

FALLBROOK VILLAS METROPOLITAN DISTRICT 2025 ANNUAL REPORT

Pursuant to SB 21-26 [Section 32-1-207 C.R.S] and the Service Plan for Fallbrook Villas Metropolitan District, the District is required to provide an annual report to the City of Thornton, Adams County, the Division of Local Government, the State Auditor, and post on the District's website the following annual report:

For the year ending December 31, 2025, the District makes the following report:

1. Boundary changes made or proposed to the District boundaries as of December 31 of the prior year. There were no boundary changes during 2025.
2. Intergovernmental Agreements with other governmental entities entered into or proposed as of December 31 of the prior year. No intergovernmental agreements were entered into during fiscal year 2025 and no intergovernmental agreements are anticipated at this time.
3. Copies of the District rules and regulations, if any, as of December 31 of the prior year. There have been no changes to the District's rules and regulations during the reporting period.
4. Summary of any litigation which involves the District Public Improvements as of December 31 of the prior year. The District has no knowledge of any litigation involving the District's public improvements during the fiscal year 2025.
5. Status of the District construction of the Public Improvements as of December 31 of the prior year. The District constructed one hundred percent of its public improvements in 2018. There are no further public improvements to be constructed.
6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year. All facilities or improvements constructed by the District were dedicated to and accepted by the City in 2019.
7. The assessed valuation of the District for the current year. The assessed valuation of the District for tax collection in 2026 is \$4,939,220.00.
8. Current year budget including a description of Public Improvements to be constructed in such year. The current status of the financial condition is reflected in the adopted 2025 budget, which is attached as **Exhibit A** for your reference.

9. Audit of the District financial statements for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles of audit exemption, if applicable. The 2025 audit is attached as **Exhibit B**.

10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument. There were no events of default which continued beyond a ninety (90) day period, under any Debt instrument during the fiscal year ending on December 31, 2025.

11. Any inability of the District to pay their obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period. There was no inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period during the year ending December 31, 2025.

The foregoing filing and accompanying exhibits are submitted the 1st day of October 2026.

FALLBROOK VILLAS METROPOLITAN DISTRICT

By: Nicki Simonson, District Accountant