

PEAK METROPOLITAN DISTRICT NO.1
LIMITED GENERAL OBLIGATION BONDS, SERIES 2021A

Draft Term Sheet
(as of December 2, 2020)

FOR DISTRICT USE ONLY
PROSPECTIVE INVESTORS SHOULD REVIEW THE BOND DOCUMENTS

Delivery Date: February 2, 2021

Sources:

Par Amount: \$35,045,000 (estimated)

Uses:

Project Fund: \$26,451,822 (estimated)

Reserve: \$3,095,500 (estimated)

Capitalized Interest: \$4,521,778 (estimated)

Costs of Issuance: \$975,900 (estimated)

Structure:

Final Maturity: December 1, 2050 (estimated)

Interest Rate: 5.00% (estimated as of the current market)

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, Non-BQ

Optional Redemption: Estimated 12/1/2023 at \$103 premium declining (actual redemption provisions determined at pricing)

Credit Rating: Non-Rated

Senior Pledged Revenue: Revenues produced from (i) the required debt service mill levy of 30 mills (the "Required Mill Levy"); and (ii) specific ownership tax generated from the Required Mill Levy and (iii) PILOT revenues from tax-exempt development [PILOT to be recorded on all property prior to issuance]

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 for a refunding of this 2021 debt such that debt service is lower in every year
 - Allowed at 50% debt to assessed
 - Additional debt permitted using the District's 20 mills that remain unpledged
- 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, but has imposed the Required Mill Levy, collected the PILOT payments in accordance with the PILOT documents. Failure to impose the Required Mill Levy or collect the PILOT revenue is an event of default.
- Trustee:** UMB Bank, n.a.
- Title 32 qual.:** Issued to financial institutions or institutional investors
- Title 11 exemption:** \$500,000 denominations

PEAK METROPOLITAN DISTRICT
SUBORDINATE LIMITED GENERAL OBLIGATION BONDS, SERIES 2021B

Delivery Date:	Same as 2021A
Sources:	
Par Amount:	\$4,768,000 (estimated)
Uses:	
Project Fund:	\$4,624,960 (estimated)
Cost of Issuance:	\$143,040 (estimated)
Structure:	
Final Maturity:	December 15, 2050
Interest Rate:	7.75% (estimated rate; actual rate determined at pricing)
Payment Dates:	Principal and interest payments annually on December 15
Tax Status:	Tax-exempt, Non-AMT, Non BQ
Optional Redemption:	Estimated 12/1/2023 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 50 years after the first year of imposing the debt service mill levy.
Additional Subordinated Debt:	<ul style="list-style-type: none"> - Permitted for refundings that lower the net effective interest rate. - Additional debt permitted using the District's 20 mills that remain unpledged - Otherwise, allowed with 100% 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