

TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT
Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2019
Draft Term Sheet (updated as of August 15, 2019)

FOR DISTRICT USE ONLY – PROSPECTIVE INVESTORS SHOULD REVIEW THE BOND DOCUMENTS

Delivery Date	November 14, 2019
Par Amount	\$1,010,051.40 at issuance (estimated) \$1,140,000 (at conversion)
Cost of Issuance	\$227,600 (estimated)
Final Maturity	December 1, 2049
Interest Rate	6.00%
Credit Rating	Not-Rated
Tax Status	Tax-exempt, Non-AMT, BQ
Optional Redemption	5 years at \$103 premium declining
Structure	The bonds are structured as Convertible Capital Appreciation Bonds and do not pay interest prior to the Conversion Date (December 1, 2021) where the bonds will cease to be Capital Appreciation Bonds and will convert to Current Interest Bonds. The Bonds will have a Surplus Fund up to an estimated maximum surplus fund amount of \$101,005 (estimated).
Pledged Revenue	Senior lien on revenues produced from the required mill levy of 30 mills subject to a 30 mill cap (both currently 33.398 mills, as adjusted from 7.96% to 7.15%) and specific ownership tax generated from the required mill levy.
Additional Debt	Allowed with 100% bondholder consent.
Additional Subordinate Debt	Subordinate bonds may be issued provided that they pay debt service annually only after all payment on senior bonds.
Events of Default	Only failure to levy the Required Mill Levy is a payment Event of Default.
Title 32 Qualification	Institutional investors
Title 11 Exemption	\$500,000 denominations