

CRYSTAL VALLEY METROPOLITAN DISTRICT 2
SERVICE PLAN

AUGUST 1986

8622942 - 10/23/86 11:49 - RETA A. CRAIN DOUGLAS CO. COLO. CLERK & RECORDER
B0674 - P0399 - \$276.00 - 42/ 92

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E0674 - P0400 - \$276.00

CRYSTAL VALLEY METROPOLITAN DISTRICT 2
SERVICE PLAN

INTRODUCTION

The purpose of the District is to provide the basic infrastructure of public improvements needed to implement the planned unit development as approved by the Town of Castle Rock within the proposed District area.

The object of this report is to establish the need and scope of activity for Crystal Valley Metropolitan District 2 and to demonstrate the economic viability of the District based on estimated costs and revenues related to an anticipated development schedule.

SERVICE AREA

The organization of this District will provide community infrastructure for that portion of the development within District 2. The district is split into two parcels, A and B. A map showing the location of the area included within District 2 is attached as Exhibit "A", the land description of the area is attached as Exhibit "B" and the Development Phasing Plan is attached as Exhibit "C".

This service plan was developed in accordance with the "Plum Creek South Annexation, Rezoning and Preliminary Plan/PUD," golf course plan option. That portion of the Plum Creek South PUD which lies within District 2, Parcels A and B, consists of 534.19 acres with 2051 dwelling units.

Areas not shown within a proposed development zone on the Development Phasing Plan, Exhibit "C", can be considered private open space, public land dedication or commercial.

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SCOPE OF SERVICES - DISTRICT 2

This service plan is based upon providing the infrastructure necessary to serve development within the district. A comprehensive roadway, utility, and drainage analysis was conducted in accordance with the latest engineering technology. Construction of District facilities will be accomplished in compliance with the Town of Castle Rock Master Plan and design of facilities will be subject to the Town of Castle Rock approval. Facilities within the district are sized to accommodate district development. Oversizing of district facilities to accommodate off-site development will not be financed by the district.

The Crystal Valley Metropolitan District 2 will provide: (1) water facilities, (2) sewer facilities, (3) irrigation water (reuse) facilities, (4) storm drainage facilities, (5) traffic and safety controls and devices, (6) street improvements, (7) transportation services, (8) park and recreation facilities, and (9) erosion abatement procedures.

Water and sewer facilities provided by the District are required to provide service to each proposed development area within the District. Service is considered provided if a district water main is located adjacent to the area and if a district sewer outfall is reasonably located at the development area limits to collect the area's sewage effluent. The extent of the roadway system included in the District is limited to those roads with collector status or above. Collector status is defined as a roadway connecting a minimum of two development types. District drainage improvements include storm sewer within the district roadways, major culvert crossings, detention/erosion control facilities, and storm sewer systems required to convey large off-site flows through development areas. Irrigation services provided by the District include the on-site reuse water line.

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As shown on the Location Map, Exhibit "A", the Plum Creek South PUD has been divided into two districts. On-site improvements included within this district are shown on Exhibits "D", "E", and "F". The service plan for the potable water system serving the District is shown schematically on Exhibit "D". Schematic locations of sanitary sewer and irrigation facilities serving the District are shown on Exhibit "E". The service plan for street improvements and storm drainage facilities are shown schematically on Exhibit "F".

The service plans also note off-site improvements to be constructed and/or financed all or in part by the district. These improvements include the Douglas Lane extension to the I-25 frontage road (two lanes only), a two-lane crossing of the DRGW Railroad, and a two-lane crossing of East Plum Creek. These off-site improvements included within the district were defined in a tri-party agreement between the Town of Castle Rock, Francis A. Heckendorf, Jr. and Darlene L. Heckendorf, and Environmental Developers, Inc. recorded July 25, 1985 at Reception No. 358273, Douglas county, Colorado, and the Annexation and Development Contract between the Town of Castle Rock and Environmental Developers, Inc. (Plum Creek South Annexation) recorded December 6, 1985 at Reception No. 369874. The thresholds used to determine construction phasing of the roadways as proposed in Exhibit "G" were also taken from these agreements. A sanitary sewer outfall along Sellers Gulch will also be constructed off-site. This infrastructure cost is associated with district development only and, therefore, is not covered in the referenced agreements. In accordance with the tri-party agreement, costs incurred for construction of off-site improvements to the west (except sanitary sewer outfall extension) will be reimbursed to the district by the developer of the land to the west of the Plum Creek South PUD, currently referred to as the Heckendorf Ranch.

As previously noted, the area within the Plum Creek South PUD has been divided into two interdependent districts. Development infrastructure

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construction and financing were divided between the two districts such that each district was economically viable. Existing water rights are also shared between the two districts according to the following table. As noted in the table, the two districts have sufficient water available to support the proposed development. The usages were determined based upon the criteria set forth in the "Water and Wastewater Master Planning Report for Plum Creek South," dated March 1985, assuming that multi-family, commercial, public land dedication, and private open space will use reuse for irrigation.

WATER USAGE

DISTRICT #1

<u>LAND USE</u>	<u>POTABLE WATER USAGE</u>	<u>TOTAL # UNITS</u>
Single-Family (2.0-6.0 DU/Ac)	1042 ac-ft	1775
Multi-Family (6.0-12.0 DU/Ac)	121 ac-ft	430
Multi-Family (12.0-24.0 DU/Ac)	94 ac-ft	380
	<u>1257 ac-ft = Total Usage</u>	
	<u>1486 ac-ft available</u>	
	+ 229 ac-ft	

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DISTRICT #2

<u>LAND USE</u>	<u>POTABLE WATER USAGE</u>	<u>TOTAL # UNITS</u>
Single-Family (2.0-6.0 DU/Ac)	390 ac-ft	665
Multi-Family (6.0-12.0 DU/Ac)	278 ac-ft	986
Multi-Family (12.0-24.0 DU/Ac)	99 ac-ft	400
	<u>767 ac-ft = Total Usage</u>	
	<u>724 ac-ft available</u>	
	- 43 ac-ft	

Therefore, Overall Site - Usage = 2024 ac-ft
 Available = 2210 ac-ft
 = 185 ac-ft long

District 2 is responsible for reimbursing District 1 for improvements within District 1 and off-site, and vice-versa, as noted on the Service Plans. Each district's financial responsibility for common capital improvements has been based upon its percentage of population benefiting from the shared facility.

	<u>District #1</u>	<u>District #2</u>
Water System (Storage Tank)	58%	42%
Sanitary Sewer (Sellers Gulch Outfall)	53%	47%
Reuse System (based on multi-family units only)	37%	63%

Please refer to Exhibit "G" for the reimbursement schedule. The two districts will enter into an intergovernmental agreement to define the mechanism to pay/collect the reimbursements.

The District will finance and build the facilities outlined in the service plans' Exhibits "D", "E", and "F" within the Town of Castle Rock.

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and will enter into an intergovernmental agreement with the Town providing that the Town operate and maintain the facilities. The District will dedicate all streets to the Town upon completion of the same. All facilities will be dedicated or conveyed to the Town by special warranty deed and/or bill of sale, as is appropriate at the end of the warranty period and upon their acceptance by the Town. The cost estimates for facilities needed to serve the District spread over time is shown on Exhibit "G".

ECONOMIC VIABILITY

Throughout this report, cost and revenue figures are stated in current (1986) dollars, rather than inflated dollars. The use of current dollars assumes that future cost increases will be offset by future increases in assessed valuations, development fees, and other revenue sources. On the other hand, use of "inflated dollars" requires an assumption on future inflation rates. These assumptions can cause major distortions in the economic projections and thus either overstate or understate the viability of the District. For these reasons, the current approach to estimating future costs and revenues is considered more valid.

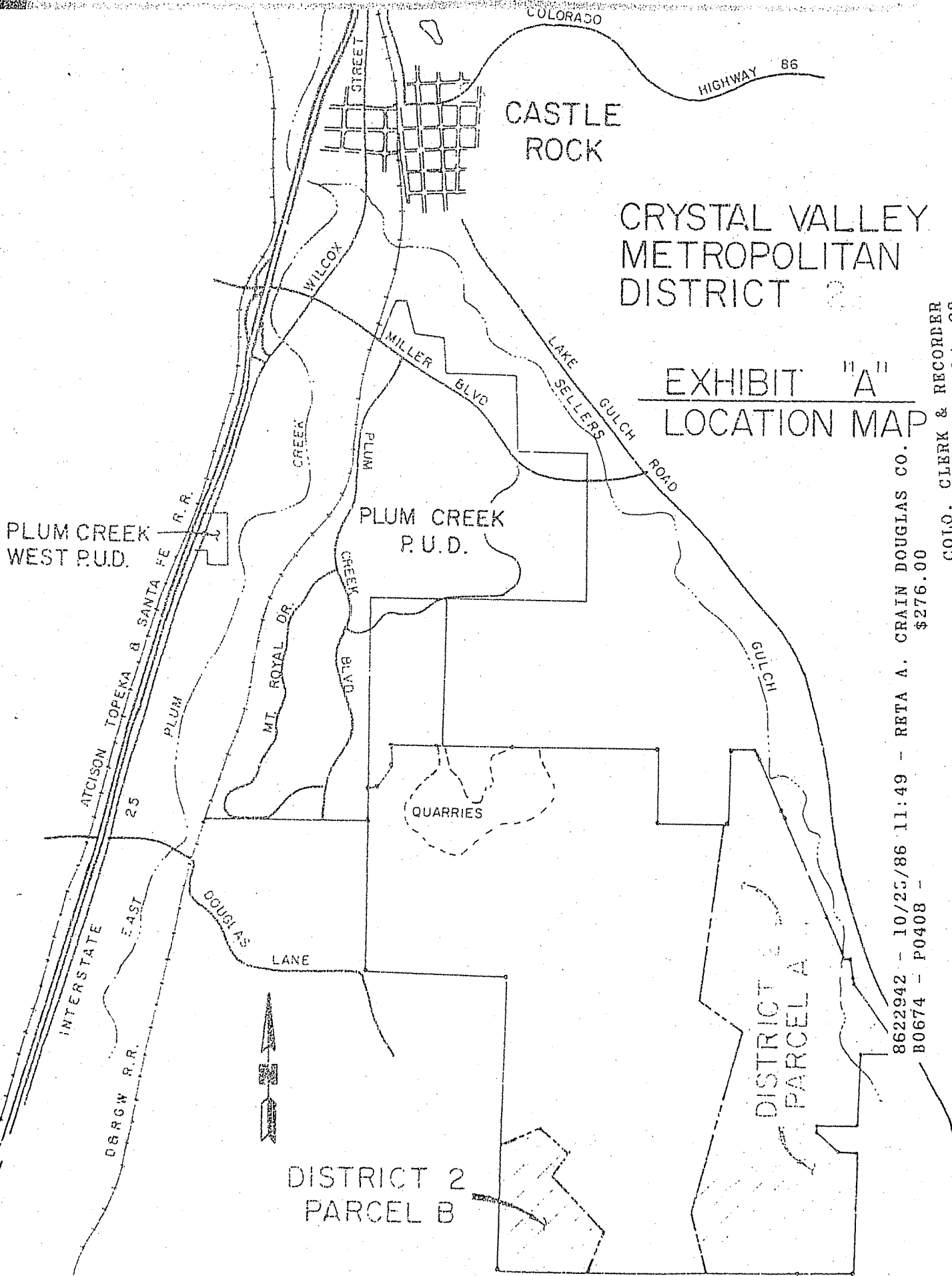
The cost projections, population estimates, and assessed valuation projections are conservative. In the event that population and assessed valuation increased more rapidly than anticipated, the financial viability of the District will be further enhanced. If such increases are less than anticipated, the need for facilities will reduce correspondingly, and therefore, the available revenue will be sufficient.

The phasing schedule for District 2 begins in 1993 and results in a total buildout of 2051 units in the year 2001. The projected unit absorption rate for the District is outlined in Exhibit "H".

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The estimated finance plan for the District is attached as Exhibit "I". This plan has been compiled to show an economically feasible bonding program to finance the expenditures outlined in Exhibit "G" using the projected unit absorption rates shown in Exhibit "H".

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CASTLE ROCK

CRYSTAL VALLEY METROPOLITAN DISTRICT 2

EXHIBIT "A"
LOCATION MAP

PLUM CREEK WEST P.U.D.

PLUM CREEK P.U.D.

QUARRIES

DISTRICT 2
PARCEL A

DISTRICT 2
PARCEL B

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51/ 92



KS.PCS.DISTRICT.2A.0729 (.LD.DESC)

EXHIBIT "B"

CRYSTAL VALLEY METROPOLITAN
DISTRICT 2, PARCEL A

A PARCEL OF LAND LOCATED IN THE EAST 1/2 OF SECTIONS 24 AND 25, TOWNSHIP 8 SOUTH, RANGE 67 WEST AND IN THE SOUTHWEST 1/4 OF SECTION 19 AND THE WEST 1/2 OF SECTION 30, TOWNSHIP 8 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 30, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING; THENCE S 89°39'06" W, A DISTANCE OF 1615.93 FEET; THENCE N 16°54'24" W, A DISTANCE OF 1215.53 FEET; THENCE N 15°30'54" E, A DISTANCE OF 3358.02 FEET; THENCE N 56°04'11" W, A DISTANCE OF 904.36 FEET; THENCE N 06°48'11" E, A DISTANCE OF 3063.99 FEET; THENCE N 89°46'24" E, A DISTANCE OF 93.70 FEET TO THE SOUTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 24; THENCE N 00°50'38" W, A DISTANCE OF 1323.52 FEET TO THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION 24; THENCE N 89°55'02" E, A DISTANCE OF 408.02 FEET; THENCE S 05°23'20" E, A DISTANCE OF 114.57 FEET; THENCE S 20°06'04" E, A DISTANCE OF 113.87 FEET; THENCE S 27°26'34" E, A DISTANCE OF 922.26 FEET; THENCE S 25°47'25" E, A DISTANCE OF 152.60 FEET; THENCE S 24°21'15" E, A DISTANCE OF 1862.22 FEET; THENCE S 23°26'25" E, A DISTANCE OF 560.69 FEET; THENCE S 08°08'32" E, A DISTANCE OF 157.14 FEET; THENCE N 89°58'39" E, A DISTANCE OF 87.37 FEET; THENCE S 21°25'54" E, A DISTANCE OF 439.69 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 19; THENCE CONTINUING ALONG A LINE S 21°25'54" E, A DISTANCE OF 179.33 FEET; THENCE S 38°20'45" E, A DISTANCE OF 1458.94 FEET; THENCE S 89°40'55" W, A DISTANCE OF 764.17 FEET TO THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 30; THENCE S 01°26'16" E, A DISTANCE OF 1237.14 FEET; THENCE S 89°47'12" W, A DISTANCE OF 740.00 FEET; THENCE S 01°26'16" E, A DISTANCE OF 80.00 FEET; THENCE S 45°38'52" E, A DISTANCE OF 564.20 FEET; THENCE N 89°47'12" E, A DISTANCE OF 346.50 FEET; THENCE S 01°26'16" E, A DISTANCE OF 2271.08 FEET TO THE SOUTHEAST CORNER OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 30; THENCE S 89°31'26" W, A DISTANCE OF 1132.76 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 30, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING, SAID PARCEL CONTAINING 457.81 ACRES, MORE OR LESS.

PAGE 1 OF 3
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EXHIBIT "B"

CRYSTAL VALLEY METROPOLITAN
DISTRICT 2, PARCEL B

A PARCEL OF LAND LOCATED IN THE WEST 1/2 OF SECTION 25, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 25, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING; THENCE N 00°28'54" W, A DISTANCE OF 2254.91 FEET; THENCE N 65°00'59" E, A DISTANCE OF 787.56 FEET; THENCE S 49°21'02" E, A DISTANCE OF 565.29 FEET; THENCE S 27°39'59" W, A DISTANCE OF 492.97 FEET; THENCE S 43°01'08" E, A DISTANCE OF 1325.03 FEET; THENCE S 19°47'40" W, A DISTANCE OF 855.20 FEET; THENCE S 89°39'06" W, A DISTANCE OF 1509.31 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 25, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING, SAID PARCEL CONTAINING 76.38 ACRES, MORE OR LESS.

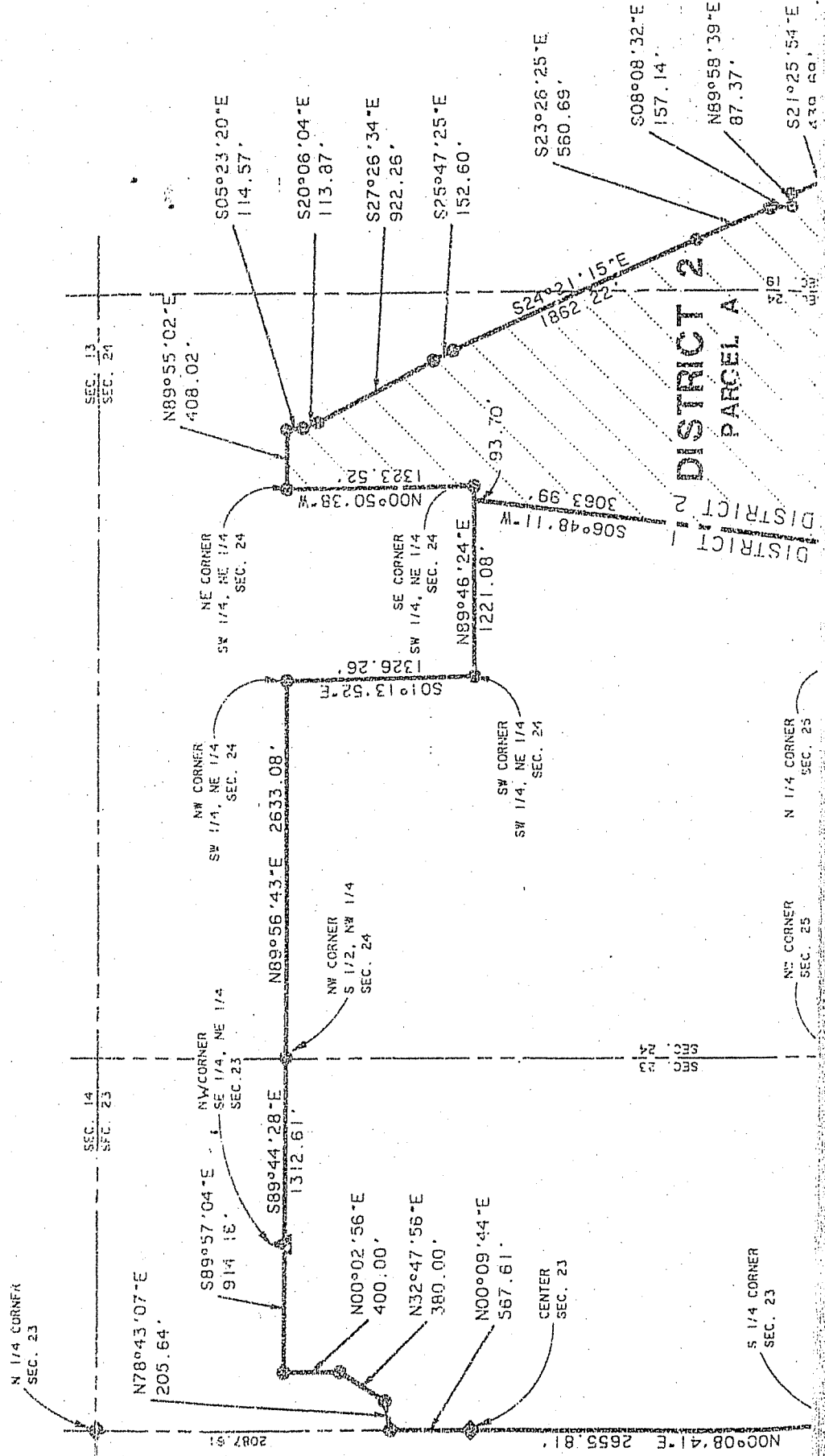
PAGE 2 OF 3
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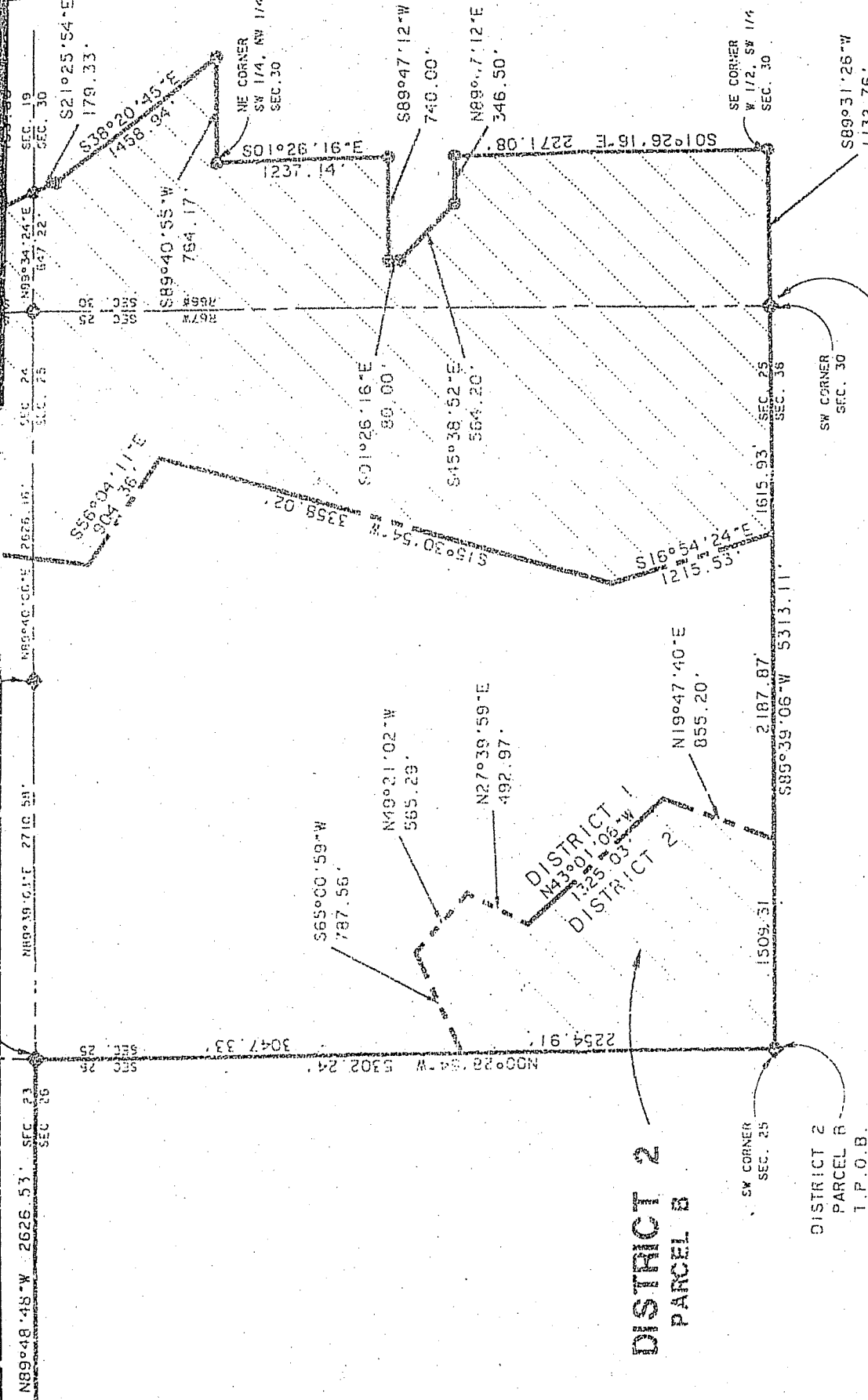
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CRYSTAL VALLEY METROPOLITAN DISTRICT 2

EXHIBIT B



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 55 / 92

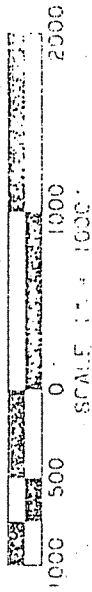
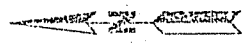


**DISTRICT 2
 PARCEL B**

DISTRICT 2
 PARCEL A
 T.P.O.B.

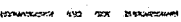

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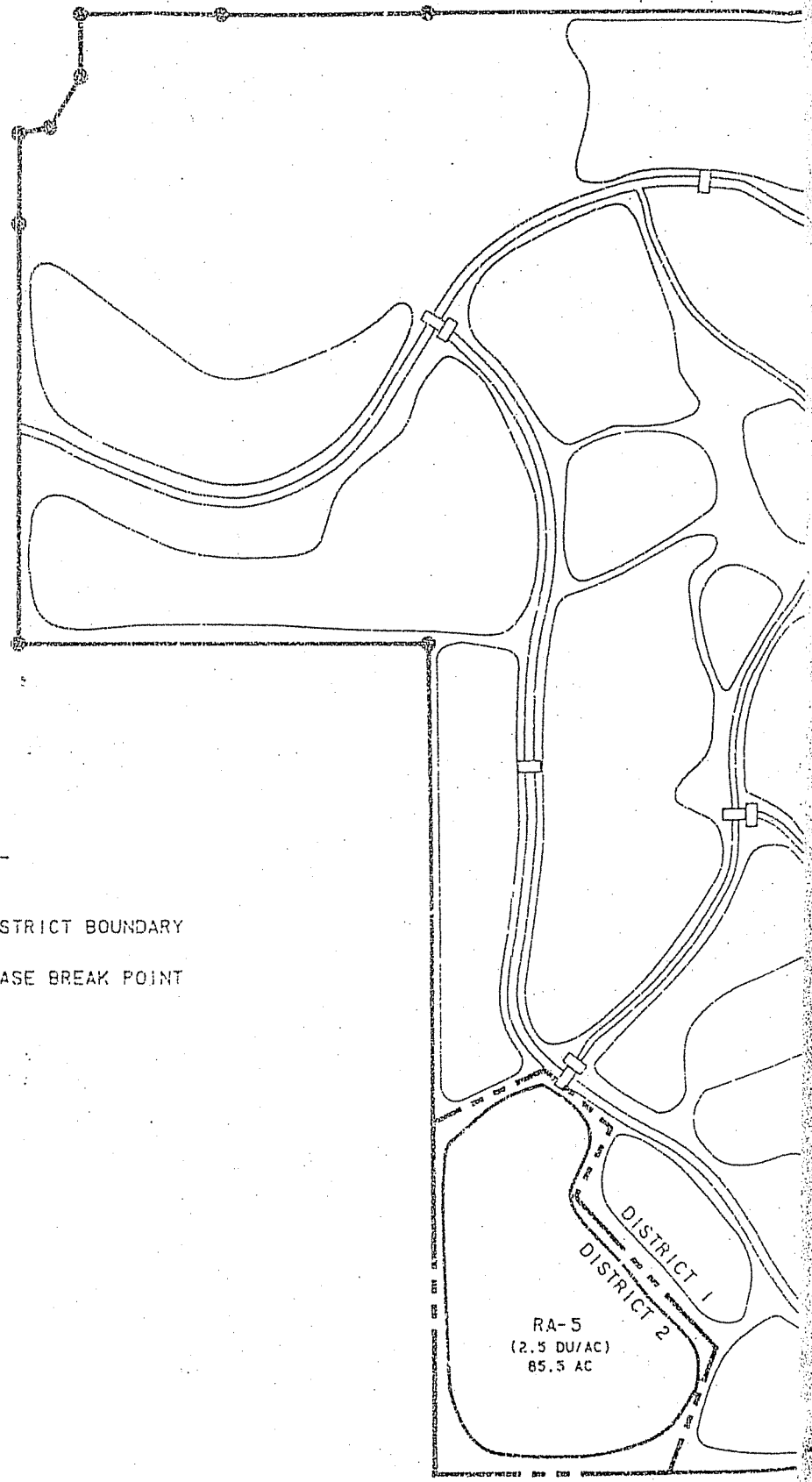
RTVA
 INCORPORATED
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 4251 KIPLING ST.
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 (303) 431-6100



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20674 - P0413 - \$276.00 - 66/ 92

LEGEND

-  DISTRICT BOUNDARY
-  PHASE BREAK POINT



RA-5
(2.5 DU/AC)
85.5 AC

DISTRICT 1
DISTRICT 2

CRYSTAL VALLEY METROPOLITAN DISTRICT 2

DISTRICT 1
DISTRICT 2

RA-9
(3.5 DU/AC)
52.0 AC

RC-1
(20.0 DU/AC)
20.0 AC

RA-5
(2.5 DU/AC)
40.7 AC

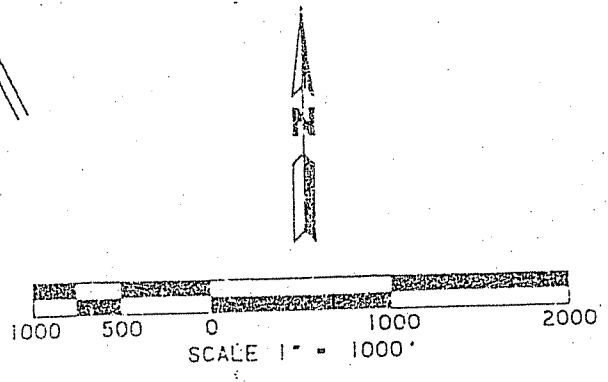
RC-2
(12.0 DU/AC)
16.0 AC

RB-3
(12.0 DU/AC)
42.5 AC

RA-6
(3.5 DU/AC)
60.0 AC

RB-4
(8.0 DU/AC)
34.4 AC

EXHIBIT C DEVELOPMENT PHASING PLAN



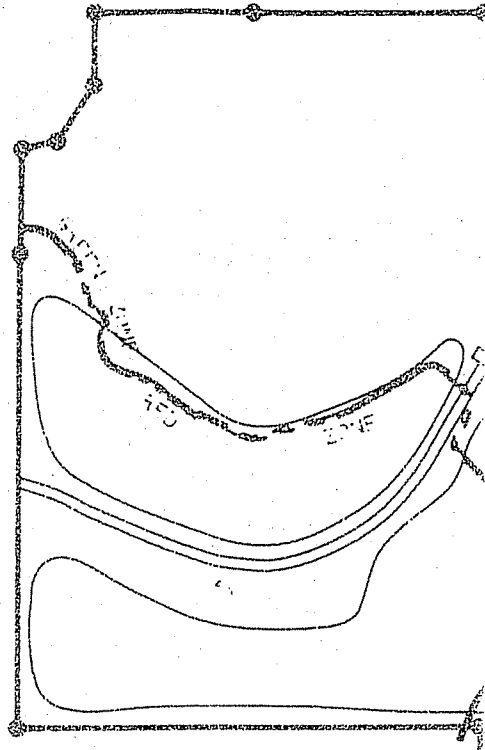
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PREPARED BY:

KKBNA
INCORPORATED
CONSULTING ENGINEERS
4251 KIPLING ST.
WHEAT RIDGE, COLO. 80033
(303) 431-6100

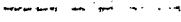




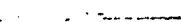



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8622942 - 10/23/86 11:49 - RMTA A. CRAIN DOUGLAS CO. COLO. CLERK & RECORDER
 B0674 - P0415 - \$276.00 - 58/ 92



LEGEND

-  DISTRICT BOUNDARY
-  PHASE BREAK POINT
-  450' ZONE WATER LINE
-  400' ZONE WATER LINE
-  0.5 M.G. STORAGE TANK AND INTAKE WELL
-  RAW WATER MAIN
-  WELL FIELD
-  DOMESTIC WATER TREATMENT PLANT
-  LIMITS OF PRESSURE ZONE 1 & 2

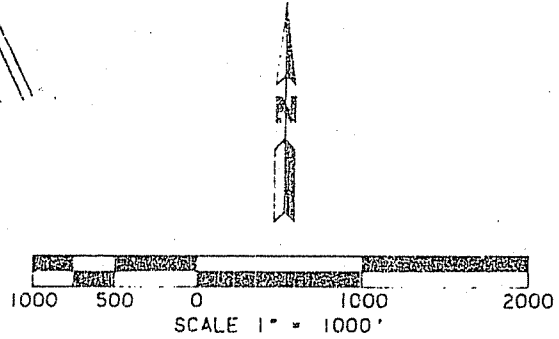
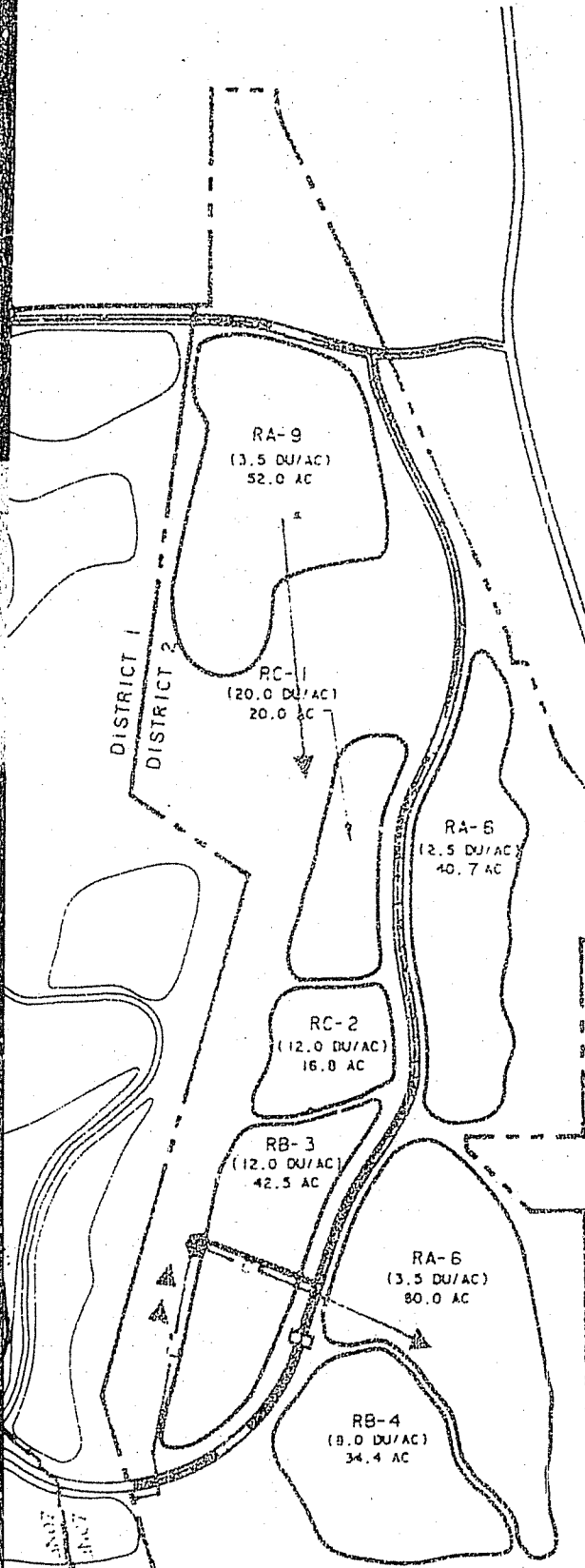
RAW WATER MAIN CONNECTION TO TREATMENT PLANT BY DISTRICT 1

NOTE: COST OF THE 1 M.G. STORAGE TANK BUILT BY DISTRICT 1 TO BE SHARED AMONG DISTRICTS

CRYSTAL VALLEY METROPOLITAN DISTRICT 2

EXHIBIT D

WATER SERVICE PLAN



7-29-86
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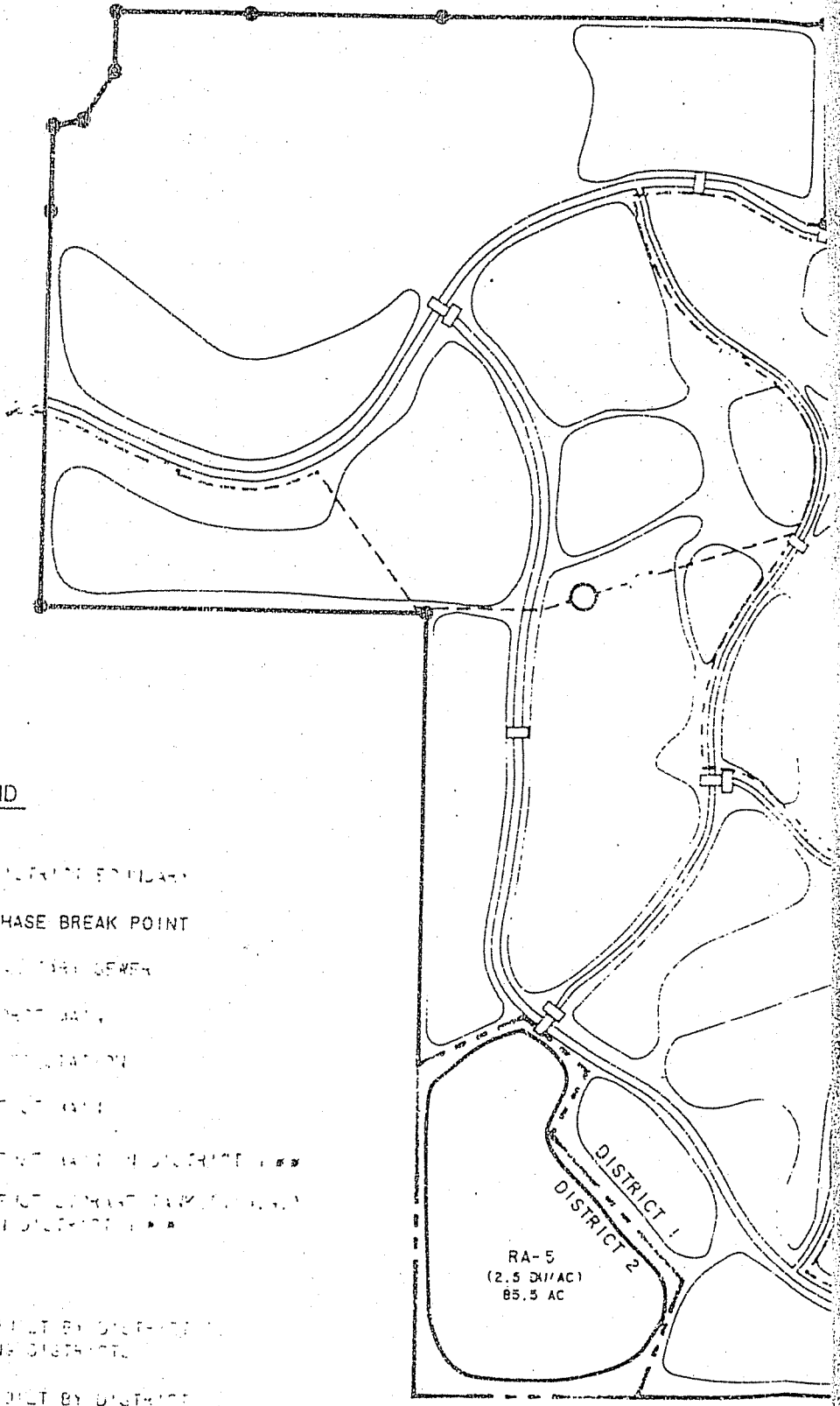
KKBNA

INCORPORATED
CONSULTING ENGINEERS
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LEGEND

- DISTRICT BOUNDARY
- PHASE BREAK POINT
- PROPERTY BOUNDARY
- ROAD CENTERLINE
- ROAD RIGHT-OF-WAY
- DISTRICT 1 BOUNDARY
- DISTRICT 2 BOUNDARY

• CAPITAL IMPROVEMENTS BUILT BY DISTRICT 1
 TO BE CHARGED AMONG DISTRICTS.

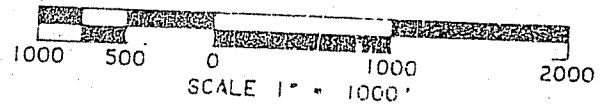
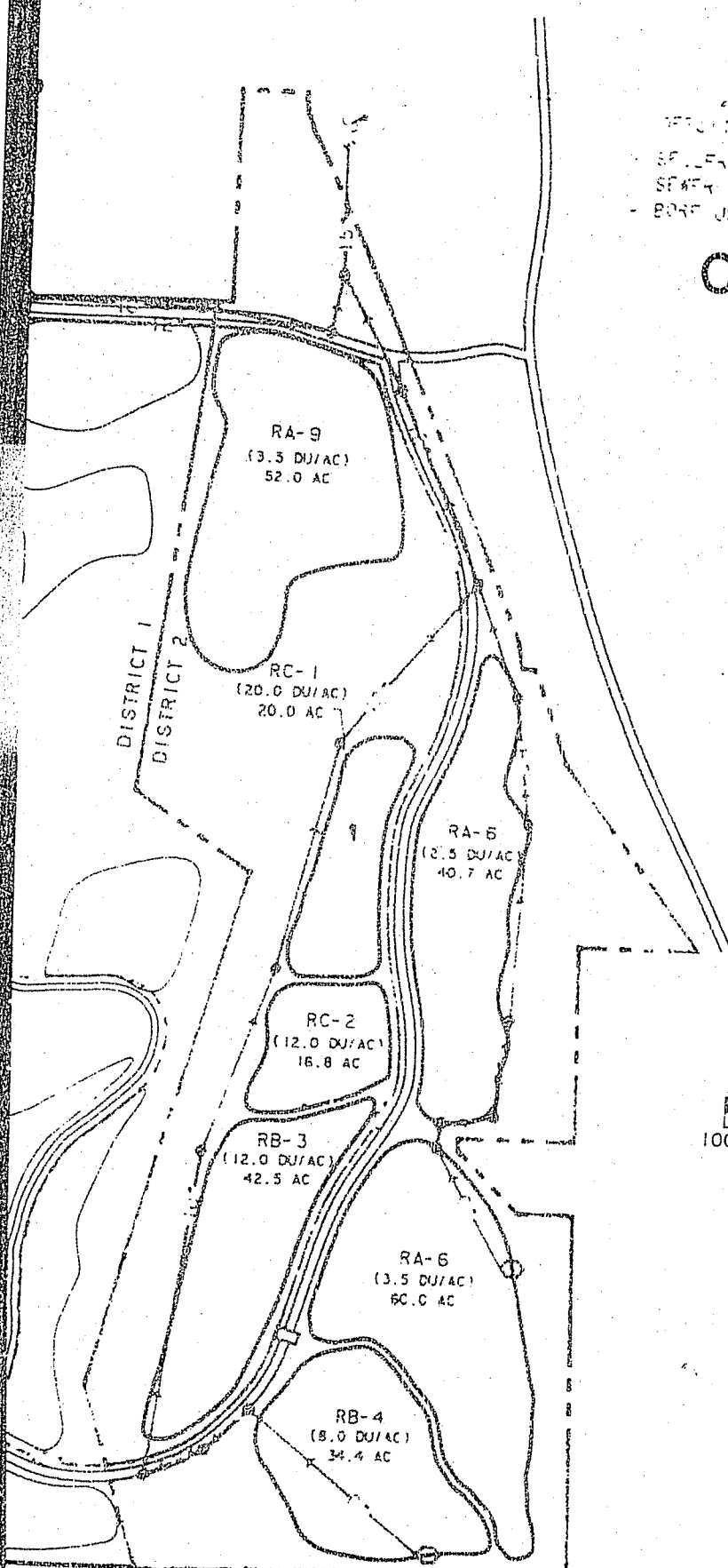
• CAPITAL IMPROVEMENTS BUILT BY DISTRICT 2
 TO BE CHARGED AMONG DISTRICTS.

- FUTURE IMPROVEMENTS
 - SPILLERS WITH SANITARY
 - SEWER OUTFALL (18")
 - BONE UNDER 1'-25"

CRYSTAL VALLEY METROPOLITAN DISTRICT 2

EXHIBIT E

SANITARY SEWER AND REUSE SERVICE PLAN



7-29-86
PREPARED BY:

KK&BNA

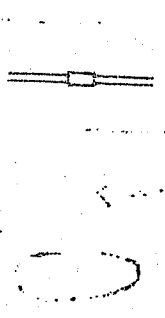
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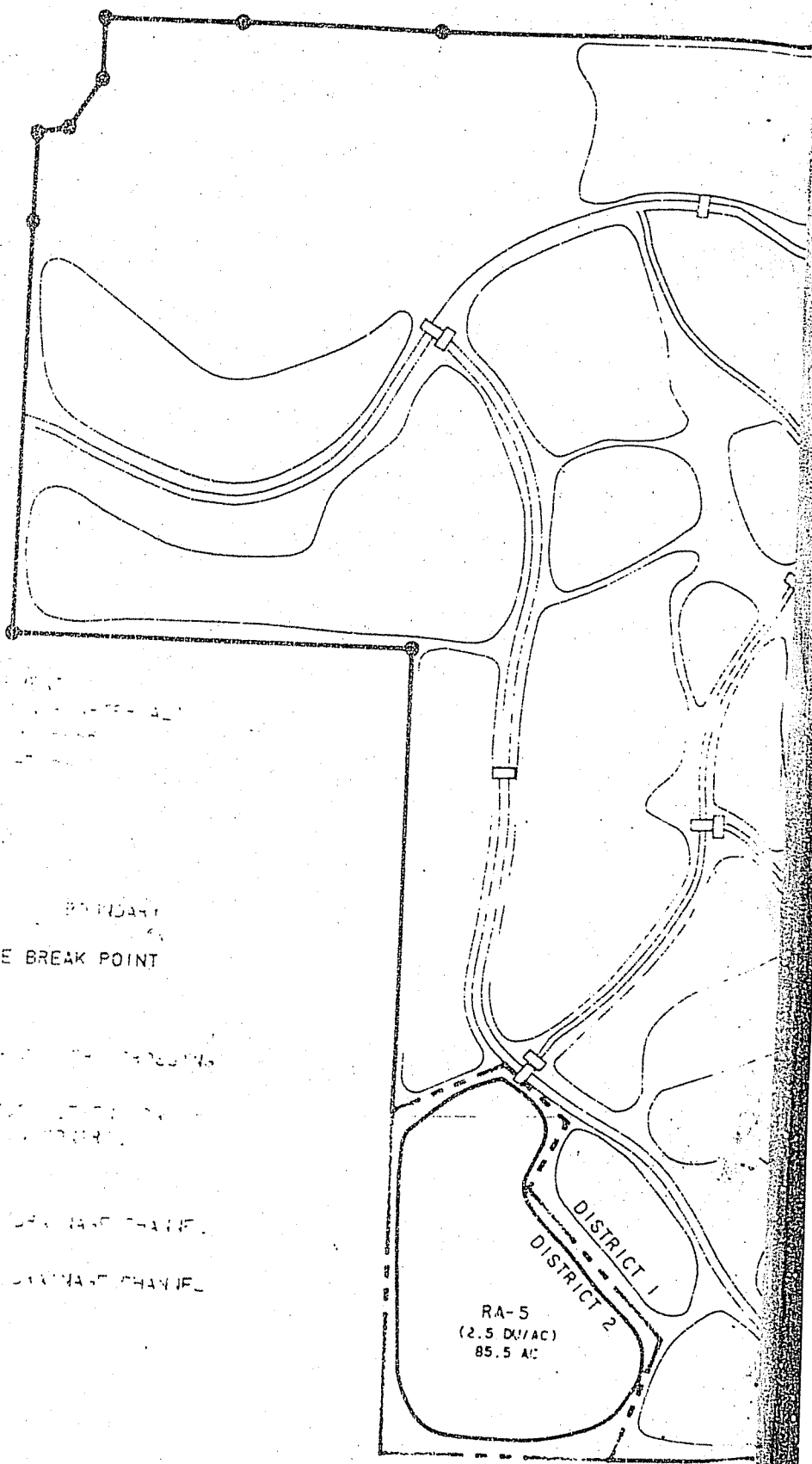
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LEGEND



BORDER
PHASE BREAK POINT
MAINTENANCE CHANNEL
DRAINAGE CHANNEL



CRYSTAL VALLEY METROPOLITAN DISTRICT 2

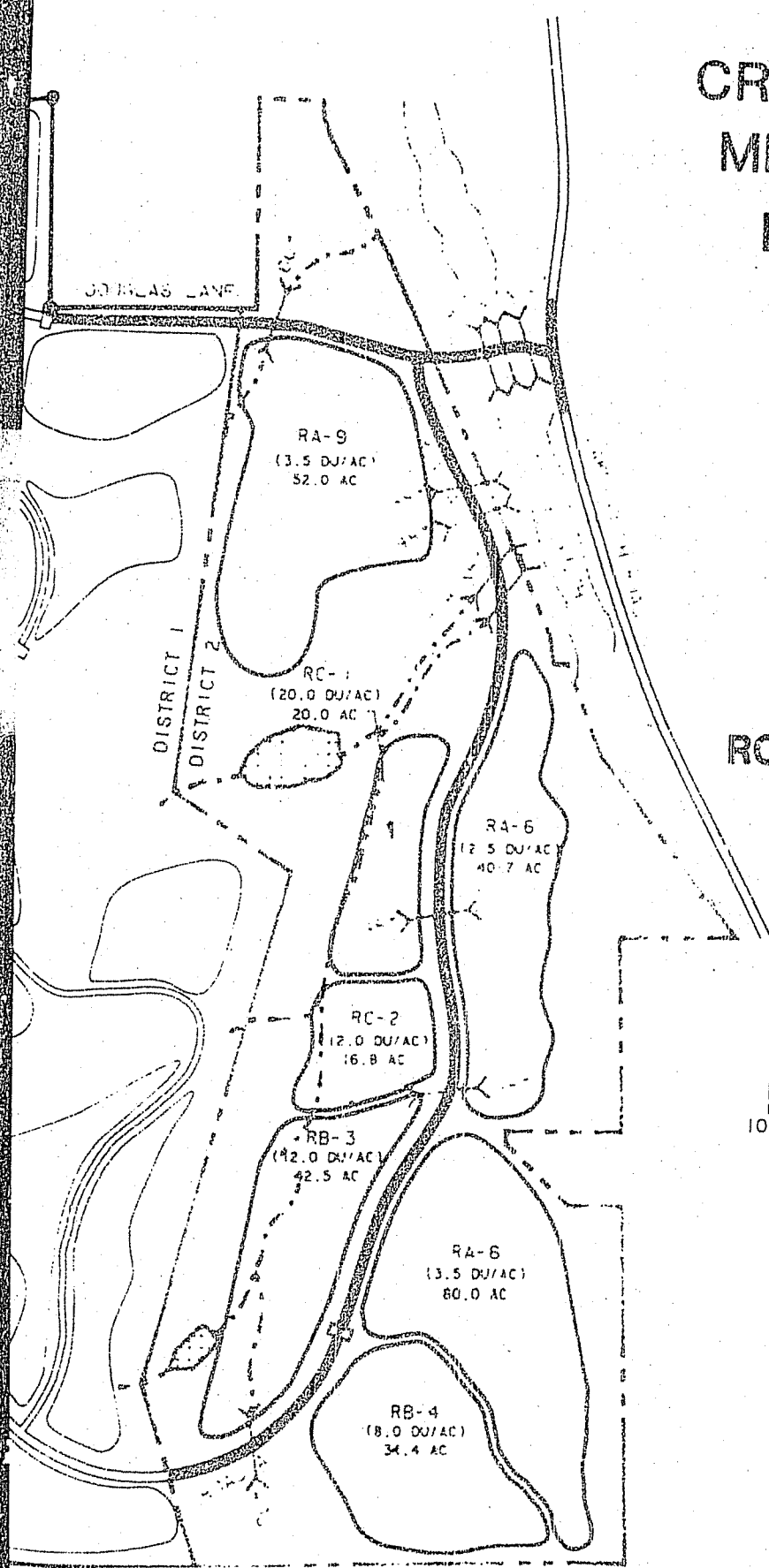
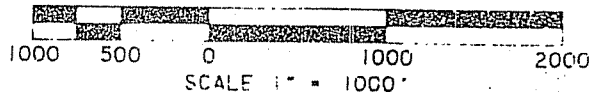
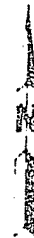


EXHIBIT F

ROADWAY AND DRAINAGE SERVICE PLAN



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B0674 - P0420 -

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PREPARED BY:

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EXHIBIT "G"

CRYSTAL VALLEY METROPOLITAN
DISTRICT 2
PRELIMINARY REIMBURSEMENT SCHEDULE
7/24/86

ITEM	YEAR OF REIMBURSEMENT										TOTAL
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	
ROADWAYS											
Douglas Lane (off-site) (100%)											211,532
Lighting (on-site) (100%)			48,750	363,750							555,312
REIMBURSEMENT FROM DISTRICT 1											
Sellers											
Gulch Sani- tary Sewer Outfall & Bore Under I-25 (53%)	288,188	114,480									
TOTAL	288,188	163,230	363,750					211,532	555,312	1,582,012	

8622942 - 10/23/86 11:49 - RRTA A. CRAIG DOUGLAS CO. COLO. CLERK & RECORDER
B0674 - P0421 - \$276.00 64/ 92

EXHIBIT "G"
 CRYSTAL VALLEY METROPOLITAN
 DISTRICT 2
 PRELIMINARY INFRASTRUCTURE COSTS

1/24/86
 REVISED 3/15/86

ITEM	YEAR OF DEVELOPMENT							
	1993	1994	1995	1996	1997	1998	1999	2000
ROADWAYS								
Douglas Lane (on-site)			696,938					
Douglas Lane (off-site)			235,125					
Collector Road A	531,719							
Lake Gulch Rd Access/Drain Lanes	417,588		1,091,625					
Lighting (on-site)		44,750	93,750					
			363,750					
DRAINAGE SYSTEM								
Detention/Erosion Control		25,000		12,500				
Major Channel						225,000		
Minor Channel	212,500		170,000	199,875		743,750		
Storm Sewer and Erosion Control (20% of rdwy)	69,000		253,000					
WATER SYSTEM								
Well Fields				147,500	137,500	275,000	137,500	
Treatment Plant			500,000					
Storage Tank	325,000							
Booster Pump	100,000							
Main/Hydrants (on-site)	87,938	42,875	315,875					
Raw Water Main						52,718	27,625	
SANITARY SEWER SYSTEM								
Sellers Gulch Jetties w/ROW		545,750						
Trunk Main "A" (on-site)		307,375	78,594					
Trunk Main "B" (on-site)		27,500						
Lift Station				25,000		24,375	21,275	34,625
Force Main "A"				24,375				25,000
Force Main "B" & Outfall to Ex. Treat. Plant			216,000					15,250
REUSE SYSTEM								
Reuse Main (on-site)		32,500	242,500					
RECREATION/FACILITIES								
			500,000					
DISTRICT 2 - 44 DISTRICT 1								
		1,511,000						
TOTALS								
	912,937	3,769,759	4,757,157	149,250	137,500	1,146,938	1-3,000	75,125
								1,128,667

* Total includes 1993 reimbursement to District 1.
 ** See Crystal Valley Metropolitan District 1 Preliminary Reimbursement Schedule, Exhibit "A".

8622942 - 10/23/86 11:49 - BETA A. CRAIG DOUGLAS CO. COLO. CLERK & RECORDER
 B0674 - P0422 - \$276.00
 - 65/ 92

EXHIBIT "H"

CRYSTAL VALLEY METROPOLITAN
DISTRICT 2
UNIT ABSORPTION PROJECTION
7/29/86

	DU/AC	AC	1993	1994	1995	1996	1997	1998	1999	2000	2001	TOTAL NO. OF UNITS
RA-5	2.5	85.5	50									210
RA-6	2.5	40.7			50	50	60	35	35	30		100
RA-9	3.5	60.0								90	100	190
RB-3	3.5	52.0						80	85			165
RB-4	12.0	42.5		120	120			120	120	30		510
RC-1	8.0	34.4				135	140					275
RC-2	20.0	20.0						100	100	100	100	400
RC-2	12.0	16.8								90	111	201
TOTAL		351.9	50	120	170	185	200	335	340	340	311	2051

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K-K-B-N-A

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K-K-B-N-A

CRYSTAL VALLEY METROPOLITAN DISTRICT #2
DOUGLAS COUNTY, COLORADO

COMPREHENSIVE FINANCIAL PLAN
FOR THE PERIOD JANUARY 1, 1988 THROUGH DECEMBER 31, 2014

July 29, 1986

Prepared for:
Boettcher & Company, Inc.

Prepared by:
Stan Bernstein and Associates, Inc.

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CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 DOUGLAS COUNTY, COLORADO
 COMPREHENSIVE FINANCIAL PLAN
 FOR THE PERIOD JANUARY 1, 1988 THROUGH DECEMBER 31, 2014

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Stan Bernstein and Associates, Inc.

Financial Planners and Consultants

For Local Governments, Municipal Bond Underwriters, and Real Estate Developers

Mr. William T. Wildman, Senior Vice President
Mr. Jack Wolfe, Vice President
Boettcher & Company, Inc.
828 Seventeenth Street
Denver, Colorado 80202

Gentlemen:

In accordance with your request, we have assembled a Comprehensive Financial Plan (the "Financial Plan") for Crystal Valley Metropolitan District #2 (the "District"). The Financial Plan as set forth on page 3 presents the District's Forecasted Sources and Uses of Funds and Ending Funds Available for the years ending December 31, 1988 through 2014, based upon assumptions (as set forth on page 4) provided to us from (i) Moore and Company, the Master Developer (the "Developer") and originators of the District, (ii) KKBNA, Incorporated, the Developer's Consulting Engineers (the "Engineer"), and (iii) Boettcher & Company, Inc., the District's Municipal Bond Underwriter (the "Underwriter"). The Financial Plan reflects the Developer's judgement, based on present circumstances, of expected conditions and the District's course of action for the years ending December 31, 1988 through 2014.

The Financial Plan is intended to be used by the Developer and others for the purposes of (i) evaluating the District's financial capability to fund its Forecasted operating and capital improvement requirements, and the debt service requirements associated with future District Bond Issues, and (ii) identifying the level of mill levy rates, and development fee revenue rates that could be required for the District to function as a financially independent entity.

As set forth in the Summary of Key Assumptions Underlying the Financial Plan, the Forecasted Sources and Uses of Funds and the Ending Funds Available are extremely sensitive to the Developer's estimated rate of non-residential and residential living unit buildout as set forth as follows:

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80674 - P0426 - \$276.00

Year Living Units & Non- Residential Space is Completed	Residential Incremental			Cumulative	Non-Residential Square Feet	
	Single Family	Multi- Family	Total		Incremental	Cumulative
1993	50	0	50	50	0	0
1994	0	120	120	170	235,000	235,000
1995	50	120	170	340	0	235,000
1996	50	135	185	525	0	235,000
1997	60	140	200	725	0	235,000
1998	115	220	335	1,060	339,000	574,000
1999	120	220	340	1,400	0	574,000
2000	120	220	340	1,740	0	574,000
2001	100	211	311	2,051	0	574,000
TOTAL	<u>665</u>	<u>1,386</u>	<u>2,051</u>		<u>574,000</u>	

Consequently, the Forecasted Sources and Uses of Funds and Ending Funds Available will be affected accordingly in the event that the buildout of residential living units and non-residential square feet occur at a rate less than currently anticipated by the Developer. In the event that the actual rate of real estate buildout occurs at a rate less than currently anticipated, the District will likely be required to increase its mill levy above 30 mills.

The scope of our engagement was limited to assembling and presenting the Financial Plan of the District based upon assumptions provided to us by the Developer, the Engineer, and the Underwriter. Consequently, we do not express any conclusions or form of assurance with respect to the achievability of (i) the Forecasted Sources and Uses of Funds and Ending Funds Available, or (ii) the key assumptions underlying the Forecasts.

We do not intend to revise the Financial Plan to reflect changes or events occurring after the date of this Financial Plan.

Stan Bernstein and Associates, Inc.

Stan Bernstein and Associates, Inc.
Denver, Colorado
July 29, 1986

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30674 - P0427 - 70/ 92

EXHIBIT A
CRYSTAL VALLEY METROPOLITAN DISTRICT #2
FORECASTED REVENUES AND USES OF FUNDS
AND BONDING FUNDS AVAILABLE
FOR THE YEARS ENDING DECEMBER 31, 1988 - 2014
(IN THOUSANDS OF DOLLARS)

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	TOTALS
OPERATING/DEBT SVC. SOURCES OF FUNDS:																												
Development Fee Revs (App. A-1) (Note 1)	\$0	\$0	\$0	\$0	\$218	\$984	\$997	\$1,163	\$1,292	\$2,758	\$2,402	\$2,532	\$2,434	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Taxes (App. C-2) (Note 2)	0	0	0	0	0	0	20	113	162	218	281	358	458	566	634	710	710	710	710	710	710	710	710	710	710	710	710	710
Intergovernmental (App. D-2) (Note 3)	0	0	0	0	0	0	0	0	0	0	0	0	0	212	555	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Earnings/Other (1) (Note 4)	0	0	0	0	0	13	130	211	264	276	362	478	617	617	646	646	646	646	646	646	646	646	646	646	646	646	646	646
Construction Interest (Note 6)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OP/DEBT SVC. SOURCES OF FUNDS	0	0	0	0	218	1,014	1,425	1,686	1,720	2,999	3,243	3,669	4,191	5,255	6,617	7,366	8,062	8,708	9,354	10,000	10,646	11,292	11,938	12,584	13,230	13,876	14,522	15,168
OPERATING/DEBT SVC USES OF FUNDS:																												
Operating & Maintenance (App. B-2) (Note 7)	0	0	0	0	0	0	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Debt Service (App. G-2) (Note 4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OP/DEBT SVC USES OF FUNDS	0	0	0	0	0	0	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
EXCESS OPERATING/DEBT SERVICE SOURCES OVER OPERATING/DEBT SERVICE USES	0	0	0	0	218	1,014	1,400	1,661	1,720	2,974	3,218	3,644	4,166	5,230	6,617	7,341	8,037	8,683	9,329	9,975	10,621	11,267	11,913	12,559	13,205	13,851	14,497	15,143
CAPITAL IMPROVEMENT SOURCES OF FUNDS:																												
Bond Issues (App. F-2) (Note 4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CAPITAL IMPROVEMENT SOURCES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPITAL IMPROVEMENT USES OF FUNDS:																												
Capital Improvements/Roads (Note 4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Costs of Issuance (Note 4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capitalized Interest (Note 4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CAPITAL IMPROVEMENT USES:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EXCESS CAPITAL IMPROVEMENT SOURCES OVER CAPITAL IMPROVEMENT USES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXCESS SOURCES OVER USES	0	0	0	0	218	1,014	1,400	1,661	1,720	2,974	3,218	3,644	4,166	5,230	6,617	7,341	8,037	8,683	9,329	9,975	10,621	11,267	11,913	12,559	13,205	13,851	14,497	15,143
REVENUE FUNDS AVAILABLE - JAN 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BONDING FUNDS AVAILABLE - DEC 31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

(SEE THE SUMMARY OF KEY FINANCIAL ASSUMPTIONS)

NOTE: If the assumed rate of real estate building does not occur, the Forecasted Ending Funds Available will not be realized unless the District mill levy is increased above the rates assumed. The above forecasts were prepared with the assistance of computerized data processing equipment; consequently, certain non-material rounding errors may appear.

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 71/ 92

CRYSTAL VALLEY METROPOLITAN DISTRICT #2
DOUGLAS COUNTY, COLORADO
COMPREHENSIVE FINANCIAL PLAN
FOR THE PERIOD JANUARY 1, 1988 THROUGH DECEMBER 31, 2014

SUMMARY OF KEY ASSUMPTIONS UNDERLYING
THE FINANCIAL PLAN

Following are the key assumptions underlying the Financial Plan as developed by the Developer, the Engineer, and the Underwriter:

Generally

- A. The Forecast was prepared in 1986 dollars (i.e., no rate of inflation has been built into the Forecast).
- B. The District will be managed effectively and efficiently.
- C. We have relied on data provided by the Developer, the Engineer, and the Underwriter.
- D. The Developer anticipates that the rate of real estate buildout will be as follows:

Year Living Units & Non- Residential	Residential			Cumulative	Non-Residential	
	Single Family	Multi- Family	Total		Incremental	Cumulative
1992	50	0	50	50	0	0
1993	0	120	120	170	235,000	235,000
1994	50	120	170	340	0	235,000
1995	50	135	185	525	0	235,000
1996	60	140	200	725	0	235,000
1997	115	220	335	1,060	339,000	574,000
1998	120	220	340	1,400	0	574,000
1999	120	220	340	1,740	0	574,000
2000	100	211	311	2,051	0	574,000
TOTAL	<u>665</u>	<u>1,386</u>	<u>2,051</u>		<u>574,000</u>	

NOTE 1: Infrastructure Development Fee Revenues (See Appendix B-2)

Infrastructure Development Fee Revenues were based on (i) the estimated rate of real estate buildout and rates as set forth in Table 1.

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B0674 - P0429 - 72/ 92

TABLE I
CRYSTAL VALLEY METROPOLITAN DISTRICT #2
FORECASTED INFRASTRUCTURE DEVELOPMENT FEE REVENUES
FOR THE PERIOD JANUARY 1, 1988 THROUGH DECEMBER 31, 2001
(FULL BUILDOUT)

Year	Base Rate per Single Family Unit & Each 4,122 of Non-Residential Square Feet*	Base Rate per Multi- Family Unit*	Surcharge Rate per Living Unit & Each 4,122 of Non-Residential Square Feet*	Forecasted Revenues (000's Omitted)
1988	\$2,636	\$3,246	\$1,100	\$ 0
1989	2,768	3,408	1,155	0
1990	2,906	3,578	1,213	0
1991	3,051	3,758	1,273	0
1992	3,204	3,946	1,337	0
1993	3,364	4,143	1,404	238
1994	3,532	4,350	1,474	984
1995	3,709	4,567	1,548	997
1996	3,895	4,796	1,625	1,143
1997	4,089	5,036	1,706	1,292
1998	4,294	5,287	1,792	2,758
1999	4,508	5,552	1,881	2,402
2000	4,734	5,829	1,975	2,522
2001	4,971	6,121	2,074	2,434
TOTAL				<u>\$14,769</u>

*Source: The Developer

NOTE 2: Property Taxes and Mill Levies (See Appendix C-2)

A. Assessed valuation forecasts for property within the District's boundaries were based on (i) the anticipated rate of real estate buildout, (ii) 1977 "actual values" (which are currently used for assessment purposes), and (iii) average assessed valuation rates as set forth below:

Development category	Estimated Market Value/Unit*	Estimated Assessed Valuation per Living Unit/ Square Foot
Single Family 2.5 Units/Acre	\$135,000	\$13,500
Single Family 3.5 Units/Acre	100,000	10,000
Multi-Family 8.0 Units/Acre	90,000	9,000
Multi-Family 12.0 Units/Acre	80,000	8,000
Multi-Family 20.0 Units/Acre	65,000	6,500
Non-Residential Space		\$7.50/Sq.Ft.

*Source: The Developer

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- B. The District mill levy has been forecasted to be 30 for the entire period.
- C. A 100% property tax collection rate has been assumed.
- D. Table II sets forth the forecasted assessed valuation, mill levy, and gross property tax revenues for the District.

TABLE II
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED ASSESSED VALUATION AND PROPERTY TAX REVENUES
 FOR THE PERIOD JANUARY 1, 1988 THROUGH DECEMBER 31, 2014.

Year of Improvements	Year Certified to District	Year Taxes Will Be Collected	Assessed Valuation			Total Assessed Valuation (000's)	Assumed Mill Levy*	Gross Property Tax Revenues (000's)
			Single Family Units (000's)	Multi-Family Units (000's)	Non-Res. Square Feet (000's)			
1987	1988	1989	\$0	\$0	\$0	\$0	30	\$0
1988	1989	1990	0	0	0	0	30	0
1989	1990	1991	0	0	0	0	30	0
1990	1991	1992	0	0	0	0	30	0
1991	1992	1993	0	0	0	0	30	0
1992	1993	1994	0	0	0	0	30	0
1993	1994	1995	675	0	0	675	30	20
1994	1995	1996	675	960	2,115	3,750	30	113
1995	1996	1997	1,350	1,920	2,115	5,385	30	162
1996	1997	1998	2,025	3,135	2,115	7,275	30	212
1997	1998	1999	2,835	4,395	2,115	9,345	30	280
1998	1999	2000	4,108	6,005	5,166	15,279	30	458
1999	2000	2001	5,430	7,615	5,166	18,211	30	546
2000	2001	2002	6,735	9,225	5,166	21,126	30	634
2001	2002	2003	7,735	10,763	5,166	23,664	30	710
2002	2003	2004	7,735	10,763	5,166	23,664	30	710
2003	2004	2005	7,735	10,763	5,166	23,664	30	710
2004	2005	2006	7,735	10,763	5,166	23,664	30	710
2005	2006	2007	7,735	10,763	5,166	23,664	30	710
2006	2007	2008	7,735	10,763	5,166	23,664	30	710
2007	2008	2009	7,735	10,763	5,166	23,664	30	710
2008	2009	2010	7,735	10,763	5,166	23,664	30	710
2009	2010	2011	7,735	10,763	5,166	23,664	30	710
2010	2011	2012	7,735	10,763	5,166	23,664	30	710
2011	2012	2013	7,735	10,763	5,166	23,664	30	710
2012	2013	2014	7,735	10,763	5,166	23,664	30	710

*Source: The Developer

NOTE 3: Reimbursements for Capital Improvements (See Appendix D-2)

The Developer expects that the District will be reimbursed from adjacent developments and from Crystal Valley Metropolitan Dist. #1 for various capital improvements as set forth in Table III.

TABLE III
CRYSTAL VALLEY METROPOLITAN DISTRICT #2
FORECASTED REIMBURSEMENTS
FOR THE PERIOD JANUARY 1, 1988 THROUGH DECEMBER 31, 2002

- - - - Reimbursements (000's) - - - -

Year	Adjacent Developments	District #1	Total
1988	\$0	\$0	\$0
1989	0	0	0
1990	0	0	0
1991	0	0	0
1992	0	0	0
1993	0	0	0
1994	49	288	337
1995	364	114	478
1996	0	0	0
1997	0	0	0
1998	9	0	9
1999	0	0	0
2000	0	0	0
2001	212	0	212
2002	<u>555</u>	<u>0</u>	<u>555</u>
TOTAL	<u>\$1,180</u>	<u>\$402</u>	<u>\$1,582</u>

NOTE 4: District Capital Improvement Program, Bond Issues, and Debt Service Requirements (See Appendices E-2)

A. Table IV sets forth a summary of the District's capital improvement requirements as provided by the Engineer. Such cost estimates include 25% allowances for engineering, legal, and contingencies.

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TABLE IV
CRYSTAL VALLEY METROPOLITAN DISTRICT #2
FORECASTED CAPITAL IMPROVEMENT REQUIREMENTS*
FOR THE YEARS ENDING DECEMBER 31, 1993 THROUGH 2000
(THOUSANDS OF DOLLARS)

Year	Roads	Water	Sewer	Drain.	Reuse	Rec. Reimb to		Financed From		
						Fee	Dist. #1	Total	Bonds	Other
1993	\$0	\$513	\$0	\$0	\$0	\$0	\$0	\$513	\$513	\$0
1994	949(1)	43	879	307	33	0	2,076	4,287	4,287	0
1995	2,118(2)	816	295	423	243	500	0	4,395	4,395	0
1996	0	138	49	212	0	0	0	399	0	399
1997	0	138	0	0	0	0	0	138	0	138
1998	0	328	48	969	0	0	0	1,346	0	1,346
1999	0	165	27	0	0	0	0	192	0	192
2000	0	0	75	0	0	0	0	75	0	75
TOTAL	<u>\$3,067</u>	<u>\$2,141</u>	<u>\$1,374</u>	<u>\$1,911</u>	<u>\$276</u>	<u>\$500</u>	<u>\$2,076</u>	<u>\$11,345</u>	<u>\$9,195</u>	<u>\$2,150</u>

*Source: The Engineer

- (1) Net of \$48,750 Reimbursement
- (2) Net of \$363,750 Reimbursement

Table IV indicates that the District plans to finance \$9,195,000 of its capital improvement program from bond proceeds, and \$2,150,000 from revenues generated from other District sources (i.e., property taxes, reimbursements, infrastructure development fees).

B. Table V indicates that the District expects to issue General Obligation Bonds in 1993, 1994, and 1995. Such Bond Issues are estimated to include two years capitalized interest and 5 points for "costs of issuance and underwriters discount". Average annual interest rates of 9.0% have been assumed.

8622942 - 10/23/86 11:49 - RETA A. CRAIN DOUGLAS CO. COLO. CLERK & RECORDER
B0674 - P0433 - \$276.00 76/ 92

TABLE V
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED CONSTRUCTION PROCEEDS, CAPITALIZED INTEREST,
 OTHER ISSUANCE COSTS, GROSS BOND ISSUE REQUIREMENTS
 FOR THE YEARS ENDING DECEMBER 31, 1993 THROUGH 2000
 (THOUSANDS OF DOLLARS)

<u>Year</u>	<u>Net Construction Proceeds</u>	<u>Capitalized Interest*</u>	<u>Costs of Issuance*</u>	<u>Gross Bond Issue Requirements*</u>
1993	\$513	\$114	\$33	\$653
1994	4,287	893	273	5,453
1995	4,395	915	280	5,590
1996	0	0	0	0
1997	0	0	0	0
1998	0	0	0	0
1999	0	0	0	0
2000	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$9,195</u>	<u>\$1,922</u>	<u>\$586</u>	<u>\$11,696</u>

*Source: The Underwriter

8622942 - 10/23/86 11:49 -- RITA A. CHAIN DOUGLAS CO. COLO. CLERK & RECORDER
 B0674 - P0434 - \$276.00
 - 77/ 92

C. Table VI sets forth the District's forecasted net (i.e., net of two years capitalized interest) debt service requirements associated with its future Bond Issues.

TABLE V
CRYSTAL VALLEY METROPOLITAN DISTRICT #2
FORECASTED NET DEBT SERVICE REQUIREMENTS*
FOR THE YEARS ENDING DECEMBER 31, 1988 THROUGH 2014
(THOUSANDS OF DOLLARS)

Year	BOND ISSUES			TOTAL \$11,696
	1993 \$653	1994 \$5,453	1995 \$5,590	
1988	\$0	\$0	\$0	\$0
1989	0	0	0	0
1990	0	0	0	0
1991	0	0	0	0
1992	0	0	0	0
1993	0	0	0	0
1994	0	0	0	0
1995	29	0	0	29
1996	72	245	0	317
1997	76	613	252	940
1998	75	613	628	1,316
1999	73	613	628	1,314
2000	76	613	628	1,318
2001	74	613	628	1,315
2002	72	613	628	1,313
2003	74	613	628	1,315
2004	71	613	628	1,312
2005	73	613	628	1,314
2006	75	613	628	1,316
2007	72	613	628	1,313
2008	73	613	628	1,314
2009	73	613	628	1,314
2010	73	613	628	1,314
2011	73	613	628	1,314
2012	72	613	628	1,313
2013	55	613	628	1,296
2014	0	558	628	1,186
TOTAL	<u>\$1,331</u>	<u>\$11,220</u>	<u>\$10,931</u>	<u>\$23,482</u>

*Source: The Underwriter

8622942 - 10/23/86 11:49 - RETA A. CRAIN DOUGLAS CO. COLO. CLERK & RECORDER
B0674 - P0435 - \$276.00
78/ 92

NOTE 6: Interest Earnings

- A. Interest earnings from investing temporarily idle cash balances have been calculated to be 6% of Beginning Funds Available.
- B. Interest earnings from investing construction proceeds associated with the Series 1993, 1994, and 1995 Bonds have been calculated to be 2% of net construction proceeds requirements.

NOTE 7: Operating, Maintenance, and Administration Costs (See Appendix H-2)

- A. It is assumed that administration costs will be \$25,000 annually. Such costs will include legal, audit, accounting, and other clerical costs.
- B. It is assumed that the Town of Castle Rock will be responsible for all maintenance and repair costs associated with the District's road, drainage, water, sewer, and recreation systems.

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B0674 - P0436 - \$276.00 79/ 92

8622942 - 10/23/86 11:49 - RETA A. CRAIN DOUGLAS CO. COLO. CLERK & RECORDER 80/ 92
 80674 - P0437 \$276.00

APPENDIX A-2
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 ESTIMATED REAL ESTATE BUILDOUT SCHEDULE
 AND RELATED EQR'S
 FOR THE YEARS ENDING DECEMBER 31, 1993 - 2001

	1993	1994	1995	1996	1997	1998	1999	2000	2001
SINGLE FAMILY									
1.5 units/acre									
Incremental	0	0	0	0	0	0	0	0	0
Cumulative	0	0	0	0	0	0	0	0	0
2.5 units/acre									
Incremental	50	0	50	50	60	35	35	30	0
Cumulative	50	50	100	150	210	245	280	310	310
3.5 units/acre									
Incremental	0	0	0	0	0	80	85	90	100
Cumulative	0	0	0	0	0	80	165	255	355
4.5 units/acre									
Incremental	0	0	0	0	0	0	0	0	0
Cumulative	0	0	0	0	0	0	0	0	0
6.0 units/acre									
Incremental	0	0	0	0	0	0	0	0	0
Cumulative	0	0	0	0	0	0	0	0	0
TOTAL SINGLE FAMILY									
Incremental	50	0	50	50	60	115	120	120	100
Cumulative	50	50	100	150	210	325	445	565	665
MULTI-FAMILY									
8.0 units/acre									
Incremental	0	0	0	135	140	0	0	0	0
Cumulative	0	0	0	135	275	275	275	275	275
12.0 units/acre									
Incremental	0	120	120	0	0	120	120	120	111
Cumulative	0	120	240	240	240	360	480	600	711
20.0 units/acre									
Incremental	0	0	0	0	0	100	100	100	100
Cumulative	0	0	0	0	0	100	200	300	400
TOTAL MULTI-FAMILY									
Incremental	0	120	120	135	140	220	220	220	211
Cumulative	0	120	240	375	515	735	955	1,175	1,386
NON-RESIDENTIAL									
Incremental	0	235,000	0	0	0	339,000	0	0	0
Cumulative	0	235,000	235,000	235,000	235,000	574,000	574,000	574,000	574,000
EQR'S:*									
Single Family	50	0	50	50	60	115	120	120	100
Multi-Family	0	90	90	101	105	165	165	165	158
Non-Residential	0	57	0	0	0	82	0	0	0
TOTAL EQR'S									
Incremental	50	147	140	151	165	362	285	285	258
Cumulative	50	197	337	488	653	1,016	1,301	1,586	1,844

*Single Family = 1.00 eqr/unit
 Multi-Family = 0.75 eqr/unit
 Non-Residential = 1.00 eqr/4,122 sq.ft.

APPENDIX B-2
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED INFRASTRUCTURE DEVELOPMENT FEE REVENUES
 FOR THE YEARS ENDING DECEMBER 31, 1988 - 2001
 (THOUSANDS OF DOLLARS)

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	TOTAL
Incremental Buildout:															
Single Family	0	0	0	0	0	50	0	50	50	60	115	120	120	100	665
Multi Family	0	0	0	0	0	0	120	120	135	140	220	220	220	211	1,386
Non-Residential (EQRS)	0	0	0	0	0	0	57	0	0	0	82	0	0	0	139
Development Fee Rate:															
Single Family/Non-Res	2,636	2,768	2,906	3,051	3,204	3,364	3,532	3,709	3,895	4,089	4,294	4,508	4,734	4,971	
Multi Family	3,246	3,408	3,579	3,758	3,946	4,143	4,350	4,567	4,796	5,036	5,287	5,552	5,829	6,121	
Surcharge Rate/Unit-EQR															
Single & Multi Family	1,100	1,155	1,213	1,273	1,337	1,404	1,474	1,548	1,625	1,706	1,792	1,881	1,975	2,074	
DEVELOPMENT FEE REVS(000)															
Single Family	0	0	0	0	0	168	0	195	195	245	494	541	568	497	2,894
Multi Family	0	0	0	0	0	0	522	548	647	705	1,163	1,221	1,282	1,291	7,381
Non-Residential	0	0	0	0	0	0	201	0	0	0	353	0	0	0	555
SURCHARGE REVENUES (000)															
Single Family	0	0	0	0	0	70	0	77	81	102	205	226	237	207	1,208
Multi-Family	0	0	0	0	0	0	177	186	219	239	394	414	435	438	2,501
Non-Residential	0	0	0	0	0	0	84	0	0	0	147	0	0	0	231
TOTAL DEVELOPMENT FEE REVENUES (000)	0	0	0	0	0	238	984	997	1,143	1,292	2,758	2,402	2,522	2,434	14,769

APPENDIX C-2
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED ASSESSED VALUATION
 AND PROPERTY TAX REVENUES
 FOR THE YEARS ENDING DECEMBER 31, 1987 - 2014

Year of Improvements	Year Certified to District	Year Taxes Will Be Collected	Assessed Valuation				Total Assessed Valuation (000's)	Assumed Mill Levy	Gross Property Tax Revenues (000's)
			Single Family Units (App. C-2a) (000's)	Multi- Family Units (App. C-2b) (000's)	Non-Fes. Square Feet (App. C-3b) (000's)	Square Feet Valuation (000's)			
1987	1988	1989	0	0	0	0	30	0	
1988	1989	1990	0	0	0	0	30	0	
1989	1990	1991	0	0	0	0	30	0	
1990	1991	1992	0	0	0	0	30	0	
1991	1992	1993	0	0	0	0	30	0	
1992	1993	1994	0	0	0	0	30	0	
1993	1994	1995	675	0	0	675	30	20	
1994	1995	1996	675	960	2,115	3,750	30	113	
1995	1996	1997	1,350	1,920	2,115	5,385	30	162	
1996	1997	1998	2,025	3,135	2,115	7,275	30	218	
1997	1998	1999	2,835	4,395	2,115	9,345	30	280	
1998	1999	2000	4,108	6,005	5,166	15,279	30	458	
1999	2000	2001	5,430	7,615	5,166	18,211	30	546	
2000	2001	2002	6,735	9,225	5,166	21,126	30	634	
2001	2002	2003	7,735	10,763	5,166	23,664	30	710	
2002	2003	2004	7,735	10,763	5,166	23,664	30	710	
2003	2004	2005	7,735	10,763	5,166	23,664	30	710	
2004	2005	2006	7,735	10,763	5,166	23,664	30	710	
2005	2006	2007	7,735	10,763	5,166	23,664	30	710	
2006	2007	2008	7,735	10,763	5,166	23,664	30	710	
2007	2008	2009	7,735	10,763	5,166	23,664	30	710	
2008	2009	2010	7,735	10,763	5,166	23,664	30	710	
2009	2010	2011	7,735	10,763	5,166	23,664	30	710	
2010	2011	2012	7,735	10,763	5,166	23,664	30	710	
2011	2012	2013	7,735	10,763	5,166	23,664	30	710	
2012	2013	2014	7,735	10,763	5,166	23,664	30	710	

APPENDIX C-2a
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED ASSESSED VALUATION - SINGLE FAMILY
 FOR THE YEARS ENDING DECEMBER 31, 1993 - 2003

Year of Development	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Year Certified	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Year Taxes Received	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	
DEVELOPMENT											
1.5 units/acre (Cumulative)	0	0	0	0	0	0	0	0	0	0	0
Estimated Rate of	0	0	0	0	0	0	0	0	0	0	0
Assessed Valuation	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500
1.5 Units/Acre A.V. (000)	0	0	0	0	0	0	0	0	0	0	0
2.5 units/acre (Cumulative)	50	0	50	50	60	35	35	30	30	0	0
Estimated Rate of	50	50	100	150	210	245	280	310	310	310	310
Assessed Valuation	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
2.5 Units/Acre A.V. (000)	675	675	1,350	2,025	2,835	3,303	3,780	4,185	4,185	4,185	4,185
3.5 units/acre (Cumulative)	0	0	0	0	0	80	85	90	100	100	100
Estimated Rate of	0	0	0	0	0	80	165	255	355	355	355
Assessed Valuation	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
3.5 Units/Acre A.V. (000)	0	0	0	0	0	800	1,650	2,550	3,550	3,550	3,550
4.5 units/acre (Cumulative)	0	0	0	0	0	0	0	0	0	0	0
Estimated Rate of	0	0	0	0	0	0	0	0	0	0	0
Assessed Valuation	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
4.5 Units/Acre A.V. (000)	0	0	0	0	0	0	0	0	0	0	0
6.0 units/acre (Cumulative)	0	0	0	0	0	0	0	0	0	0	0
Estimated Rate of	0	0	0	0	0	0	0	0	0	0	0
Assessed Valuation	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
6.0 Units/Acre A.V. (000)	0	0	0	0	0	0	0	0	0	0	0
TOTAL SINGLE FAMILY ASSESSED VALUATION	675	675	1,350	2,025	2,835	4,108	5,430	6,735	7,435	7,435	7,435

APPENDIX C-2b
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED ASSESSED VALUATION — MULTI-FAMILY
 FOR THE YEARS ENDING DECEMBER 31, 1993 - 2003

Year of Development Year Certified Year Taxes Received	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
DEVELOPMENT											
8.0 units/acre (Cumulative) Estimated Rate of Assessed Valuation 8.0 Units/Acre A.V. (000)	0 0 9,000 0	0 0 9,000 0	0 0 9,000 0	135 135 9,000 1,215	140 275 9,000 2,475	0 275 9,000 2,475	0 275 9,000 2,475	0 275 9,000 2,475	0 275 9,000 2,475	0 275 9,000 2,475	0 275 9,000 2,475
12 units/acre (Cumulative) Estimated Rate of Assessed Valuation 12 Units/Acre A.V. (000)	0 0 8,000 0	120 120 8,000 960	120 240 8,000 1,920	0 240 8,000 1,920	0 240 8,000 1,920	120 360 8,000 2,880	120 480 8,000 3,840	120 600 8,000 4,800	111 711 8,000 5,688		
20 units/acre (Cumulative) Estimated Rate of Assessed Valuation 20 Units/Acre A.V. (000)	0 0 6,500 0	0 0 6,500 0	0 0 6,500 0	0 0 6,500 0	0 0 6,500 0	100 100 6,500 650	100 200 6,500 1,300	100 300 6,500 1,950	100 400 6,500 2,600		
TOTAL MULTI-FAMILY ASSESSED VALUATION	0	960	1,920	3,135	4,395	6,005	7,615	9,225	10,763		

APPENDIX C-3b
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED ASSESSED VALUATION
 NON-RESIDENTIAL SPACE
 FOR THE YEARS ENDING DECEMBER 31, 1993 - 2003

Year of Development Year Certified Year Taxes Received	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Incremental Square Feet	0	235,000	0	0	0	339,000	0	0	0	0	0
Cumulative Square Feet	0	235,000	235,000	235,000	235,000	574,000	574,000	574,000	574,000	574,000	574,000
Estimated Rate of Assessed Valuation	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
TOTAL NON-RESIDENTIAL ASSESSED VALUATION (000)	0	2,115	2,115	2,115	2,115	5,166	5,166	5,166	5,166	5,166	5,166

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 B0674 - P0442 - \$276.00 - 85/ 92

APPENDIX B-2
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED REIMBURSEMENTS
 FOR THE YEARS ENDING DECEMBER 31, 1988 - 2003

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	TOTAL
REIMBURSEMENTS:																	
Douglas Lane (off-site)																	
Lighting (off-site)																	
Reuse - Off-site main																	766,844
Distr #1 Reimb.																	0
Sellers Gulch							288,188										402,668
Outfall & Bore								114,480									0
TOTAL	0	0	0	0	0	0	288,188	114,480	0	0	0	0	0	211,532	555,312	0	1,169,512

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 D0674 - P0443 - \$276.00
 86/ 92

APPENDIX E-2
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED CAPITAL IMPROVEMENT COSTS

1986 \$
 FOR THE YEARS ENDING DECEMBER 31 1993 - 2001
 (THOUSANDS OF DOLLARS)

	1993	1994 (1)	1995 (2)	1996	1997	1998	1999	2000	2001	TOTAL
ROADS	0	949	2,118	0	0	0	0	0	0	3,067
DRAINAGE	0	307	423	212	0	969	0	0	0	1,911
WATER	513	43	816	138	138	328	165	0	0	2,141
SEWER	0	879	295	49	0	49	27	75	0	1,374
REUSE	0	33	243	0	0	0	0	0	0	276
REC FEE	0	0	500	0	0	0	0	0	0	500
REIMB	0	2,076	0	0	0	0	0	0	0	2,076
TOTAL	513	4,287	4,395	399	138	1,346	192	75	0	11,345

(1) Net of \$48,750 reimbursement for street lighting
 (2) Net of \$463,750 reimbursement for street lighting

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 B0674 - P0444 - \$276.00 87/ 92

APPENDIX F-2
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED BOND ISSUE AMOUNTS
 FOR THE YEARS ENDING DECEMBER 31, 1993 THROUGH 2001
 (THOUSANDS OF DOLLARS)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	TOTAL
Net Construction Proceeds Required	513	4,287	4,395	399	138	1,346	192	75	0	11,345
2 Year Capitalized Interest	107	893	916	0	0	0	0	0	0	1,916
Cost of Issuance	33	273	280	0	0	0	0	0	0	585
TOTAL BOND ISSUE REQUIREMENTS	653	5,453	5,590	0	0	0	0	0	0	11,696
Interest -- Construction	10	86	88	0	0	0	0	0	0	184

8622942 - 10/23/86 11:49 - RETA A. CRAIN DOUGLAS CO. COLO. CLERK & RECORDER
 B0674 - P0445 - \$2,76.00 - 88/ 92

APPENDIX C-2
 CRYSTAL VALLEY METROPOLITAN DISTRICT #2
 FORECASTED NET DEBT SERVICE REQUIREMENTS
 9.0% RAN-RAID FIXED RATE
 FOR THE YEARS ENDING DECEMBER 31, 1988 THROUGH 2014
 (MILLEANS OF DOLLARS)

ISSUE (000s)	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	TOTAL		
1993	0	0	0	0	0	0	0	29	72	76	75	73	76	74	72	74	71	73	75	72	73	73	73	73	73	72	55	0	1,331	
1994	5,653	0	0	0	0	0	0	0	265	613	613	613	613	613	613	613	613	613	613	613	613	613	613	613	613	613	613	558	11,220	
1995	5,590	0	0	0	0	0	0	0	0	252	628	628	628	628	628	628	628	628	628	628	628	628	628	628	628	628	628	628	628	10,931
1996	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	11,696	0	0	0	0	0	0	29	317	940	1,316	1,314	1,317	1,315	1,313	1,315	1,312	1,314	1,316	1,313	1,314	1,314	1,314	1,314	1,313	1,296	1,186	23,482		

8622942 - 10/23/86 11:49 - RETA A. CRAIN DOUGLAS CO. COLO. CLERK & RECORDER
 B0674 - P0446 - \$276.00 89/ 92

R E S O L U T I O N

A RESOLUTION AUTHORIZING THE CREATION OF THE CRYSTAL VALLEY METROPOLITAN DISTRICT NO. 2 AND APPROVING THE PETITION FOR ORGANIZATION OF THE DISTRICT AND APPROVING THE FORM OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE PROPOSED DISTRICT AND THE TOWN.

WHEREAS, pursuant to Title 32, Article 1 of the Colorado Revised Statutes (the "Act"), there has been submitted to the Board of Trustees (the "Board") of the Town of Castle Rock (the "Town"), in the County of Douglas and State of Colorado, a Petition for the proposed organization (the "Petition") of the Crystal Valley Metropolitan District No. 2 (the "District"), which proposed District lies wholly within the corporate limits of the Town; and

WHEREAS, the proponents of the proposed District have presented to the Board the forms of the Petition and Intergovernmental Agreement between the Town and the proposed District (the "Agreement") and the Service Plan for the proposed District (the "Plan"); and

WHEREAS, Section 204.5 of the Act requires that a municipality approve a Service Plan of any special district proposed to be created exclusively within the boundaries of the municipality; and

WHEREAS, the proposed District is being formed solely for the purpose of providing certain water, sanitation, street, safety control, park and recreation services and facilities, and transportation services (the "Facilities"); and

WHEREAS, pursuant to the provisions of Article XIV, Section 18 of the Colorado Constitution, and Title 29, Article 1, Part 2, Colorado Revised Statutes, the Town desires to cooperate with the proposed District, if formed, to provide certain services and facilities to the property located within the proposed District; and

WHEREAS, the Facilities are more particularly described in the Agreement and Service Plan, and the District is being proposed for organization for the purpose of accomplishing the

terms and provisions of the Agreement and for no other purpose;
and

WHEREAS, the Board's approval of the Petition is subject to and based upon those conditions and limitations contained in the Agreement and the Plan; and

WHEREAS, the Board has been presented evidence satisfactory to the Board pursuant to Section 203(2) of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF CASTLE ROCK, COLORADO:

Section 1. The Board approves the Petition in substantially the form presented to the Board at this meeting and approves the proposed Agreement in substantially the form presented at this meeting. The terms, provisions and limitations of said Agreement and the Plan are incorporated herein by reference and form the basis for the Board's approval of the organization of the District. The services and facilities to be provided by the District and the powers provided by the District shall be subject to the limitations in the Agreement and the Plan. Any material departure by the proposed District from the Agreement or the Plan must be approved by the Town.

Section 2. That the Board of Trustees of the Town of Castle Rock does hereby find and determine from the evidence presented that:

(a) There is sufficient existing and projected need for organized service in the area to be serviced by the proposed District;

(b) The existing service in the area to be serviced by the proposed District is inadequate for present and projected needs;

(c) The proposed District is capable of providing economical and sufficient service to the area within its proposed boundaries; and

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

Section 3. That the Service Plan of the proposed Crystal Valley Metropolitan District No. 2 is hereby approved without condition or modification.

Section 4. Upon organization of the District and the authorization, execution and delivery of the Agreement by the Board of Directors of the proposed District, the Town shall enter into and perform its obligations under the Agreement and the Mayor and Town Clerk are authorized to execute and deliver the Agreement.

Section 5. Nothing herein shall be construed as a waiver of the Town's right, subsequent to formation of the District, to exclude property within the Town's boundaries or initiate the dissolution of the District pursuant to the Act or any legislation which may hereafter be adopted.

Section 6. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. All bylaws, orders, and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 8. This Resolution shall take effect immediately upon passage.

APPROVED this 20th day of August, 1986.

TOWN OF CASTLE ROCK

By

Mary Kennedy
Mayor

ATTESTED:

Richard R. Wilson

Town Clerk

Approved as to form:

Bruce B. Lassman
Bruce B. Lassman, Town Attorney

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