

**NORTH MEADOW METROPOLITAN DISTRICT NOS. 1 - 5
IN THE CITY OF COLORADO SPRINGS, COLORADO
FIRST AMENDMENT TO SERVICE PLAN**

1. INTRODUCTION

The service plan for the North Meadow Metropolitan District Nos. 1 - 5 (collectively, the “Districts”) was approved by the City Council of the City of Colorado Springs, Colorado (“City Council”) on March 23, 2021 (“Service Plan”), and the Districts were organized by Orders of the District Court in and for El Paso County issued on May 12, 2021 and recorded with the El Paso County Clerk and Recorder on May 24, 2021. The Districts were organized to finance public improvements for the benefit of the taxpayers, property owners, and residents of the Districts. This First Amendment to the Service Plan (“First Amendment”) is intended to be read in conjunction with the Service Plan.

2. PURPOSE OF FIRST AMENDMENT

The Service Plan limits the total debt each District is authorized to issue based on the estimated cost assumptions of the public improvements the Districts are anticipated to finance and construct.

The Service Plan contains total debt issuance limitations as follows:

- District No. 2 shall not issue Debt in the aggregate principal amount in excess of \$21,000,000. Upon the inclusion of the Inclusion Area Boundaries in Exhibit C-2 into the boundaries of District No. 2, the Total Debt Issuance Limitation for District No. 2 shall increase to an aggregate principal amount not to exceed \$51,000,000.
- District No. 3 shall not issue Debt in the aggregate principal amount in excess of \$45,000,000.
- District No. 4 shall not issue Debt in the aggregate principal amount in excess of \$18,000,000. Upon the inclusion of the Inclusion Area Boundaries in Exhibit C-2 into the boundaries of District No. 4, the Total Debt Issuance Limitation for District No. 4 shall increase to an aggregate principal amount not to exceed \$41,000,000.
- District No. 5 shall not issue Debt in the aggregate principal amount in excess of \$23,000,000.

Notwithstanding the foregoing, the Service Plan states that the Districts collectively shall not issue debt in the aggregate principal amount in excess of \$145,000,000, which shall not include the principal amount of Debt issued for the purpose of refunding or refinancing lawfully issued Debt.

The purpose of the First Amendment is to eliminate district-specific debt issuance limitations for District Nos. 2-5, but include an aggregate debt issuance limitation amount for all Districts in the amount of \$200,000,000. The change to an aggregate debt limit is in response to changing market conditions that require flexibility in how bonds are issued and also is to make

the service plan consistent with other Banning Lewis Ranch districts that do not have individual district limits; only an aggregate debt limit for the project. An aggregate debt limit also accounts for the type of development typical in a large master planned development by recognizing that a large portion of the public infrastructure benefits multiple districts.

3. AMENDMENT

Section V.A.10 shall be replaced in its entirety with the following language:

Total Debt Issuance Limitation. The issuance of all bonds or other debt instruments of the Districts shall be subject to the approval of the City Council. City Council's review of the bonds or other debt instruments of the Districts shall be conducted to ensure compliance with the Service Plan and all applicable laws. The Districts shall not issue Debt in the aggregate principal amount of in excess of \$200,000,000. The foregoing shall not include the principal amount of Debt issued for the purpose of refunding or refinancing lawfully issued Debt.”

4. EFFECT OF FIRST AMENDMENT.

Except as specifically amended as set forth above, all other provisions of the Service Plan shall remain in full force and effect. To the extent there are any inconsistencies between this First Amendment and the Service Plan, this First Amendment shall control.