

**NOTICE AND AGENDA FOR THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF FALLBROOK VILLAS METROPOLITAN DISTRICT**

A Regular Meeting of the Board of Directors of the Fallbrook Villas Metropolitan District will be held at 6:00 p.m., Thursday, October 15, 2026, via telephone and videoconference. The call-in number is (669) 900-6833 or Meeting ID is 285 858 1316, passcode 9837. The agenda is as follows:

1. **Agenda & Administrative Matters**
 - a. Call to Order
 - b. Approve Agenda
 - c. Public Comment (limited to three minutes per person)
 - d. Approve Minutes: September 24, 2026
2. **Bond Matters**
 - a. Consider Approval of Resolution Authorizing the Refunding Of the General Obligation Indebtedness
3. **Budget Matters**
 - a. Review Draft 2027 District Budget
4. **Financial Matters**
 - a. Approve October 2026 Check Register
 - b. Approve September 30, 2026, Financials
5. **Management & Maintenance Matters**
 - a. Update on Landscaping and Maintenance Items
 - b. Review and Consider Approval of Snow Removal Proposals
6. **Other Business**

DISTRICT MEETINGS ARE OPEN TO THE PUBLIC

Attendees: whether members of the public or the Board of Directors will not engage in obscene gestures, shouting, profanity, or other disruptive behavior. If attendees become disruptive, they will be muted, expelled from the meeting, and/or fined/sanctioned.

(Next Meeting Date: November 19, 2026, at 6:00 p.m.)

The Fallbrook Villas Metropolitan District Board of Directors:

KimNichelle Rivera	Term Expires 2029
Jolene Simon	Term Expires 2027
Kaitlyn Stroud	Term Expires 2029
Katie Lyons	Term Expires 2029
Christina Mathews	Term Expires 2027

**RECORD OF PROCEEDINGS
MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
FALLBROOK VILLAS METROPOLITAN DISTRICT**

HELD:

Thursday, the 24th day of September 2026 at 6:00 p.m. via telephone and videoconference.

ATTENDANCE:

A special meeting of the Board of Directors (the “Board”) of the Fallbrook Villas Metropolitan District (the “District”), Adams County, State of Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

KimNichelle Rivera, President, (2025-2029)
Jolene Simon, Treasurer (2023-2027)
Katie Lyons, Director (2025-2029)
Kaitlyn Stroud, Director (2025-2029)
Christina Mathews (2025-2027)

Also in attendance was Nicki Simonson, and Rebecca Hill of Sentinel Point Management & Accounting Co.

1. AGENDA & ADMINISTRATIVE MATTERS:

- a. Call to Order: It was noted for the record that a quorum was present from the Board for the purpose of conducting a meeting, and the meeting was called to order. President K. Rivera presided.
- b. Approve Agenda: The agenda was approved upon motion by Director J. Simon and second by Director K. Rivera.
- c. Public Comment: Several members of the community were present; however, there were no public comments or questions for the Board.
- d. Approve Minutes: Meeting minutes for July 16, 2026, July 23, 2026, and August 19, 2026, were approved upon motion by Director J. Simon and second by Director K. Stroud.

2. AUDIT MATTERS:

- a. Ms. D. Schilling reported there were no difficulties completing the audit. Schilling & Company audited the District through fiscal year end 2025. Schilling & Company’s opinion offered is that the financials present fairly the financial position of the District.

Meeting Minutes

Fallbrook Villas Metropolitan District

September 24, 2026

Page 2

Ms. D. Schilling reviewed with the Board the financial statements she considered in rendering her opinion.

- b. Approve 2025 Audit: The 2025 Audit was approved upon motion by Director J. Simon and second by Director K. Rivera.
- c. Approve District Representation Letter: The 2025 Representation Letter was approved upon motion by Director J. Simon and second by Director K. Rivera.

3. FINANCIAL AND BOND MATTERS:

- a. Update on Bond Refinance: Ms. Nicki Simonson gave a high-level update on the bond refinance. The goal is to refinance the bond at a lower interest rate in such a way to not increase the mill levy.
- b. Ratify Approval of June 1, 2026, through September 30, 2026, Check Register: Approval of the June 1, 2026, through September 30, 2026, check register was ratified upon motion by Director J. Simon and second by Direct K. Lyons.

4. MAINTENANCE, COVENANT, AND DESIGN REVIEW COMMITTEE MATTERS:

- a. Update on Landscaping and Irrigation: Director K. Rivera gave an update that she met with Amber and Roberto with EDI regarding the general condition of the grass in the community. Amber is putting together a proposal to address replacing some turf areas with native grass along with redesigning tree lines with shrubs and flowering plants. City of Thornton's community landscape requirements state the following for every 600 sq feet:
 - a. 1 two-inch-caliper deciduous tree, OR
 - b. 1 six-foot evergreen tree, OR
 - c. 10 five-gallon shrubs/ornamental grasses, OR
 - d. 20 one-gallon ornamental grasses/applicable groundcovers.
- b. Consider Approval of Tree Planting Agreement: The Board declined to approve this agreement due to budget constraints.
- c. Consider Approval of Dead Shrub Removal Agreement: The Board declined to approve this agreement due to budget constraints.

Meeting Minutes

Fallbrook Villas Metropolitan District

September 24, 2026

Page 3

- d. Consider Approval of Winter Watering Agreement: The Board declined to approve this agreement due to budget constraints, noting it was specifically tied to new trees that would have been planted and does not pertain to existing trees.
- e. Consider Todd Geist DRC Appeal: Mr. Geist was not in attendance at the Board Meeting. The DRC Appeal was denied upon motion by Director J. Simon and second by Director K. Lyons.

ADJOURNMENT:

There being no further business to come before the Board; the meeting was adjourned. The foregoing minutes constitute a true and correct copy of the minutes of the above-referenced meeting and have been approved by the Board of Directors of the Fallbrook Villas Metropolitan District.

Kaitlyn Stroud, Secretary

STATE OF COLORADO)
FALLBROOK VILLAS METROPOLITAN DISTRICT) ss.
ADAMS COUNTY)

As the Secretary of the Board of Directors of Fallbrook Villas Metropolitan District, in the City of Thornton Adams County, Colorado (the "District"), I do hereby certify that:

1. Attached is a true and correct copy of a resolution (the "Resolution") adopted by the Board of Directors (the "Board") at a public meeting held on October 15, 2026.

2. Notice of such meeting was posted in accordance with Section 32-1-903, C.R.S. and, as required therein, such notice indicated that the board intends to make a final determination to issue or refund general obligation indebtedness.

3. The Resolution was duly moved, seconded and adopted at such meeting by the affirmative vote of a majority of the members of the Board as follows:

Board Member	Attendance			Voting		
	Present in Person	Present via Telecom- munications Device	Absent	Yes	No	Abstain
Katie Lyons	_____	_____	_____	_____	_____	_____
Christina Mathews	_____	_____	_____	_____	_____	_____
KimNichelle Rivera	_____	_____	_____	_____	_____	_____
Jolene Simon	_____	_____	_____	_____	_____	_____
Kaitlyn Stroud	_____	_____	_____	_____	_____	_____

4. The Resolution was duly approved by the Board, signed and attested by the appropriate officers, sealed with the District's seal, and recorded in the minutes of the Board.

5. The public meeting at which the Resolution was adopted, and all proceedings relating to the adoption of the Resolution were conducted, in accordance with all applicable bylaws, rules, regulations and resolutions of the District, in accordance with the normal procedures of the District relating to such matters, and in accordance with applicable statutes of the State of Colorado, including without limitation the Open Meetings Law set forth in Section 24-6-402, C.R.S.

WITNESS my hand and the seal of the District this 15th day of October, 2026.

By _____
Secretary

[SEAL]

Table of Contents

	Page
Section 1. Definitions.....	2
Section 2. Authorization and Purpose of Bonds	8
Section 3. Bond Details.....	8
Section 4. Delegation and Parameters	9
Section 5. Redemption of Bonds Prior to Maturity	10
Section 6. Security for the Bonds	11
Section 7. Form of Bonds	13
Section 8. Execution of Bonds.....	13
Section 9. Registration of Bonds in Registration Books Maintained by Paying Agent	13
Section 10. Filing Requirements.....	13
Section 11. Transfer and Exchange of Bonds.....	14
Section 12. Replacement of Lost, Destroyed or Stolen Bonds	14
Section 13. Establishment of Bond Account; Initial Credits of Bond Proceeds.....	15
Section 14. Escrow Account; Payment of Refunded Debt	15
Section 15. Investments	16
Section 16. Various Findings, Determinations, Declarations and Covenants	16
Section 17. Additional Bonds	17
Section 18. Federal Income Tax Covenants	17
Section 19. Defeasance	18
Section 20. Events of Default	18
Section 21. Remedies for Events of Default.....	19
Section 22. Amendment of Resolution	20
Section 23. Appointment and Duties of Paying Agent.....	20
Section 24. Approval of Related Documents.....	21
Section 25. Events Occurring on Days That Are Not Business Days	21
Section 26. Supplemental Public Securities Act.....	22
Section 27. Resolution is Contract With Owners of Bonds and Irrepealable.....	22
Section 28. Headings, Table of Contents and Cover Page	22
Section 29. Severability	23
Section 30. Repeal of Inconsistent Resolutions, Bylaws, Rules and Orders	23
Section 31. Ratification of Prior Actions.....	23
Section 32. Effective Date	23

APPENDIX A – Form of Bond

A RESOLUTION AUTHORIZING THE ISSUANCE BY FALLBROOK VILLAS METROPOLITAN DISTRICT OF LIMITED TAX (CONVERTIBLE TO UNLIMITED TAX) GENERAL OBLIGATION REFUNDING BONDS FOR THE PURPOSE OF REFUNDING OUTSTANDING DEBT OF THE DISTRICT; PROVIDING FOR THE PAYMENT OF THE REFUNDED DEBT, FOR THE LEVY OF PROPERTY TAXES TO PAY THE REFUNDING BONDS AND OTHER DETAILS IN CONNECTION WITH THE REFUNDING.

WHEREAS, Fallbrook Villas Metropolitan District, in Adams County, Colorado is a duly organized and validly existing special district, political subdivision and body corporate of the State (*capitalized terms used in this preamble shall have the meanings set forth in Section 1 of this Resolution*); and

WHEREAS, the District previously issued its Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2019A, in the aggregate principal amount of \$2,405,000 (which bonds are currently outstanding in the aggregate principal amount of \$2,310,000, and accrue interest on unpaid principal at the rate of 5.25% per annum payable semiannually on each June 1 and December 1) and its Subordinate Limited Tax General Obligation Bonds, Series 2019B, in the aggregate principal amount of \$398,000 (which bonds are currently outstanding in the aggregate principal amount of \$315,000 and accrue interest on unpaid principal at the rate of 7.75% per annum payable annually on each December 15); and

WHEREAS, the Series 2019A Bonds are subject to redemption on and after December 1, 2026 at the option of the District, at a redemption price equal to the par amount thereof (with no redemption premium) plus accrued interest to the redemption date; and

WHEREAS, the Series 2019B Bonds are subject to redemption on and after December 15, 2026 at the option of the District, at a redemption price equal to the par amount thereof (with no redemption premium) plus accrued interest to the redemption date; and

WHEREAS, the principal of and interest on the Series 2019A Bonds and the Series 2019B Bonds are payable at UMB Bank, n.a., in Denver, Colorado, as trustee for such bonds under the Refunded Debt Indentures; and

WHEREAS, the Series 2019A Bonds and Series 2019B Bonds were issued pursuant to an election held on November 3, 2015, and such Ballot Issue Authorization included voter approval for up to \$5,000,000 in principal amount for the refinancing of district bonded debt; and

WHEREAS, under the Public Securities Refunding Act, the refunding of outstanding obligations by a public body can be accomplished for the purpose of “reducing the total principal and interest payable on such obligations or the principal and interest payable thereon in any particular year or years, or affecting other economies” and, among other things, the Board desires to lower its current required mill levy for debt service as provided in the Refunded Debt Indentures; and

WHEREAS, the Board has been presented with a plan to the District by refunding all of the Series 2019A Bonds and the Series 2019B Bonds through the issuance by the District of Refunding Bonds and the Board has determined and hereby determines that completing the plan within the parameters established in this Resolution is in the best interests of the District; and

WHEREAS, the net proceeds derived from the Refunding Bonds shall be immediately applied to the payment and cancellation of the Refunded Debt, respectively, or placed in the special fund and trust account authorized by this Resolution, for the purpose only of paying the principal of and interest on the Refunded Debt as the same become due and payable up to and including the Call Date, as more specifically provided in this Resolution; and

WHEREAS, the Refunding Bonds are expected to be rated in one of the four highest investment grade rating categories by a rating organization which regularly rates such obligations and will be exempt from registration under the Colorado Municipal Bond Supervision Act as provided by Section 11-59-110(1)(c), C.R.S. upon appropriate filing for such exemption; and

WHEREAS, the District has received and there is available if requested by a member of the Board the proposed form of agreements relating to the Refunding Bonds, including the Bond Purchase Agreement, the Paying Agent Agreement, and the Escrow Agreement, as well as the form of the Preliminary Official Statement; and

WHEREAS, no member of the Board has a potential conflict of interest in connection with the authorization, issuance, sale or use of proceeds of the Refunding Bonds; and

WHEREAS, this Resolution is being adopted to authorize the issuance, sale and delivery of the Refunding Bonds and to provide for the details and payment of the Refunding Bonds; and

WHEREAS, the Board desires, as provided in the Supplemental Public Securities Act, to delegate the authority to the Sale Delegate to, among other things, determine certain provisions of the Refunding Bonds, which provisions are to be set forth in the Sale Certificate in accordance with the provisions of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF FALLBROOK VILLAS METROPOLITAN DISTRICT, IN ADAMS COUNTY, COLORADO:

Section 1. Definitions. The following terms shall have the following meanings as used in this Resolution:

“Authorized Official” means any member of the Board, which individuals shall be authorized to sign any and all agreements, documents and certificates with respect to the issuance and delivery of the Bonds.

“Ballot Issue Authorization” means ballot issues approved by a majority of the District’s eligible electors voting at the election held on November 3, 2015.

“*Bank*” means UMB Bank, n.a., in Denver, Colorado, or its successor, a national banking association duly organized and existing under the laws of the United States of America, being a member of the Federal Deposit Insurance Corporation, and having full and complete trust powers.

“*Board*” means the Board of Directors of the District, and any successor body.

“*Bond Account*” means the “Series 2026 Refunding Bond Account,” established by the provisions hereof for the purpose of paying the principal of, premium if any, and interest on the Bonds.

“*Bond Counsel*” means (a) as of the date of issuance of the Bonds, Kutak Rock LLP, and (b) as of any other date, Kutak Rock LLP or such other attorneys selected by the District with nationally recognized expertise in the issuance of municipal bonds.

“*Bond Obligation*” means, as of any date, the principal amount of the Bonds Outstanding as of such date.

“*Bond Purchase Agreement*” means the Bond Purchase Agreement, pursuant to which the District will agree to sell, and the Underwriter will agree to purchase, the Bonds at the prices and on the terms set forth therein.

“*Bonds*” and “*Refunding Bonds*” mean the “Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2026” authorized by the Section hereof entitled “Authorization and Purpose of Bonds.” In the event that the Bonds are issued in calendar year 2027, all references in this Resolution to “Series 2026” shall mean and be referenced as “Series 2027”.

“*Business Day*” means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State are authorized or obligated by law or executive order to be closed for business.

“*Call Date*” means December 1, 2026 with respect to the Series 2019A Bonds and December 15, 2026 with respect to the Series 2019B Bonds, or such other dates as determined by the Sale Delegate.

“*Code*” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder and applicable to the Bonds or the use of proceeds thereof, unless the context clearly requires otherwise.

“*Continuing Disclosure Undertaking*” means the Continuing Disclosure Undertaking executed by the District to facilitate compliance with Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. § 240.15c2-12).

“*Conversion Date*” means the first date on which all of the following conditions are met: (a) the Debt to Assess Ratio is fifty percent or less; and (b) no amounts of principal or interest on the Bonds are due but unpaid. On and after the Conversion Date the Pledged Revenue shall be

secured by the pledge of the Unlimited Mill Levy regardless of any subsequent increase in the Debt to Assessed Ratio.

“*County*” means Adams County, Colorado.

“*C.R.S.*” means the Colorado Revised Statutes, as amended.

“*Dated Date*” means the original dated date for the Bonds, which shall be the date of delivery of the Bonds or such other date as established in the Sale Certificate.

“*Debt*” means, for any particular calculation dated, the aggregate outstanding principal amount (or, if issued as capital appreciation bonds, the then accrued value), as of such calculation date, of the Bonds, any Parity Obligations, any Subordinate Obligations, and any other bonds, notes or other obligations for the payment of which the District is obligated to impose ad valorem property taxes.

“*Debt to Assessed Ratio*” means, as of the date of calculation, the ratio derived by dividing the then-outstanding principal amount of Debt by the most recent Final Assessed Valuation of the District, which ratio calculation shall be set forth in a written certificate of the District President or other authorized District official as required by subsection (c) of the section hereof entitled “Filing Requirements.”

“*Defeasance Securities*” means bills, certificates of indebtedness, notes, bonds or similar securities which are direct, non-callable obligations of the United States of America or which are fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to the extent such investments are Permitted Investments.

“*District*” means Fallbrook Villas Metropolitan District, in the City of Thornton and Adams County, Colorado, and any successor thereto.

“*DTC*” means The Depository Trust Company, New York, New York, and its successors in interest and assigns.

“*DTC Blanket Letter of Representations*” means the letter of representations from the District to DTC to induce DTC to act as securities depository for the Bonds.

“*Enabling Laws*” means State Constitution, the Special District Act, the Public Securities Refunding Act, the Supplemental Public Securities Act and all other laws of the State enabling the authorization and issuance of the Bonds.

“*Escrow Account*” means the account established and designated as such in the section hereof entitled “Escrow Account; Payment of Refunded Debt” to be maintained by the Bank in accordance with the Escrow Agreement and the provisions hereof.

“*Escrow Agreement*” means an agreement between the District and the Bank concerning the establishment of a trust account for the payment of the Refunded Debt and the duties and obligations of the Bank with respect thereto.

“Event of Default” means any of the events specified in the Section hereof entitled “Events of Default.”

“Federal Securities” means direct obligations of (including obligations issued or held in book entry form on the books of), or obligations the principal of and interest on which are guaranteed by, the United States of America.

“Final Assessed Valuation” means the final certified assessed valuation of all taxable property of the District, as calculated and recorded by the County Assessor of the County, on or about December 10th of each year, or on such other date as may be established by law for the annual final certification of assessed valuation.

“Interest Payment Date” means each June 1 and December 1, commencing June 1, 2027, or such other dates as established in the Sale Certificate.

“Limited Mill Levy” means, prior to the Conversion Date, a rate of ad valorem property tax levy expressed in mills (a mill being equal to 1/10 of 1 cent) imposed upon all of the taxable property in the District each year in an amount sufficient to pay the principal of, premium if any, and interest on the Refunding Bonds and any Parity Lien Obligations as the same become due and payable, but not in excess of 50 mills; provided however, that in the event the method of calculating assessed valuation is or was changed after January 1, 2015, the maximum mill levy provided herein shall be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues realized from the mill levy, as adjusted, are neither diminished nor enhanced from those which would have been realized without such changes in calculation method. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation. Notwithstanding anything herein to the contrary, in no event may the revenue generated from the Limited Mill Levy in any year be in excess of the maximum tax increases permitted by the applicable Ballot Issue Authorization.

“Official Statement” means the Official Statement prepared in connection with the sale and issuance of the Bonds.

“Outstanding” means, as of any date, all Bonds issued and delivered by the District, except the following: any Bond cancelled by the District or the Paying Agent, or otherwise on the District’s behalf, at or before such date; any Bond held by or on behalf of the District; any Bond for the payment or the redemption of which moneys or Defeasance Securities sufficient to meet all of the payment requirements of the principal of, premium, if any, and interest on such Bond to the date of maturity or prior redemption thereof, shall have theretofore been deposited in trust for such purpose in accordance with the Section hereof entitled “Defeasance”; and any lost, apparently destroyed, or wrongfully taken Bond in lieu of or in substitution for which another bond or other security shall have been executed and delivered.

“Owner” means the Person or Persons in whose name or names a Bond is registered on the registration books maintained by the Paying Agent pursuant hereto.

“Parity Obligations” means bonds, notes, debentures, or other multiple fiscal year financial obligations having a lien upon the Pledged Revenue or any part thereof on a parity with the lien thereon of the Bonds.

“Paying Agent” means the Bank and its successors in interest or assigns approved by the District.

“Paying Agent Agreement” means an agreement between the District and the Paying Agent concerning the duties and obligations of the Paying Agent with respect to the Bonds.

“Permitted Investments” means any investment in which funds of the District may be invested under the laws of the State at the time of such investment.

“Person” means a corporation, firm, other body corporate, partnership, association or individual and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

“Pledged Revenue” means the revenue derived by the District (including any interest income thereon) from the following sources:

(a) Prior to the Conversion Date, the Limited Mill Levy and any other legally available moneys deposited into the Bond Account; and

(b) On and after the Conversion Date, the Unlimited Mill Levy and any other legally available moneys deposited into the Bond Account.

“Preliminary Official Statement” means the Preliminary Official Statement prepared in connection with the sale and issuance of the Bonds.

“Principal Payment Date” means December 1, or such other date or dates of each year as established in the Sale Certificate.

“Public Securities Refunding Act” means Part 1 of Article 56 of Title 11, C.R.S., as amended.

“Record Date” means, with respect to each Interest Payment Date, the fifteenth day of the month immediately preceding the month (whether or not such day is a Business Day) in which such Interest Payment Date occurs.

“Refunded Debt” means the Series 2019A Bonds and Series 2019B Bonds.

“Refunded Debt Trustee” means the Bank, as trustee for the Refunded Debt under the Refunded Debt Indentures.

“Refunded Debt Requirements” means the principal of and accrued interest due in connection with the Refunded Debt on the Call Date, as reported by the Refunded Debt Trustee or set forth in the Escrow Agreement.

“Refunded Debt Indentures” means the Indenture of Trust (Senior) dated as of February 1, 2019, between the District and the Bank, as trustee, in connection with the issuance of the Series 2019A Bonds the Indenture of Trust (Subordinate) dated as of February 1, 2019, between the District and the Bank in connection with the issuance of the Series 2019B Bonds.

“Refunding Project” means the current refunding of the Refunded Debt and any other purpose for which proceeds of the Bonds may be expended under the Enabling Laws, including, but not limited to, the payment of the costs of issuance of the Bonds and the refunding, paying and discharging of the Refunded Debt Requirements.

“Resolution” means this Resolution, including any amendments or supplements hereto.

“Sale Certificate” means the certificate executed by the Sale Delegate under the authority delegated pursuant to this Resolution which sets forth the terms of the Bonds described in the Section hereof entitled “Delegation and Parameters.”

“Sale Delegate” means any one of the President of the Board or any other Authorized Official.

“Series 2019A Bonds” means the District’s Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2019A, which bonds were originally issued in the aggregate principal amount of \$2,405,000.

“Series 2019B Bonds” means the District’s Subordinate Limited Tax General Obligation Bonds, Series 2019B, in the aggregate principal amount, which bonds were originally issued in the aggregate principal amount of \$398,000.

“Service Plan” means the service plan for the District, as approved by the City Council of the City of Thornton on August 11, 2015, and any amendments thereto.

“Special District Act” means Title 32, Article 1, C.R.S.

“State” means the State of Colorado.

“Subordinate Obligations” means bonds, notes, debentures, or other multiple fiscal year financial obligations having a lien upon the Pledged Revenue or any part thereof junior and subordinate to the lien thereon of the Bonds.

“Supplemental Public Securities Act” means Part 2 of Article 57 of Title 11, C.R.S., as amended.

“Tax Letter of Instructions” means the Tax Letter of Instructions, dated the date on which the Bonds are originally issued and delivered to the District by Bond Counsel, as such instructions may be superseded or amended in accordance with their terms.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated of Denver, Colorado.

“*Unlimited Mill Levy*” means, on and after the Conversion Date, a levy for general ad valorem taxes imposed upon on all of the taxable property in the District each year, without limitation as to rate and in an amount sufficient to pay the principal of, premium if any, and interest on the Bonds as the same become due and payable.

Section 2. Authorization and Purpose of Bonds. Pursuant to and in accordance with the Enabling Laws, the District hereby authorizes, and directs that there shall be issued its “Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds” for the purpose of providing funds for the Refunding Project. The caption of the Bonds shall also include “Series 2026” or, if the Bonds are issued in calendar year 2027, “Series 2027”.

Section 3. Bond Details.

(a) ***Registered Form, Denominations, Dated Date and Numbering.*** The Bonds shall be issued in fully registered form, shall be dated as of the Dated Date, and shall be registered in the names of the Persons identified in the registration books maintained by the Paying Agent pursuant hereto. The Bonds shall be issued in denominations of \$5,000 in principal amount or any integral multiple thereof. The Bonds shall be consecutively numbered, beginning with the number one, preceded by the letter “R.”

(b) ***Maturity Dates, Principal Amounts and Interest Rates.*** The Bonds shall mature on the Principal Payment Date of the years and in the principal amounts, and shall bear interest at the rates per annum (calculated based on a 360 day year of twelve 30-day months) set forth in the Sale Certificate.

(c) ***Interest Accrual and Dates for Payment.*** Interest on the Bonds shall accrue at the rates set forth in the Sale Certificate from the later of the Dated Date or the latest Interest Payment Date (or in the case of defaulted interest, the latest date) to which interest has been paid in full and shall be payable on each Interest Payment Date.

(d) ***Manner and Form of Payment.*** Principal of each Bond shall be payable to the Owner thereof upon presentation and surrender of such Bond at the principal operations office identified by the Paying Agent or at such other office of the Paying Agent designated by the Paying Agent for such purpose. Interest on each Bond shall be payable by check or draft of the Paying Agent mailed on each Interest Payment Date to the Owner thereof as of the close of business on the corresponding Record Date; provided that interest payable to any Owner may be paid by any other means agreed to by such Owner and the Paying Agent that does not require the District to make moneys available to the Paying Agent earlier than otherwise required hereunder or increase the costs borne by the District hereunder. All payments of the principal of and interest on the Bonds shall be made in lawful money of the United States of America.

(e) ***Book-Entry Registration.*** Notwithstanding any other provision hereof, the Bonds shall be delivered only in book-entry form registered in the name of Cede & Co., as nominee of DTC, acting as securities depository of the Bonds and principal of and interest on the Bonds shall be paid by wire transfer to DTC; provided, however, if at any time the Paying Agent determines, and notifies the District of its determination, that DTC is no

longer able to act as, or is no longer satisfactorily performing its duties as, securities depository for the Bonds, the Paying Agent may, at its discretion, either (i) designate a substitute securities depository for DTC and reregister the Bonds as directed by such substitute securities depository or (ii) terminate the book-entry registration system and reregister the Bonds in the names of the beneficial owners thereof provided to it by DTC. Neither the District nor the Paying Agent shall have any liability to DTC, Cede & Co., any substitute securities depository, any Person in whose name the Bonds are reregistered at the direction of any substitute securities depository, any beneficial owner of the Bonds or any other Person for (A) any determination made by the Paying Agent pursuant to the proviso at the end of the immediately preceding sentence or (B) any action taken to implement such determination and the procedures related thereto that is taken pursuant to any direction of or in reliance on any information provided by DTC, Cede & Co., any substitute securities depository or any Person in whose name the Bonds are reregistered.

(f) ***Final Determination of Bond Details.*** The authority to determine other details of the Bonds is delegated to the Sale Delegate in the Section hereof entitled “Delegation and Parameters.”

Section 4. Delegation and Parameters.

(a) ***Delegation.*** The Board hereby delegates to the Sale Delegate the authority to determine and set forth in the Sale Certificate: (i) the matters set forth in subsection (b) of this Section, subject to the applicable parameters set forth in subsection (c) of this Section; and (ii) any other matters that, in the judgment of the Sale Delegate, are necessary or convenient to be set forth in the Sale Certificate and are not inconsistent with the parameters set forth in subsection (c) of this Section.

(b) ***Sale Certificate.*** The Sale Certificate for the Bonds shall set forth the following matters and other matters permitted to be set forth therein pursuant to subsection (a) of this Section, but each such matter must fall within the applicable parameters set forth in subsection (c) of this Section:

- (i) the Dated Date of the Bonds;
- (ii) the Principal Payment Date;
- (iii) the Interest Payment Date;
- (iv) the aggregate principal amount of the Bonds;
- (v) the price at which the Bonds will be sold pursuant to the Bond Purchase Agreement;
- (vi) the amount of principal of the Bonds maturing in any particular year and the respective interest rates borne by the Bonds;

(vii) the Bonds which may be redeemed at the option of the District, the dates upon which such optional redemption may occur, and the prices at which such Bonds may be optionally redeemed; and

(viii) the principal amounts, if any, of Bonds subject to mandatory sinking fund redemption, and the years in which such Bonds will be subject to such redemption.

(c) **Parameters.** The authority delegated to the Sale Delegate by this Section shall be subject to the following parameters:

(i) in no event shall the Sale Delegate be authorized to execute the Bond Purchase Agreement and Sale Certificate after the date that is one year after the date of adoption of this Resolution;

(ii) the aggregate principal amount of the Bonds shall not exceed \$3,000,000;

(iii) the final maturity of the Bonds shall be no later than December 1, 2058;

(iv) the net effective interest rate on the Bonds shall not exceed 6.75%; and

(v) the maximum annual debt service on the Bonds, when combined with the annual debt service for other outstanding general obligation bonds issued pursuant to, or representing general obligation bonds or refunding bonds issued pursuant to the Ballot Issue Authorization, shall not exceed the authorized amounts according to the Ballot Issue Authorization.

Section 5. Redemption of Bonds Prior to Maturity.

(a) **Optional Redemption.** The Bonds shall be subject to redemption at the option of the District, in whole or in part, and if in part in such order of maturities as the District shall determine and by lot within a maturity on such dates and at such prices as set forth in the Sale Certificate; provided however, the Sale Delegate may determine that the Bonds shall not be subject to redemption at the option of the District.

(b) **Mandatory Sinking Fund Redemption.** All or any principal amount of the Bonds may be subject to mandatory sinking fund redemption by lot on the Principal Payment Date of the years and in the principal amounts specified in the Sale Certificate, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date. At its option, to be exercised on or before the forty-fifth day next preceding each sinking fund redemption date, the District may (i) deliver to the Paying Agent for cancellation any Bonds with the same maturity date as the Bonds subject to such sinking fund redemption and (ii) receive a credit in respect of its sinking fund redemption obligation for any Bonds with the same maturity date as the Bonds subject to such sinking fund redemption which prior to such date have been redeemed

(otherwise than through the operation of the sinking fund) and cancelled by the Paying Agent and not theretofore applied as a credit against any sinking fund redemption obligation. Each Bond so delivered or previously redeemed shall be credited by the Paying Agent at the principal amount thereof to the obligation of the District on such sinking fund redemption date, and the principal amount of Bonds to be redeemed by operation of such sinking fund on such date shall be accordingly reduced.

(c) ***Redemption Procedures.*** Notice of any redemption of Bonds shall be given by the Paying Agent in the name of the District by electronic means to DTC or its successors or by sending a copy of such notice by first-class, postage prepaid mail, not less than thirty days prior to the redemption date, to the Owner of each Bond being redeemed. Such notice shall specify the number or numbers of the Bonds so to be redeemed (if redemption shall be in part) and the redemption date. If any Bond shall have been duly called for redemption and if, on or before the redemption date, there shall have been deposited with the Paying Agent in accordance with this Resolution funds sufficient to pay the redemption price of such Bond on the redemption date, then such Bond shall become due and payable at such redemption date, and from and after such date interest will cease to accrue thereon. Failure to deliver any redemption notice or any defect in any redemption notice shall not affect the validity of the proceeding for the redemption of Bonds with respect to which such failure or defect did not occur. Any Bond redeemed prior to its maturity by prior redemption or otherwise shall not be reissued and shall be cancelled.

Section 6. Security for the Bonds.

(a) ***Convertible Limited Tax Obligations.*** The Bonds shall constitute limited tax obligations of the District prior to the Conversion Date and unlimited tax obligations of the District following the Conversion Date. All of the Bonds, together with the interest thereon and any premium due in connection therewith, shall be payable solely from and to the extent of the Pledged Revenue, and the Pledged Revenue is hereby pledged to the payment of the Bonds. The Bonds shall constitute an irrevocable first lien upon the Pledged Revenue, but not necessarily an exclusive such lien. The Bonds shall not constitute a debt or indebtedness of the County, the State or any political subdivision of the State other than the District.

(b) ***Levy of Ad Valorem Taxes.***

(i) ***Prior to the Conversion Date.*** For the purpose of paying the principal of and interest on the Bonds when due, respectively, the Board shall annually determine and certify to the Board of County Commissioners of the County a rate of levy for general ad valorem taxes on all of the taxable property in the District, at a rate not to exceed the Limited Mill Levy and in an amount which, taking into account moneys then on deposit in the Bond Account, is sufficient to pay the principal of and interest on the Bonds when due, respectively, whether at maturity or upon earlier redemption. It is acknowledged that, in accordance with the Service Plan, the District shall not be permitted to impose the Limited Mill Levy for payment of the Bonds after December 2057 (for collection in calendar year 2058).

(ii) *On and After the Conversion Date.* For the purpose of paying the principal of and interest on the Bonds when due, respectively, the Board shall annually determine and certify to the Board of County Commissioners of the County a rate of levy for general ad valorem taxes on all of the taxable property in the District, without limitation as to rate and in an amount sufficient to pay the principal of and interest on the Bonds when due, respectively, whether at maturity or upon earlier redemption.

(c) *Application of Proceeds of Ad Valorem Taxes.* The general ad valorem taxes levied pursuant to subsection (b) of this Section, when collected, shall be deposited in the Bond Account and shall be applied solely to the payment of the principal of and interest on the Bonds and for no other purpose until the Bonds, including principal and interest, are fully paid, satisfied and discharged.

(d) *Appropriation and Budgeting of Proceeds of Pledged Revenue.* Moneys received from the general ad valorem taxes levied pursuant to subsection (b) of this Section in an amount sufficient, together with Pledged Revenue in the Bond Account, to pay the principal of and interest on the Bonds when due, respectively, are hereby appropriated for that purpose, and all amounts required to pay the principal of and interest on the Bonds due, respectively, in each year shall be included in the annual budget and appropriation resolution to be adopted and passed by the Board for such year.

(e) *Use or Advance of Other Legally Available Moneys.* Nothing herein shall be interpreted to prohibit or limit the ability of the District to use legally available moneys other than the proceeds of the general ad valorem property taxes levied pursuant to subsection (b) of this Section to pay all or any portion of the principal of or interest on the Bonds. If and to the extent such other legally available moneys are used to pay the principal of or interest on the Bonds, the District may, but shall not be required to, (i) reduce the amount of taxes levied for such purpose pursuant to subsection (b) of this Section or (ii) use proceeds of taxes levied pursuant to subsection (b) of this Section to reimburse the fund or account from which such other legally available moneys are withdrawn for the amount withdrawn from such fund or account to pay the principal of or interest on the Bonds. If the District selects alternative (ii) in the immediately preceding sentence, the taxes levied pursuant to subsection (b) of this Section shall include amounts sufficient to fund the reimbursement.

(f) *Certification to County Commissioners.* It is hereby declared that, if the District does not otherwise determine and certify to the Board of County Commissioners of the County a rate of levy for general ad valorem property taxes as required by subsection (b) of this Section, the foregoing provisions of this Section shall constitute a certificate from the Board to the Board of County Commissioners of the County showing the aggregate amount of ad valorem taxes to be levied by the Board of County Commissioners of the County from time to time, as required by law, for the purpose of paying the principal of and interest on the Bonds when due.

(g) *Deposit of Moneys to Pay Bonds with, and Payment of Bonds by Paying Agent.* No later than three Business Days immediately preceding each date on which a

payment of principal of or interest on the Bonds is due, the District, from moneys in the Bond Account or other legally available moneys, shall deposit moneys with the Paying Agent in an amount sufficient to pay the principal of and interest on the Bonds due on such date. The Paying Agent shall use the moneys so deposited with it to pay the principal of and interest on the Bonds when due.

Section 7. Form of Bonds. The Bonds shall be in substantially the form set forth in Appendix A hereto with such changes thereto, not inconsistent herewith, as may be necessary or desirable and approved by the officials of the District executing the same (whose manual or facsimile signatures thereon shall constitute conclusive evidence of such approval). All covenants, statements, representations and agreements contained in the Bonds are hereby approved and adopted as the covenants, statements, representations and agreements of the District. Although attached as an appendix for the convenience of the reader, Appendix A are an integral part of this Resolution and are incorporated herein as if set forth in full in the body of this Resolution.

Section 8. Execution of Bonds. The Bonds shall be executed in the name and on behalf of the District with the manual or facsimile signature of the President of the Board, shall bear a manual or facsimile of the seal of the District and shall be attested by the manual or facsimile signature of the Secretary of the Board, all of whom are hereby authorized and directed to prepare and execute the Bonds in accordance with the requirements hereof. Should any officer whose manual or facsimile signature appears on the Bonds cease to be such officer before delivery of any Bond, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes. When the Bonds have been duly executed, the officers of the District are authorized to, and shall, deliver the Bonds to the Paying Agent for authentication. No Bond shall be secured by or entitled to the benefit of this Resolution, or shall be valid or obligatory for any purpose, unless the certificate of authentication of the Paying Agent has been manually executed by an authorized signatory of the Paying Agent. The executed certificate of authentication of the Paying Agent upon any Bond shall be conclusive evidence, and the only competent evidence, that such Bond has been properly authenticated and delivered hereunder.

Section 9. Registration of Bonds in Registration Books Maintained by Paying Agent. The Paying Agent shall maintain registration books in which the ownership, transfer and exchange of Bonds shall be recorded. The person in whose name any Bond shall be registered on such registration book shall be deemed to be the absolute owner thereof for all purposes, whether or not payment on any Bond shall be overdue, and neither the District nor the Paying Agent shall be affected by any notice or other information to the contrary.

Section 10. Filing Requirements. The Board hereby directs that the following filings or recordings be made as set forth below:

(a) ***Colorado Municipal Bond Supervision Act.*** At least five days prior to the first sale of the Bonds, there shall be filed with the State Securities Commissioner a notice of claim of exemption, a copy of the Official Statement and the exemption fees, all as more specifically required pursuant to Section 11-59-110(2), C.R.S.

(b) ***Notice of General Obligation Indebtedness.*** Within thirty days following the issuance of the Bonds, there shall be recorded with the Clerk and Recorder of the

County notice of such action in the form prescribed by the Director of the State Division of Local Government in the Department of Local Affairs. Copies of such notice shall be sent to the State Division of Local Government and with the Board of County Commissioners of the County and appropriate official of the City of Thornton. Such actions shall be in accordance with the requirements of Section 32-1-1604, C.R.S. and Section 32-1-1101.5(1), C.R.S.

(c) ***Conversion Date Reporting.***

(i) Prior to the Conversion Date, the District shall include the calculation of the Debt to Assessed Ratio, as of the close of the fiscal year for which financial information is being reported, with financial information annually reported by the Continuing Disclosure Undertaking.

(ii) Within ten (10) Business Days after the Conversion Date has occurred, there shall be filed by an Authorized Official notice of the Conversion Date in accordance with the following: (a) as a “Material Event” as provided in the District’s Continuing Disclosure Undertaking, and (b) with the Paying Agent and any rating agency which maintains a rating on the Bonds.

(iii) Following the Conversion Date the notes concerning long-term debt reported in the District’s annual audited financial statements shall include a statement that the Conversion Date has occurred and that the Bonds are secured by the Unlimited Mill Levy until the principal of, premium if any, and interest on the Bonds is paid in full.

Section 11. Transfer and Exchange of Bonds. The Bonds may be transferred or exchanged at the principal operations office of the Paying Agent or at such other office of the Paying Agent designated by the Paying Agent for such purpose for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity and interest rate, upon payment by the transferee of a reasonable transfer fee established by the Paying Agent, together with any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of printing bonds in connection therewith. Upon surrender for transfer of any Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his or her attorney duly authorized in writing, the District shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee a new Bond. Notwithstanding any other provision hereof, the Paying Agent shall not be required to transfer any Bond (i) which is scheduled to be redeemed in whole or in part between the Business Day immediately preceding the mailing of the notice of redemption and the redemption date or (ii) between the Record Date for any Interest Payment Date and such Interest Payment Date.

Section 12. Replacement of Lost, Destroyed or Stolen Bonds. If any Bond shall become lost, apparently destroyed, stolen or wrongfully taken, it may be replaced in the form and tenor of the lost, destroyed, stolen or taken Bond and the District shall execute and the Paying Agent shall authenticate and deliver a replacement Bond upon the Owner furnishing, to the satisfaction of the Paying Agent: (a) proof of ownership (which shall be shown by the registration books of the Paying Agent), (b) proof of loss, destruction or theft, (c) an indemnity to the District

and the Paying Agent with respect to the Bond lost, destroyed or taken, and (d) payment of the cost of preparing and executing the new Bond.

Section 13. Establishment of Bond Account; Initial Credits of Bond Proceeds.

(a) ***Creation of Account.*** There is hereby established for the Bonds the Bond Account, which shall be an account or subaccount within the appropriate fund or account as determined by the Board. There shall be credited to the Bond Account an amount of Pledged Revenue which, when combined with other legally available moneys in the Bond Account, will be sufficient to pay the principal of, premium if any, and interest on the Bonds when due. The foregoing account shall be maintained by the District in accordance with the provisions of this Resolution.

(b) ***Initial Credits of Bond Proceeds.*** Upon payment to the District of the purchase price of the Bonds in accordance with the Bond Purchase Agreement, the Bonds shall be delivered to, or as directed by, the Underwriter and the proceeds received by the District from the sale of the Bonds, together with any legally available moneys of the District, if any, shall be applied as a supplemental appropriation by the District for the payment of the costs of issuance of the Bonds and as follows: (i) to payment of the Refunded Debt as provided in the Section hereof entitled "Escrow Account; Payment of the Refunded Debt" and (ii) to the Bond Account, the balance of proceeds of the Bonds, if any.

Section 14. Escrow Account; Payment of Refunded Debt.

(a) ***Immediate Payment and Cancellation of Refunded Debt.*** In the event that (i) the date of delivery of the Bonds occurs on a date which permits the irrevocable deposit with the Refunded Debt Trustee in accordance with the Refunded Debt Indentures the gross amount necessary for the payment and cancellation of either or both series of the Refunded Debt on the Call Date and (ii) the Refunded Debt Trustee reaffirms the amount which is necessary for the payment and cancellation of the applicable Refunded Debt on the Call Date, the net proceeds of the Bonds may be applied for such purpose.

(b) ***Establishment and Maintenance of Escrow Account.*** In the event that the immediate payment and cancellation of all Refunded Debt cannot be accomplished in accordance with paragraph (a) of this section, there shall be established a special account with the Bank, as escrow agent, which shall be maintained in accordance with the provisions hereof and of the Escrow Agreement. The Escrow Account shall be maintained in an amount at the time of the initial deposits therein and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or any part thereof in Federal Securities to pay the applicable Refunded Debt Requirements. Except as may be otherwise provided in the Escrow Agreement, the District shall have no right or title to the moneys credited to or held in the Escrow Account, and such title shall be and is hereby transferred to the Bank in trust for the payment of the applicable Refunded Debt Requirements pursuant to the Escrow Agreement. Moneys shall be withdrawn by the Bank from the Escrow Account in sufficient amounts and at such times to permit the payment without

default of the applicable Refunded Debt Requirements. If for any reason the amount in the Escrow Account shall at any time be insufficient for the purpose hereof, the District shall forthwith from the first moneys available therefor deposit in such account such additional moneys as shall be necessary to permit the payment in full of the applicable Refunded Debt Requirements.

(c) ***Call of Refunded Debt.*** Subject to the issuance of the Bonds, the Board does hereby declare its intent to exercise on behalf of and in the name of the District its option to redeem all of the Refunded Debt on the Call Date. The Board hereby authorizes the Sale Delegate to irrevocably instruct the Refunded Debt Trustee to give or cause to be given a notice, which may be conditional, of refunding, defeasance and redemption of the Refunded Debt in accordance with the terms of this Resolution and the Refunded Debt Indentures.

Section 15. Investments. Proceeds of the Bonds delivered to the District pursuant to the Section hereof entitled “Establishment of Bond Account; Initial Credits of Bond Proceeds,” moneys on deposit in the Bond Account and any moneys held by the Paying Agent with respect to the Bonds shall be invested in Permitted Investments, provided that the investment of such moneys shall be subject to any applicable restrictions set forth in the Tax Letter of Instructions and in the “Tax Compliance Certificate” or similar certificate delivered by the District in connection with the issuance of the Bonds that describes the District’s expectations regarding the use and investment of proceeds of the Bonds and other moneys, if any, and the use of the capital improvements funded from proceeds of the Refunded Debt.

Section 16. Various Findings, Determinations, Declarations and Covenants. The Board, having been fully informed of and having considered all the pertinent facts and circumstances, hereby finds, determines, declares and covenants with the Owners of the Bonds that:

(a) ***Best Interests.*** It is in the best interest of the District and its residents that the Bonds be authorized, sold, issued and delivered at the time, in the manner and for the purposes provided in this Resolution.

(b) ***Debt Limits.*** The issuance of the Bonds will not cause the District to exceed its debt limit under the Service Plan or applicable State law.

(c) ***Securities Depository.*** The DTC Blanket Letter of Representations entered into with DTC will govern the book entry registration system for the Bonds.

(d) ***Compliance with Enabling Laws.*** The issuance of the Bonds and all procedures undertaken incident thereto are in full compliance and conformity with all applicable requirements, provisions and limitations prescribed by the Constitution and laws of the State, including the Enabling Laws, all conditions and limitations of the Enabling Laws and other applicable law relating to the issuance of the Bonds have been satisfied.

(e) ***Secondary Market Disclosure.*** The District will comply with the terms of the Continuing Disclosure Undertaking; however, failure to comply with the provisions of

the Continuing Disclosure Undertaking shall not be deemed an Event of Default under this Resolution.

(f) ***Reimbursement Agreement.*** In connection with Section 3 of that certain Advance, Acquisition and Reimbursement Agreement, dated January 19, 2019 (the “Agreement”), by and between the District and Calatlantic Group, Inc., a Delaware corporation, the Board hereby determines that it is not financially feasible to reimburse, and the District has no legally available revenue at this time which is not otherwise appropriated, obligated, pledged or reserved for any current or future purpose in any fiscal year for reimbursement of, Reimbursable Costs as defined in the Agreement.

Section 17. Additional Bonds.

(a) ***No Senior Lien Obligations.*** The District shall not incur any additional Debt or other financial obligation having a lien upon the Pledged Revenue or the general ad valorem tax revenues of the District superior to the lien thereon of the Bonds.

(b) ***Parity Obligations.*** The District may issue Parity Obligations if, as certified by a written certificate by the President or Treasurer of the District, the conditions are met:

- (i) the Parity Obligations are issued in compliance with the Service Plan;
- (ii) no Event of Default shall have occurred and be continuing; and
- (iii) the Conversion Date has occurred.

(c) ***Subordinate Obligations.*** Nothing herein shall prevent the District from issuing Subordinate Obligations so long as no Event of Default shall have occurred and be continuing; provided however, payments of principal and interest on any Subordinate Obligations shall be limited annually to December 15th of any calendar year.

Section 18. Federal Income Tax Covenants. For purposes of ensuring that the interest on the Bonds is and remains excluded from gross income for federal income tax purposes, the District hereby covenants that:

(a) ***Prohibited Actions.*** The District will not use or permit the use of any proceeds of the Bonds or any other funds of the District from whatever source derived, directly or indirectly, to acquire any securities or obligations and shall not take or permit to be taken any other action or actions, which would cause any Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code or would otherwise cause the interest on any Bond to be includible in gross income for federal income tax purposes.

(b) ***Affirmative Actions.*** The District will at all times do and perform all acts permitted by law that are necessary in order to assure that interest paid by the District on the Bonds shall not be includible in gross income for federal income tax purposes under the Code or any other valid provision of law. In particular, but without limitation, the District represents, warrants and covenants to comply with the following rules unless it

receives an opinion of Bond Counsel stating that such compliance is not necessary: (i) gross proceeds of the Bonds and the capital improvements funded from proceeds of the Refunded Debt have not and will not be used in a manner that will cause the Bonds to be considered “private activity bonds” within the meaning of the Code; (ii) the Bonds are not and will not become directly or indirectly “federally guaranteed”; and (iii) the District will timely file an Internal Revenue Service Form 8038 G with respect to the Bonds, which shall contain the information required to be filed pursuant to Section 149(e) of the Code.

(c) ***Tax Letter of Instructions.*** The District will comply with the Tax Letter of Instructions delivered to it on the date of issuance of the Bonds, including but not limited by the provisions of the Tax Letter of Instructions regarding the application and investment of Bond proceeds, the use of the capital improvements originally funded from the Refunded Debt, the calculations, the deposits, the disbursements, the investments and the retention of records described in the Tax Letter of Instructions; provided that, in the event the Tax Letter of Instructions are superseded or amended by new Tax Letter of Instructions drafted by, and accompanied by an opinion of, Bond Counsel stating that the use of the new Tax Letter of Instructions will not cause the interest on the Bonds to become includible in gross income for federal income tax purposes, the District will thereafter comply with the new Tax Letter of Instructions.

(d) ***Designation of Bond as Qualified Tax-Exempt Obligations.*** The District hereby designates the Bond as a qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Code. The District covenants that the aggregate face amount of all tax-exempt obligations issued by the District, together with governmental entities which derive their issuing authority from the District or are subject to substantial control by the District, shall not be more than \$10,000,000 during the calendar year in which the Bonds are issued.

Section 19. Defeasance. Any Bond shall not be deemed to be Outstanding hereunder if it shall have been paid and cancelled or if Defeasance Securities shall have been deposited in trust for the payment thereof (whether upon or prior to the maturity of such Bond, but if such Bond is to be paid prior to maturity, the District shall have given the Paying Agent irrevocable directions to give notice of redemption as required by this Resolution, or such notice shall have been given in accordance with this Resolution). In computing the amount of the deposit described above, the District may include the maturing principal of and interest to be earned on the Defeasance Securities. If less than all the Bonds are to be defeased pursuant to this Section, the District, in its sole discretion, may select which of the Bonds shall be defeased.

Section 20. Events of Default. Each of the following events constitutes an Event of Default:

(a) ***Failure to Levy or Apply Proceeds.*** Prior to the Conversion Date, the failure by the District to impose the Limited Mill Levy or to apply the proceeds of any Pledged Revenue as required by the terms of this Resolution. On and after the Conversion Date, the failure by the District to make any payment of principal of or interest on the Bonds when due.

(b) ***Parity Obligation Default.*** The occurrence and continuation of an event of default in connection with any Parity Obligations, as officially declared pursuant to the terms of the authorizing resolution or other documentation providing for the issuance of said Parity Obligations.

(c) ***Breach or Nonperformance of Duties.*** Breach by the District of any material covenant set forth herein or failure by the District to perform any material duty imposed on it hereunder and continuation of such breach or failure for a period of sixty days after receipt by the President of the District of written notice thereof from the Paying Agent or from the Owners of at least 10% of the aggregate amount of the Bond Obligation, provided that such sixty day period shall be extended so long as the District has commenced and continues a good faith effort to remedy such breach or failure.

(d) ***Bankruptcy or Receivership.*** An order of decree by a court of competent jurisdiction declaring the District bankrupt under federal bankruptcy law or appointing a receiver of all or any material portion of the District's assets or revenues is entered with the consent or acquiescence of the District or is entered without the consent or acquiescence of the District but is not vacated, discharged or stayed within thirty days after it is entered.

Section 21. Remedies for Events of Default.

(a) ***Remedies.*** Upon the occurrence and continuance of any Event of Default, the Owners of not less than 25% of the aggregate amount of the Bond Obligation, including, without limitation, a trustee or trustees therefor may proceed against the District to protect and to enforce the rights of the any Owners under this Resolution by mandamus, injunction or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction: (i) for the payment of interest on any installment of principal of any Bond that was not paid when due at the interest rate borne by such Bond; (ii) for the specific performance of any covenant contained herein; (iii) to enjoin any act that may be unlawful or in violation of any right of any Owner of any Bond; (iv) for any other proper legal or equitable remedy; or (v) any combination of such remedies or as otherwise may be authorized by applicable law; provided, however, that acceleration of any amount not yet due on the Bonds according to their terms shall not be an available remedy. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of Bonds then Outstanding.

(b) ***Failure to Pursue Remedies Not a Release; Rights Cumulative.*** The failure of any Owner of any Outstanding Bond to proceed in accordance with subsection (a) of this Section shall not relieve the District of any liability for failure to perform or carry out its duties under this Resolution. Each right or privilege of any such Owner (or trustee therefor) is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any Owner shall not be deemed a waiver of any other right or privilege of such Owner.

Section 22. Amendment of Resolution.

(a) ***Amendments Permitted Without Notice To or Consent of Owners.*** The District may, without the consent of or notice to the Owners, adopt one or more resolutions amending or supplementing this Resolution (which resolutions shall thereafter become a part hereof) for any one or more or all of the following purposes: (i) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision of this Resolution; (ii) to subject to this Resolution or pledge to the payment of the Bonds additional revenues, properties or collateral; (iii) to institute or terminate a book-entry registration system for the Bonds or to facilitate the designation of a substitute securities depository with respect to such a system; (iv) to maintain the then existing or to secure a higher rating of the Bonds by any nationally recognized securities rating agency; or (v) to make any other change that does not materially adversely affect the Owners of the Bonds.

(b) ***Amendments Requiring Notice to and Consent of Owners.*** Except for amendments permitted by subsection (a) of this Section, this Resolution may only be amended (i) by a resolution of the District amending or supplementing this Resolution (which, after the consents required therefor, shall become a part hereof); and (ii) with the written consent of the Owners of at least 66-2/3% of the Bond Obligation; provided that any amendment that makes any of the following changes with respect to any Bond shall not be effective without the written consent of the Owner of such Bond: (A) a change in the maturity of such Bond; (B) a reduction of the interest rate on such Bond; (C) a change in the terms of redemption of such Bond; (D) a delay in the payment of principal or interest on such Bond; (E) a reduction of the Bond Obligation the consent of the Owners of which is required for an amendment to this Resolution; or (F) the establishment of a priority or preference for the payment of any amount due with respect to any other Bond over such Bond.

(c) ***Procedure for Notifying and Obtaining Consent of Owners.*** Whenever the consent of an Owner or Owners of Bonds is required under subsection (b) of this Section, the District shall provide notice by electronic means to DTC or its successors or mail a notice to such Owner or Owners at their addresses as set forth in the registration books maintained by the Paying Agent and to the Underwriter, which notice shall briefly describe the proposed amendment and state that a copy of the amendment is on file in the office of the District for inspection. Any consent of any Owner of any Bond obtained with respect to an amendment shall be in writing and shall be final and not subject to withdrawal, rescission or modification for a period of sixty days after it is delivered to the District unless another time period is stated for such purpose in the notice mailed pursuant to this subsection.

Section 23. Appointment and Duties of Paying Agent. The Paying Agent identified in the Section hereof entitled “Definitions” is hereby appointed as paying agent, registrar and authenticating agent for the Bonds unless and until the District removes it as such and appoints a successor Paying Agent, in which event such successor shall automatically succeed to the duties of the Paying Agent hereunder and its predecessor shall immediately turn over all its records regarding the Bonds to such successor. The Paying Agent shall agree to perform all duties and to take all actions assigned to it hereunder in accordance with the terms hereof.

Section 24. Approval of Related Documents.

(a) ***Preliminary Official Statement.*** The Board hereby ratifies and approves the distribution and use in connection with the offering of the Bonds of the Preliminary Official Statement relating to the Bonds in the form provided or made available to the Board, authorizes and directs the preparation of, and authorizes and directs the execution by the President of the Board of, an Official Statement for use in connection with the sale of the Bonds in substantially the form of the Preliminary Official Statement, with such changes therein, if any, not inconsistent herewith, as are approved by the President of the Board (whose signature thereon shall constitute conclusive evidence of such approval).

(b) ***Bond Purchase Agreement.*** For a period of one year following the adoption of this Resolution, the Sale Delegate is authorized to execute the Bond Purchase Agreement, which shall be in substantially the form previously presented to the District and shall be completed in accordance with the terms of this Resolution (which, once executed, shall constitute conclusive evidence of approval of the District).

(c) ***Other Documents.*** The President of the Board, the Secretary of the Board and all other appropriate officers of the Board are also hereby authorized and directed to execute the Continuing Disclosure Undertaking, the DTC Blanket Letter of Representations, the Escrow Agreement, the Paying Agent Agreement, a “Tax Compliance Certificate” or similar certificate describing the District’s expectations regarding the use and investment of proceeds of the Bonds, an Internal Revenue Service Form 8038G with respect to the Bonds and all other documents and certificates necessary or desirable to effectuate the issuance or administration of the Bonds, refunding and defeasance of the Refunded Debt, the investment of proceeds of the Bonds and the transactions contemplated hereby.

(d) ***Electronic Signatures.*** In the event the President of the Board, the Secretary of the Board, the Superintendent and all other officers, employees or officials of the District that are authorized or directed to execute any agreement, document, certificate, instrument or other paper in accordance with this Resolution (an “Authorized Document”) is not able to be physically present to manually sign any such Authorized Document, such individual or individuals are hereby authorized to execute any such Authorized Document electronically via facsimile or email signature. Any electronic signature so affixed to any Authorized Document shall carry the full legal force and effect of any original, handwritten signature. This provision is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. It is hereby determined that the transactions described herein may be conducted and related documents may be stored by electronic means.

Section 25. Events Occurring on Days That Are Not Business Days. Except as otherwise specifically provided herein with respect to a particular payment, event or action, if any payment to be made hereunder or any event or action to occur hereunder which, but for this Section, is to be made or is to occur on a day that is not a Business Day, such payment, event or action shall instead be made or occur on the next succeeding day that is a Business Day with the

same effect as if it was made or occurred on the date on which it was originally scheduled to be made or occur.

Section 26. Supplemental Public Securities Act.

(a) ***Application of Act.*** Pursuant to Section 11-57-204, C.R.S., the District hereby elects to apply all of the provisions of the Supplemental Public Securities Act to the issuance of the Bonds.

(b) ***Limitation of Actions.*** In accordance with Section 11-57-212, C.R.S., no legal or equitable action can be brought with respect to any legislative acts or proceedings in connection with the authorization of the Bonds more than thirty days after the date of adoption of this Resolution.

(c) ***Recourse Against Officers and Agents.*** Pursuant to Section 11-57-209, C.R.S., if a member of the Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal of or interest on the Note. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any person purchasing or selling the Bonds specifically waives any such recourse

(d) ***Pledged Revenue Lien.*** The creation, perfection, enforcement and priority of the pledge of revenues to secure or pay the Bonds shall be governed by § 11-57-208, C.R.S., of the Supplemental Public Securities Act and this Resolution. The Pledged Revenue shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge on the Pledged Revenue shall be on a parity with future Parity Obligations, if any, and shall have priority over any and all other obligations and liabilities of the District. The lien of such pledge shall be valid, binding and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such persons have notice of such liens.

(e) ***Recital.*** Pursuant to Section 11-57-210, C.R.S. the Bonds shall contain a recital that they are issued pursuant to certain provisions of the Supplemental Public Securities Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

Section 27. Resolution is Contract With Owners of Bonds and Irrepealable. After the Bonds have been issued, this Resolution shall be and remain a contract between the District and the Owners of the Bonds and shall be and remain irrepealable until all amounts due with respect to the Bonds shall be fully paid, satisfied and discharged and all other obligations of the District with respect to the Bonds shall have been satisfied in the manner provided herein.

Section 28. Headings, Table of Contents and Cover Page. The headings to the various sections and subsections to this Resolution, and the cover page and table of contents that appear at

front of this Resolution, have been inserted solely for the convenience of the reader, are not a part of this Resolution and shall not be used in any manner to interpret this Resolution.

Section 29. Severability. It is hereby expressly declared that all provisions hereof and their application are intended to be and are severable. In order to implement such intent, if any provision hereof or the application thereof is determined by a court or administrative body to be invalid or unenforceable, in whole or in part, such determination shall not affect, impair or invalidate any other provision hereof or the application of the provision in question to any other situation; and if any provision hereof or the application thereof is determined by a court or administrative body to be valid or enforceable only if its application is limited, its application shall be limited as required to most fully implement its purpose.

Section 30. Repeal of Inconsistent Resolutions, Bylaws, Rules and Orders. All resolutions, bylaws, rules and orders, or parts thereof, that are inconsistent with or in conflict with this Resolution, are hereby repealed to the extent of such inconsistency or conflict.

Section 31. Ratification of Prior Actions. All actions heretofore taken (not inconsistent with the provisions of this Resolution or the Enabling Laws) by the Board or by the officers and employees of the District directed toward the issuance of the Bonds for the purposes herein set forth are hereby ratified, approved and confirmed.

Section 32. Effective Date. This Resolution shall be in full force and effect immediately upon adoption by the Board.

ADOPTED AND APPROVED this 15th day of October, 2026.

[DISTRICT SEAL]

By _____
President, Board of Directors

Attest:

By _____
Secretary, Board of Directors

APPENDIX A

FORM OF BOND

**UNITED STATES OF AMERICA
STATE OF COLORADO**

No. R-_____ \$ _____

**FALLBROOK VILLAS METROPOLITAN DISTRICT
IN THE CITY OF THORNTON AND ADAMS COUNTY, COLORADO
LIMITED TAX (CONVERTIBLE TO UNLIMITED TAX)
GENERAL OBLIGATION REFUNDING BOND
SERIES 2026**

Interest Rate	Maturity Date	Dated Date	CUSIP
_____ %			

REGISTERED OWNER: Cede & Co.
Tax Identification Number: 13-2555119

PRINCIPAL SUM: ** DOLLARS**

Fallbrook Villas Metropolitan District, in the City of Thornton and Adams County, Colorado (the “District”), a duly organized and validly existing special district, political subdivision and body corporate of the State of Colorado (the “State”), for value received, hereby promises to pay to the order of the registered owner named above, or registered assigns, the principal sum stated above on the maturity date stated above, with interest on such principal sum from the dated date stated above at the interest rate per annum stated above (calculated based on a 360-day year of twelve 30-day months), payable on June 1 and December 1 of each year, commencing June 1, 2027. Capitalized terms used but not defined in this bond shall have the meaning assigned to them in the Resolution of the District authorizing the issuance of the Bonds.

The principal of and interest on this bond is payable to the registered owner hereof upon presentation and surrender of this bond at the principal operations office of UMB Bank, n.a., as paying agent, or at such other office of the Paying Agent designated by the Paying Agent for such purpose. Interest on this bond is payable by check or draft of the Paying Agent mailed on the Interest Payment Date to the registered owner hereof as of the fifteenth day of the month immediately preceding the month (whether or not such day is a Business Day) (the “Record Date”) in which the Interest Payment Date occurs; provided that, interest payable to the registered owner of this bond may be paid by any other means agreed to by such registered owner and the Paying Agent that does not require the District to make moneys available to the Paying Agent earlier than otherwise required under the Resolution or increase the costs borne by the District under the Resolution; provided further, that, so long as Cede & Co. is the registered owner of this bond, the principal of and interest on this bond shall be paid by wire transfer to Cede & Co. Any payment of principal of or interest on this bond that is due on a day that is not a Business Day shall be made

on the next succeeding day that is a Business Day with the same effect as if made on the day on which it was originally scheduled to be made. All payments of principal of and interest on this bond shall be made in lawful money of the United States of America.

This bond is part of an issue of general obligation bonds of the District designated Fallbrook Villas Metropolitan District, in the City of Thornton and Adams County, Colorado, Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2026, issued in the principal amount of \$ _____ (the "Bonds"). The Bonds are being issued by the District for the purpose of refinancing outstanding Debt obligations. This Bond constitutes a limited tax obligation of the District prior to the Conversion Date and an unlimited tax obligation after the Conversion Date, if any, payable solely from and to the extent of the Pledged Revenue, as defined in the Bond Resolution, and the Pledged Revenue is pledged to the payment of this Bond. It is acknowledged that, in accordance with the Service Plan, the District shall not be permitted to impose the Limited Mill Levy for payment of the Bonds after December 2057 (for collection in calendar year 2058). This Bond constitutes an irrevocable first lien upon the Pledged Revenue, but not necessarily an exclusive such lien. The Bonds have been issued pursuant to, under the authority of, and in full conformity with, the Constitution and the laws of the State, including, in particular, Article 56 of Title 11, as amended, Part 2 of Article 57 of Title 11, Colorado Revised Statutes, as amended (collectively, the "Enabling Laws"), and pursuant to the Resolution adopted by the Board of Directors of the District. THE RESOLUTION CONSTITUTES THE CONTRACT BETWEEN THE REGISTERED OWNER OF THIS BOND AND THE DISTRICT. THIS BOND IS ONLY EVIDENCE OF SUCH CONTRACT AND, AS SUCH, IS SUBJECT IN ALL RESPECTS TO THE TERMS OF THE RESOLUTION, WHICH SUPERSEDES ANY INCONSISTENT STATEMENT IN THIS BOND.

By acceptance of this instrument, the Owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the Resolution of the District authorizing the issuance of this Bond and in the Service Plan for creation of the District.

The Bonds have been issued by the District for the purpose of providing funds for the Refunding Project described in the Resolution. The Bonds are general obligations of the District and the full faith and credit of the District are pledged for the punctual payment of the principal of and interest on the Bonds. For the purpose of paying the principal of and interest on the Bonds when due, respectively, the Board in the Resolution has covenanted annually to determine and certify to the Board of County Commissioners of Adams County a rate of levy for general ad valorem taxes, without limitation as to rate or amount, on all of the taxable property in the District, sufficient to pay the principal of and interest on the Bonds when due, respectively, whether at maturity or upon earlier redemption.

[The redemption provisions from Section 5 of the Resolution and the Sale Certificate shall be set forth herein.]

Notice of any redemption of Bonds shall be given by the Paying Agent in the name of the District by electronic means to DTC or its successors or by sending a copy of such notice by first-class, postage prepaid mail, not less than thirty days prior to the redemption date, to the Owner of each Bond being redeemed. Such notice shall specify the number or numbers of the Bonds so

to be redeemed (if redemption shall be in part) and the redemption date. If any Bond shall have been duly called for redemption and if, on or before the redemption date, there shall have been deposited with the Paying Agent in accordance with the Resolution funds sufficient to pay the redemption price of such Bond on the redemption date, then such Bond shall become due and payable at such redemption date, and from and after such date interest will cease to accrue thereon. Failure to deliver any redemption notice or any defect in any redemption notice shall not affect the validity of the proceeding for the redemption of Bonds with respect to which such failure or defect did not occur. Any Bond redeemed prior to its maturity by prior redemption or otherwise shall not be reissued and shall be cancelled.

The Paying Agent shall maintain registration books in which the ownership, transfer and exchange of Bonds shall be recorded. The person in whose name this bond shall be registered on such registration books shall be deemed to be the absolute owner hereof for all purposes, whether or not payment on this bond shall be overdue, and neither the District nor the Paying Agent shall be affected by any notice or other information to the contrary. This bond may be transferred or exchanged at the principal operations office of the Paying Agent, or at such other office of the Paying Agent designated by the Paying Agent for such purpose for a like aggregate principal amount of Bonds of other authorized denominations (\$5,000 or any integral multiple thereof) of the same maturity and interest rate, upon payment by the transferee of a reasonable transfer fee established by the Paying Agent, together with any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of printing bonds in connection therewith. Notwithstanding any other provision of the Resolution, the Paying Agent shall not be required to transfer any Bond (a) which is scheduled to be redeemed in whole or in part between the Business Day immediately preceding the mailing of the notice of redemption and the redemption date; or (b) between the Record Date for any Interest Payment Date and such Interest Payment Date.

The Resolution may be amended or supplemented from time to time with or without the consent of the registered owners of the Bonds as provided in the Resolution.

It is hereby certified that all conditions, acts and things required by the Constitution and laws of the State, including the Enabling Laws, and the resolutions of the District, to exist, to happen and to be performed, precedent to and in the issuance of this bond, exist, have happened and have been performed, and that neither this bond nor the other bonds of the issue of which this bond is a part exceed any limitations prescribed by the Constitution or laws of the State, including the Enabling Laws, or the resolutions of the District.

This bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the Paying Agent shall have signed the certificate of authentication hereon.

IN WITNESS WHEREOF, the Board of Directors of the District has caused this bond to be executed with the signature of its President and attested by the signature of its Secretary, and has caused the seal of the District to be impressed or imprinted hereon, all as of the date set forth below.

[DISTRICT SEAL]

FALLBROOK VILLAS METROPOLITAN
DISTRICT

By _____
President, Board of Directors

Attest:

By _____
Secretary, Board of Directors

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds of the issue described in the within-mentioned Resolution.

Dated: _____

UMB Bank, n.a., as Paying Agent

By _____
Authorized Signatory

APPROVING LEGAL OPINION

Set forth below is a true copy of the approving legal opinion of Kutak Rock LLP, delivered on the date on which the Bonds were originally issued:

\$ _____
Fallbrook Villas Metropolitan District
in the City of Thornton and Adams County, Colorado
Limited Tax (Convertible to Unlimited Tax)
General Obligation Refunding Bonds
Series 2026

We have been engaged by Fallbrook Villas Metropolitan District, in the City of Thornton and Adams County, Colorado (the “District”), to act as bond counsel for the issuance of its Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2026, in the aggregate principal amount of \$_____ (the “Bonds”). Capitalized terms used but not defined in this opinion have the meanings assigned to them in the resolution authorizing the issuance of the Bonds (the “Bond Resolution”) adopted by the governing body of the District.

We have examined the constitution and the laws of the State of Colorado (the “State”); the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and the regulations, rulings and judicial decisions relevant to the opinions set forth in paragraph 3 below; the provisions of the Securities Act of 1933, as amended, and the regulations, rulings and judicial decisions relevant to the opinion set forth in paragraph 5 below; and such certified proceedings, certificates, documents, opinions and other papers as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law and as of the date hereof, that:

1. The certified record of proceedings authorizing issuance of the Bonds shows lawful authority for the Bonds under the Constitution and laws of the State now in force. The Bond Resolution has been duly authorized, is in full force and effect, and is valid and enforceable in accordance with its terms

2. The Bonds in the principal amount stated above are valid and binding limited tax (convertible to unlimited tax) general obligations of the District, payable from and to the extent of the Pledged Revenue.

3. All taxable property within the boundaries of the District is subject to ad valorem taxation sufficient to pay the principal of and the interest on the Bonds when due, respectively, whether at maturity or upon earlier redemption; provided however, prior to the Conversion Date nothing in the Bond Resolution shall be construed to require the District to levy an ad valorem property tax in excess of the Limited Mill Levy.

4. Under existing laws, regulations, rulings and judicial decisions existing on the date hereof, interest on the Bonds is excludable from gross income for federal income tax purposes and

is not a specific preference item for purposes of the federal alternative minimum tax. Additionally, because the District has designated the Bond as a “qualified tax exempt obligation” within the meaning of Section 265(b)(3) of the Code, any bank, thrift institution or other financial institution owning the Bond may be able to avoid the loss of 80% of any otherwise available interest deduction attributable to its tax exempt holdings. The opinions set forth in the preceding sentences assume the accuracy of certain representations and continuing compliance by the District with certain covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Bonds. Failure to comply with such requirements could cause such interest on the Bonds to be included in gross income for federal income tax purposes or could otherwise adversely affect such opinions, retroactive to the date of issuance of the Bonds. The District has covenanted in the Bond Resolution and in the Tax Compliance Certificate executed and delivered in connection with the issuance of the Bonds to comply with such requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds. . Interest on the Bonds may affect the federal alternative minimum tax imposed on certain corporations.

5. Under State statutes existing on the date hereof, the Bonds and the income therefrom are exempt from taxation, except inheritance, estate and transfer taxes. We express no opinion regarding other tax consequences arising with respect to the Bonds under the laws of the State or any other state or jurisdiction.

6. The Bonds are exempt from registration under the Securities Act of 1933, as amended.

The rights of the holders of the Bonds and the enforceability of the Bonds and the Bond Resolution may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity, by the exercise by the State of Colorado and its governmental bodies of the police power inherent in the sovereignty of the State of Colorado and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

We express no opinion herein as to any matter not specifically set forth above. In particular, but without limitation, we express no opinion herein as to the accuracy, adequacy or completeness of any official statement, memorandum, prospectus or other statement used in connection with the offer and sale of the Bonds.

This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

This opinion may be relied upon solely by the addressees hereto in connection with the issuance of the Bonds. This opinion may not be relied upon for any other purpose or by any person other than the addressees. This opinion has been addressed to persons other than the District at the request of, and as an accommodation to, our client, the District. The inclusion of persons other than the District addressees does not create or imply an attorney-client relationship between Kutak Rock and such persons.

Respectfully submitted,

/s/ Kutak Rock LLP

I, the undersigned Secretary of the Board of Directors of Fallbrook Villas Metropolitan District, in Adams County, Colorado, do hereby certify that the foregoing approving opinion of Kutak Rock LLP, in Denver, Colorado, is a true and complete copy of a manually executed and dated copy thereof on file in the official records of the District.

By (facsimile signature) _____
Secretary, Board of Directors

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite name and address of Transferee)
(Tax Identification or Social Security No.)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges.

TRANSFER FEE MAY BE REQUIRED

FALLBROOK VILLAS METROPOLITAN DISTRICT
2027 BUDGET
GENERAL FUND

	ACTUAL 2025	APPROVED BUDGET 2026	SEPTEMBER YTD ACTUALS 2026	ESTIMATED YEAR-END 2026	PROPOSED BUDGET 2027
REVENUES					
Property Taxes	\$ 242,652	\$ 255,390	\$ 254,565	\$ 255,390	\$ 248,506
Specific Ownership Taxes	12,099	10,000	8,786	10,000	10,000
Interest Income	3,466	3,110	3,124	4,000	5,000
Late Fees/Misc. Income	925	500	41	41	500
TOTAL REVENUES	\$ 259,142	\$ 269,000	\$ 266,516	\$ 269,431	\$ 264,006
EXPENDITURES					
Administration					
Administrative/Office Expenses	\$ 4,969	\$ 5,000	\$ 2,852	\$ 5,000	\$ 5,000
Election Expenses	8,645	-	-	-	25,000
Insurance	16,389	16,000	15,884	15,884	18,000
Professional Services					
Accounting & Management	61,375	55,000	37,255	55,000	56,400
Audit	5,800	6,100	6,100	6,100	6,500
Legal	7,120	10,000	17,406	20,000	20,000
County Treasurer Fees	3,724	5,000	3,819	5,000	3,728
Grounds Maintenance					
Landscape Maintenance	58,058	55,000	52,031	55,000	55,000
Landscape Improvements	-	15,000	-	-	15,000
Facilities Maintenance	-	4,000	3,283	4,000	5,000
Utilities	16,690	25,000	7,530	10,000	20,000
Snow Removal	38,005	35,000	2,363	15,000	35,000
TOTAL OPERATING EXPENDITURES	\$ 220,775	\$ 231,100	\$ 148,523	\$ 190,984	\$ 264,628
EXCESS (DEFICIENCY) OF REVENUES OVER OPERATING EXPENDITURES	\$ 38,367	\$ 37,900	\$ 117,993	\$ 78,447	\$ (622)
R&M Contingency/Emergency Reserve	-	10,000		-	10,000
NET CHANGE CHANGE IN FUND BALANCE	\$ 38,367	\$ 27,900	\$ 117,993	\$ 78,447	\$ (10,622)
FUNDS AVAILABLE					
BEGINNING OF YEAR:	\$ (46,748)	\$ (10,148)	\$ (8,381)	\$ (8,381)	\$ 70,066
FUNDS AVAILABLE					
END OF YEAR:	\$ (8,381)	\$ 17,752	\$ 109,612	\$ 70,066	\$ 59,444
GENERAL FUND BUDGET RECAP:					
Estimated Expenditures are as Follows:					\$ 274,628
Total Estimated Expenditures					<u>\$ 274,628</u>
Estimated Operating Revenues are as Follows:					
From Property Taxes					248,506
From Sources Other Than Property Tax:					
Estimated Other Revenues					\$ 5,500
Estimated Specific Ownership Tax					<u>\$ 10,000</u>
Total Sources Other Than Property Tax					<u>\$ 15,500</u>
Unappropriated Surpluses					-
Total Estimated General Fund Revenues					<u>\$ 264,006</u>

FALLBROOK VILLAS METROPOLITAN DISTRICT
2027 BUDGET
DEBT SERVICE FUND

	ACTUAL 2025	APPROVED BUDGET 2026	SEPTEMBER YTD ACTUALS 2026	ESTIMATED YEAR-END 2026	PROPOSED BUDGET 2027
REVENUES					
Property Taxes	\$ 154,999	\$ 156,000	\$ 155,496	\$ 156,000	\$ 151,794
Specific Ownership Taxes	7,728	7,500	3,535	4,000	5,000
Other Transfers In	-	-	-	-	-
Interest Income	11,018	8,000	4,800	5,000	7,000
TOTAL REVENUES	\$ 173,745	\$ 171,500	\$ 163,831	\$ 165,000	\$ 163,794
EXPENDITURES					
2019A Bonds - Principal	\$ 30,000	\$ 30,000	\$ -	\$ 30,000	\$ 35,000
2019A Bonds - Interest	122,850	121,275	119,441	121,275	119,700
2019B Bonds - Principal	21,626	10,000	-	10,000	10,000
2019B Bonds - Interest	26,088	24,000	-	24,000	24,000
Treasurer's Fees	2,327	3,000	2,333	3,000	3,000
Trustee Fees	7,292	7,000	7,315	7,400	2,277
Other Fees & Expenses	-	725	-	1,000	1,000
TOTAL EXPENDITURES	\$ 210,183	\$ 196,000	\$ 129,089	\$ 196,675	\$ 194,977
EXCESS (DEFICIENCY) OF DEBT SERVICE REVENUES OVER EXPENDITURES	\$ (36,438)	\$ (24,500)	\$ 34,742	\$ (31,675)	\$ (31,183)
FUNDS AVAILABLE BEGINNING OF YEAR:	\$ 279,186	\$ 230,745	\$ 242,748	\$ 242,748	\$ 211,073
FUNDS AVAILABLE END OF YEAR:	\$ 242,748	\$ 206,245	\$ 277,490	\$ 211,073	\$ 179,890 *

* Bond Reserve Fund Requirement	\$ 192,825
Total Debt Service Fund Requirements	\$ 192,825 *

DEBT SERVICE FUND BUDGET RECAP:	
Estimated Expenditures are as Follows:	\$ 194,977
Total Estimated Expenditures	<u>\$ 194,977</u>
Estimated Revenues are as Follows:	
From Property Taxes	151,794
From Sources Other Than Property Tax:	
Estimated Other Revenues	\$ 7,000
Estimated Specific Ownership Tax	\$ 5,000
Total Sources Other Than Property Tax	<u>\$ 12,000</u>
Unappropriated Surpluses	<u>211,073</u>
Total Estimated Debt Service Fund Revenues	<u>\$ 374,867</u>

Fallbrook Villas Metropolitan District
Check Register
For the Period From Oct 1, 2026 to Oct 31, 2026

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
1179	10/15/26	Environmental Designs	1-1000	4,960.34
1180	10/15/26	Sentinel Point Management & Accounting	1-1000	4,069.68
1181	10/15/26	Simonson & Associates, Inc.	1-1000	5,010.00
1182	10/15/26	Dietze and Davis, P.C.	1-1000	498.00
Total				14,538.02

Fallbrook Villas Metropolitan District

FINANCIAL STATEMENTS

For The Period Ending September 30, 2026

(UNAUDITED)

October 13, 2026

Prepared by

Sentinel Point Management & Accounting Co.

PO Box 370
Evergreen, CO 80437
303-420-6220

Fallbrook Villas Metropolitan District

BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2026

	GENERAL FUND	DEBT SERVICE FUND	TOTAL FUNDS
ASSETS			
Cash and Equivalents	181,473	206,206	387,679
Cash with County Treasurer	1,033	631	1,664
Accts. Rec. - Customers	936	0	936
Taxes Receivable	(18)	(11)	(29)
Due from other District Funds	0	72,999	72,999
TOTAL ASSETS	183,424	279,825	463,249
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	7,139	0	7,139
Due to Other Funds	72,999	0	72,999
Total Liabilities	80,138	0	80,138
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Taxes	(18)	(11)	(29)
Total Deferred Inflow of Resource	(18)	(11)	(29)
FUND BALANCES (DEFICITS)			
Restricted for Debt Service	0	244,033	244,033
Current Yr Additions (Deficit)	111,685	37,088	148,773
Unassigned	(9,666)	0	(9,666)
Total Fund Balances (Deficits)	102,019	281,121	383,140
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANC	182,139	281,110	463,249

Fallbrook Villas Metropolitan District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL OPERATING FUND
For the Nine Months Ending September 30, 2026

	QUARTERLY ACTUAL	QUARTERLY BUDGETED	YEAR TO DATE	YEAR TO DATE	ANNUAL BUDGET
REVENUES					
Property Taxes	844	10,000	255,408	245,390	255,390
Specific Ownership Tax	2,999	2,500	8,786	7,500	10,000
Interest	1,701	778	3,124	2,333	3,110
Miscellaneous Income/Fees	0	150	41	400	500
TOTAL REVENUES	5,544	13,428	267,359	255,623	269,000
EXPENDITURES					
Maintenance Activities					
Landscape Maintenance	12,854	13,750	32,955	41,250	55,000
Irrigation R&M	14,579	0	20,706	0	0
Facilities Maintenance	0	2,000	3,283	4,000	4,000
Utilities	6,831	11,000	7,530	20,300	25,000
Snow Removal	0	0	2,363	23,000	35,000
Contingency/Emergency Reserves	0	0	0	0	10,000
Total Maintenance Expenses	34,264	26,750	66,837	88,550	129,000
General Operating Expenses					
General/Administrative Expense	721	1,250	2,853	3,750	5,000
County Treasurer Fees	13	300	3,831	4,700	5,000
Insurance	0	0	15,884	16,000	16,000
Professional Services					
Accounting and Management	12,450	13,750	42,265	41,250	55,000
Audit	0	0	6,100	6,100	6,100
Legal	2,924	2,500	17,904	7,500	10,000
Total Gen. Expenses and Prof. Ser	16,108	17,800	88,837	79,300	97,100
TOTAL EXPENDITURES	50,372	44,550	155,674	167,850	226,100
NET CHANGE IN FUND BALANCE	(44,828)	(31,122)	111,685	87,773	42,900

Fallbrook Villas Metropolitan District
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Nine Months Ending September 30, 2026

	QUARTERLY ACTUAL	QUARTERLY BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGETED	ANNUAL BUDGET
REVENUES					
Property Taxes	515	55,000	156,011	150,000	156,000
Specific Ownership Tax	1,832	1,875	5,367	5,625	7,500
Interest	695	2,000	4,806	6,000	8,000
TOTAL REVENUES	3,042	58,875	166,184	161,625	171,500
EXPENDITURES					
Bond Fees	45	50	7,315	7,150	7,200
County Treasurer Fees	8	500	2,340	3,000	3,500
Bond Interest	0	0	119,441	57,986	145,275
Bond Principal	0	0	0	0	40,000
TOTAL EXPENDITURES	53	550	129,096	68,136	195,975
NET CHANGE IN FUND BALANCE	2,989	58,325	37,088	93,489	(24,475)

Fallbrook Villas Metropolitan District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - COMPARATIVE TO LAST YEAR
GENERAL OPERATING FUND
For the Nine Months Ending September 30, 2026

	QUARTERLY THIS YEAR	QUARTERLY LAST YEAR	YEAR TO DATE	YEAR TO DATE
OPERATING REVENUES				
Property Taxes	844	4,141	255,408	242,614
Specific Ownership Tax	2,999	3,126	8,786	9,153
Interest	1,701	1,669	3,124	2,784
Miscellaneous Income/Fees	0	750	41	825
TOTAL OPERATING REVENUES	5,544	9,686	267,359	255,376
OPERATING EXPENDITURES				
Maintenance Activities				
Landscape Maintenance	12,854	17,249	32,955	39,131
Irrigation R&M	14,579	0	20,706	0
Facilities Maintenance	0	7,680	3,283	7,680
Utilities	6,831	11,611	7,530	13,888
Snow Removal	0	0	2,363	27,189
Total Maintenance Activities	34,264	36,540	66,837	87,888
General Operating Expenses				
General & Administrative Exps.	721	2,134	2,853	3,982
County Treasurer Fees	13	105	3,831	3,723
Insurance	0	50	15,884	16,389
Election Costs	0	0	0	8,645
Professional Services				
Management & Accounting	12,450	18,123	42,265	41,905
Audit	0	0	6,100	5,800
Legal	2,924	534	17,904	6,668
Total General Operating Expenses	16,108	20,946	88,837	87,112
TOTAL OPERATING EXPENDITURES	50,372	57,486	155,674	175,000
NET CHANGE IN FUND BALANCE	(44,828)	(47,800)	111,685	80,376

Fallbrook Villas Metropolitan District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - COMPARATIVE TO LAST YEAR
DEBT SERVICE FUND
For the Nine Months Ending September 30, 2026

	QUARTERLY THIS YEAR	QUARTERLY LAST YEAR	YEAR TO DATE	YEAR TO DATE
DEBT SERVICE REVENUES				
Property Taxes	515	2,645	156,011	154,974
Specific Ownership Tax	1,832	1,997	5,367	5,847
Interest	695	3,054	4,806	8,065
TOTAL DEBT SERVICE REVENUES	3,042	7,696	166,184	168,886
DEBT SERVICE EXPENDITURES				
Bond Fees	45	168	7,315	7,447
County Treasurer Fees	8	41	2,340	2,326
Bond Interest	0	0	119,441	61,425
TOTAL DEBT SERVICE EXPENDITURES	53	209	129,096	71,198
NET CHANGE IN FUND BALANCE	2,989	7,487	37,088	97,688



2026-2027 SNOW RATES

Truck with Plow	\$129.00 per man hour
Hand Shoveling	\$75.00 per man hour
Ice Slicer- (minimum 1 ton)	\$360.00 per ton
Ice Slicer Application	\$95.00 per hour
Ice Melt (minimum 50 lbs.)	\$2.20 per lb. applied
Sidewalk Equipment – ATV/Snowrator	\$95.00 per man hour
Skid steer w/ Pusher	\$175.00 per man hour
Front End Loader	\$300.00 per man hour
Storage Unit Rental	\$145.00 per month
Snow Stakes	\$3.00 ea. installed

All rates will be increased 50% to compensate for holiday pay rate.

Billable time includes mobilization & will be rounded to the nearest hour.

Contractor will submit invoices for snow clearing services on a per snowfall basis.

Contractor's pricing is based on the current market for materials and consumables. Increases in cost of materials or consumables by more than 10% may result in surcharges applying to the work. Pricing is subject to change for future years.



SNOW MAINTENANCE - EMERGENCY EQUIPMENT

For use, if necessary, in extreme snow events of 8 plus inches of snow accumulation or requested due to large piles of snow on site when more snow is forecasted before it has time to melt

2026-2027

<u>\$280.00</u>	Mobilization
<u>\$105.00</u>	Per hour, Fueling equipment on site
<u>\$210.00</u>	Per hour, Rental Skid Steer
<u>\$375.00</u>	Per hour, Rental Wheel Loader
<u>\$345.00</u>	Per hour, Rental/Contracted Dump Truck

These are our hourly rates for the 2026-2027 snow maintenance season. There is a one (1) hour minimum charge per job site. Pricing is subject to change for future years.



SNOW REMOVAL CONTRACT

For 2026 - 2027

This Snow Removal Contract ("Contract") is entered into on the ____ day of _____ by
Fallbrook Villas Metro District and Landtech Contractors, LLC ("Contractor").

Contract Term:

Contract commencement date: Oct 1, 2026

Contract termination date: May 31, 2027

Customer Information: To be filled out by Client

Customer property name: _____
Customer property address: _____
Customer on-site rep name: _____
On-site rep phone #: _____
Customer Management Company: _____
Customer manager name: _____
Customer billing address: _____
Customer office phone #: _____
Customer billing e-mail address: _____

Contractor Information:

Contractor's office address: 525 Laredo St., Aurora, CO 80011
Contractor's office phone #: 303 344 4465
Contractor's billing e-mail address: Billing@Landtechcontractors.com

1. Scope of Services: Contractor will perform the services described in the Snow Removal Requirements ("SRR") Article B, which is attached hereto and incorporated herein by this reference. The SRR must be completed by Customer prior to the start of the snow season and must clearly define the snow removal services that Customer wants Contractor to provide under this Contract and the specific areas of the Customer's Property (identified above). Services will not include ice removal, or the physical removal of snow from the Property. This service is only available with 24 hours notice to Contractor and will be billed on a time and materials basis pursuant to the pricing schedule in Article A of this Contract. Cleaning up of salt, slicer, or other snow melt products used by Contractor is not specifically included under this Contract but is available from Contractor at an additional cost to Customer.

2. Performance: All labor, equipment, and materials will be furnished by Contractor. Contractor may use subcontractors in the provision of service under this Contract. Snow plowing will be accomplished by mechanically pushing snow to boundaries designated by Customer in the SRR and will begin once snow levels reach **Trace, 1" or 2" ONLY**. Snow removal on sidewalks will be performed by hand shoveling, unless areas are accessible by snow blower, ATV, UTV, or SnowRator (when available) and will begin once snow levels reach **Trace, 1" or 2" ONLY**. Unless Customer instructs Contractor otherwise, Customer agrees that Contractor has discretion to determine if snow removal is necessary under this Contract based on snow accumulations, forecasted temperatures and weather conditions for the Property. Customer understands that snow accumulations may vary from one part of town to the next, and that weather conditions in one part of town may not be indicative of accumulations at the Customer's Property. Customer also understands that drifting snow may necessitate plowing of Customer's Property, regardless of the average accumulation at that Property.

Normal nightly refreezing of melted snow and ice may occur for a period of time after each storm or snow event. Therefore, Contractor will return to the Property and will re-plow, re-shovel or re-apply salt, sand or snow melt products at Customers written request.

Customer is responsible for having all vehicles removed from parking lots, drives, access roads, and designated stockpile areas, so Contractor can properly and efficiently operate snowplowing equipment. If vehicles are not removed at the time of plowing operation, Contractor will be obligated to plow only those areas available and open for safe use and operation of snowplow equipment. Clearing between parked cars is not included in this contract. If the designated stockpile areas are not accessible, Contractor will stockpile snow in an area chosen at Contractor's discretion to provide the least interference with use of the Property.

Services under this Contract will commence during or within twelve (12) hours of the end of any snowfall. Contractor will charge for travel time to the Property according to the type of services to be performed. Services will be initiated when, in the best judgment of Contractor, conditions are such that snow removal services are required. It is Customer's responsibility to notify Contractor in writing when snow services are not required.

When a large accumulation of snow is predicted, such as an "upslope", blizzard conditions, snow in excess of 12", ice in all its forms, declared states of emergency, Contractor has discretion to commence services under this Contract prior to the cessation of snowfall. Contractor will make every effort to insure such service. Customer understands, however, that certain conditions may pose challenges to Contractor providing services, which are out of Contractor's control. In such cases, Contractor will keep Customer informed of conditions and will define realistic expectations for completion of field operations. Any precipitation event lasting longer than 12 hours will require that Contractor schedule rest periods for field personnel and Managers to assure their safety. When accumulation exceeds six (6") inches, or when drift conditions exist, "shovel-wide" paths will be cleared during the first visit to the site. Walks will be cleared to their full width when conditions allow further attention.

If sidewalk snow service is requested by Customer, Customer understands that if temperature and wind conditions combine to bring temperatures below ten (10) degrees Fahrenheit, Contractor may have to stop providing services during that period of time in order to protect the health and well being of its employees.

Contractor will provide services under this Contract in a workman-like manner. Customer accepts this warranty as its sole recourse, and THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES WHETHER EXPRESS OR IMPLIED, AND ALL SUCH WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED.

3. Property Damage: Customer agrees that Contractor is not responsible to Customer or anyone else for damages caused by snow removal equipment (including, but not limited to pick-up trucks, loaders and tractors) to property items in and around the area designated by Customer for plowing, and which are concealed from Contractor's view by snow accumulation or other adverse weather condition. Such property items include, but are not limited to turf (grass), curbs, wheel stops, fire hydrants, plant material and other landscaping, and retaining walls. Customer also agrees that Contractor is not responsible to Customer or anyone else for damages caused by snow removal equipment to surface integrity due to weight of snow removal equipment. Installation of necessary snow stakes is recommended. If Contractor, in its discretion, deems such stakes to be necessary to avoid property damage, Contractor is hereby authorized to provide stakes at an additional cost to Customer, as set forth under the pricing schedule in Article A of this Contract.

4. Personal Injury and Indemnification: Customer understands that slippery conditions after a snow event are an inherent risk that cannot be completely eliminated by services provide by Contractor hereunder. Therefore, Customer agrees that it will not hold Contractor, its officers, agents and employees liable for any claims, damages, losses, and expenses, (including but not limited to attorneys' fees and court costs) arising out of or resulting from falls and other accidents caused in whole or in part by snow, ice or any other slippery condition on the property. Customer also agrees to indemnify and defend Contractor from and against any claim, cause of action, or liability instituted by any employee, resident or third-party arising out of or related in any way to property damage, and personal injury due to ice, snow or other slippery condition that may exist on the Property before, during or after Contractor has performed services pursuant to the Contract. Customer agrees to indemnify and defend Contractor from all such claims and liabilities regardless of whether allegedly caused by any actions or failures of Contractor.

Customer understands that upon completion of snow service operations, even if conducted to the highest standards in the industry for this area, slippery conditions may still exist. For example, normal nightly refreezing of melting snow and ice may occur after each storm. Therefore, Contractor will not be liable for accidents caused by this inherent risk and will be defended, indemnified and held harmless by Customer from and against lawsuits or claims that may result from naturally occurring weather conditions, or the presence of salt, sand, or other snow melt products used by Contractor. Contractor has discretion to determine whether to apply snow melt chemicals for snow management. Such chemicals have inherent properties that could degrade or damage metal, paving material, and plant material that come in contact with such chemicals, and therefore, Contractor will not be liable for damage caused to said objects or materials on site.

5. Insurance: Throughout the term of this Contract, Contractor will maintain General Liability insurance of \$2,000,000 aggregate, and will also carry the Colorado State required Workman's Compensation insurance, and Automobile Liability insurance, \$1,000,000 bodily injury each person/each accident, and \$1,000,000 property damage.

6. Termination without Cause: Either party to this Contract may terminate the Contract without cause by sending written notice to the other party at the respective address stated above. Termination of the Contract will become effective 30 days after the date such written notice is provided. In the event of such termination, full payment for services performed or material provided under this Contract becomes due and payable on, or before, the effective date of termination. In the event of pre-payment of services not performed or materials not provided after the effective date of termination, Contractor will issue a refund to Customer on, or before, the effective date of termination. In addition, if Customer has entered into this Contract as an agent of the Property owner, and Customer's agreement with the Property owner is terminated, this Contract will automatically terminate without notice, effective the date of such termination by the Property Owner.

7. Default and Remedies: A default will occur if Customer fails to make payment when due under the Contract. In the event of such default, Contractor may, at its option: (a) terminate the Contract, without further notice to Customer and without waiving any right it may have to recover payment of the money due from Customer; or (b) halt services under the Contract until such payment is made to Contractor. Customer agrees and understands that he/she/it will be responsible for all costs of collecting payment due, including reasonable attorneys' fees and costs.

If Contractor fails to perform services as required under this Contract, defaults under the Contract, or is grossly negligent, Customer must send written notice of same to Contractor at the address for Contractor stated above. In the event of such default, Customer may: (a) demand strict performance of the Contract; (b) terminate the Contract. If Customer reasonably believes that Contractor's performance is not satisfactory, customer may also terminate the Contract upon written notice to Contractor explaining the reason for such termination.

8. Payment: The prices, specifications, and conditions are satisfactory and are hereby accepted by Customer. Contractor is authorized to do the work as specified. The rate schedule for this Contract is outlined below and all work will be performed and paid for according to these rates. All accounts are to be due and paid in full net ten (10) days after receipt of an invoice from Contractor. Customer agrees that thirty (30) day past due accounts will be charged interest at 1.5% per month (18% per year). Contractor may decline to perform services if accounts are over twenty days (20) past due following Customer's receipt of invoices for services rendered. Customer will be responsible for a \$45.00 returned check fee for any check returned unpaid for any reason.

9. Attorneys Fees and Venue: In the event either party to this Contract commences an action to enforce the terms of the Contract, the prevailing party to such action is entitled to recover its attorneys' fees and court costs. The parties agree that venue for any such legal action shall be the District Court for the City and County of Denver, State of Colorado.

10. Miscellaneous:

10.1 Contractor reserves the right not to proceed with services outlined under this Contract, and the contract may be deemed null and void by Contractor notwithstanding execution of the Contract by Customer, if the Contract is not executed by Customer within 30 days from the date the Contract is sent to Customer.

10.2 This Contract and attachments hereto supersedes any and all other agreements between the parties, oral or written, regarding snow removal services.

10.3 By signing below, each party acknowledges they have read and understand the Contract and that no representation, inducement, promise, or agreement, oral or otherwise, has been made by any party which is not embodied herein. This Contract shall be construed objectively in light of its overall purpose, which is to provide the described services herein for compensation. Neither the source nor the authorship of this Contract shall cause any other bias or presumption in the construction or interpretation of this Contract. Any changes to the terms of this Contract are not binding unless in writing, signed by each of the parties.

10.4 This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Contract.

10.5 Customer may not assign this Contract without first obtaining Contractor's written approval to do so. Such approval will not be unreasonably withheld by Contractor.

10.6 The parties hereto agree that a facsimile signature may substitute for and have the same legal effect as the original signature.

10.7 This Contract shall be construed in accordance with the laws of the State of Colorado.

CONTRACTOR: Landtech Contractors, LLC

BY: _____

Date

CUSTOMER:

BY: _____

Its:

Date

Article A: HOURLY RATES 2026-2027

Rates include operator and have a one (1) hour minimum charge.
Drive time is charged one direction.

Light Equipment

4x4 Truck with Plow	\$140.00 per hour
Ice Slicer Spreader	\$152.00 per hour
Skid Steer Loader with Push Box/Plow	\$164.00 per hour
ATV w/Plow, SnowRator w/Spreader, UTV w/Plow and Spreader	\$107.00 per hour

Heavy Equipment

Loader/Backhoe with 1-yard Push box or plow	\$234.00 per hour
Loader/Backhoe with 3-yard Push box or plow	\$298.00 per hour

Labor

Hand Shovel/Spread Ice Melt	\$70.00 per man, per hour
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Material

Standard Ice Melt	\$1.00 per pound
Environmentally Friendly Ice Melt	\$1.42 per pound
Ice Slicer (Granulated Magnesium Chloride)	\$308.00 per ton

Other

Snow Pile Relocation/Haul Off	\$180.00 per hour
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Article B: Snow Removal Requirements

CUSTOMER TO FILL OUT TABLE BELOW

Property Name:			
Property Address:			
Property Contact:			
Contact E-mail:			
Contact Phone #:			
At what accumulation is clearing walkways and doorways required?	YES NO	Trace 1" 2" ☐ ☐ ☐ (Mark one)	
Is the ice melt application needed for walkways?	YES NO	Standard ☐ Environmentally Friendly ☐ (Mark one)	
At what accumulation are plow services for parking lots, entry & driveways, loading docks, etc. required?	YES NO	Trace 1" 2" ☐ ☐ ☐ (Mark one)	
Is Ice Slicer (Granulated Magnesium Chloride) application required for entry and driveways, drive lanes, loading docks?	YES NO		
Are there specific areas that snow is to be piled? Is there a site plan or map available? If so, please attach it.			
Are there restricted areas on your site that require snow services?			
How can we arrange to access these areas?			
Snow Monitoring Service: This service will provide the client with a property check to monitor snow accumulation. This service will be offered when the snow has been forecast and will potentially meet the client's contractual trigger point. Service will be offered at an hourly rate of \$65.00 per man-hour and material (1 hr. min. charge per visit) Services must be requested at the time contract execution.			
Initials _____			
Special Instructions:			



Snow & Ice Management Agreement

Property/Client Name and Contact Information:

Property Address:

East 141st Avenue &
Colorado Boulevard
Thornton, CO 80602

Billing Address:

PO Box 370
Evergreen, CO 80437

Sentinel Point

Nicki Simonson

nicki@sentinelpointco.com

720.420.6220

Fallbrook Villas Metro Dist, ("**Client**"), hereby engages Keesen Landscape Management Inc., ("**Company**"), to provide certain snow and ice management services ("**Services**") in accordance with this Snow & Ice Management Agreement (this "**Agreement**"). Client and Company hereby agree to the terms and conditions of this Agreement, including the General Terms and Conditions attached hereto (the "**General Terms**"), and the Snow & Ice Services and Pricing Addendum attached hereto and any attachments thereto (the "**Addendum**"), which are part of this Agreement and incorporated herein by this reference.

Contract Effective Date: October 1st (or upon execution of Agreement) Through May 31st

SNOW & ICE SERVICES AND PRICING ON PAGE 5

Term. The term of this Agreement will be effective upon signing by both parties and will continue for the number of Winter Seasons specified by a "Yes" or "No" on page 5, or until terminated by either party upon thirty (30) days prior written notice to the other party (regardless of any specified term), or until terminated by mutual written agreement of Client and Company.

Service Areas. Services will be performed by Company for Client during the term of this Agreement at the driving, parking and walking areas (collectively, "**Service Areas**") during each snow or ice event ("**Event**"), subject to all of the terms and conditions of this Agreement.

Service Area Diagrams / Maps: Client is responsible for providing to Company reasonably detailed diagrams or maps of the Service Areas, clearly indicating the boundaries of the Service Areas, any obstructions in areas to be plowed, and any specific location requirements regarding where to pile or remove snow. If requested by Company, Client will have a representative meet with a Company representative at the Service Areas to inspect and verify Service Areas and related conditions and issues.

Scope: The company will commence services at Fallbrook Villas Metro Dist only after the "Trigger" depths listed on page 5 are reached. Any services required before "Trigger" depths are met will need to be requested by the Client in writing. Please also indicate any special requests or property specifics under the "Special Instructions" section on page 5.

Plowing: Services during the term of this Agreement will include the following, subject to the specifics as described on page 5. The Company will plow drive lanes and parking lots in the Service Areas; this does not include unpaved surface areas. Plowing is accomplished by mechanically pushing snow to side boundaries and/or with windrowing snow into landscaped areas. The Company, at its sole discretion, will supply the most efficient type of equipment for the property. This Agreement does not provide for physical removal or hauling of snow from site. These services can be completed upon written request by Client.

Parking stalls will be plowed only when the parking stalls are vacant, accessible, and site conditions allow for safe and efficient operation. Company reserves the right to forgo back dragging when access is restricted or conditions prevent safe or practical performance of the work. Such conditions include, but are not limited to, parked vehicles or trailers, curbs, wheel stops, bollards, parking blocks, landscape islands, trees, light poles, shopping carts, dumpsters, temporary obstacles, snow storage piles, pedestrian traffic, icy or hazardous conditions, equipment limitations, or restricted maneuvering space. The Company shall determine, in its sole discretion, whether site conditions permit safe and efficient completion of parking stall plowing operations.

Shoveling: Services during the term of this Agreement will include the following, subject to the specifics as described on page 5. The Company will clear sidewalks; this does not include unpaved surface area. Clearing is accomplished by pushing snow to side boundaries. The Company, at its sole discretion, will supply the most efficient type of equipment. This Agreement does not provide for physical removal or hauling of snow from site, these services can be completed upon written request by Client. Snow removal will not be performed in parking areas between vehicles.

De-icing: Services during the term of this Agreement will include the following, subject to the specifics as described on page 5. Unless otherwise noted by the Client in the "Special Instructions" section on page 5, de-icing products will be applied to Service Areas as conditions dictate and the Company's sole discretion. It is important to note that de-icing products may be corrosive and potentially damaging to pets, plants and turf. Colored concreted and pavers may particularly be susceptible to staining. It is the Client's responsibility to notify the Company of any concrete that is less than one year old or any other areas of concern where de-icing products should not be applied. The Company is not responsible for damage caused by de-icing products.

Event: Each Event will be deemed to start when accumulations of snow falling from the sky at the Service Areas reaches the specified "Trigger" depth as defined by customer on page 5. An event shall be deemed to have ended when measurable snowfall has ceased. Once initial services are complete, the Company will monitor the Service Areas and provide any additional services deemed necessary for 24 hours after initial accumulation has ended. Any services prior to the "Trigger" depth being met, or after the 24-hour Event timeframe has ended, will require a written request by the Client.

Snowfall Measurement: Snowfall accumulations shall be measured and documented by the Company at a designated representative location on the property. Multiple snowfall events occurring before snow removal services are performed may be combined to determine whether the contractual trigger depth has been met or exceeded. The Company shall determine, in its sole discretion, when the trigger depth has been met based on field measurements and available weather data. The Company's measurements and service records shall govern in the event of any dispute regarding snowfall accumulation or trigger depth.

Blizzard and Heavy Snow Conditions: Blizzard conditions or heavy snowfall in excess of 10" require an adjusted initial service plan. When these conditions are present, as much snow as possible will be cleared from sidewalks, parking lots, drive lanes, and driveways during the initial visit to keep areas "open". Internal sidewalks will be cleared to one shovel width to allow access and perimeter walks (greenbelts, walkways, and sidewalks along City streets) will be cleared post event and after City/County/State snowplows have completed their street removal. Perimeter walks may require specialty equipment due to the depth and severity of plowed up snow on perimeter walks from the city plows. A secondary visit will be done to complete any additional services that were not completed during the initial clearing.

Pricing and Payment. Pricing of amounts payable by Client to Company for the Services is set forth on page 6. Company's invoices will be due and payable by Client upon issuance by Company. A 3% surcharge will be added for all invoices paid by credit card. Invoices not paid in full within 30 days of issuance will accrue interest, compounded monthly, beginning on the 31st day following issuance at the rate of 1.5% per month (or if lower, the highest rate permitted by law), plus an additional \$25 late fee.

GENERAL TERMS AND CONDITIONS

Authority: Based upon weather forecasts, existing conditions at the time and the Client's property profile as included on page 5 of this Agreement, or otherwise prepared by Company based on information provided by Client, further subject to the scope of Services and related specifications on page 5 and according to instructions provided by Client or Client's representative as provided below, and subject to any express limitations and requirements in this Agreement, Company may exercise its reasonable discretion in the applicable manner, timing, type of equipment, materials and labor for performance of any Services.

Client Instructions: If Client or Client's representative instructs Company not to perform any specific Service(s) at any time, Company will not have any liability for any resulting consequences of complying with said instructions. All such instructions must be made in writing and must be received and acknowledged by Company, a minimum of four (4) hours ahead of each event in order for Company to make adjustments to Services. Any change in level or scope of Services as specified on page 5 must be requested by Client in writing and agreed to by Company in writing. Any such changes will be implemented and prioritized by Company after all of Company's other previously contracted services with its clients have been completed.

Damage / Incidents: Any property damage caused by Company must be reported to Company in writing within fifteen (15) days after applicable Services are performed (or within such longer period as such damage remains obstructed from view by snow accumulations or pilings). Company will have no responsibility for any such damage if not reported to Company in writing within such timeframe. Surface contact and scraping by plow and shovel blades is required in the process of snow and ice removal and normal wear and tear of surfaces occurs in the process. It is normal to expect landscape and/or vegetation damage when salt and/or de-icing materials are applied to melt snow/ice on Service Areas. Any damage by Company for which it is responsible will be limited to the repair or replacement of the damaged property by Company. Company is not responsible for:

- Repairing or replacing curbing, asphalt, brick pavers, concrete or other hard surfaces or parking lot that are scratched, gouged, or otherwise broken, displaced, or “worn” as a result of normal wear and tear from plowing or clearing;
- Repairing or replacing curbing, asphalt, brick pavers, concrete or other hard surfaces or borders that are damaged due to corrosion from salt or de-icing materials or which are already in disrepair, well-worn, crumbling, or otherwise not in adequate condition to withstand the impact of removing and melting snow and ice;
- Damage to landscaping caused by salt or de-icer run off or by the piling of snow;
- Damage done to speedbumps (removable speedbumps are recommended to be removed prior to winter); or
- Damage done to concealed items, whether concealed by snow or other factors.

If Client becomes aware of a snow related incident or accident, it is the duty of the Client to immediately notify the Company.

Indemnification: To the fullest extent permitted by law, Client agrees to indemnify, defend and hold harmless Company, its owners and employees, its subcontractors and their employees, and agents of any such parties, from and against any and all liabilities that may arise directly or indirectly in connection with performance of Services under this Agreement, including, without limitation, any liabilities (tort or otherwise), losses, damages or claims due to property damage or personal injury resulting from occurrences caused by thawing and refreezing of snow or ice in Service Areas after plowing or clearing of such Service Areas and any loss, liability, damage or claims that are the result of any actions, inactions, instructions or requests by Client or any limits on the scope of Services contracted for under this Agreement; provided, however, that the foregoing will not apply to any loss, liability, damage or claims resulting from the negligent (or other tortious) acts or omissions of Company or Company's agents or employees.

Insurance: A certificate of insurance for insurance coverage maintained by Company will be provided to Client upon Client's written request.

Limitations:

- Client understands and agrees that it is impracticable for Company to achieve total clearing and elimination of snow and ice from all Service Areas and that the Services may not clear Service Areas to bare concrete or other surface, or otherwise to “bare pavement”, and that slippery conditions may continue to prevail even after Services are performed, and Company will have no liability for such conditions. Company is not responsible for snow or ice in areas that are blocked by parked vehicles, otherwise obstructed or not reasonably accessible for the Services.
- Weather and Service Area conditions may change rapidly and without adequate warning and Company will not have any liability or responsibility for such changes. Company is not engaged, nor does it accept engagement, as a continuing monitor of potentially dangerous or unsafe conditions that may arise by reason of any Event or accumulation or related thawing and refreezing at previously plowed/cleared or treated Service Areas. Upon reasonable written notice from Client of any such condition, Company will use its reasonable efforts to provide applicable Services for such condition. Company will not be responsible for Services to potentially dangerous or unsafe conditions for which it has not been given such reasonable written notice or for which it has not had reasonable time to respond.
- Company will not be responsible for any damage, injury, or accident that is the result of or to damaged or worn Service Areas or protrusions in them, and Company will not be responsible for any consequences arising from poor drainage, the lack of storage space for snow, or the failure or refusal of Client to permit or provide for removal or relocation of snow from the Service Areas as part of the Services. Company is not responsible for melting and refreezing of snow and ice.
- Company will not be responsible for any damages, expenses or injuries that are the result of limitations on or refusal of Services by Client or its duly appointed agent or representative, failure of Client to comply with this Agreement, or caused by the negligence or misconduct of Client, pedestrians, motorists or other third parties. Company will not be responsible for any consequential, incidental or indirect damages.
- Company will only be responsible for Services as specified in this Agreement until the applicable Event ends as defined above and it will be the responsibility of Client to notify Company in writing and obtain Company's agreement in writing for any additional Services to any Service Areas.
- Company is not responsible for any damages, delays or consequences that are directly or indirectly caused by Acts of God, unusual weather conditions, poor site drainage conditions, vandalism, or other events, circumstances or conditions beyond the commercially reasonable control of Company.
- Company makes no representations or warranties except as expressly provided in this Agreement.

Non-Payment: In addition to all other rights and remedies of Company, Client will pay to Company all legal fees and expenses incurred by Company to collect any amounts due from Client. Company may suspend and need not perform any Services if Client fails to pay Company as specified in this Agreement. If any invoice reaches 45 days past due, Company has the right to terminate this Agreement upon ten (10) days' written notice to Client. Upon termination of this Agreement, all open invoices and completed work not yet invoiced, will be due upon receipt of invoice.

Miscellaneous:

- Except to the extent otherwise expressly provided for in this Agreement, any notice, instruction, request, consent or required communication under this Agreement will be deemed given only if it is in writing and (a) personally delivered, (b) delivered by a reputable courier / overnight delivery service, with delivery confirmed, or (c) sent by email or text, provided that the intended recipient of such email or text promptly receives and responds by email or text to such email or text.
- This Agreement contains the entire agreement between the parties and supersedes all previous agreements and all verbal representations and commitments, and no course of performance, purchase orders or agreements purporting to amend, supplement or explain this Agreement shall be effective unless in writing and signed by authorized representatives of both parties.
- This Agreement is solely for the benefit of the parties hereto and will not be deemed to confer upon or give to any other third party any remedy, claim right, reimbursement right, cause of action or other right. Client may assign its rights under this Agreement only to any successor-in-interest with respect to the Service Areas, which assignment will also require Company's consent. Company may assign its rights under this Agreement to any affiliate or any successor-in-interest to any assets or business of Company, and Company may subcontract any of its obligations under this Agreement.
- This Agreement is deemed made at Company's principal place of business and governed by the laws of the state in which the Service Areas are located. In the event any dispute, controversy or claim arises between the parties with respect to this Agreement (referred to herein as a "dispute"), the parties agree to review, discuss and negotiate in good faith (and with involvement of the most senior officer/representative of each party or their designee if necessary) to resolve it within 30 days after first notice of the dispute. If the parties fail to resolve the dispute within 30 days, the parties will submit it to non-binding mediation to commence within 30 days. If the parties are unable to mutually agree on a mediator, each of the parties will promptly designate a mediator and those mediators will jointly select a mediator who will be the sole mediator. Any mediation proceedings will take place at the Company's principal place of business, or such other location as may be mutually agreed to by the parties, and the mediator's fees, expenses and incidental costs will be shared equally between the parties. If the parties fail to resolve a dispute within 30 days following the commencement of mediation proceedings, each party may pursue any rights or remedies available at law or in equity, provided that any litigation must be brought only in the federal or state judicial district in which Company's principal place of business is located.
- No delay of or omission in the exercise of any right, power or remedy accruing to any party under this Agreement will impair any such right, power or remedy, nor will it be construed as a waiver of any future exercise of any right, power or remedy.
- If a provision of this Agreement is held invalid under any applicable law, such invalidity will not affect any other provision of this Agreement that can be given effect without the invalid provision and the invalid provision will be deemed reformed and enforceable to the fullest extent permitted by applicable law.
- This Agreement may be executed and delivered in counterparts, including by email, facsimile, pdf, or other electronic means.

Trigger Depth:

Clients Initials	Depth	Service
	_____ inches	Clearing of Sidewalks
	_____ inches	Plowing of Parking Lots, Drive Lanes, and Streets

Choose one of these 3 _____ Service Initiated at Trigger Depth
 _____ Service initiated After Storm Conclusion
 _____ Service Requires Client Authorization

Terms of Agreement: Specify Contracted Snow Seasons by Answering Y or N**RATES:**

	____2026-2027 Season	____2027-2028 Season	____2028-2029 Season
Hourly & Unit			
Plow Truck	\$135.00/hr.	\$142.00/hr.	\$142.00/hr.
Skid Steer	\$165.00/hr.	\$175.00/hr.	\$175.00/hr.
Front End Loader	\$275.00/hr.	\$290.00/hr.	\$290.00/hr.
SnowRator or UTV	\$130.00/hr.	\$140.00/hr.	\$140.00/hr.
ATV or Sidewalk Blade	\$130.00/hr.	\$140.00/hr.	\$140.00/hr.
Snow Blower	\$95.00/hr.	\$100.00/hr.	\$100.00/hr.
Hand Shoveling	\$75.00/hr.	\$80.00/hr.	\$80.00/hr.
Ice Melt	\$1.10 lbs.	\$1.20 lbs.	\$1.20 lbs.
Ice Melt Application	\$75.00/hr.	\$80.00/hr.	\$80.00/hr.
Liquid Magnesium Chloride	\$3.25 gal	\$3.50 gal	\$3.50 gal
Liquid Mag. Chloride Application	\$135.00/hr.	\$142.00/hr.	\$142.00/hr.
Ice Slicer	\$310.00 Ton	\$330.00 Ton	\$330.00 Ton
Ice Slicer Application	\$135.00/hr.	\$142.00/hr.	\$142.00/hr.
Snow Stake Labor	\$60.00/hr.	\$65.00/hr.	\$65.00/hr.
Snow Stakes	\$4.50/ea.	\$5.00/ea.	\$5.00/ea.

All Services are billed on a Time and Material basis, including port to port travel time to the property.

SPECIAL INSTRUCTIONS (If you do not have any special instructions, please write N/A):

PAYMENT: Company's invoices will be due and payable by Client upon issuance by Company. Payments may be made by ACH or mail payments to:

Keesen Landscape Management, Inc. P.O. Box 200297, Dallas, TX 75320-0297

Snow Management Agreement valid for 30 days unless approved by Keesen Landscape Management, Inc.

EACH PERSON SIGNING THIS AGREEMENT ON BEHALF OF A PARTY TO THIS AGREEMENT REPRESENTS AND WARRANTS THAT HE/SHE HAS THE AUTHORITY TO BIND SUCH PARTY.

Client has read, agrees to, and is bound by this Agreement, including the General Terms and the Addendum

Client:

Fallbrook Villas Metro Dist

By:

Name:

Title:

Date:

Company:

Keesen Landscape Management Inc.

By:

Name:

Title:

Date:



Landscape Architecture		Construction	Maintenance	Water Management	Snow	Arbor
Golden	Centennial	Brighton	Castle Rock	Colorado Springs		Northern Colorado
303.432.8282	720.587.2520	303.287.9113	303.814.6070	719.867.1004		970.237.6225
www.environmentaldesigns.com						

SNOW SERVICES AGREEMENT

Agreement #: 143223

THIS SNOW SERVICES AGREEMENT (the "Agreement") is made and entered into as of 9/28/2026 (the "Effective Date") by and between Environmental Designs, LLC (the "Contractor") and Fallbrook Villas MD (the "Client").

I. PROPERTY

Project Name: Fallbrook Villas MD
Project Description: 2026-2027 Snow
Project Address: 3831 E. 141st Ave.
Thornton, CO 80602

Client Contact Name: Nicki Simonson
Client Phone Number: 720-420-3675
Client Email: nicki@sentinelpointco.com

Contractor Contact: Amber Miller

II. TERM

The term of this Agreement shall be 0 to 0.

III. GENERAL PROVISIONS

A. The Contractor shall service, as provided in this Agreement, all paved main drives, access roads, parking lots, sidewalks and walkways at the specific Property identified above in accordance with the terms of this Agreement and any Snow Maps developed between the Client and the Contractor, which are attached as Exhibits hereto. Plowing and shoveling will be completed by mechanically or manually pushing snow to areas designated by Client's agents or, absent designation by Client's agents, to such areas as Contractor shall deem appropriate.

B. The Client agrees that the Contractor will do everything in its power to move accumulated snow to the designated areas, however, in the case that there are multiple storms, when snow accumulation is deeper than usual, and/or when snow accumulation is wet and heavy, the Contractor will pile snow in the most convenient, safe area. When a Map is not provided, snow will be pushed to the most convenient, safe area. When snow can no longer be pushed to the designated area(s) and upon notice to Client, Contractor will use additional equipment (Skid Steer Tractor, Front End Loader, Dump Truck, etc.) to move the snow or have it removed to a location designated by Client.

C. Client shall notify Contractor of any pre-existing site conditions or unusual circumstances prior to execution of this Agreement. Client shall designate one onsite representative or agent to receive all notices who shall be authorized to communicate with Contractor regarding the performance of services under this Agreement.

D. The Contractor shall provide the services pursuant to this Agreement in a workmanlike manner. All labor, equipment, and materials required for the performance of Contractor's services hereunder, shall be furnished by the Contractor. Contractor shall be entitled to use mechanical equipment as it deems appropriate. Client and its agents shall not be entitled to designate the type of equipment to be used. Contractor shall be solely responsible for the way the work is performed and shall be free to employ subcontractors and/or third parties without Client's permission, consent or approval.

E. The Contractor shall be responsible for removal, or for causing the removal of all vehicles and other personal property, from parking lots, drives, access roads, and designated stockpile areas, so that the Contractor can properly and efficiently operate snow plowing equipment. If vehicles or other personal property are not removed at the time of plowing, shoveling, or deicing operations, the Contractor will service only those areas available and open for safe use. If the designated snow piling areas are not accessible, the Contractor shall stockpile snow in an area, which, in the opinion of the Contractor, allows the greatest usability of the lot.

F. The Contractor and the Client agree that snow plowing/shoveling services shall begin when, in the judgment of the Contractor, a snow event's accumulation on the parking or sidewalk areas reaches the minimum depth as outlined in this Agreement or upon written request by Client by text or email. The Contractor will use its best effort to have all snow plowing/shoveling services completed in a timely manner. In the event of a sustained snow event, additional trips shall be made as needed until the conclusion of the snow event. If snow accumulation does not reach the minimums outlined in this Agreement, then Contractor shall be held harmless from all snow and ice related incidents.

G. The Client agrees that Winter conditions in Colorado may present conditions that make it difficult for persons using the premises to be entirely free of some risk of slip and fall or skidding due to these conditions. Although the Contractor will use its best efforts to fulfill its obligations under this Agreement, the Contractor cannot offer any assurance that the driveways, parking lots or sidewalks will be completely free of snow or ice. While it is the intent to provide a safe travel surface for vehicles and pedestrians, the Client and Contractor agree that slick surfaces may be present at any time and that snow or ice can never be completely removed. Dangerous conditions may exist before and after clearing operations. Snow remediation services can eliminate some but not all potentially slippery or dangerous conditions on the property and Client recognizes that such conditions are an inherent danger in all snowy or icy areas, whether serviced or not. Contractor will always use its best efforts to complete snow plowing/shoveling and ice control services in a reasonable manner, but Client and its agents understand that the Contractor assumes no liability for this naturally occurring condition. Client and its agents are aware that weather conditions may change rapidly and without notice and that Contractor assumes no liability for such changes as generally expected during or following a snowstorm in a winter climate such as Colorado.

H. Unless otherwise provided for under this Agreement, Contractor shall have no duty or responsibility to return to Client's Property after servicing Client's Property to perform further or follow up services to address, without limitation, melting and refreezing, blowing or drifted snow, snow that is pushed onto Client's Property by any governmental or municipal entity or any third party, or additional snow that does not meet the applicable trigger depths unless requested to do so by Client or its agents in writing, by text or e-mail, and Contractor agrees in writing, by text or e-mail, to do so. Any such follow-up services will be billed at the Time & Materials rates set forth below.

I. All parties agree that Contractor is not responsible for slippery and/or icy conditions during the days following a storm. The Client assumes all responsibility and shall hold harmless Contractor for any thaw and re-freeze conditions after the initial services were performed by the Contractor. It is the Client's responsibility to notify the Contractor of melt and refreeze conditions which may occur from time to time after services have been performed related to the snow event or if the Client wishes to have services performed when accumulations do not reach the minimums outlined in this Agreement. The Contractor may not be held liable for "slips and falls," collisions that are not a direct result of Contractor's negligence, or any kind of drainage issues that contribute to ice or slick surfaces.

J. Client understands that snow accumulations may vary throughout the metropolitan or local area, and that accumulations in one place or area are not necessarily indicative of the accumulation at the Client's Property. Client and its agents also understand that drifting snow or north facing areas may necessitate plowing and/or de-icing at the Property, regardless of the total snowfall at that location.

K. The Client acknowledges that the Contractor is not a 24-hour monitoring service or onsite 24/7 and does not have the ability to know exact weather conditions or site conditions. Although the Contractor will be storm ready and mobilize as large-scale city needs dictate, it is ultimately the responsibility of the Client to alert the Contractor of snow clearing or de-icing requirements.

L. Client or its agent shall notify Contractor in advance in writing, by text or e-mail, when snow removal services to be provided as set forth herein are not required. No cancellation shall be effective if such notice is not received in writing, by text or e-mail, before Contractor has dispatched its equipment to the Client's property.

M. It is the responsibility of the Client to advise its tenants, residents, and visitors of the potential for danger due to Winter conditions. The Client will advise the Contractor of any conditions it becomes aware of which create an unreasonable risk of injury or property damage in order that the Contractor has an opportunity to address the hazard or make recommendations to the Client to mitigate the risk.

N. Although the Contractor shall use its best effort to minimize damages, Client agrees that Contractor shall not be responsible for any curb or other property damage as a result of performing services when covered by deep snow and curblines and obstacles are not properly marked, and under no circumstances will Contractor be responsible for damage that was existing prior to service being rendered, this includes but is not limited to curbs, walks, speed bumps, etc.

O. Upon the request of Customer, Contractor shall stake all curb lines and obstacles identified in advance by Client and its agents. After the snow season, a joint walk-through by Contractor and Client or its agents will be scheduled to define and review any claimed property damage. This walk-through shall take place before any repair work is undertaken by Client, and no claim for property damages shall be made or presented against Contractor unless Contractor has first had: (i) the opportunity to inspect any claimed property damage and discuss its causation with the Client and its agents; (ii) the opportunity to review any repair bids or similar proposals obtained by the Client and its agents; and (iii) the opportunity to perform any necessary repairs itself or retain its own bid or proposal to repair any property damage. Additionally, Contractor assumes no responsibility or liability for loss or damage resulting from Client or its agent's failure to adequately identify curb lines and obstacles to be staked and to maintain staking. Reports of damage must be reported to the Contractor within forty-eight (48) hours of detection or notice. Client's failure to report any claimed property damage within 48 hours of detection or notice constitutes a waiver of any claim for property damage, and the Contractor is released from liability.

P. It is understood that all deicers and sand salt mix may cause damage to trees, shrubs, landscape, concrete, and paved surfaces. Although the Contractor will be prudent in its use of these materials, it is the intent of Contractor to provide as safe an environment as possible, and therefore will not be responsible for damages these products may cause.

Q. All notices to be given to either party to this Agreement must be: (a) sent by first class mail addressed to the addresses set forth herein, AND (b) emailed to the email addresses set forth herein so long as receipt is confirmed by the recipient by return email (which shall not include an automatic "return receipt"). A party's address or email address may be changed by such party from time to time; however, such change shall not be effective until the other party has been notified in writing of the new contact information.

R. Client and Contractor agree to participate in binding arbitration for any dispute arising out of this Agreement. Binding arbitration shall take place in the county in which the work was performed. The prevailing party, as deemed by the Arbitrator, shall have and recover reasonable attorneys' fees, as deemed by the Arbitrator, in addition to all costs and disbursements incurred in connection with the Arbitration.

S. The Client agrees that if determined necessary by the Contractor, the Client shall be invoiced and shall timely pay for any Snow Staking and/or Site Protection efforts as detailed in this Agreement.

IV. MODIFICATION OR AMENDMENT

A. This Agreement constitutes the entire agreement between the Client and the Contractor, and any prior agreements pertaining thereto, whether verbal or written, have been merged and integrated into this Agreement. No subsequent modification of any of the terms of this Agreement shall be valid, binding upon the parties, or enforceable unless made in writing and signed by both the Client and an authorized agent of the Contractor. Any obligation in this Agreement that, by its terms, is intended to be performed after completion shall survive the same.

B. Any changes in the scope of service must be documented in writing. The Client assumes all risks involved when the Client makes any changes the scope of services as outlined within this Agreement. If no written documentation is provided, Contractor shall schedule and complete all services as outlined by the terms of this Agreement, and bill accordingly.

V. TERMINATION

A. Either party may terminate this Agreement by written notice by certified mail to the other party. Notice to be given at least thirty (30) days prior to the effective date of such termination.

B. In the event that Contractor cannot secure an adequate labor force to perform the work as outline within this agreement, at the sole discretion of Contractor, Contractor may cancel this agreement without penalty from Client subject to notification as outlined above.

C. If payment for services rendered is delinquent by thirty (30) days or more, Contractor reserves the right to suspend services until the account is made current without any breach of contract.

VI. INSURANCE

The Contractor shall be covered by a minimum of \$1,000,000 of liability insurance and statutory limits for workers compensation insurance. Upon request, the Contractor shall provide proof of coverage to the Client. Contractor agrees to maintain Liability, Auto, and Workers Compensation insurance for the term of this contract. Proof of insurance will be supplied upon request.

VII. DEFENSE AND INDEMNIFICATION

A. The parties to this Agreement recognize the applicability of the Colorado Legislature's 2018 enactment of the Snow Removal Service Liability Limitation Act, Colorado Revised Statutes, § 13-21-129, and agree that to the maximum extent permitted by this law, in no event shall Contractor be liable to indemnify, defend or hold harmless the Client for any actions or inactions on the part of the Client or for any special, incidental, punitive, indirect or consequential damages whatsoever (including, but not limited to, damages for lost profits, for business interruption, for personal injury, for negligence, or for any other pecuniary or other loss whatsoever) arising out of or in any way related to the service subject to this Agreement or Contractor's inability or failure to provide such services. The parties agree, the above legislation notwithstanding, that Contractor has no obligation to defend or indemnify Client for any claims that might be made arising out of slip and falls on snow or ice seeking damages for personal injuries. Further, Contractor's entire liability under this Agreement, if any, for any claim(s) for damages relating to this Agreement made against Contractor, whether based in contract or in tort (including claims for negligence or under Colorado's Premises Liability Act), shall be limited to the amount of charges paid by Client for services during the period in which the events are the basis of the claim(s) occurred.

B. Notwithstanding any other provision of this Agreement, including the preceding paragraph, Client shall defend, indemnify and hold Contractor, its officers, agents, and employees, harmless from liability, claims, damages, fines, penalties, costs and expenses, including reasonable attorney's fees, incurred by or asserted against Contractor by any party by reason of any loss, property damage, personal injury or death in any fashion relating to snow, ice, or surface conditions at the property and the services performed by Contractor unless such loss, damage, injury, or death arises from the gross negligence or willful misconduct of the Contractor and its officers, agents and employees.

VIII. SCOPE OF SERVICES

A. Snow Plowing

Snow plowing is defined as pushing or pulling of snow using means not limited to truck mounted plows, tractors, ATV's, etc. If approved by the Client, as indicated below, the Contractor shall provide all reasonable equipment and labor to relocate snow from parking lots and driveways to open parking spaces or designated snow piling areas. Snow Plowing Services shall commence when accumulation reaches the depth as outlined herein, or upon written request by Client or its agent, by text or email.

Client Approves Snow Plowing Services _____ [Client Initials]

Client Declines Snow Plowing Services _____ [Client Initials]

Snow Plowing shall begin when on site snow depth reaches:

Trace of Snowfall _____ [Client Initials]

1" of Accumulation _____ [Client Initials]

2" of Accumulation _____ [Client Initials]

B. Ice Slicer

Ice slicer services can only be performed after Snow Plowing Services have been performed, therefore, the Client cannot approve Ice Slicer Services without first approving Snow Plowing Services. If approved by the Client, as indicated below, the Contractor shall apply Ice Slicer (Granular Magnesium Chloride) in parking and drive areas as needed to limit the buildup of ice after Snow Plowing Services have been completed. The Contractor shall make any and all reasonable efforts to prevent excess application of ice control products.

Client Approves Ice Slicer Services _____ [Client Initials]

Client Declines Ice Slicer Services _____ [Client Initials]

C. Snow Shoveling

Snow shoveling is defined as the mechanical clearing of snow using means not limited to hand shoveling, ATV's, Snow Blowers, etc. If approved by the Client, as indicated below, the Contractor shall provide all reasonable equipment and labor to relocate snow from sidewalks to grass areas or other designated snow piling areas. Snow Shoveling Services shall commence when accumulation reaches the depth as outlined herein.

Client Approves Snow Shoveling Services _____ [Client Initials]

Client Declines Snow Shoveling Services _____ [Client Initials]

Snow Shoveling shall begin when on site snow depth reaches:

Trace of Snowfall _____ [Client Initials]

1" of Accumulation _____ [Client Initials]

2" of Accumulation _____ [Client Initials]

D. Ice Melt

Ice Melt Services can only be performed after Snow Shoveling Services have been performed, therefore, the Client cannot approve Ice Melt Services without first approving Snow Shoveling Services. If approved by the Client, as indicated below, the Contractor shall apply Ice melt on walkways and stairs to limit the buildup of ice after Snow Shoveling services have been completed. Contractor shall make any and all reasonable efforts to prevent excess application of ice control products.

Client Approves Ice Melt Services _____ [Client Initials]

Client Declines Ice Melt Services _____ [Client Initials]

E. Post Storm Visits

Client Approves 1 Post Storm Visit _____ [Client Initials]

Client Approves 2 Post Storm Visits _____ [Client Initials]

Client Declines Post Storm Visits _____ [Client Initials]

This proposal does not include Post Storm Visits. If approved for service, the Contractor shall perform a physical site inspection of the property looking for icy conditions at least one time per 24-hour period approved as outlined above. If additional services are rendered, then the hourly rates outlined in this Agreement will be charged accordingly. If no services are rendered but a site visit was made, then the Site Visit charge will be assessed. If Client Declines Post Storm Visit(s) and/or after all contracted services have been rendered, Client then assumes all risks associated with icy or slippery conditions. Post Storm Visits are defined as mobilizations after all primary snow removal and ice mitigation services associated with a snow event have been completed. Primary snow removal services are typically, but not always, the expected services of the Contractor as defined in the Scope of Services of this agreement during the snow and ice event itself and those services needed after the conclusion of the event to clear the site to the clients specifications. Therefore the first Post Storm Visit would typically be completed in the next 24 hours following the clearing and cleaning of the property.

IX. PRICING

A. Service Prices

4X4 Pickup Truck with Wings	\$155.00 / Hour	1 Hour Minimum Per Trip
4X4 Pickup Truck without Wings	\$145.00 / Hour	1 Hour Minimum Per Trip
4X4 ATV with 48" Blade	\$125.00 / Hour	1 Hour Minimum Per Trip
Front End Loader, 2-1/2 Yard Buck	\$320.00 / Hour	2 Hour Minimum Per Trip
Skid Steer Tractor	\$200.00 / Hour	2 Hour Minimum Per Trip
Dump Truck	\$225.00 / Hour	2 Hour Minimum Per Trip
Snow Blower	\$110.00 / Hour	1 Hour Minimum Per Trip
Mini-Skid Steer with Broom/Plow/Blower/B	\$180.00 / Hour	1 Hour Minimum Per Trip
Toolcat, Ride On Broom, or UTV with Blad	\$215.00 / Hour	1 Hour Minimum Per Trip
Hand Shovel & Deicing Labor	\$85.00 / Hour	1 Hour Minimum Per Trip
Ice Slicer Truck	\$175.00 / Hour	1 Hour Minimum Per Trip
Site Inspection	\$85.00 / Each	Per Visit
Snow Stakes and Site Protection	\$85.00 / Hour	1 Hour Minimum Plus Materials
Ice Slicer	\$0.26 / Pound	Material Only, Plus Tax, 500 Pound Minimum
Ice Melt	\$1.55 / Pound	Material Only, Plus Tax, 50 Pound Minimum

B. Holiday Rate Increase

All Rates will be increased by 50% if Client requests that services are performed during the following holidays: Thanksgiving Day, The Day After Thanksgiving (Black Friday), Christmas Eve, Christmas Day, New Year's Eve, New Year's Day, and Easter Sunday.

Client Approves Holiday Rate Increase _____ [Client Initials]

Client Declines Services During Holidays Listed Above _____ [Client Initials]

In the event that Client declines services during the holidays listed above, Client agrees to hold Contractor harmless from any and all snow/ice related incidents as a result of not performing services.

X. PAYMENT SCHEDULE

A. Full payment is due 30 days from the date invoiced.

B. A surcharge fee of not less than 2% and not more than the fee paid by the Contractor to the Processor or Service Provider will be applied to all credit card payments. This fee may be charged as a separate transaction once these costs are known.

C. Payments thirty (30) days past due shall incur finance charge of 1.5% per month (18% per annum). Contractor and/or its assignee shall be entitled to collect all reasonable costs of collection, including but not limited to, collection agency fees and attorney fees.

XI. ACCEPTANCE

Proposed and Accepted:

Contractor: Environmental Designs, LLC

Client: Fallbrook Villas MD

Signature: _____

Signature: _____

Name: _____

Name: Nicki Simonson

Title: _____

Title: _____

Date: _____

Date: _____