

**Disclosure Regarding Estimated Future Property Taxes for Newly Constructed Residences Within
Percheron Park and Recreation District,
C.R.S. 38-35.7-110**

ATTENTION HOMEBUYER: You are contracting to purchase a newly constructed home that is located within the boundaries of the **Percheron Park and Recreation District**. This District has the authority to issue bonds or other debt to pay for development improvements and to levy taxes and fees on all properties within the District to generate revenue to pay for debt service and repayment and the cost of ongoing operations and maintenance. This Disclosure was created on _____, 2024 (the “Estimation Date”) based on public information available to Seller as of the Estimation Date in a good-faith effort to provide Buyer with accurate estimates and information about the District. The information contained in this Disclosure is subject to change between the Estimation Date and the date of your purchase and sale contract, and you should independently confirm that no such changes have occurred. Seller hereby discloses the following information about the District:

Name of District:	Percheron Park and Recreation District (the “District”)
Contact Information for District:	Spencer Fane LLP Attn. Nicole Peykov 1700 Lincoln Street, Suite 2000 Denver, CO 80525 (303) 839-3715
District Website:	
Notice to Electors/Transparency Notice: C.R.S. 38-35.7-110(2)(a)	You have received with this disclosure a copy of the “Transparency Notice”/Notice to Electors required by C.R.S. 32-1-809(1) as most recently prepared and filed by the District, which is located on the District website. This is also available through the Division of Local Government’s website at https://cdola.colorado.gov/local-government .
Purpose of the District: C.R.S. 38-35.7-110(2)(b)	The District was organized pursuant to C.R.S. § 32-1-101, <i>et seq.</i> The District was created to assist with the planning, design, acquisition, construction, installation, operation, maintenance, relocation, and financing of park and recreation improvements serving the Percheron/North Meadow project located in Colorado Springs, Colorado and described further in the Service Plan for Percheron Park and Recreation District (the “Service Plan”). A copy of the Service Plan can be found by contacting the District at the District contact information above or through the District’s website.
District’s Total Debt Issuance Authorized per District’s Service Plan: C.R.S. 38-35.7-110(2)(c)(I)	Pursuant to the Service Plan, which may be amended from time to time, the District has a maximum debt limit of \$40,000,000. Any debt issued by the District may be repaid through ad valorem property taxes, from a debt service mill levy on all taxable property of the District, or any other legally available revenues of the District.
Maximum Debt Service Mill Levy: C.R.S. 38-35.7-110(2)(c)(II)	The maximum debt service mill levy that the District may impose is 5 mills, subject to “Mill Levy Adjustment.” Pursuant to the Service Plan, “Mill Levy Adjustment” means, “any statutory, legislative, or constitutional changes that adjust or impact the assessed or actual valuation of property or the assessment ratio pursuant to which taxes are calculated.

	The District has not yet issued debt; its current debt service mill levy is 0.000 mills. The District will impose a debt service mill levy after issuing bonds.
Operations and Maintenance Mill Levy: C.R.S. 38-35.7-110(2)(c)(III)	The District is authorized to impose a separate mill levy to generate revenues to pay for the District’s general operating and maintenance expenses. The maximum operational mill levy for the District is 5 mills, subject to Mill Levy Adjustment. For the 2024 budget year, the District imposes 0.000 mills for operations and maintenance.
District Fees: C.R.S. 38-35.7-110(2)(c)(IV)	Pursuant to Colorado law, the District may impose fees, rates, tolls, penalties or other charges as provide in Title 32 of the Colorado Revised Statutes. The District has the power to assess fees, rates, tolls, penalties, or charges as provided in C.R.S. § 32-1-1001(1).
Estimate of District Property Taxes: C.R.S. 38-35.7-110(2)(d)(II)	<p>To estimate the property taxes imposed solely by the District, use the following formula:</p> $\text{ESTIMATED PROPERTY TAX} =$ $(\text{Purchase Price} * \text{Assessment Ratio}) * \left(\frac{\text{Mill Levy}}{1,000} \right)$ <p>The “Purchase Price” is the Purchase Price for your Home per your Contract:</p> <p>The “Assessment Ratio” for tax year 2023 for collection in 2024 is .067 for both a single-family detached home and for a single family attached/multi-family home. Due to recent legislation, Buyer is advised to contact the Assessor’s Office to attain assessment ratios for future years.</p> <p>The “Mill Levy” utilized in this formula is 5 mills for debt service and 5 mills for operations, with the total mill levy being 10 mills.</p> <p>AS AN EXAMPLE ONLY, IF THE PURCHASE PRICE FOR YOUR SINGLE FAMILY DETACHED HOME IS \$2,000,000, THEN YOUR ESTIMATED DISTRICT PROPERTY TAX WOULD BE CALCULATED AS FOLLOWS:</p> $(\$2,000,000 * 0.067) * .01 = \$1,340$ <p>THIS ESTIMATE ONLY PROVIDES AN ILLUSTRATION OF THE AMOUNT OF THE NEW PROPERTY TAXES THAT MAY BE DUE AND OWING AFTER THE PROPERTY HAS BEEN REASSESSED AND, IN SOME INSTANCES, RECLASSIFIED AS RESIDENTIAL PROPERTY. THIS ESTIMATE IS NOT A STATEMENT OF THE ACTUAL AND FUTURE TAXES THAT MAY BE DUE. FIRST YEAR PROPERTY TAXES MAY BE BASED ON A PREVIOUS YEAR'S TAX CLASSIFICATION, WHICH MAY NOT INCLUDE THE FULL VALUE OF THE PROPERTY AND, CONSEQUENTLY, TAXES MAY BE HIGHER IN SUBSEQUENT YEARS. A SELLER HAS COMPLIED WITH THIS DISCLOSURE STATEMENT AS LONG AS THE DISCLOSURE IS BASED UPON A GOOD-FAITH EFFORT TO PROVIDE ACCURATE ESTIMATES AND INFORMATION.</p>

<p>Tax Certificate: C.R.S. 38-35.7-110(2)(e)</p>	<p>Entities other than the District may impose additional taxes on the property. The tax certificate for your property is available from the County Assessor's office and shows additional property taxes imposed by other taxing entities, and may already show the property taxes imposed by the District. You have received with this disclosure a copy of the most current property tax certificate for your property.</p> <p>You may use the aggregate mill levies shown in the tax certificate to estimate the total property taxes applicable to the Property as of the Estimation Date by using the formula set forth above.</p>
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The information set forth in this Disclosure is based on public sources available to Seller as of the Estimation Date and are being provided to you (Buyer) both in a good-faith effort to comply with statutory disclosure requirements and for your convenience. Buyer should carefully review the content of this Disclosure and any other resources Buyer believes would be beneficial before signing the Purchase Agreement. Seller makes no representations, warranties, or covenants with respect to any matters or information contained in this Disclosure. Buyer should review the Colorado Department of Local Affairs' Division of Local Government website, the Special District Association of Colorado's Transparency website, and/or contact the District's principal business office for the most up-to-date information about the District. Buyer should review the county assessor's property information located on the assessor's website for the most up-to-date information regarding the assessed value for the property, applicable taxing authorities and any mill levy imposed on the property.

*Buyers of Newly Constructed Residences within the District are advised to consult with their mortgage lender or escrow agent **prior to the property purchase** to adequately plan for property taxes that may be higher in subsequent years following the year in which the home is purchased.*

ACKNOWLEDGMENT OF RECEIPT

By signing below the Prospective Buyer(s) acknowledges receipt of the **Disclosure Regarding Estimated Future Property Taxes for Newly Constructed Residences Within Percheron Park and Recreation District**, as well as a copy of the most current county assessor's property tax certificate applicable to the property as an estimate of the sum of additional property taxes levied by other taxing entities that overlap the property in which the newly constructed residence is located.

PROSPECTIVE BUYER(S):

Printed name(s): _____

Signature: _____

Date: _____

Exhibit 1
(County Assessor's Property Tax Certificate/Overlapping Mill Levies)

Attached as Exhibit 1 is a copy of the most current property tax certificate from the County assessor's office.

Possible overlapping mill levies for the property are listed below. This list is subject to change. Buyer should refer to the current tax certificate for the property in order to calculate the estimated property tax for the property.

[insert tax certificate here]

An example calculation is below for taxes payable in _____ based on current mill levies.

$$\text{ESTIMATED PROPERTY TAX} = (\text{Purchase Price } \$2,000,000) * .067 (\text{Assessment Ratio}) * \left(\frac{\text{Current Mill Levy}(___)}{1,000} \right) = \$______$$

An example calculation is below that shows the estimated property tax if the District was currently imposing a mill levy of ___ mills for levy year _____. Note that the mill levy of ___ mills is added to the mill levy of _____ shown above for a total mill levy of _____.

$$\text{ESTIMATED PROPERTY TAX} = (\text{Purchase Price } \$2,000,000) * .067 (\text{Assessment Ratio}) * \left(\frac{\text{Estimated Mill Levy}(______)}{1,000} \right) = \$______$$

THIS ESTIMATE ONLY PROVIDES AN ILLUSTRATION OF THE AMOUNT OF THE NEW PROPERTY TAXES THAT MAY BE DUE AND OWING AFTER THE PROPERTY HAS BEEN REASSESSED AND, IN SOME INSTANCES, RECLASSIFIED AS RESIDENTIAL PROPERTY. THIS ESTIMATE IS NOT A STATEMENT OF THE ACTUAL AND FUTURE TAXES THAT MAY BE DUE. FIRST YEAR PROPERTY TAXES MAY BE BASED ON A PREVIOUS YEAR'S TAX CLASSIFICATION, WHICH MAY NOT INCLUDE THE FULL VALUE OF THE PROPERTY AND, CONSEQUENTLY, TAXES MAY BE HIGHER IN SUBSEQUENT YEARS. A SELLER HAS COMPLIED WITH THIS DISCLOSURE STATEMENT AS LONG AS THE DISCLOSURE IS BASED UPON A GOOD-FAITH EFFORT TO PROVIDE ACCURATE ESTIMATES AND INFORMATION.