

WESTGATE METROPOLITAN DISTRICT
GENERAL OBLIGATION BONDS, SERIES 2021A(2)

Draft Term Sheet
(as of October 18, 2021)

Pricing Date:	December 2021
Sources:	
Par Amount:	\$11,560,000 (estimated)
Uses:	
Project Fund:	\$8,626,150 (estimated)
Capitalized Interest:	\$1,560,600 (estimated)
Reserve Fund:	\$892,050 (estimated)
Costs of Issuance:	<u>\$481,200</u> (estimated)
Total:	\$11,560,000 (estimated)
Structure:	
Final Maturity:	December 1, 2051 (estimated)
Interest Rate:	4.50% (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
Optional Redemption:	Estimated 12/1/2026 at \$103 premium declining (actual redemption provisions determined at pricing)
Credit Rating:	Non-Rated
Pledged Revenue:	Pledged Revenue consists of a senior lien on (i) revenues produced from the required mill levy of 30.000 mills (the "Required Mill Levy"); and (ii) specific ownership taxes generated from the Required Mill Levy. If the revenues produces from the Required Mill Levy are insufficient to make debt service payments, the District will be required to raise the mill levy to 30 mills. The mill levy will be subject to adjustment with future changes in the residential assessment rate.
Reserve Fund	A reserve fund will be funded with bond proceeds at closing
Surplus Fund	The District shall be required to levy the Required Mill Levy until the Surplus Fund is full. To the extent such 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 current 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 2021 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