

PEAK METROPOLITAN DISTRICT NO. 3
LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2022A-1

TERM SHEET – AS OF JUNE 9, 2022

FOR DISTRICT USE ONLY
PROSPECTIVE INVESTORS SHOULD REVIEW THE BOND DOCUMENTS

Delivery Date:	September 2022
Sources:	
Par Amount:	<u>\$69,600,000 (estimated)</u>
Total Sources:	\$69,600,000 (estimated)
Uses:	
Project Fund:	\$49,000,000 (estimated; sized to align with eligible public imp.)
Capitalized Interest:	\$12,006,000 (estimated)
Surplus Deposit:	\$6,899,000 (estimated)
Costs of Issuance and Rounding:	<u>\$1,695,000 (estimated)</u>
Total Uses:	\$69,600,000 (estimated)
Structure:	
Final Maturity:	December 1, 2052 (estimated)
Average Coupon:	5.75% (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, Non-Bank Qualified
Optional Redemption:	Estimated 9/1/2027 at \$103 premium declining (actual redemption provisions determined at pricing)
Credit Rating:	Non-Rated
Senior Pledged Revenue:	Pledged Revenues consist of a senior lien on (1) revenues generated by the Required Mill Levy (same as District 1 - 37 mills) and (2) specific ownership tax generated by the Required Mill Levy. Revenues shared on a parity basis with the Series 2022A-2 bonds.
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 20% of par and shall be drawn in the event

that Pledged Revenue is insufficient to cover current debt service.

Completion Bonds:	The District may issue up to \$__ in additional net proceeds from bonds without consent of bondholders. Of that \$__ in net proceeds is contingent upon additional parcels being included into the Issuing District or entering into a Capital Pledge agreement with the Issuing District.
Other Additional Debt:	Allowed if total debt to assessed value is below 70% or with majority bondholder consent. Refundings that result in a lower net effective rate are also permitted. Any debt backed by the remaining, unpledged 13 mills (50 mill in Service Plan minus 37 mill RML) ARE NOT considered additional debt and such debt may be issued without any restrictions.
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

PEAK METROPOLITAN DISTRICT NO. 3
 CONVERTIBLE CAPITAL APPRECIATION LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2022A-2

TERM SHEET – AS OF JUNE 8, 2022

FOR DISTRICT USE ONLY
PROSPECTIVE INVESTORS SHOULD REVIEW THE BOND DOCUMENTS

Delivery Date:	September 2022
Sources:	
Par Amount:	<u>\$29,391,643 (estimated)</u>
Total Sources:	\$29,391,643 (estimated)
Uses:	
Project Fund:	\$25,761,812 (estimated; sized to align with eligible public imp.)
Surplus Deposit:	\$2,939,000 (estimated)
Costs of Issuance and Rounding:	<u>\$690,831 (estimated)</u>
Total Uses:	\$29,391,643 (estimated)
Structure:	
Final Maturity:	December 1, 2052 (estimated)
Average Coupon:	6.25% (actual rate determined at pricing)
Payment Dates:	No payments due until the bond “converts” to a current interest bond on December 1, 2028. Following the conversion date, semi-annual interest payments on June 1 and December 1 with principal payments annually on December 1.
Tax Status:	Tax-exempt, Non-AMT, Non-Bank Qualified
Optional Redemption:	Estimated 9/1/2027 at \$103 premium declining (actual redemption provisions determined at pricing)
Credit Rating:	Non-Rated
Senior Pledged Revenue:	Pledged Revenues consist of a senior lien on (1) revenues generated by the Required Mill Levy (same as District 1 - 37 mills) and (2) specific ownership tax generated by the Required Mill Levy. Revenues shared on a parity basis with the Series 2022A-1 bonds.
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 20% of par and shall be drawn in the event that Pledged Revenue is insufficient to cover current debt service.

Completion Bonds:	The District may issue up to \$__ in additional net proceeds from bonds without consent of bondholders. Of that \$__ in net proceeds is contingent upon additional parcels being included into the Issuing District or entering into a Capital Pledge agreement with the Issuing District.
Other Additional Debt:	Allowed if total debt to assessed value is below 70% or with majority bondholder consent. Refundings that result in a lower net effective rate are also permitted. Any debt backed by the remaining, unpledged 13 mills (50 mill in Service Plan minus 37 mill RML) ARE NOT considered additional debt and such debt may be issued without any restrictions.
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