallagher adjustment), plus related S.O. taxes; - District No. 3 mill levy of ~25 mills (subject to Gallagher adjustment), plus related S.O. taxes; - Excluded Area mill levy of ~25 mills (subject to Gallagher adjustment), plus related S.O. taxes;

- Revenue generated from the 1% sales PIF on the Excluded Area (not including the Facilities Property);
- ~58% of the revenues generated from the 1% sales PIF and the 2% lodger's PIF imposed upon the property in the Districts

Surplus Fund:

The District shall be required to levy the maximum Required Mill Levy until the Surplus Fund is full. To the extent this amount of revenue is not needed for current year debt service, it will be deposited to the Surplus Fund. The Surplus Fund will have a maximum size of 10% of the par amount of the Bonds and shall be drawn in the event that Pledged Revenue is insufficient to cover current debt service.

The Surplus Fund will release and be used to pay debt service on the A-1 Bonds in the year of final payment (whether upon final maturity or an earlier year in which the bonds pay in full due to the extraordinary mandatory redemption feature).

Additional Debt:

Allowed without bondholder consent only for a refunding of this 2020 debt such that debt service is lower in every year and the maturity is not extended. No other Additional Debt allowed if revenue generated from the Excluded Property is pledged.

Subordinate Debt:

No subordinate bonds may be issued that are secured by the revenue generated from the Excluded Property.

Events of Default:

It is not an event of default if the District fails to pay interest or principal on any payment date, but has levied the required mill levy. Only failure to levy the required mill levy or to apply the Pledged Revenues as required by the Indenture is an event of default.

Trustee:

UMB Bank, n.a.

Title 32 qual.:

Issued to financial institutions or institutional investors only.

Title 11 exemption:

\$500,000 denominations

COLORADO CROSSING METROPOLITAN DISTRICT NO. 2
LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2020A-2

FOR DISTRICT USE ONLY
PROSPECTIVE INVESTORS SHOULD REVIEW THE BOND DOCUMENTS

Delivery Date:	Same as 2020A-1 Bonds
Sources:	
Par Amount:	\$21,140,000 (estimated)
Uses:	
Project Fund:	\$15,629,552 (estimated)
Capitalized Interest:	\$2,573,648 (estimated)
Reserve Fund:	\$2,114,000 (estimated)
Costs of Issuance:	\$822,800 (estimated)
Structure:	
Final Maturity:	December 1, 2050 (estimated)
Interest Rate:	5.875% (estimated rate; actual rate determined at pricing)
Payment Dates:	Semi-annual interest payments on June 1 and December 1 with principal payments annually on December 1.
Tax Status:	Tax-exempt, Non-AMT
Optional Redemption:	Estimated 12/1/2025 at \$103 premium declining 1% per year (actual redemption provisions determined at pricing)
Credit Rating:	Non-Rated
Senior Pledged Revenue:	<p>Pledged Revenues consist of the revenue generated from the following:</p> <ul style="list-style-type: none"> - District No. 1 mill levy of 20 mills (subject to Gallagher adjustment), less the mills imposed to pay the A-1 bonds, plus S.O. taxes; - District No. 2 mill levy of 30 mills (subject to Gallagher adjustment), less the mills imposed to pay the A-1 bonds, plus S.O. taxes; - District No. 3 mill levy of 50 mills (subject to Gallagher adjustment), less the mills imposed to pay the A-1 bonds, plus S.O. taxes; - 42% of the revenues generated from the 1% sales PIF and the 2% lodger's PIF imposed upon the property in the Districts while the A-1 Bonds are outstanding; rising to 100% of such revenues after the A-1 Bonds are paid in full.
Surplus Fund:	The District shall be required to levy the Required Mill Levy until the Surplus Fund is full. To the extent this amount of revenue is not needed for current year debt service, it will be deposited to the Surplus Fund. The Surplus Fund

will have a maximum size of 10% of par and shall be drawn in the event that Pledged Revenue is insufficient to cover current debt service.

Additional Debt:	Allowed with majority bondholder consent. Allowed without bondholder consent when the District's total debt to assessed ratio is at or below 50% or for a refunding of this 2020 debt such that debt service is lower in every year.
Subordinate Debt:	Subordinate bonds may be issued provided that they pay debt service annually only after all payment on senior bonds.
Events of Default:	It is not an event of default if the District fails to pay interest and principal on December 1, but has levied the required mill levy. Only failure to levy the required mill levy is a payment event of default.
Trustee:	UMB Bank, n.a.
Title 32 qual.:	Issued to financial institutions or institutional investors
Title 11 exemption:	\$500,000 denominations

COLORADO CROSSING METROPOLITAN DISTRICT
SUBORDINATE LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2020B-2

FOR DISTRICT USE ONLY
PROSPECTIVE INVESTORS SHOULD REVIEW THE BOND DOCUMENTS

Delivery Date:	Same as 2020A-1 Bonds
Sources:	
Par Amount:	\$4,818,000 (estimated)
Uses:	
Project Fund:	\$4,673,460 (estimated)
Costs of Issuance:	\$144,540 (estimated)
Structure:	
Final Maturity:	December 15, 2050 (estimated)
Interest Rate:	8.25% (estimated rate; actual rate determined at pricing)
Payment Dates:	Principal and interest payments annually on December 15
Tax Status:	Tax-exempt, Non-AMT, Bank Qualified
Optional Redemption:	Estimated 12/1/2025 at \$103 premium declining (actual redemption provisions determined at pricing)
Credit Rating:	Non-Rated
Subordinate Pledged Revenue:	The bonds are structured as cash flow bonds that pay each year on December 15th. Any Senior Pledged Revenue available to the subordinate bonds will be used to pay current interest, accrued interest, and then principal. Interest not paid when due will accrue and compound annually at the rate on the bonds. Any amount unpaid at the maturity date will remain outstanding and continue to accrue and compound. The bonds will discharge on December 15, 2060.
Additional Subordinate Debt:	Senior debt allowed without subordinate bondholder consent only for refunding the senior debt and subject to the condition that the refunding bond debt service is lower in every year than the refunded bond debt service and that the reserve and surplus fund for such refunding bonds be limited to 10% of par. Additional subordinate debt allowed with 100% subordinate bondholder consent.
Junior Subordinate Debt:	Junior subordinate bonds may be issued provided that they pay debt service annually only after all payment on senior bonds and subordinate bonds.
Trustee:	UMB Bank, n.a.

Title 32 qual.: Issued to financial institutions or institutional investors

Title 11 exemption: \$500,000 denominations