

**MARKETPLACE
METROPOLITAN DISTRICT
SERVICE PLAN**

TOWN OF FREDERICK, COLORADO

APPROVED

APRIL 12, 2006

TABLE OF CONTENTS

I.	Introduction.....	1
II.	Purpose.....	1
III.	Organizers of Proposed District.....	2
IV.	Boundaries, Population & Valuation.....	3
V.	Description of Proposed Services.....	4
VI.	Need for the Proposed District.....	5
VII.	Other Governmental Entities.....	5
VIII.	Proposed Land Use & Anticipated Development.....	6
IX.	Preliminary Engineering Analysis.....	7
	a. Facilities to be Constructed, Acquired and/or Installed.....	7
	b. Standards of Construction and Statement of Compatibility.....	7
	c. Estimated Costs of Facilities.....	7
	d. Dedication of Improvements to the Town.....	8
X.	Financial Information.....	9
	a. General.....	9
	b. Debt Issuance.....	10
	c. Limited Mill Levy.....	11
	d. Refunding Bonds.....	12
	e. Identification of District Revenue.....	12
	f. Security for Debt.....	13
	g. Services of District.....	13
XI.	Annual Report.....	13
XII.	Landowners' Public Improvements.....	15
XIII.	Conservation Trust Fund.....	15
XIV.	Dissolution.....	15
XV.	Modification of Service Plan.....	16
XVI.	Disclosure.....	16
XVII.	Intergovernmental Agreements.....	16
XVIII.	Initial Board of Directors.....	17
XIX.	Petition for Organization.....	17
XX.	Resolution of Approval.....	17
XXI.	Conclusion.....	18

TABLE OF EXHIBITS

Exhibit A	Legal Description
Exhibit B	Boundary Map
Exhibit C	Vicinity Map
Exhibit D	Proofs of Ownership
Exhibit E	Property Owners' Consents
Exhibit F	Engineer's Estimate of Costs
Exhibit G	Location of Public Improvements
Exhibit H	Financing Plan
Exhibit I	District Disclosure Statement
Exhibit J	Form Petition for Organization
Exhibit K	Resolution of Town Board of Trustees Approving Service Plan

MARKETPLACE METROPOLITAN DISTRICT
SERVICE PLAN

I. INTRODUCTION

The District shall be named the Marketplace Metropolitan District (the “District”) The purpose of the District is to finance certain streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements for the development to be known as the Marketplace commercial development (the “Marketplace development”). The developer of the Marketplace development and the petitioner for the formation of the District is Carriage Hills Development, Inc., a Colorado corporation (“CHD”) (CHD or any successor developer of the Marketplace development shall be referred to herein as the “Developer”) The District shall have all of the powers of a metropolitan district described in §§ 32-1-1001 and -1004, C.R.S. with respect to streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements, except that the District shall not provide fire protection or emergency medical services or facilities.

II. PURPOSE

Pursuant to the requirements of the Special District Act, §§ 32-1-101, *et seq.*, C.R.S. (the “Act”), and Article 14 of the Frederick Land Use Code (the “Code”), this Service Plan (the “Service Plan”) consists of a financial analysis and an engineering plan illustrating how the proposed facilities and services of the District will be provided and financed. The following items are included in this Service Plan:

- a. A description of the proposed services;
- b. A financing plan showing how the proposed services are to be financed, including all elements required by § 32-1-202(2)(b), C.R.S. and the Code;
- c. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
- d. A map of the proposed District's boundaries and an estimate of the population and valuation for assessment of the proposed District;
- e. A general description of the facilities to be constructed and the standards for construction, including a statement of how the facility and service standards of the proposed District are compatible with facility and service standards of the Town and special districts which are interested parties pursuant to § 32-1-204(1), C.R.S.;
- f. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts and other major expenses related to the organization and initial operation of the District; and
- g. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed District and such other political subdivision and, if applicable, a form of the agreement.

III. ORGANIZERS OF PROPOSED DISTRICT

This Service Plan has been prepared by the Developer and the following participating consultants:

Developer
Carriage Hills Development, Inc.
Aaron Grant
436 Coffman Street, Suite 200
Longmont, Colorado 80501
(303) 772-2354
(303) 772-9968—facsimile
aaron.grant@djforay.com

District Counsel
Miller, Gruber & Rosenbluth, LLC
Jennifer L. Gruber, Esq.
700 17th Street, Suite 2200
Denver, Colorado 80202
(303) 285-5320
(303) 285-5330—facsimile
jgruber@mglawfirm.com

Financial Advisor
Piper Jaffray & Co.
Michael P. Lund
1050 17th Street, Suite 2100
Denver, Colorado 80265
(303) 820-5860
(303) 820-5891—facsimile
Michael.P.Lund@pjc.com

Engineer
Civil Arts-Drexel Group
Roger D. Walker, P.E.
1860 Lefthand Circle, Suite A
Longmont, Colorado 80501
(303) 682-1131
(303) 682-1149—facsimile
rwalker@drexel-co.com

Bond Counsel
Sherman & Howard
Blake T. Jordan, Esq.
633 17th Street, Suite 3000
Denver, Colorado 80202
(303) 299-8364
(303) 298-0940—facsimile
bjordan@sah.com

IV. BOUNDARIES, POPULATION & VALUATION

The District is generally located along the northern boundary of State Highway 52 between Maple Street and Weld County Road 15. The District consists of approximately forty-four and eighty-four one-hundredths-of-one (44.84) acres located entirely within the boundaries of the Town of Frederick, Colorado (the “Town”), as more particularly set forth in the legal description attached hereto as **Exhibit A**, and as shown on the boundary map, attached hereto as **Exhibit B**, and the vicinity map, attached hereto as **Exhibit C**. EJD, LLC, a Colorado limited liability company (“EJD”) and Doug Grant, an individual (“Grant”), are the sole owners of the property which constitutes the boundaries of the District. Proofs of EJD’s and Grant’s ownerships are

attached hereto as **Exhibit D** and incorporated herein by this reference. Letters from EJD and Grant consenting to the formation of this District are attached hereto as **Exhibit E** and incorporated herein by this reference.

The Marketplace development is being developed for the anticipated construction of seventeen (17) commercial buildings by the Developer. The current daytime population of the District is zero. The estimated assessed value at full build-out is Eight Million One Hundred Sixty-Eight Thousand Six Hundred Eighty-One Dollars (\$8,168,681.00). The property is currently zoned agricultural. The current assessed value is approximately Eight Hundred Sixty Dollars (\$860.00). The total overlapping mill levy imposed upon the property within the proposed District for tax collection year 2005 was approximately eighty-three and four hundred five one-thousandths-of-one (83.405) mills.

V. DESCRIPTION OF PROPOSED SERVICES

The purpose of the District is to finance public improvements which may be dedicated to the Town, or other non-profit or governmental entities, for the use and benefit of District property owners and taxpayers and, unless otherwise agreed, to finance perpetual maintenance of the streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation facilities. The improvements shall include streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation improvements and facilities. The District shall have all of the powers of a metropolitan district described in §§ 32-1-1001 and -1004, C.R.S., except that the District shall not provide fire protection or emergency medical services or facilities.

VI. NEED FOR THE PROPOSED DISTRICT

The area to be served by the District is located entirely within the boundaries of the Town. The Town does not consider it feasible or practical to provide the District with the certain public infrastructure described in this Service Plan. Therefore, it is necessary that the District be organized to provide its property owners and taxpayers with the facilities and services described in this Service Plan.

VII. OTHER GOVERNMENTAL ENTITIES

The District shall receive fire protection services from the Frederick Fire Protection District. The District shall receive water services from the Central Weld County Water District through the Town. Pursuant to § 32-1-107(3)(b)(IV), C.R.S., the District shall obtain the consent of the Central Weld County Water District for the overlap in boundaries for the purposes of financing water improvements. The District shall not be empowered to provide water services. The District shall receive sanitary sewer services from the Weld County Tri-Area Sanitation District. Pursuant to §32-1-107(3)(b)(IV), C.R.S., the District shall obtain the consent of the Weld County Tri-Area Sanitation District for the overlap in boundaries for the purposes of financing the sanitary sewer improvements. The District shall not be empowered to provide sanitary sewer services; however, the District shall be empowered to maintain storm drainage facilities within the District, such improvements to include, but are not limited to, detention and retention ponds. The District shall ensure that the property located within its boundaries is located or will be included within the Carbon Valley Park and Recreation District. Pursuant to § 32-1-107(3)(b)(IV), C.R.S., the District shall obtain the consent of the Carbon Valley Park and Recreation District for the overlap in boundaries for the purposes of financing park and

recreation improvements. Upon construction of the park and recreation facilities, the District shall dedicate said facilities to the Carbon Valley Park and Recreation District for operation and maintenance. With the exception of the Town, the District is not located within any other special districts or municipalities.

VIII. PROPOSED LAND USE & ANTICIPATED DEVELOPMENT

At present, the property is zoned agricultural. Other than as set forth in this Service Plan, the property is not presently provided with the facilities and/or services proposed to be provided by the District, nor does the Town or any other special district have any plans to provide such services within a reasonable time and on a comparable basis.

The Marketplace development is being developed for the construction of approximately seventeen (17) commercial buildings. The Developer anticipates total build-out to occur by 2016 with the construction of one (1) commercial building in 2006, two (2) commercial buildings in 2007, two (2) commercial buildings in 2008, two (2) commercial buildings in 2009, two (2) commercial buildings in 2010, two (2) commercial buildings in 2011, two (2) commercial buildings in 2012, one (1) commercial building in 2013, one (1) commercial building in 2014, one (1) commercial building in 2015 and one (1) commercial building in 2016, subject to final design and development approval by the Town. It is acknowledged by the Developer that Town development standards and requirements may affect the foregoing numbers of anticipated buildings and the foregoing anticipated build-out schedule.

IX. PRELIMINARY ENGINEERING ANALYSIS

a. Facilities to be Constructed, Acquired and/or Installed.

The District will provide for the construction, acquisition and installation of streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation improvements and facilities (as the foregoing terms are defined in § 32-1-1004(2), C.R.S., and the sections referenced therein), and for the ongoing maintenance of streets, traffic safety controls, street lighting, landscaping, storm drainage, mosquito control and park and recreation facilities, within and without the boundaries of the District that are not otherwise dedicated to other governmental entities. A general description and preliminary engineering survey of the facilities to be financed, constructed, acquired and/or installed are shown in **Exhibit F**, attached hereto and incorporated herein by this reference. A map showing the location of the public improvements to be financed by the District is attached hereto as **Exhibit G**.

b. Standards of Construction and Statement of Compatibility.

The District will ensure that the proposed improvements are designed and constructed in accordance with the standards and specifications of the Town and other governmental entities having jurisdiction, and will obtain approval of civil engineering plans for such improvements from the Town and other governmental entities having jurisdiction.

c. Estimated Costs of Facilities.

The combined total estimated cost of the improvements is Five Million Eight Hundred Forty-Seven Thousand Three Hundred Ninety Dollars (\$5,847,390.00). The Developer shall be

responsible for any improvement costs that exceed the amount of debt issued. The Town is not responsible for assuming any of the costs of the improvements constructed by the District.

The District shall be authorized to construct the public improvements generally shown on **Exhibit G**, subject to the specific final design and approval thereof by the Town or any other governmental entity having jurisdiction. Phasing of construction shall be determined by the District to meet the needs of property owners and taxpayers within its boundaries. A map illustrating the anticipated phasing of the public improvements is included in **Exhibit G**.

d. Dedication of Improvements to the Town.

Upon completion of construction and installation, the District will dedicate all streets to the Town, all water improvements to the Town, all sanitary sewer improvements to the Weld County Tri-Area Sanitation District and all park and recreation improvements to the Carbon Valley Park and Recreation District for operation and maintenance. The District will dedicate all other public improvements, as required by the Town or its designee, upon completion of construction and installation. At the direction of the Town, landscaping, street lighting and storm drainage facilities shall be maintained by the District or by an owners' association formed for the Marketplace commercial development. The dedicated improvements will be operated and maintained by the Town or its designee. All rights-of-way and easements necessary for the facilities will also be dedicated to the Town or its designee by the District, to the extent the District has the necessary property interest to provide such dedication. Dedications shall be in accordance with the Code and/or the Rules and Regulations of the governmental entity receiving the dedicated infrastructure or property.

X. FINANCIAL INFORMATION

This Article X describes the nature, basis, method of funding and debt and mill levy limitations associated with the District's public improvements program and operations. Together with the Financing Plan, attached hereto as **Exhibit H** and further described below, this Article X constitutes the financial plan for the District as required by § 32-1-202(2)(b), C.R.S. and Section 14.13(e)(7) of the Code. A detailed Financing Plan is contained in **Exhibit H**, attached hereto and incorporated herein. The Financing Plan includes estimated operations, maintenance, administration costs, proposed indebtedness and estimated interest rates and discounts and other major expenses related to the organization and operation of the District. The Financing Plan projects the issuance of the debt and the anticipated repayment based on the development assumptions (including the market projections and absorption forecasts set forth therein) for property within the boundaries of the District. The Financing Plan demonstrates that, at the projected level of development, and with the projected Developer support, the proposed District has the ability to finance the facilities identified herein, and will be capable of discharging the proposed indebtedness on a reasonable basis.

a. General.

The provision of improvements and facilities by the District will be financed through the issuance of general obligation bonds (the "Bonds"), secured by the *ad valorem* taxing authority of the District. The Financing Plan anticipates the issuance of one (1) series of Bonds in 2008. The term of any Bonds issued by the District shall not exceed thirty (30) years. The combined total estimated cost of the improvements is Five Million Eight Hundred Forty-Seven Thousand Three Hundred Ninety Dollars (\$5,847,390.00). The District has the capacity to issue general obligation bonds in the aggregate principal amount of approximately Two Million Four Hundred Ninety

Thousand Dollars (\$2,490,000.00), projected to yield net bond proceeds of One Million Seven Hundred Eighty-Two Thousand Three Hundred Thirty-Three Dollars and Thirty-Six Cents (\$1,782,333.36). Accordingly, it is currently anticipated that the bond proceeds will be insufficient to allow for repayment of Four Million Sixty-Five Thousand Fifty-Six Dollars and Sixty-Four Cents (\$4,065,056.64), which will be contributed by the Developer; however, if the financing capability of the District changes and will permit repayment in the future (due to higher than anticipated assessment values, lower interest rates or any other circumstance), the District may agree to repay the Developer for unreimbursed public infrastructure costs so long as the District has the capacity to make such payments without exceeding the debt limit or Mill Levy Limit provided in this Service Plan

b. Debt Issuance.

The District intends to issue one (1) series of general obligation bonds in the aggregate principal amount of approximately Two Million Four Hundred Ninety Thousand Dollars (\$2,490,000.00) in 2008. The aggregate principal amount of all general obligation bonds and all other forms of borrowing by the District, throughout the District's existence and regardless of subsequent payments and discharges, shall be limited to a total of Three Million Seven Hundred Thirty-Five Thousand Dollars (\$3,735,000.00) ("debt limit"), except to the extent otherwise provided in Article V.d. with respect to refunding bonds. The authorized maximum voted interest rate is eighteen percent (18%) per annum and the maximum underwriting discount is five percent (5%) of bond principal

The Developer acknowledges and accepts the risk that, if all or a part of the general obligation bonds proposed to be issued by the District are not issued because of changes in financial conditions or for any other reason, the Developer may not be paid or reimbursed for the cost of public improvements or other advances to the District.

Any bonds issued by the District pursuant to this Service Plan shall be in compliance with all applicable legal requirements, including without limitation § 32-1-1101(6), C.R.S., and article 59 of title 11, C R S., and shall be approved by nationally recognized bond counsel. An opinion shall also be obtained from bond counsel or counsel to the District that the bonds comply with all requirements of this Service Plan.

c. **Limited Mill Levy.**

“Limited Mill Levy” shall mean an *ad valorem* mill levy (a mill being equal to 1/10 of 1¢) imposed upon all taxable property in the District each year in an amount sufficient to pay the principal of, premium if any, and interest on the bonds as the same become due and payable, and to make up any deficiencies in any debt service reserve for the bonds, but, together with all other District mill levies, such mill levy shall not exceed fifty (50.000) mills. In the event of changes in the ratio of actual valuation to assessed valuation for residential real property, pursuant to Article X, section 3(1)(b) of the Colorado Constitution and legislation implementing such constitutional provision, the fifty (50.000) mill levy limitation provided herein will be increased or decreased (as to all taxable property in the District) to reflect such changes so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes (“Gallagher adjustment”). The Limited Mill Levy shall be an enforceable limit on all District mill levies

At any time that the District imposes a mill levy for debt service purposes, the District shall impose a mill levy of three (3.000) mills for purposes of financing capital improvements or for financing operations and maintenance expenses associated with Town capital improvements, which revenues shall be remitted to the Town upon the District’s receipt. The revenues received by the Town for capital improvements or operation and maintenance expenses may be applied to

any Town capital improvement so long as the capital improvement is one that the District could otherwise finance (i.e. streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements). The three (3,000) mills imposed for these purposes shall be included in the fifty (50,000) mill levy cap. The District's imposition of the three (3,000) mills for the capital improvements or operation and maintenance of the Town capital improvements shall be memorialized in an intergovernmental agreement after the District's organization and the District's failure to levy, collect and pay over to the Town the three (3,000) mills shall constitute a material modification of this Service Plan. In the event that the District has no debt service mill levy, the District shall have no obligation to levy, collect and pay over to the Town the three (3,000) mills set forth herein.

d. Refunding bonds.

General obligation refunding bonds may be issued by the District to defease original issue bonds in compliance with applicable law, but any such refunding shall not extend the maturity of the bonds being refunded nor increase the total debt service thereon and shall meet the requirements of § 32-1-1101(6)(a), C.R.S. Refunding bonds shall not be subject to the debt limit stated in Article X.b., above, provided that such refunding bonds demonstrate net present value debt service savings; but if such refunding bonds do not demonstrate net present value debt service savings, any increase in principal amount of the refunding bonds over the principal amount of bonds being refunded shall be subject to such debt limit.

e. Identification of District Revenue.

The District will impose a mill levy on all taxable property in the District as the primary source of revenue for repayment of debt service and for operations and maintenance. The mill levy imposed by the District for debt service purposes shall not exceed fifty (50,000) mills, except for Gallagher adjustments permitted under X.c., above. Although the mill levy imposed

may vary depending on the phasing of facilities anticipated to be funded, it is estimated that a mill levy of approximately forty (40.000) mills will produce revenue sufficient to support debt service and operations and maintenance expenses throughout the repayment period.

f. Security for Debt.

The District will not pledge any Town funds or assets for security for the indebtedness set forth in the Financing Plan of the District.

g. Services of District.

The District will require sufficient operating funds to plan and cause the public improvements to be constructed. The costs are expected to include: organizational costs, legal, engineering, accounting and debt issuance costs, compliance with state reporting and other administrative requirements. The first year's operating budget (for 2007) is estimated to be Forty Thousand Dollars (\$40,000.00), inflated at one percent (1%) per annum to accommodate for inflation. Until the District receives sufficient revenue from *ad valorem* property taxes and other District sources, funds for District organizational costs, operations and administration will be contributed by the Developer.

XI. ANNUAL REPORT

No later than September 1 of each calendar year, the District will submit an annual report to the Town in accordance with Section 14.3 of the Code, as it may be amended from time to time.

The annual report shall include the following:

- a. A narrative summary of the progress of the District in implementing its service plan for the report year;
- b. Except when an exemption from audit has been granted pursuant to the Local Government Audit Law of Colorado, the audited financial statements of the District

for the report year, including a statement of financial condition (i.e. balance sheet) as of December 31st of the report year and the statement of operations (i.e. revenues and expenditures) for the report year;

- c. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the report year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the report year;
 - d. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to debt retirement in the report year;
 - e. The District's budget for the calendar year in which the annual report is submitted;
 - f. A summary of residential and commercial development in the District for the report year;
 - g. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;
 - h. Certification of the Board of Directors of the District that no action, event or condition enumerated in Section 14.4 of the Code has occurred in the report year;
- and

- i. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board of Directors of the District.

XII. LANDOWNERS' PUBLIC IMPROVEMENTS

The creation of the District shall not relieve the Developer, its successors or assigns of the obligation to construct public improvements required by any annexation or other subdivision improvement agreement.

XIII. CONSERVATION TRUST FUND

The District shall claim no entitlement to funds from the Conservation Trust Fund which is derived from lottery proceeds. The District shall remit to the Town any and all conservation trust funds that it receives.

XIV. DISSOLUTION

The District shall file a petition in the District Court for dissolution when there are no financial obligations or outstanding bonds, or any such financial obligations or outstanding bonds are adequately secured by escrow funds or securities meeting the investment requirements set forth in §§ 24-75-601, *et seq.*, C.R.S., and upon an independent determination by the Town Board of Trustees that the purposes for which the District was created have been achieved. Dissolution of the District is subject to approval of a plan of dissolution meeting the requirements of §§ 32-1-701, *et seq.*, C.R.S., by the Weld County District Court.

XV. MODIFICATION OF SERVICE PLAN

The District will obtain the approval of the Town before making any material modifications to this Service Plan. Material modifications include modifications of a basic or essential nature including additions to the types of services provided by District, change in debt limit or change in revenue sources. This is not an exclusive list of all actions that may be identified as a material modification. Town approval is not required for modifications to this Service Plan necessary for the execution of financing or construction of public improvements already outlined in this Service Plan.

XVI. DISCLOSURE

The Developer and the District will take steps to insure that the purchasers of property located within the District are provided with written notice at the time of closing of the existence of taxes, charges or assessments which may be imposed by or in connection with the District. The District will also record a statement against the property within the District, at such time as the property is legally included therein, including notice of the existence of the District, average expected tax levy, maximum expected tax levy and maximum allowed tax levy. The form of notice is attached hereto and incorporated herein as **Exhibit I**.

XVII. INTERGOVERNMENTAL AGREEMENTS

The District may enter into a cost sharing agreement with the Marketplace Metropolitan District for shared facilities. The exact nature and terms of the cost sharing agreement are not known at this time. However, each district would be responsible for its proportionate share of the shared public improvements. The District anticipates entering into an intergovernmental agreement with the Town to memorialize the mill levy that will be remitted to the Town for costs associated

with the financing, operations and maintenance of Town capital improvements. No other intergovernmental agreements are proposed or contemplated at this time.

XVIII. INITIAL BOARD OF DIRECTORS

The following persons, who are or will be owners of property within the District, are anticipated to be nominated for the initial board of directors of the District:

Aaron Grant
1515 Ogden, #6
Denver, Colorado 80218

Doug Grant
10515 Mooring Road
Longmont, Colorado 80504

Roger Walker
1041 Oxford Road
Longmont, Colorado 80504

JoAnna Grant
10515 Mooring Road
Longmont, Colorado 80504

Tabetha Ward
1681 East 131st Circle
Thornton, Colorado 80241

XIX. PETITION FOR ORGANIZATION

A form of the petition for organization which the Petitioners intend to file with the Weld County District Court for organization of the District is set forth in **Exhibit J**, attached hereto and incorporated herein by this reference

XX. RESOLUTION OF APPROVAL

The District incorporates the Town Board of Trustees' resolution approving this Service Plan, including any conditions of approval, into this Service Plan as **Exhibit K**.

XXI. CONCLUSION

This Service Plan demonstrates that:

- a. There is sufficient existing and projected need for organized service in the area to be serviced by the District;
- b. The existing service in the area to be served by the District is inadequate for present and projected needs;
- c. The District is capable of providing economical and sufficient service to the area within its proposed boundaries;
- d. The area to be included in the District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
- e. The facility and service standards of the District are compatible with the facility and service standards of each county within which the District is to be located and each municipality which is an interested party under § 32-1-204(1), C.R.S.;
- f. The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area; and
- g. The creation of the District will be in the best interests of the area proposed to be served.

EXHIBIT A

Legal Description



- ENGINEERING
- PLANNING
- SURVEYING

Civil Arts-Drexel Group, Inc. • 1000 Lakeside Circle, Suite A • Longmont, CO 80501 • Tel. (303) 582-1111 • Fax: (303) 582-1155 • www.civilartsdrexel.com

LEGAL DESCRIPTION- MARKETPLACE METROPOLITAN DISTRICT

March 8, 2006

A description of the MARKETPLACE METROPOLITAN DISTRICT located in the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, Weld County, Colorado. For: Carriage Hills, LLC.

LEGAL DESCRIPTION

A part of the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, described as follows:

- (1) Lot 2, Block 1, Creative Years Subdivision according to the recorded plat thereof;
- (2) All of proposed Carriage Hills Marketplace located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., County of Weld, State of Colorado, described as follows:

COMMENCING at the Southeast Corner of said Section 31, from which the E1/4 Corner of said Section 31 bears N00°00'34"W, 2647.48 feet (Basis of Bearing), thence N00°00'34"W, 211.60 feet along the East Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of State Highway No. 52 conveyed to The Department of Highways, State of Colorado, as described in Special Warranty Deed recorded March 1, 1960, in Book 1552 at Page 144 of the records of Weld County, Colorado, and the TRUE POINT OF BEGINNING;

Thence continuing N00°00'34"W, 526.45 feet along the East Line of the SE1/4 of said Section 31 to the Southeast Corner of PRAIRIE GREENS, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S88°30'07"W, 510.60 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S01°29'53"E, 39.20 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S88°30'07"W, 1185.63 feet along the Southerly Line of said PRAIRIE GREENS to the Easterly Right-of-way Line of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence S88°30'07"W, 30.01 feet the Southerly Line extended Westerly of said PRAIRIE GREENS to the Centerline of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence N02°33'53"W, 142.14 feet along the Centerline of said Frederick Way;



- ENGINEERING
- PLANNING
- SURVEYING

MARKETPLACE METROPOLITAN DISTRICT

Thence S87°26'07"W, 33.13 feet to the Southeasterly Corner of Carriage Hills Filing No. 1, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S87°26'07"W, 77.25 feet along the Southerly Line of said Carriage Hills Filing No. 1 to a point of curve to the right;

Thence Northwesterly, 154.70 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point of reverse curve to the left, said arc having a radius of 202.00 feet, a central angle of 43°52'43", and being subtended by a chord that bears N70°37'32"W, 150.94 feet;

Thence Northwesterly, 108.40 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point tangent, said arc having a radius of 148.00 feet, a central angle of 41°57'53", and being subtended by a chord that bears N69°40'07"W, 105.99 feet;

Thence S89°20'57"W, 550.61 feet along the Southerly Line of said Carriage Hills Filing No. 1 to the West Line of the SE1/4 of said Section 31;

Thence S00°00'13"E, 789.85 feet along the West Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of said State Highway No. 52;

Thence N89°20'57"E, 866.38 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Westerly Right-of-way Line of said Frederick Way;

Thence continuing N89°20'57"E, 110.01 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Easterly Right-of-way Line of said Frederick Way;

Thence continuing N89°20'57"E, 1511.75 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof;


MARKETPLACE METROPOLITAN DISTRICT

Thence N44°39'57"E, 142.34 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof,

Thence N89°20'57"E, 45.60 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the TRUE POINT OF BEGINNING

EXCEPT the Right-of-way for Frederick Way according to the recorded plat of Prairie Greens

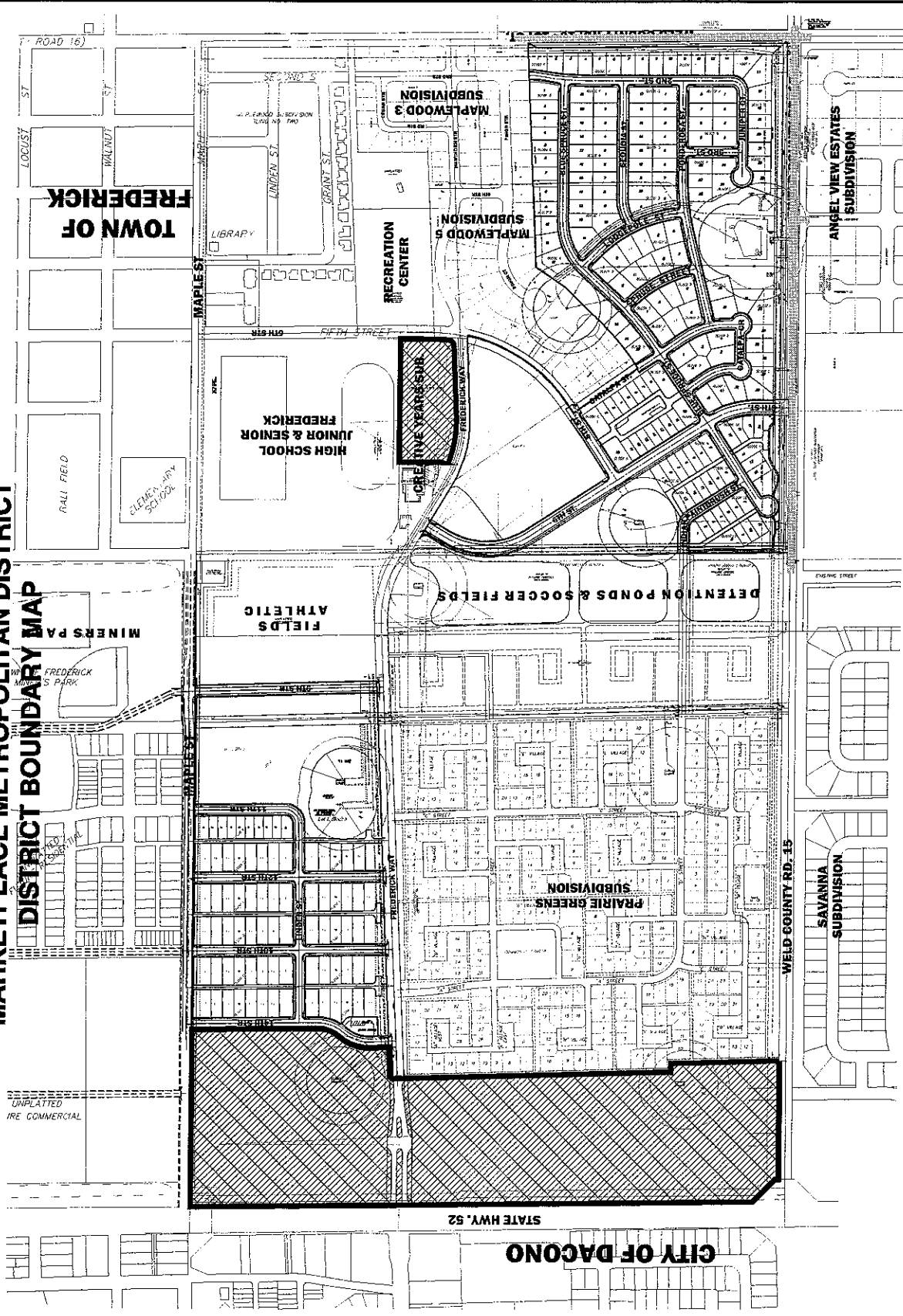
NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.



Frank N. Drexel
Colorado Professional Land
Surveyor No. 24305
1860 Lefthand Cir #A, Longmont, CO 80501
Date: 3/18/06

EXHIBIT B
Boundary Map

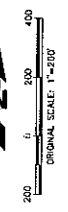
**MARKETPLACE METROPOLITAN DISTRICT
DISTRICT BOUNDARY MAP**



UNPLATTED ARE COMMERCIAL

**TOWN OF
FREDERICK**

**CITY OF
DACIONO**



MARKET PLACE METROPOLITAN DISTRICT

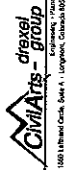


EXHIBIT C

Vicinity Map

MARKETPLACE METRO DISTRICT

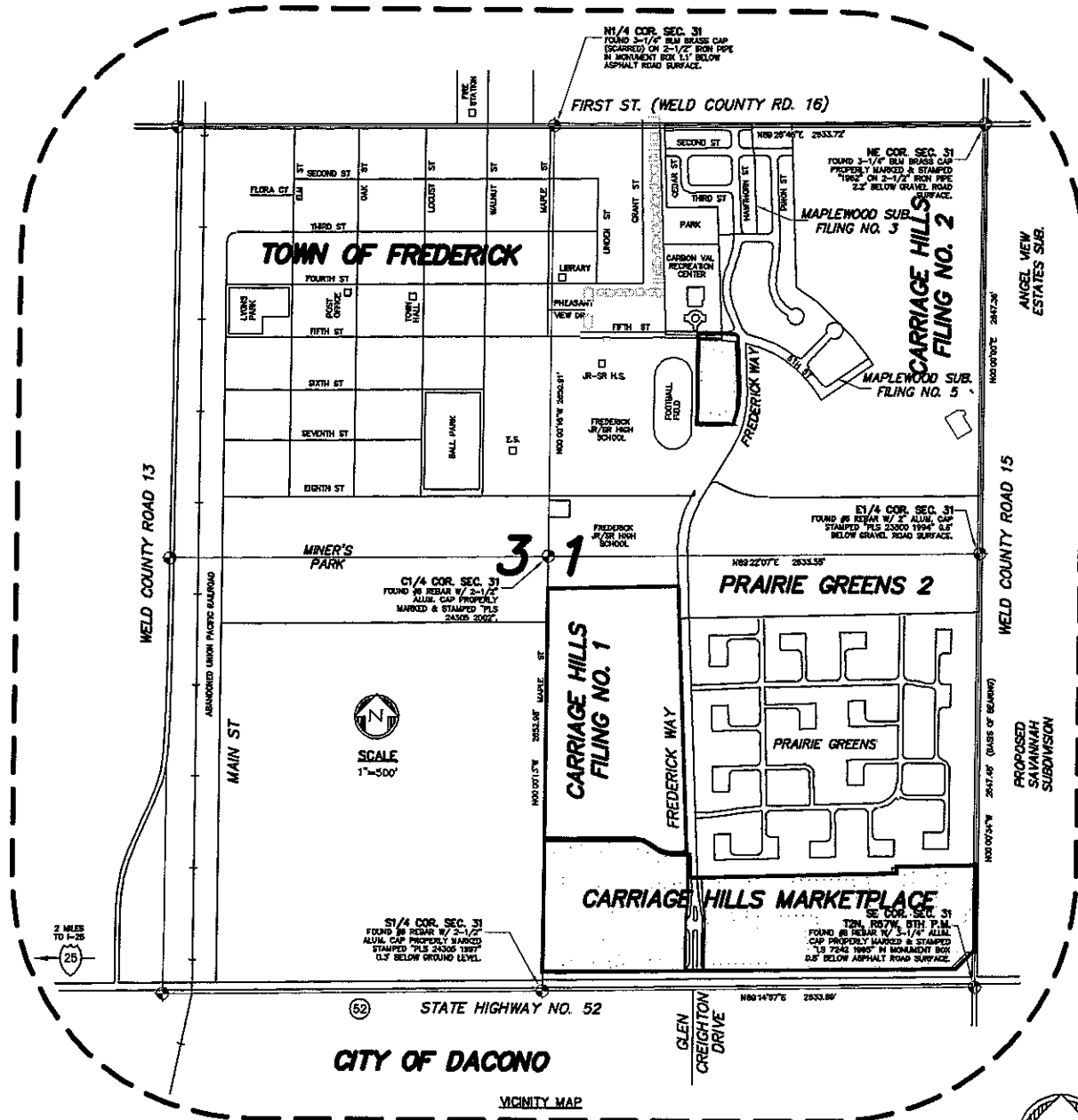


EXHIBIT MAP
 DATE: 03-07-06
 DWG: VIN MAP DWG



Engineering • Planning • Surveying
 1860 Lefthand Circle, Suite A • Longmont, Colorado 80501 • (303) 682-1131

EXHIBIT D
Proofs of Ownership

ACCT	P_NAME	TAX AREA	LEGAL DESC	ADDRESS	CITY	STATE	ZIP
R2394003	EJD	1401	FRE CY L2 BLK1 CREATIVE YEARS SITUS: FREDERICK FRE E2 31-2-67 EXC BEG S0D47'E 1305.92' OF N4 COR S89D48'E 892' S0D47'W 977.87' N89D47'W 892' TO C/L SEC N0D47'E 977.75' TO BEG ALSO EXC BEG S0D47'W 980.02' OF N4 COR SEC S89D48'E 265' S0D47'W 325.93 N89D48'W 265' N0D47'E 325.93' TO BEG ALSO EXC B	C/O JO ANNA GRANT 10515 MOORIN G RD	LONGMO NT	CO	80504
R2700704	EJD	1401		C/O JO ANNA GRANT 10515 MOORIN G RD	LONGMO NT	CO	80504
R7517198	GRANT DOUGLA S	1401	FRE PT SE4 31 2 67 BEG SE COR N211.60' TO POB N526.45' S88D30'W 510.60' S01D29'E 39.20' S88D30'W 1215.64' N02D33'W 255.16' S89D20'W 897.62' S816.85' N89D20'E 2488.14' N44D39'E 142.34' N89D20'E 45.60' TO POB EXC THAT PT IN PRAIRIE GREENS	436 COFFMA N ST SUITE 200 PO BOX 908	LONGMO NT	CO	80501

EXHIBIT E
Property Owners' Consents

March 7, 2006

Town of Frederick, Colorado
Post Office Box 435
Frederick, Colorado 80530

RE: Proposed Marketplace Metropolitan District (the "District")

To Whom It May Concern:

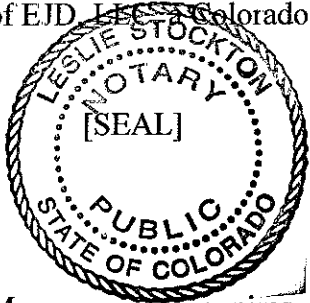
EJD, LLC, a Colorado limited liability company, is an owner of the property attached hereto as **Exhibit A**, which property is proposed to constitute the boundaries of the District. The purpose of this letter is to advise that I, Doug Grant, as Manager of EJD, LLC, consent to the organization of the District.

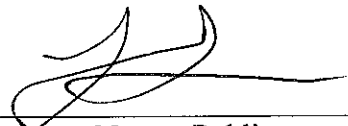
EJD, LLC, a Colorado
limited liability company

Doug Grant, Manager 

STATE OF COLORADO)
) ss
COUNTY OF BOULDER)

Subscribed and sworn to before me on this 7th day of March 2006, by Doug Grant, as Manager of EJD, LLC, a Colorado limited liability company.




Notary Public

My commission expires 1/3/2009

EXHIBIT A



- ENGINEERING
- PLANNING
- SURVEYING

CivilArts Drexel / Group, Inc. • 1960 Leifermot Circle, Suite A • Loveland, CO 80501 • Tel: (303) 682-1131 • Fax: (303) 682-1149 • www.civilarts-drexel.com

LEGAL DESCRIPTION- MARKETPLACE METROPOLITAN DISTRICT

March 8, 2006

A description of the MARKETPLACE METROPOLITAN DISTRICT located in the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, Weld County, Colorado For: Carriage Hills, LLC.

LEGAL DESCRIPTION

A part of the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, described as follows:

- (1) Lot 2, Block 1, Creative Years Subdivision according to the recorded plat thereof;
- (2) All of proposed Carriage Hills Marketplace located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., County of Weld, State of Colorado, described as follows:

COMMENCING at the Southeast Corner of said Section 31, from which the E1/4 Corner of said Section 31 bears N00°00'34"W, 2647.48 feet (Basis of Bearing), thence N00°00'34"W, 211.60 feet along the East Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of State Highway No. 52 conveyed to The Department of Highways, State of Colorado, as described in Special Warranty Deed recorded March 1, 1960, in Book 1552 at Page 144 of the records of Weld County, Colorado, and the TRUE POINT OF BEGINNING;

Thence continuing N00°00'34"W, 526.45 feet along the East Line of the SE1/4 of said Section 31 to the Southeast Corner of PRAIRIE GREENS, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S88°30'07"W, 510.60 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S01°29'53"E, 39.20 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S88°30'07"W, 1185.63 feet along the Southerly Line of said PRAIRIE GREENS to the Easterly Right-of-way Line of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence S88°30'07"W, 30.01 feet the Southerly Line extended Westerly of said PRAIRIE GREENS to the Centerline of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence N02°33'53"W, 142.14 feet along the Centerline of said Frederick Way;

MARKETPLACE METROPOLITAN DISTRICT

Thence S87°26'07"W, 33.13 feet to the Southeasterly Corner of Carriage Hills Filing No. 1, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S87°26'07"W, 77.25 feet along the Southerly Line of said Carriage Hills Filing No. 1 to a point of curve to the right;

Thence Northwesterly, 154.70 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point of reverse curve to the left, said arc having a radius of 202.00 feet, a central angle of 43°52'43", and being subtended by a chord that bears N70°37'32"W, 150.94 feet;

Thence Northwesterly, 108.40 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point tangent, said arc having a radius of 148.00 feet, a central angle of 41°57'53", and being subtended by a chord that bears N69°40'07"W, 105.99 feet;

Thence S89°20'57"W, 550.61 feet along the Southerly Line of said Carriage Hills Filing No. 1 to the West Line of the SE1/4 of said Section 31;

Thence S00°00'13"E, 789.85 feet along the West Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of said State Highway No. 52;

Thence N89°20'57"E, 866.38 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Westerly Right-of-way Line of said Frederick Way;

Thence continuing N89°20'57"E, 110.01 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Easterly Right-of-way Line of said Frederick Way;


Thence continuing N89°20'57"E, 1511.75 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof;

Thence N44°39'57"E, 142.34 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof;

Thence N89°20'57"E, 45.60 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the TRUE POINT OF BEGINNING.

EXCEPT the Right-of-way for Frederick Way according to the recorded plat of Prairie Greens

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon



Frank N. Drexel
Colorado Professional Land
Surveyor No. 24305
1860 Lefthand Cir #A, Longmont, CO 80501

Date: 

March 7, 2006

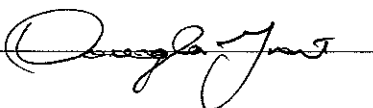
Town of Frederick, Colorado
Post Office Box 435
Frederick, Colorado 80530

RE: Proposed Marketplace Metropolitan District (the "District")

To Whom It May Concern:

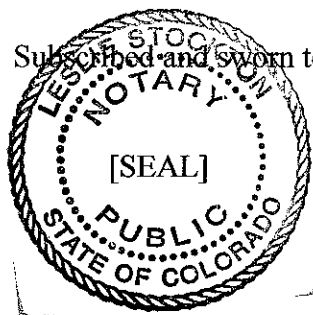
I, Doug Grant, am an owner of the property attached hereto as **Exhibit A**, which property is proposed to constitute the boundaries of the District. The purpose of this letter is to advise that I consent to the organization of the District.


DOUG GRANT

Doug Grant 

STATE OF COLORADO)
) ss
COUNTY OF BOULDER)

Subscribed and sworn to before me on this 7th day of March 2006, by Doug Grant.




Notary Public

My commission expires 1/3/2009

EXHIBIT A



— ENGINEERING
— PLANNING
— SURVEYING

CivilArts Drexel Group, Inc. • 1850 Fairview Circle, Suite A • Longmont, CO 80501 • Tel: (303) 552-1111 • Fax: (303) 552-1149 • www.civilarts-drexel.com

LEGAL DESCRIPTION- MARKETPLACE METROPOLITAN DISTRICT

March 8, 2006

A description of the MARKETPLACE METROPOLITAN DISTRICT located in the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, Weld County, Colorado For Carriage Hills, LLC.

LEGAL DESCRIPTION

A part of the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, described as follows:

- (1) Lot 2, Block 1, Creative Years Subdivision according to the recorded plat thereof;
- (2) All of proposed Carriage Hills Marketplace located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., County of Weld, State of Colorado, described as follows:

COMMENCING at the Southeast Corner of said Section 31, from which the E1/4 Corner of said Section 31 bears N00°00'34"W, 2647.48 feet (Basis of Bearing), thence N00°00'34"W, 211.60 feet along the East Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of State Highway No. 52 conveyed to The Department of Highways, State of Colorado, as described in Special Warranty Deed recorded March 1, 1960, in Book 1552 at Page 144 of the records of Weld County, Colorado, and the TRUE POINT OF BEGINNING:

Thence continuing N00°00'34"W, 526.45 feet along the East Line of the SE1/4 of said Section 31 to the Southeast Corner of PRAIRIE GREENS, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S88°30'07"W, 510.60 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S01°29'53"E, 39.20 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S88°30'07"W, 1185.63 feet along the Southerly Line of said PRAIRIE GREENS to the Easterly Right-of-way Line of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence S88°30'07"W, 30.01 feet the Southerly Line extended Westerly of said PRAIRIE GREENS to the Centerline of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence N02°33'53"W, 142.14 feet along the Centerline of said Frederick Way;

MARKETPLACE METROPOLITAN DISTRICT

Thence S87°26'07"W, 33.13 feet to the Southeasterly Corner of Carriage Hills Filing No. 1, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S87°26'07"W, 77.25 feet along the Southerly Line of said Carriage Hills Filing No. 1 to a point of curve to the right;

Thence Northwesterly, 154.70 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point of reverse curve to the left, said arc having a radius of 202.00 feet, a central angle of 43°52'43", and being subtended by a chord that bears N70°37'32"W, 150.94 feet;

Thence Northwesterly, 108.40 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point tangent, said arc having a radius of 148.00 feet, a central angle of 41°57'53", and being subtended by a chord that bears N69°40'07"W, 105.99 feet;

Thence S89°20'57"W, 550.61 feet along the Southerly Line of said Carriage Hills Filing No. 1 to the West Line of the SE1/4 of said Section 31;

Thence S00°00'13"E, 789.85 feet along the West Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of said State Highway No. 52;

Thence N89°20'57"E, 866.38 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Westerly Right-of-way Line of said Frederick Way;

Thence continuing N89°20'57"E, 110.01 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Easterly Right-of-way Line of said Frederick Way;

Thence continuing N89°20'57"E, 1511.75 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof;

MARKETPLACE METROPOLITAN DISTRICT

Thence N44°39'57"E, 142.34 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof.

Thence N89°20'57"E, 45.60 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the TRUE POINT OF BEGINNING.

EXCEPT the Right-of-way for Frederick Way according to the recorded plat of Prairie Greens.

NOTICE. According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

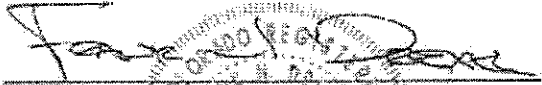


Frank N. Drexel
Colorado Professional Land
Surveyor No. 24305
1860 Lefthand Cir #A, Longmont, CO 80501
Date: 

EXHIBIT F

Engineer's Estimate of Costs

UNIT COSTS for Metropolitan Districts

Roads

	Unit	Unit Price
Internal Streets W/ Alleys, C&G, S/W & Street Lights	LF	\$ 130
Frederick Way	LF	\$ 100
Maple Street	LF	\$ 150
WCR 15	LF	\$ 95
WCR 15 full width	LF	\$ 150
WCR 16	LF	\$ 100
SH 52	LF	\$ 150

Potable Water System

Potable Water System W / Pipe, Fittings, Thrust Blocks, Valves & FHs	LF	\$ 60
---	----	-------

Sanitary Sewer

Sanitary Sewer W / Pipe & Manholes	LF	\$ 55
---------------------------------------	----	-------

Drainage and Storm Sewer

Storm Sewer W / Pipe, Manholes & Inlets	LF	\$ 120
Detention Pond W / Outlet Structure & Water Quality		see estimates

Parks, Recreation, Landscaping & Irrigation

Tract Landscaping	SF	\$ 1
Streetscape Landscaping	LF	\$ 25
Fencing	LF	\$ 20
Park Landscaping & Equipment	SF	\$ 2
Pond Area Landscaping		see estimates
Signage and Monumentation		see estimates

MARKETPLACE Metropolitan District

Roads

	Quantity	Unit	Unit Price	Total
Internal Streets	3,500	LF	\$ 130	\$455,000
WCR 15	770	LF	\$ 150	\$115,500
Frederick Way	540	LF	\$ 100	\$54,000
Maple Street	820	LF	\$ 150	\$123,000
SH 52	3,450	LF	\$ 150	\$517,500
Relocate large PP @ 52 & Maple	1	LS	\$ 100,000	\$100,000

Sub Total Roads

\$1,365,000

Potable Water System

Potable Water System	6,400	LF	\$ 60	\$384,000
Sub Total Water				\$384,000

Sanitary Sewer

Sanitary Sewer	4,300	LF	\$ 55	\$236,500
Sub Total Sanitary Sewer				\$236,500

Drainage and Storm Sewer

Storm Sewer	2,300	LF	\$ 120	\$276,000
Detention Pond	2	ea	\$ 100,000	\$200,000
Sub Total				\$476,000

Parks, Recreation & Landscape

Tract - sodded areas	209,100	SF	\$2	\$418,200
Tract - seeded areas	69,700	SF	\$1	\$69,700
Tract - hardscape, trails & walks	87,200	SF	\$5	\$436,000
WCR 15 Streetscape	800	LF	\$25	\$20,000
Frederick Way	540	LF	\$25	\$13,500
SH 52 Streetscape	3,500	LF	\$25	\$87,500
Maple Streetscape	1,000	LF	\$25	\$25,000
Ponds Area	2	LS	\$150,000	\$300,000
Signage and Monumentation	2	LS	\$250,000	\$500,000
Sub Total Parks and Recreation				\$1,869,900

MARKETPLACE Metropolitan District
Estimate of Probable Cost -- Summary Sheet

<u>Roads</u>	\$1,365,000
<u>Potable Water System</u>	\$384,000
<u>Sanitary Sewer</u>	\$236,500
<u>Drainage and Storm Sewer</u>	\$476,000
<u>Parks, Recreation & Landscape</u>	\$1,869,900
Sub Total	\$4,331,400

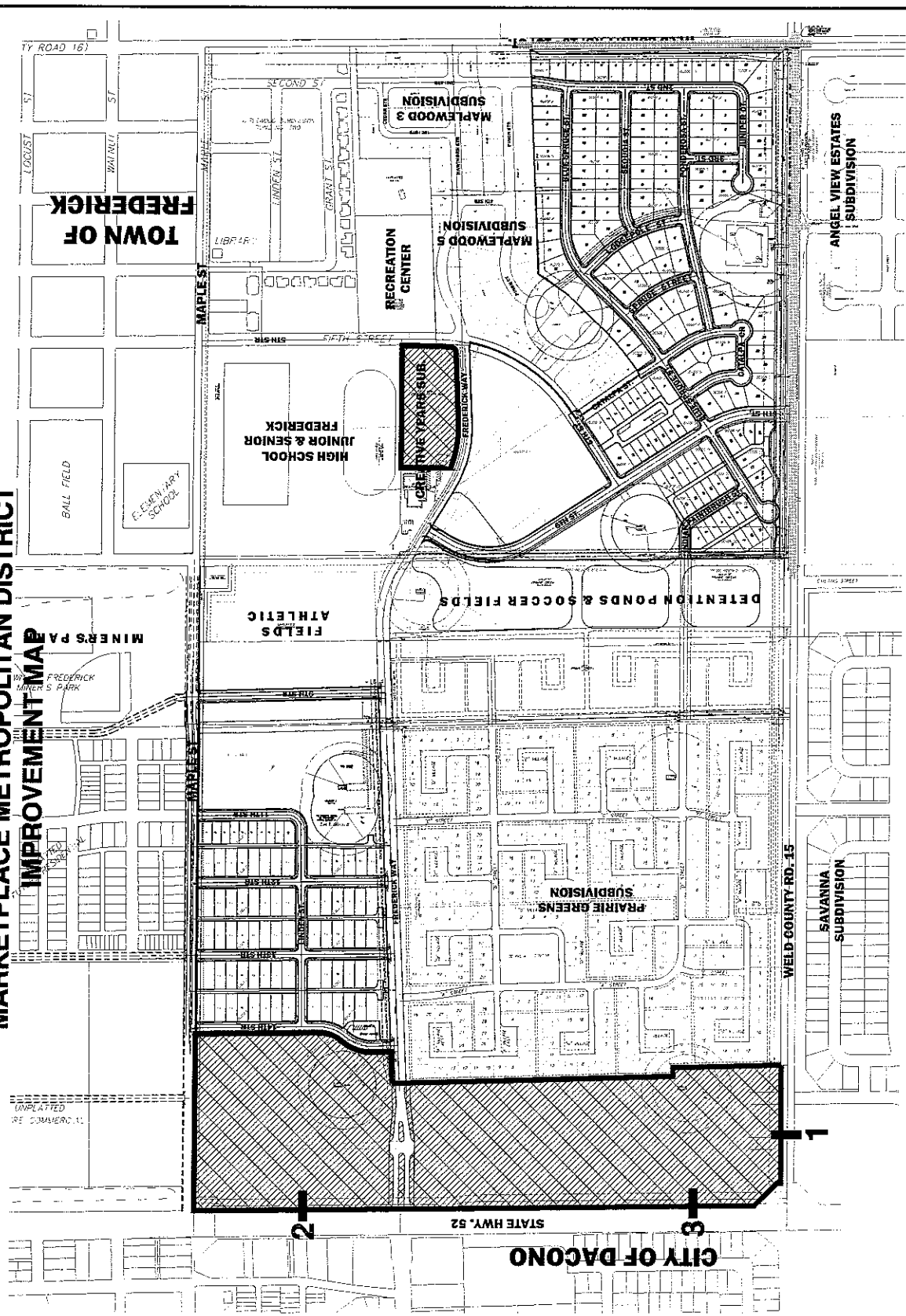
Soft Cost

Contingency 10%	\$433,140	
Engineering/Survey/Testing 15%	\$649,710	
Project Management 10%	\$433,140	
Total		\$5,847,390

EXHIBIT G

Location of Public Improvements

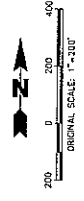
**MARKETPLACE METROPOLITAN DISTRICT
IMPROVEMENT MAP**



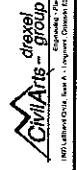
UNPLANNED
RE COMMERCIAL

**TOWN OF
FREDERICK**

CITY OF DACONO



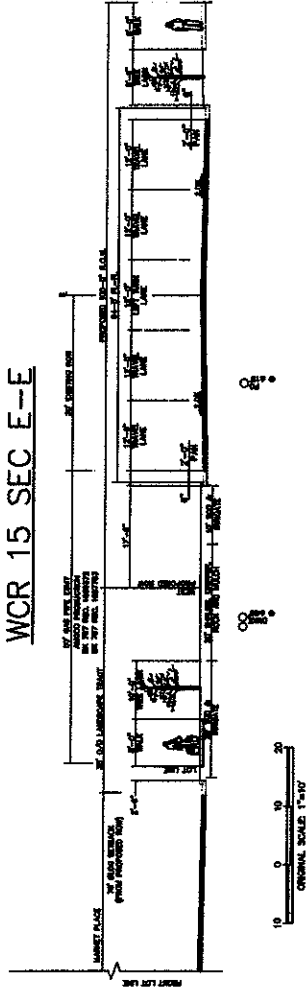
MARKET PLACE METROPOLITAN DISTRICT



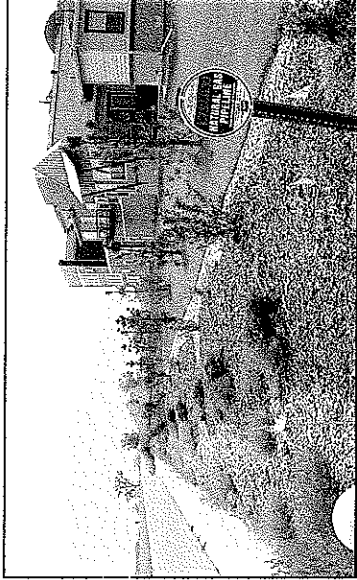
1001 Liberty Center, Suite 400 • Frederick, Maryland 21704
 410.538.1100 • www.civilartis.com

MARKETPLACE METRO DISTRICT

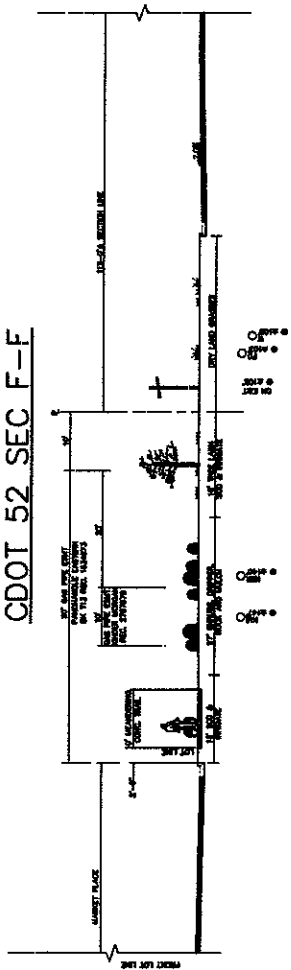
WCR 15 SEC E-E



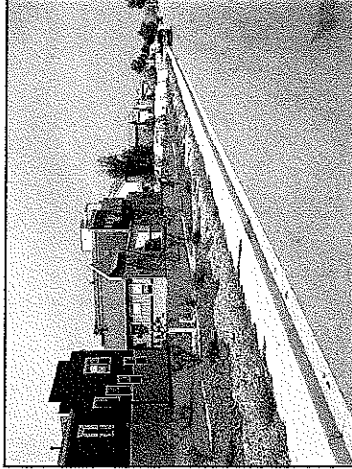
1



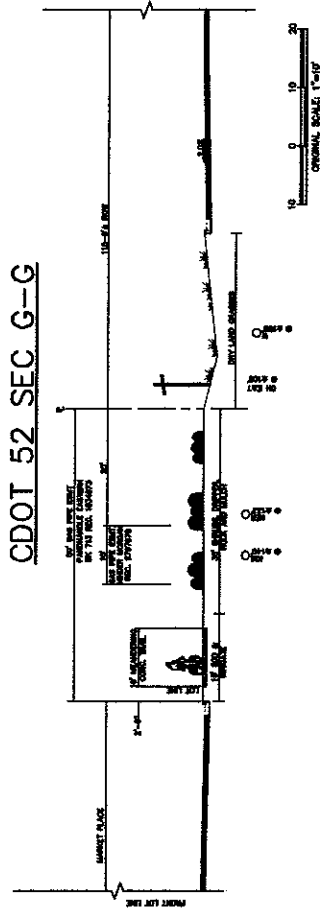
CDOT 52 SEC F-F



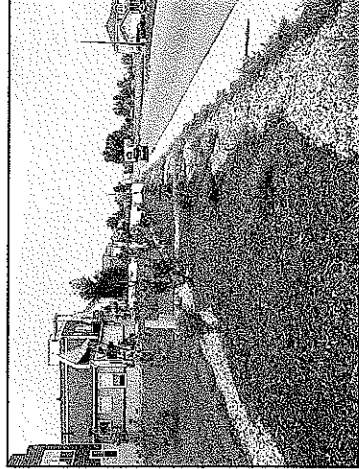
2



CDOT 52 SEC G-G



3

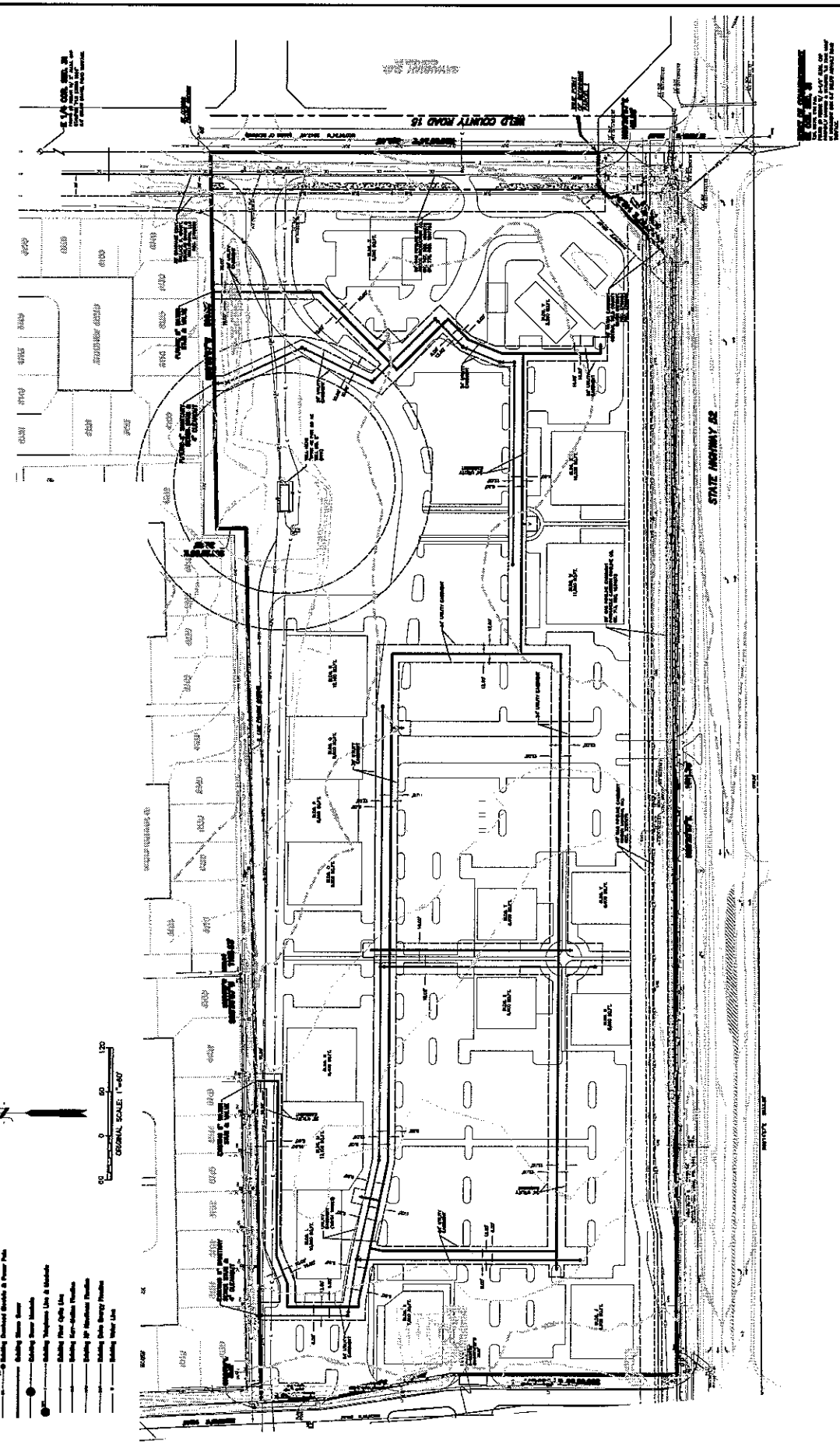
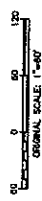


SHRUBS, DRIPPER, ROCK AND MULCH TYPICAL

MARKETPLACE METROPOLITAN DISTRICT UTILITY MAP

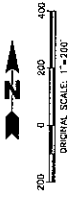
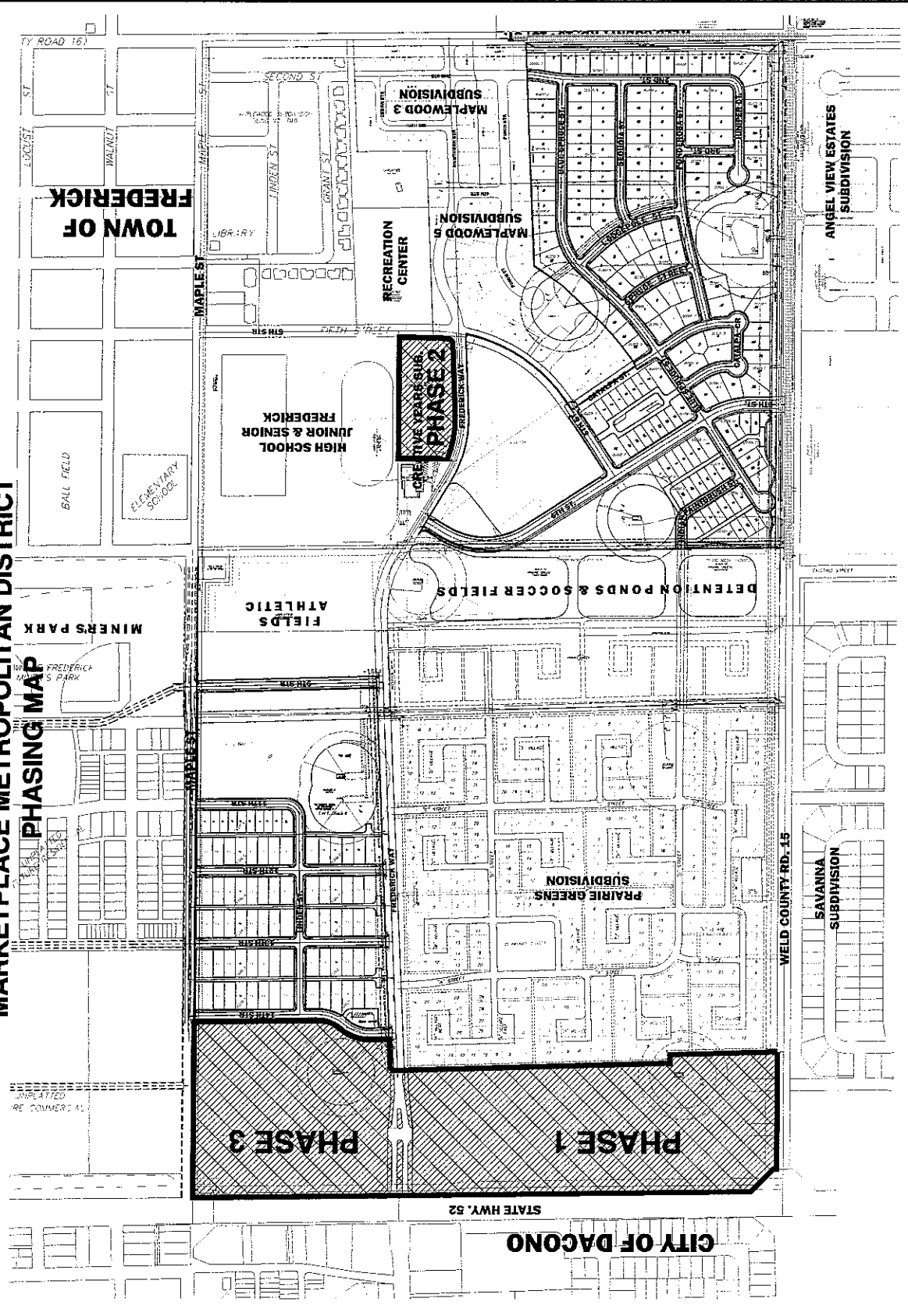
LEGEND

- Sewer Main
- Water Main
- Gas Main
- Electric Main
- Telephone Main
- Cable TV Main
- Fiber Optic Main
- Storm Sewer
- Fire Water Main
- Fire Gas Main
- Fire Electric Main
- Fire Telephone Main
- Fire Cable TV Main
- Fire Fiber Optic Main

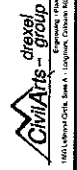


1001 Leland Drive, Suite A, Lafayette, Louisiana 70501 | 504.983.1111

**MARKETPLACE METROPOLITAN DISTRICT
PHASING MAP**



MARKET PLACE METROPOLITAN DISTRICT



1001 West 10th Street, Suite 401, Lincoln, Nebraska 68508
 (402) 441-1111

EXHIBIT H
Financing Plan

Marketplace Metropolitan District
Town of Frederick, Colorado
Limited Tax General Obligation Bonds

Bond Cashflow - District Debt Capacity Schedule

Year	Market Place Property Tax Revenue		Town Share Tax 3 Mills	Specific Ownership Tax @ 8.0% of Property Tax	Net Revenue Available for Debt Service	Principal	Interest	DSRF	CAPI Fund	Net Debt Service	Coverage	Annual Surplus/Deficit	Cumulative Surplus/Deficit
	Total Property Tax Revenue (1)	Mill Levy											
2006	\$ 435,000	35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
2007	1,318,050	35	-	-	15,138	-	87,150	(4,980)	(87,150)	(4,980)		20,118	20,118
2008	2,218,718	35	15,225	1,218	45,868	-	174,300	(9,960)	(174,300)	(9,960)		55,828	75,946
2009	3,137,267	35	46,132	3,691	77,211	-	174,300	(9,960)	(87,150)	77,190	1.00	21	75,968
2010	4,073,965	35	77,655	6,212	109,177	-	174,300	(9,960)	-	164,340	0.66	(55,163)	20,804
2011	5,029,083	35	109,804	8,784	141,774	-	174,300	(9,960)	-	164,340	0.86	(22,566)	(1,762)
2012	6,002,896	35	142,589	11,407	175,012	-	174,300	(9,960)	-	164,340	1.06	10,672	8,910
2013	6,529,304	35	176,018	14,081	208,901	30,000	172,200	(9,960)	-	194,340	1.07	14,561	23,471
2014	7,065,640	35	210,101	16,808	227,220	50,000	172,200	(9,960)	-	212,240	1.07	17,144	38,451
2015	7,612,049	35	228,526	18,282	245,884	70,000	168,700	(9,960)	-	228,740	1.07	16,059	55,595
2016	8,168,681	35	247,297	19,784	264,899	95,000	163,800	(9,960)	-	248,840	1.06	17,080	71,655
2017	8,250,367	35	266,422	21,314	284,270	120,000	157,150	(9,960)	-	268,790	1.06	18,323	88,735
2018	8,332,871	35	285,904	22,872	304,776	140,000	139,650	(9,960)	-	269,690	1.07	20,294	107,058
2019	8,416,200	35	288,763	23,101	292,884	155,000	129,850	(9,960)	-	274,890	1.08	17,994	127,351
2020	8,500,362	35	291,650	23,332	295,813	165,000	119,000	(9,960)	-	274,040	1.08	21,773	145,345
2021	8,585,365	35	294,567	23,565	298,771	180,000	107,450	(9,960)	-	279,490	1.08	21,281	167,118
2022	8,671,219	35	297,513	23,801	301,758	195,000	94,850	(9,960)	-	279,890	1.08	21,868	188,398
2023	8,757,931	35	300,488	24,039	304,776	215,000	81,200	(9,960)	-	286,240	1.06	18,536	210,267
2024	8,845,511	35	303,493	24,279	307,824	230,000	66,150	(9,960)	-	286,190	1.08	21,634	228,803
2025	8,933,966	35	306,528	24,522	310,902	245,000	50,050	(4,980)	-	290,070	1.07	20,832	250,437
2026	9,023,305	35	309,593	24,767	314,011	470,000	32,900	(249,000)	(348,600)	253,900	1.24	60,111	271,269
2027	9,113,538	35	312,689	25,015	314,011	2,490,000	2,764,650	(438,240)	(348,600)	4,467,810			331,380
2028	9,204,674	35	315,816	25,265	314,011	2,490,000	2,764,650	(438,240)	(348,600)	4,467,810			331,380
	\$ 44,826,771		\$ (413,723)	\$ 386,142	\$ 4,799,190	\$ 2,490,000	\$ 2,764,650	\$ (438,240)	\$ (348,600)	\$ 4,467,810		\$ 60,111	\$ 331,380

(1) Based on annual inflation of 1.00%
(2) Revenue delayed 2 years due to collection period
(3) Based on 7.00% Interest Rate, Generating a Project Amount of \$1,782,333

Marketplace Metropolitan District
Town of Frederick, Colorado
Limited Tax General Obligation Bonds

General Administration Costs Cashflow - District Debt Capacity Schedule

Year	Market Place Property Tax Revenue		Specific Ownership Tax @ 8.0% of Property Tax	Net Revenue Available for General Administration Costs	Annual General Admin Costs	Coverage	Annual Surplus/Deficit	Cumulative Surplus/Deficit
	Total Property Tax Revenue	Mill Levy						
2006	\$ 435,000	5	\$ -	\$ -	\$ -		\$ -	0
2007	1,318,050	5	0	-	0		0	0
2008	2,218,718	5	2,175	2,349	2,349	1.00	0	0
2009	3,137,267	5	6,590	7,117	7,117	1.00	0	0
2010	4,073,965	5	11,094	11,981	11,981	1.00	0	0
2011	5,029,083	5	15,686	16,941	16,941	1.00	0	0
2012	6,002,896	5	20,370	21,999	21,999	1.00	0	0
2013	6,529,304	5	25,145	27,157	27,157	1.00	0	0
2014	7,065,640	5	30,014	2,401	2,401	1.00	0	0
2015	7,612,049	5	32,647	35,258	35,258	1.00	0	0
2016	8,168,681	5	35,328	38,154	38,154	1.00	0	0
2017	8,250,367	5	38,060	41,105	41,105	1.00	0	0
2018	8,332,871	5	40,843	44,111	44,111	1.00	0	0
2019	8,416,200	5	41,252	44,552	44,552	1.00	0	0
2020	8,500,362	5	41,664	44,998	44,998	1.00	0	0
2021	8,585,365	5	42,081	45,447	45,447	1.00	0	0
2022	8,671,219	5	42,502	45,902	45,902	1.00	0	0
2023	8,757,931	5	42,927	46,361	46,361	1.00	0	0
2024	8,845,511	5	43,356	46,825	46,825	1.00	0	0
2025	8,933,966	5	43,790	47,293	47,293	1.00	0	0
2026	9,023,305	5	44,228	47,766	47,766	1.00	0	0
2027	9,113,538	5	44,670	48,243	48,243	1.00	0	0
2028	9,204,674	5	45,117	48,726	48,726	1.00	0	0
2029	9,296,721	5	45,568	49,213	49,213	1.00	0	0
2030	9,389,688	5	46,023	49,705	49,705	1.00	0	0
2031	9,483,585	5	46,484	50,202	50,202	1.00	0	0
2032	9,578,420	5	46,948	50,704	50,704	1.00	0	0
2033	9,674,205	5	47,418	51,211	51,211	1.00	0	0
2034	9,770,947	5	47,892	51,723	51,723	1.00	0	0
			\$969,872	\$1,017,447	\$1,017,447		\$ -	0
			\$77,590	\$1,017,447	\$1,017,447		\$ -	0

Preliminary

\$2,490,000

MARKETPLACE METROPOLITAN DISTRICT
LIMITED TAX REVENUE BONDS
Series 2008

Sources & Uses

Dated 06/01/2008 | Delivered 06/01/2008

Sources Of Funds

Par Amount of Bonds	\$2,490,000 00
---------------------	----------------

Total Sources	\$2,490,000.00
----------------------	-----------------------

Uses Of Funds

Total Underwriter's Discount (2.000%)	49,800 00
---------------------------------------	-----------

Costs of Issuance	75,000 00
-------------------	-----------

Deposit to Debt Service Reserve Fund (DSRF)	249,000 00
---	------------

Deposit to Capitalized Interest (CIF) Fund	333,866 64
--	------------

Deposit to Project Account	1,782,333 36
----------------------------	--------------

Total Uses	\$2,490,000.00
-------------------	-----------------------

Series 2008 (Market Place | SINGLE PURPOSE | 3/ 1/2006 | 10:58 AM

Piper Jaffray & Co.
Fixed Income Capital Markets

Preliminary

\$2,490,000

**MARKETPLACE METROPOLITAN DISTRICT
LIMITED TAX REVENUE BONDS
Series 2008**

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S
12/01/2007	-	-	-	-	-	-	-
12/01/2008	-	-	87,150 00	87,150 00	(4,980 00)	(87,150 00)	(4,980 00)
12/01/2009	-	-	174,300 00	174,300 00	(9,960 00)	(174,300 00)	(9,960 00)
12/01/2010	-	-	174,300 00	174,300 00	(9,960 00)	(87,150 00)	77,190 00
12/01/2011	-	-	174,300 00	174,300 00	(9,960 00)	-	164,340 00
12/01/2012	-	-	174,300 00	174,300 00	(9,960 00)	-	164,340 00
12/01/2013	-	-	174,300 00	174,300 00	(9,960 00)	-	164,340 00
12/01/2014	30,000 00	7 00%	174,300 00	204,300 00	(9,960 00)	-	194,340 00
12/01/2015	50,000 00	7 00%	172,200 00	222,200 00	(9,960 00)	-	212,240 00
12/01/2016	70,000 00	7 00%	168,700 00	238,700 00	(9,960 00)	-	228,740 00
12/01/2017	95,000 00	7 00%	163,800 00	258,800 00	(9,960 00)	-	248,840 00
12/01/2018	120,000 00	7 00%	157,150 00	277,150 00	(9,960 00)	-	267,190 00
12/01/2019	130,000 00	7 00%	148,750 00	278,750 00	(9,960 00)	-	268,790 00
12/01/2020	140,000 00	7 00%	139,650 00	279,650 00	(9,960 00)	-	269,690 00
12/01/2021	155,000 00	7 00%	129,850 00	284,850 00	(9,960 00)	-	274,890 00
12/01/2022	165,000 00	7 00%	119,000 00	284,000 00	(9,960 00)	-	274,040 00
12/01/2023	180,000 00	7 00%	107,450 00	287,450 00	(9,960 00)	-	277,490 00
12/01/2024	195,000 00	7 00%	94,850 00	289,850 00	(9,960 00)	-	279,890 00
12/01/2025	215,000 00	7 00%	81,200 00	296,200 00	(9,960 00)	-	286,240 00
12/01/2026	230,000 00	7 00%	66,150 00	296,150 00	(9,960 00)	-	286,190 00
12/01/2027	245,000 00	7 00%	50,050 00	295,050 00	(4,980 00)	-	290,070 00
12/01/2028	470,000 00	7 00%	32,900 00	502,900 00	(249,000 00)	-	253,900 00
Total	\$2,490,000 00	-	\$2,764,650 00	\$5,254,650 00	(438,240 00)	(348,600 00)	\$4,467,810 00

Series 2006 (Market Place | SINGLE PURPOSE | 3/ 1/2006 | 10:58 AM

Market Place	Starting Date	Absorpt.	Median Price	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total Units	Product Type	Total
Phase																	
Downtown Commercial	1/1/2008	0.08	\$ 1,500,000.00														
Highway 52 Commercial	8/1/2007	0.08	\$ 1,500,000.00														
				1,500,000	3,050,000	3,850,000	3,050,000	3,127,812	3,153,000	3,184,500	1,600,203	1,624,285	1,640,528	1,656,833		7 Commercial Buildings	\$ 10,500,000.00
				1,500,000	4,545,000	7,395,000	10,445,000	14,048,154	17,341,665	20,696,643	22,514,842	24,368,276	26,248,447	28,167,654		10 Commercial Buildings	\$ 15,000,000.00
				1,00%	1,00%	1,00%	1,00%	1,00%	1,00%	1,00%	1,00%	1,00%	1,00%	1,00%			
				435,000	1,318,050	2,218,716	3,137,267	4,073,895	5,025,083	6,002,896	6,525,304	7,056,640	7,612,049	8,168,681			
				Commercial Assessed Value													

Total Commercial Mit. Value
 Cumulative Inflated Commercial Value
 Inflation Factor
 Commercial Assessed Value

The following is a summary of the Marketplace Metropolitan District financial plan. All build out estimates are based on preliminary plans provided by the developer. A detailed cash flow model is included with the financial plan. This cash flow model displays the estimated annual revenues and debt service of the District, the estimated term of the bonds and absorption schedule. This financial model has been developed based on the following assumptions:

- Bonds will be issued in 2008 with an estimated par amount of \$2,490,000. At this time, the District plans to issue one series of bonds, but depending on the absorption of homes and the interest rate market at the time of issuance the District may issue multiple series of bonds for a total par amount up to \$3,735,000.
- The District's repayment sources for the bond will be based on property tax collections from property owners within the District.
- Assuming a par amount of \$2,490,000, the District estimates the total costs of issuance to be \$124,800, which included both legal and underwriting fees associated with the issuance of the bonds.
- Based on current market conditions and similar bond offerings, the District has assumed the bond issue will require two years of capitalized interest, which will be funded from proceeds of the bond sale. The attached financial plan additionally assumes that proceeds from the bond issuance will be used to fund a debt service reserve fund that will be approximately equal to one year's debt service payments. The District has estimated an interest rate of 7% on the bonds, however the actual rate can not be determined until the date of the sale.
- At this time the District does not anticipate using any credit enhancements.
- The following is a list of several risks associated with the financing plan and particularly the issuance of bonds:
 - Reductions in assessed values.
 - Development within the District is different than projected.
 - Continuation of development is not assured.
 - Dependence upon developer contributions.
 - Dependence upon timely payment of property taxes.
 - Market demand for bonds at the time of issuance.

EXHIBIT I

District Disclosure Statement

MARKETPLACE METROPOLITAN DISTRICT
WELD COUNTY, COLORADO

.....
DISCLOSURE STATEMENT
.....

DISTRICT ORGANIZATION:

The Marketplace Metropolitan District (the "District"), Weld County, Colorado is a quasi-municipal corporation and political subdivision of the State of Colorado duly organized and existing as a metropolitan district pursuant to Title 32, Colorado Revised Statutes. The District was declared an organized and existing metropolitan district on _____, 2006, pursuant to an Order and Decree Organizing District and Issuance of Certificates of Election for the Marketplace Metropolitan District, issued in the District Court of Weld County, Colorado. The Order and Decree was recorded in the records of the Weld County Clerk and Recorder on _____, 2006 at Reception # _____.

The District is located entirely within the corporate limits of the Town of Frederick, Colorado, in Weld County. The legal description of the property forming the boundaries of the District is described in **Exhibit A**.

DISTRICT PURPOSE:

The District was organized for the purpose of financing streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation improvements, all in accordance with its Service Plan, which improvements may be dedicated to the Town of Frederick or other governmental entities for operation and maintenance, or may be operated and maintained by the District or an owners' association formed for the Marketplace commercial development. The District's Service Plan is on file and available for review at the office of the District's general counsel, Miller, Gruber & Rosenbluth, LLC, 700 17th Street, Suite 2200, Denver, Colorado 80202, and at the office of the Town Clerk, Town of Frederick, 401 Locust Street, Post Office Box 435, Frederick, Colorado 80530.

TAX LEVY INFORMATION:

The primary source of revenue for the District is *ad valorem* property taxes. Property taxes are determined annually by the District's Board of Directors and set by the Board of County Commissioners for Weld County as to rate or levy based upon the assessed valuation of the property within the District. The levy is expressed in terms of mills. A mill is 1/1,000 of the assessed valuation, and a levy of one mill equals \$1 of tax for each \$1,000 of assessed value. The financial forecast for the District (as set forth in its Service Plan) assumes that the District will be able to set its tax levy at approximately forty (40.000) mills (or less) for 2006 through 2028 for debt service and administration purposes. The District shall not impose a mill levy in

excess of fifty (50.000) mills. District taxes are collected as part of the property tax bill from Weld County.

MARKETPLACE METROPOLITAN DISTRICT

President

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2006
by _____, as President of the Marketplace Metropolitan District.

WITNESS my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A
(Legal Description of District)



- ENGINEERING
- PLANNING
- SURVEYING

Civil Arts-Drexel Group, Inc. • 1550 Lefthand Circle, Suite A • Longmont, CO 80501 • Tel: (303) 682-1131 • Fax: (303) 682-1149 • www.civilarts-drexel.com

LEGAL DESCRIPTION- MARKETPLACE METROPOLITAN DISTRICT

March 8, 2006

A description of the MARKETPLACE METROPOLITAN DISTRICT located in the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, Weld County, Colorado For: Carriage Hills, LLC.

LEGAL DESCRIPTION

A part of the E1/2 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, described as follows:

- (1) Lot 2, Block 1, Creative Years Subdivision according to the recorded plat thereof;
- (2) All of proposed Carriage Hills Marketplace located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., County of Weld, State of Colorado, described as follows:

COMMENCING at the Southeast Corner of said Section 31, from which the E1/4 Corner of said Section 31 bears N00°00'34"W, 2647.48 feet (Basis of Bearing), thence N00°00'34"W, 211.60 feet along the East Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of State Highway No. 52 conveyed to The Department of Highways, State of Colorado, as described in Special Warranty Deed recorded March 1, 1960, in Book 1552 at Page 144 of the records of Weld County, Colorado, and the TRUE POINT OF BEGINNING;

Thence continuing N00°00'34"W, 526.45 feet along the East Line of the SE1/4 of said Section 31 to the Southeast Corner of PRAIRIE GREENS, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S88°30'07"W, 510.60 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S01°29'53"E, 39.20 feet along the Southerly Line of said PRAIRIE GREENS to an angle point thereof;

Thence S88°30'07"W, 1185.63 feet along the Southerly Line of said PRAIRIE GREENS to the Easterly Right-of-way Line of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence S88°30'07"W, 30.01 feet the Southerly Line extended Westerly of said PRAIRIE GREENS to the Centerline of Frederick Way, according to the recorded plat of said PRAIRIE GREENS;

Thence N02°33'53"W, 142.14 feet along the Centerline of said Frederick Way;



- ENGINEERING
- PLANNING
- SURVEYING

MARKETPLACE METROPOLITAN DISTRICT

Thence S87°26'07"W, 33.13 feet to the Southeasterly Corner of Carriage Hills Filing No. 1, a subdivision located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, according to the recorded plat thereof;

Thence S87°26'07"W, 77.25 feet along the Southerly Line of said Carriage Hills Filing No. 1 to a point of curve to the right;

Thence Northwesterly, 154.70 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point of reverse curve to the left, said arc having a radius of 202.00 feet, a central angle of 43°52'43", and being subtended by a chord that bears N70°37'32"W, 150.94 feet;

Thence Northwesterly, 108.40 feet along the arc of said curve and along the Southerly Line of said Carriage Hills Filing No. 1 to a point tangent, said arc having a radius of 148.00 feet, a central angle of 41°57'53", and being subtended by a chord that bears N69°40'07"W, 105.99 feet;

Thence S89°20'57"W, 550.61 feet along the Southerly Line of said Carriage Hills Filing No. 1 to the West Line of the SE1/4 of said Section 31;

Thence S00°00'13"E, 789.85 feet along the West Line of the SE1/4 of said Section 31 to the Northerly Right-of-way Line of said State Highway No. 52;

Thence N89°20'57"E, 866.38 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Westerly Right-of-way Line of said Frederick Way;

Thence continuing N89°20'57"E, 110.01 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the Easterly Right-of-way Line of said Frederick Way;

Thence continuing N89°20'57"E, 1511.75 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof;

MARKETPLACE METROPOLITAN DISTRICT

Thence N44°39'57"E, 142.34 feet along the Northerly Right-of-way Line of said State Highway No. 52 to an angle point thereof;

Thence N89°20'57"E, 45.60 feet along the Northerly Right-of-way Line of said State Highway No. 52 to the TRUE POINT OF BEGINNING

EXCEPT the Right-of-way for Frederick Way according to the recorded plat of Prairie Greens.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.



Frank N. Drexel
Colorado Professional Land
Surveyor No. 24305
1860 Lefthand Cir #A, Longmont, CO 80501

Date: 

EXHIBIT J

Form Petition for Organization

DISTRICT COURT COUNTY OF WELD, COLORADO Court Address: 901 9 th Avenue Greeley, Colorado 80631 Telephone No.: (970) 351-7300	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
Petitioner: Marketplace Metropolitan District	
Attorneys for Petitioner: Jennifer L. Gruber Miller, Gruber & Rosenbluth, LLC 700 17 th Street, Suite 2200 Denver, Colorado 80202 Phone Number: (303) 285-5320 Fax Number: (303) 285-5330 E-mail: jgruber@mgrlawfirm.com Atty. Reg. #: 32056	Case Number: Div : Ctrm:
PETITION IN RE THE ORGANIZATION OF MARKETPLACE METROPOLITAN DISTRICT, WELD COUNTY, COLORADO	

TO THE HONORABLE DISTRICT COURT IN AND FOR WELD COUNTY, STATE OF COLORADO:

We, the undersigned, constituting not less than thirty percent (30%) of the taxpaying electors of the proposed Marketplace Metropolitan District (the "District"), present this petition for the organization of a special district (the "Petition"), pursuant to and in accordance with the provisions of §§ 32-1-301, *et seq*, C R S, and in support of the Petition state:

1. The name of the proposed District is "Marketplace Metropolitan District," in the Town of Frederick, County of Weld, Colorado.

2. The proposed District will manage the financing, construction, acquisition and installation of facilities and improvements specifically described in the Service Plan for the District, dated March 10, 2006 (the "Service Plan"), and generally described as follows:

- a Streets
- b Traffic and Safety Controls
- c Water

- d Sanitary Sewer and Storm Drainage
- e Parks and Recreation
- f Mosquito Control

3. A general description of the facilities and improvements to be financed, designed, acquired, constructed and/or installed by the District and to be operated and maintained for the District are:

a. Streets The design, acquisition, installation, construction, operation and maintenance of street and roadway improvements, including, but not limited to, curbs, gutters, culverts, storm sewers and other drainage facilities, detention ponds, retaining walls and appurtenances, as well as sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, snow removal equipment and other street improvements, together with all necessary, incidental and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities

b. Traffic and Safety Controls The design, acquisition, construction and installation of traffic and safety protection facilities and services through traffic and safety controls and devices on streets and highways, environmental monitoring, as well as other facilities and improvements, including, but not limited to, main entry buildings, access gates, signalization at intersections, traffic signs, area identification signs, directional assistance and driver information signs, together with all necessary, incidental and appurtenant facilities, land easements, together with extensions of and improvements to said facilities

c. Water The design, acquisition, construction and installation of a complete water and irrigation water system, including, but not limited to, transmission and distribution systems for domestic and other public or private purposes, including hot and chilled water distribution lines, together with all necessary and proper facilities, equipment and appurtenances incident thereto which may include, but shall not be limited to, transmission lines, distribution mains and laterals, land and easements, together with extensions of and improvements to said systems

d. Sanitary Sewer and Storm Drainage The design, acquisition, construction and installation of storm and sanitary sewers, flood and surface drainage, wastewater treatment and disposal works and facilities, and all necessary or proper equipment and appurtenances incident thereto, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems

e. Parks and Recreation The design, acquisition, construction and installation of public and/or private park and recreation facilities or programs, including, but not limited to, landscaping, bike paths, hiking trails, pedestrian trails, pedestrian bridges, pedestrian malls, public fountains and sculpture, art, botanical gardens, equestrian trails and centers,

picnic areas, skating areas and facilities, common area landscaping and weed control, outdoor lighting of all types, community events and other facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems

f Mosquito Control The design, acquisition, construction, installation and financing of facilities and services for the elimination and control of mosquitoes

4. The District lies wholly within the boundaries of the Town of Frederick, Colorado (the "Town") and is more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference. The District also is located within the boundaries of the Central Weld County Water District which provides some of the same services as the proposed District. Pursuant to and in accordance with the provisions of § 32-1-107, C R S , the District will obtain a resolution from the Central Weld County Water District consenting to the overlap in boundaries prior to the Court hearing. The District also is located within the boundaries of the Weld County Tri-Area Sanitation District which provides some of the same services as the proposed District. Pursuant to and in accordance with the provisions of § 32-1-107, C R S , the District will obtain a resolution from the Weld County Tri-Area Sanitation District consenting to the overlap in boundaries prior to the Court hearing. The District also is located within the boundaries of the Carbon Valley Park and Recreation District which provides some of the same services as the proposed District. Pursuant to and in accordance with the provisions of § 32-1-107, C R S , the District will obtain a resolution from the Carbon Valley Park and Recreation District consenting to the overlap in boundaries prior to the Court hearing. The District does not lie within the boundaries of any other special district providing the same services and facilities as those proposed by the District.

5. The estimated cost of the proposed facilities and improvements is Five Million Eight Hundred Forty-Seven Thousand Three Hundred Ninety Dollars (\$5,847,390 00). The District anticipates issuing one series of general obligation bonds in the approximate amount of Three Million Seven Hundred Thirty-Five Thousand Dollars (\$3,735,000 00) to finance the facilities and improvements, which are anticipated to be issued in 2006. These amounts include design, acquisition, construction and/or installation of the proposed facilities, plus contingencies and engineering.

6. The estimated property tax revenues for the proposed District's first budget year (2006) are Zero Dollars (\$0 00).

7. Pursuant to § 32-1-301(3), C R S , attached hereto as **Exhibit B** are the Service Plan of the District and the form of resolution of the Board of Trustees of the Town of Frederick, Colorado approving the Service Plan, which the Petitioners anticipate will be approved at the public hearing on the Service Plan. A fully executed copy of the resolution will be provided prior to the Court hearing.

8. The bond of petitioners required by § 32-1-302, C R S is filed herewith.

WHEREFORE, Petitioners pray this Honorable Court to enter such orders and decrees as may be necessary or proper for the organization of the District, including an order for an election of the eligible electors of the District on the question of organizing the District and electing its initial Board of Directors; and

Petitioners further pray that, in accordance with §§ 32-1-301(2)(h) and 32-1-803 5, C.R.S., this Honorable Court will enter such orders and decrees as may be necessary or proper for the submission to the electors of the District, at such organizational election, of any questions permitted to be submitted at such election, including the proposition of issuing general obligation bonds or creating other general obligation indebtedness or multiple fiscal year obligation or any question or questions necessary to implement the provisions of Article X, Section 20 of the Colorado Constitution. Pursuant to § 32-1-803 5, C.R.S., the order of the Court shall make the determinations required by §§ 32-1-1101(2) and (3)(a), C.R.S., and shall require the Clerk of the Court to conduct the election in accordance with Article X, Section 20 of the Colorado Constitution.

WARNING

DO NOT SIGN THIS PETITION UNLESS YOU ARE A TAXPAYING ELECTOR OF THE PROPOSED CARRIAGE HILLS METROPOLITAN DISTRICT:

TO BE A QUALIFIED TAXPAYING ELECTOR, YOU MUST, AT THE TIME YOU SIGN THIS PETITION:

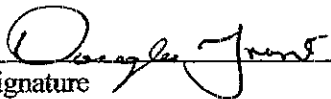
- (1) Be registered to vote in the State of Colorado pursuant to the Uniform Election Code of 1992; AND
- (2) You, or your spouse, must own taxable real or personal property within the proposed District, whether or not you or your spouse reside within the District. A person who is obligated to pay taxes under a contract to purchase taxable property situated within the area to be included within the special district shall be considered an owner for this purpose.

Do not sign this Petition unless you have read or had read to you the Petition in its entirety and understand its meaning.

By signing this Petition, I hereby certify that I am a qualified taxpaying elector.

NAME

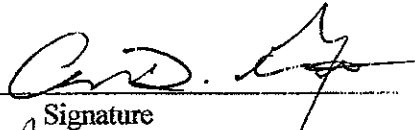
ADDRESS


Signature

10515 Mosong Road

Douglas Grant
Print Name

Longmont, Co 80504


Signature

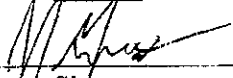
1515 Ogden #6

Aaron D Grant
Print Name

Denver, Co, 80218

NAME

ADDRESS


Signature

10515 Mooring Road

Josanna Grant
Print Name

Longmont Co, 80501

Signature

Print Name

Signature

Print Name

Signature

Print Name

Signature

Print Name

IN THE DISTRICT COURT, WELD COUNTY, COLORADO

Civil Action No _____

CIRCULATOR'S AFFIDAVIT

I, Aaron Grant, being first duly sworn on oath and deposed, state:

That I am one of the Petitioners named in the foregoing Petition; that I have read said Petition and know the contents thereof and that the same is true to the best of my knowledge, information, and belief.

I further state that I know the persons whose names are subscribed to the foregoing Petition, that I have circulated the Petition, that each signature thereon was affixed in my presence and that each signature thereon is the true, genuine and correct signature of the person it purports to be

I further state that, to my best knowledge and belief, the persons whose names are subscribed to the foregoing Petition are persons who are qualified to vote at elections in the State of Colorado and who or whose spouse owns taxable real or personal property within the area to be included in the proposed Carriage Hills Metropolitan District (the "District"), whether or not such person resides within the proposed District.

[Signature]
Affiant

Subscribed and sworn to before me this 20th day of March 2006

My commission expires 1/3/2009

[Signature]
Notary Public

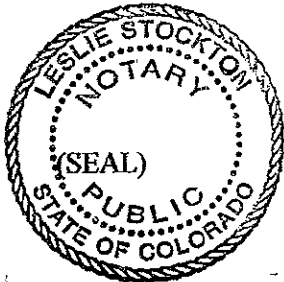


EXHIBIT A
Legal Description of the Proposed District

EXHIBIT K

Resolution of Town Board of Trustees Approving Service Plan

**TOWN OF FREDERICK, COLORADO
RESOLUTION NO. 06R018**

**A RESOLUTION OF THE TOWN OF FREDERICK, COLORADO, IN SUPPORT
OF THE FORMATION OF THE MARKETPLACE METROPOLITAN
DISTRICT, TOWN OF FREDERICK, COUNTY OF WELD, STATE OF
COLORADO.**

WHEREAS, Carriage Hills Development, Inc, the developer of the Marketplace Subdivision within the Town of Frederick, has proposed the organization of the Marketplace Metropolitan District to provide certain public improvements for the subdivision in accordance with the plans described in the Service Plans for the district; and

WHEREAS, pursuant to the requirements of the Special District Act, C R S §31-1-101, et seq, service plans for the district consists of a financial and jurisdictional analysis demonstrating how the proposed facilities and services of the proposed district will be constructed and financed; and

WHEREAS, C.R.S. §31-1-204.5 provides that no special district, including metropolitan districts, shall be organized if its boundaries are wholly contained within the boundaries of a municipality, except upon adoption of resolution of approval by the governing body of such municipality; and

WHEREAS, C.R.S. §31-1-204 5 sets forth the information required for the Service Plan and the criteria applicable to such approval;

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the Town of Frederick, Weld County, Colorado, that:

Section 1 **Findings of Fact.** The Board of Trustees of the Town of Frederick, having reviewed the petition and Service Plan for the Metropolitan District dated April 6, 2005 and presented by Carriage Hills Development, Inc, has determined the following findings based solely upon the Service Plan for the proposed Metropolitan District and evidence presented to the Board of Trustees in support of said Service Plan during a public hearing called for that purpose.

- a. The Service Plan provides an adequate description of the proposed services;
- b. The Service Plan provides an adequate financial plan showing how the proposed services are to be financed, including the proposed operating revenue derived from property taxes for the first budget year of the district, which shall not be materially exceeded except as authorized pursuant to C.R.S. 32-1-207 or 29-1-302. All proposed indebtedness for the district has been displayed together with a schedule indicating the year or years in which the debt is scheduled to be issued. The board of directors of the district shall notify the governing body of the municipality of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan.
- c. The Service Plan provides an adequate engineering or architectural survey showing how the proposed services are to be provided;
- d. The Service Plan provides a map of the proposed special district boundaries and an estimate of the population and valuation for assessment of the proposed special district;

e. The Service Plan provides a general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the proposed special district are compatible with facility and service standards of Weld County, the Town of Frederick and special districts which are interested parties pursuant to C.R.S. §32-1-204(1);

f. The Service Plan provides a general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the district;

g. The Service Plan provides a description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed special district and such other political subdivision, and, if the form contract to be used is available, it is attached to the service plan;

h. The Service Plan provides adequate information that along with other evidence presented at the hearing, is satisfactory to establish that each of the criteria set forth in C.R.S. §32-1-203, if applicable, is met;

i. The Service Plan provides such additional information as the Board of Trustees may require by resolution on which to base its findings pursuant to C.R.S. §32-1-203. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district.

j. The Service Plan shall require that the District's service area be included into the Carbon Valley Park & Recreation District.

Section 2. **Conclusions and Order Approving the Service Plan for the Metropolitan District.**

a. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district

b. The existing service in the area to be served by the proposed special district is inadequate for present and projected needs.

c. The proposed special district are capable of providing economical and sufficient service to the area within its proposed boundaries.

d. The area to be included in the proposed special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

e. The facility and service standards of the proposed special district are compatible with the facility and service standards of the Town of Frederick.

f. The proposal is in substantial compliance with *Town of Frederick Comprehensive Plan*.

g. The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plans for the area

h. The creation of the proposed special district will be in the best interests of the area proposed to be served

Section 3. The Service Plan for the district shall be and the same is hereby approved. The terms, provisions and limitations of the Service Plan shall be incorporated in an Intergovernmental Agreement between the District and the Town and the District shall not borrow money, incur any indebtedness, certify any mill levy, or impose any fees until the Town approves the Intergovernmental Agreement, which approval shall not be unreasonably withheld.

Section 4. The Town's approval of the Service Plan is not a waiver of, nor a limitation upon any power that the Town is legally permitted to exercise with respect to the property subject to the proposed District.

Section 5. **Effective Date.** This ordinance shall be published and become effective as provided by law.


Section 6. **Severability.** If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining sections of the Ordinance. The Board of Trustees hereby declares that it would have passed the ordinance including each part, section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more parts, sections, subsections, sentence, clauses or phrases are declared invalid.

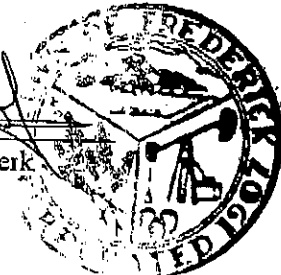
Section 7. **Repealer.** All ordinances or resolutions, or parts thereof, in conflict with this ordinance are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such ordinance nor revive any ordinance thereby.

Section 8. **Certification.** The Town Clerk shall certify to the passage of this ordinance and make not less than one copy of the adopted Code available for inspection by the public during regular business hours.

INTRODUCED, READ, PASSED, AND ADOPTED THIS 12TH DAY OF APRIL 2005.

ATTEST:

By 
Nanette S. Fornof, Town Clerk



TOWN OF FREDERICK

By 
Eric E. Doering, Mayor