

**MARKETPLACE METROPOLITAN DISTRICT
TOWN OF FREDERICK, STATE OF COLORADO**

ANNUAL REPORT FOR FISCAL YEAR 2015

Pursuant to the Service Plan for Marketplace Metropolitan District (the "District"), the District is required to provide an annual report to the Town of Frederick, Colorado (the "Town") with regard to the following matters:

- a. A narrative summary of the progress of the District in implementing its service plan for the report year;
- b. Except when an exemption from audit has been granted pursuant to the Local Government Audit Law of Colorado, the audited financial statements of the District for the report year, including a statement of financial condition (i.e. balance sheet) as of December 31st of the report year and the statement of operations (i.e. revenues and expenditures) for the report year;
- c. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the report year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the report year;
- d. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to debt retirement in the report year;
- e. The District's budget for the calendar year in which the annual report is submitted;
- f. A summary of residential and commercial development in the District for the report year;
- g. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;
- h. Certification of the Board of Directors of the District that no action, event or condition enumerated in Section 14.4 of the Code has occurred in the report year; and

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

For the year ending December 31, 2015, the District makes the following report:

- a. A narrative summary of the progress of the District in implementing its service plan for the report year;

No public improvements were constructed by the District during the reporting period. Development is anticipated to occur as described in the Service Plan.

- b. Except when an exemption from audit has been granted pursuant to the Local Government Audit Law of Colorado, the audited financial statements of the District for the report year, including a statement of financial condition (i.e. balance sheet) as of December 31st of the report year and the statement of operations (i.e. revenues and expenditures) for the report year;

A copy of the District's application for exemption from the 2015 audit is attached as **Exhibit A**.

- c. Unless disclosed within a separate schedule to the financial statements, a summary of the capital expenditures incurred by the District in development of public facilities in the report year, as well as any capital improvements or projects proposed to be undertaken in the five (5) years following the report year;

No capital expenditures were incurred by the District in 2015 and none are currently proposed.

- d. Unless disclosed within a separate schedule to the financial statements, a summary of the financial obligations of the District at the end of the report year, including the amount of outstanding indebtedness, the amount and terms of any new District indebtedness or long-term obligations issued in the report year, the amount of payment or retirement of existing indebtedness of the District in the report year, the total assessed valuation of all taxable properties within the District as of January 1 of the report year and the current mill levy of the District pledged to debt retirement in the report year;

No new District indebtedness or long-term obligations were issued in the report year. On April 20, 2016, the District entered into a Pledge Agreement with the Carriage Hills Metropolitan District, a copy of which is attached hereto as **Exhibit B**, pledging revenues toward the repayment of the Carriage Hills Metropolitan District's \$185,000 Taxable Limited Tax Revenue Bonds.

The total assessed valuation of all taxable properties within the District for 2015, as certified by the Weld County Assessor's Office, was \$762,770. There was no mill levy pledged to debt retirement in the report year.

e. The District's budget for the calendar year in which the annual report is submitted;

A copy of the District's 2016 budget is attached as **Exhibit C**.

f. A summary of residential and commercial development in the District for the report year;

Commercial development is anticipated to occur as described in the Service Plan.

g. A summary of all fees, charges and assessments imposed by the District as of January 1 of the report year;

On October 22, 2015, the District's Board of Directors adopted the Second Amended and Restated Resolution Concerning the Imposition of Operations Fee and Capital Facilities Fee imposing operations fees associated with the operation and maintenance costs of the landscaping the District will be taking over, as well as a system development fee, to defray the costs of capital infrastructure constructed within the District. All fees imposed are permitted by the Service Plan. A copy of the Second Amended and Restated fee resolution is attached hereto as **Exhibit D**

h. Certification of the Board of Directors of the District that no action, event or condition enumerated in Section 14.4 of the Code has occurred in the report year;

The Board of Directors of the District hereby certifies that no action, event or condition enumerated in Section 14.4 of the Land Use Code occurred in the report year.

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

Members of the Board:

Aaron Grant, President
2130 Mountain View Avenue, Suite 101
Longmont, Colorado 80501
PH: 303-324-3320

Douglas Grant
2130 Mountain View Avenue, Suite 101
Longmont, Colorado 80501
PH: 303-324-3320

JoAnna Grant
2130 Mountain View Avenue, Suite 101
Longmont, Colorado 80501
PH: 303-324-3320

Anna Grant
2130 Mountain View Avenue, Suite 101
Longmont, Colorado 80501
PH: 303-324-3320

Andrew Grant
2130 Mountain View Avenue, Suite 101
Longmont, Colorado 80501
PH: 303-324-3320

General Counsel:

Jennifer Gruber Tanaka, Esq.
WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law
2154 East Commons Avenue, Suite 2000
Centennial, CO 80122

Regular Meetings of the Board of Directors:

Thursday, March 24, 2016 and Thursday, October 20, 2016
4040 Coriolis Way
Frederick, Colorado
6:00 p.m.

The District hereby certifies that the information provided herein is true and accurate and, as of the date hereof, the District is in full compliance with the District's Service Plan.

Respectfully submitted this 29th day of August, 2016.

MARKETPLACE METROPOLITAN DISTRICT



Manager for the District

EXHIBIT A

Application for Exemption from 2015 Audit

APPLICATION FOR EXEMPTION FROM AUDIT - SHORT FORM - FOR GOVERNMENTS WITH REVENUES AND EXPENDITURES OF \$100,000 OR LESS

Name of Government:	Marketplace Metropolitan District	For the Year Ended December 31, 2015 or fiscal year ended:
Address:	333 W. Drake Road, Suite 142 Fort Collins, CO 80526	
Contact Person:	Tisha L. Higgins	
Telephone:	(970) 484-0101 Ext 3	
Email:	tisha@mdmoffice.com	
Fax:	(970) 300-1042	

Return to: Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203
Fax: 303-869-3061
Email: OSA.LG@state.co.us
Call (303) 869-3000 if you need help completing this form.

**PLEASE READ THE
ABOVE INSTRUCTIONS
BEFORE SUBMITTING**

Section 29-1-604, C.R.S., outlines the provisions for an exemption from audit. Generally, any local government for which neither revenues nor expenditures exceed \$750,000 in any year may qualify for an exemption. If either revenues or expenditures are \$100,000 or greater, but not more than \$750,000, you may NOT use this form. Please use the LONG FORM of this application. If both revenues and expenditures are less than \$100,000 individually, use this short form application for exemption from audit.

Please review ALL instructions prior to the completion of this form.

Instructions:

1. Prepare this form completely and accurately. Please note that there are 11 parts to this form, and all questions must be answered for the application to be considered complete.
2. File this form with the Office of the State Auditor within **3 months** after the end of the year. For years ended December 31, the form **must** be **received** by the Office of the State Auditor by **March 31**.
3. The form **must** be completed by a person skilled in governmental accounting.
4. The application must be personally reviewed and approved by a majority of the governing body as evidenced by one of the following methods:
 - a. Resolution of the governing body - application may be emailed, faxed, or mailed.
 - b. Original signatures - application must be mailed. Email or fax will NOT be accepted.
5. The **preparer must sign** the application that is submitted in order for it to be accepted.
6. Additional information may be attached to the exemption at the preparer's discretion.

CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

Name:	Tisha L. Higgins
Title:	District Accountant
Firm Name (if applicable):	Metro District Management, LLC
Address:	333 W. Drake Road, Suite 142, Fort Collins, CO 80526
Telephone Number:	(970) 484-0101 Ext 3
Date Prepared:	24-Mar-16

Preparer Signature (Required): The application will be rejected if not signed by the preparer.



Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types	Governmental	Proprietary
	X	

PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar
2-1	Taxes: Property	\$ 37,199
2-2	Specific ownership	\$ 2,482
2-3	Sales and use	\$ -
2-4	Other (specify):	
2-5	Licenses and permits	\$ -
2-6	Intergovernmental: Grants	\$ -
2-7	Conservation Trust Funds (Lottery)	\$ -
2-8	Highway Users Tax Funds (HUTF)	\$ -
2-9	Other (specify):	\$ -
2-10	Charges for services	\$ 1,630
2-11	Fines and forfeits	\$ -
2-12	Special assessments	\$ -
2-13	Investment income	\$ -
2-14	Charges for utility services	\$ -
2-15	Debt proceeds (should agree with line 4-3, column 2)	\$ -
2-16	Lease proceeds	\$ -
2-17	Developer Advances received (should agree with line 4-3)	\$ 56,919
2-18	Proceeds from sale of capital assets	\$ -
2-19	Fire and police pension	\$ -
2-20	Donations	\$ -
2-21	Other (specify): Interest	\$ 20
2-22		\$ -
2-23		\$ -
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE all sources	\$ 98,250

PART 3 - EXPENDITURES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar
3-1	Administrative	\$ 501
3-2	Salaries	\$ -
3-3	Payroll taxes	\$ -
3-4	Contract services	\$ -
3-5	Employee benefits	\$ -
3-6	Insurance	\$ 2,830
3-7	Accounting and legal fees	\$ 66,470
3-8	Repair and maintenance	\$ 24,766
3-9	Supplies	\$ -
3-10	Utilities and telephone	\$ -
3-11	Fire/Police	\$ -
3-12	Streets and highways	\$ -
3-13	Public health	\$ -
3-14	Culture and recreation	\$ -
3-15	Utility operations	\$ -
3-16	Capital outlay (should agree with Part 6)	\$ -
3-17	Debt service principal (should agree with Part 4)	\$ -
3-18	Debt service interest	\$ -
3-19	Repayment of Developer Advances (should agree with line 4-3)	\$ -
3-20	Contribution to pension plan (should agree to line 7-2)	\$ -
3-21	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -
3-22	Other (specify): Treasurer fees	\$ 558
3-23	Transfer Out to CHMD	\$ 250
3-24		\$ -
3-25	(add lines 3-1 through 3-24) TOTAL EXPENDITURES all categories	\$ 95,375

Note: If Total Revenue (Line 2-24) or Total Expenditures (Line 3-25) are greater than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - Long Form".

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-1	Does the entity have outstanding debt?						X	
	Is the debt repayment schedule attached? If no, please explain:							
4-2	Is the entity current in its debt service payments? If no, please explain:							
4-3	Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)				Outstanding at end of prior year	Issued during year	Retired during year	Outstanding at year-end
	General obligation bonds				\$ -	\$ -	\$ -	\$ -
	Revenue bonds				\$ -	\$ -	\$ -	\$ -
	Notes/Loans				\$ -	\$ -	\$ -	\$ -
	Leases				\$ -	\$ -	\$ -	\$ -
	Developer Advances				\$ -	\$ -	\$ -	\$ -
	Other (specify):				\$ -	\$ -	\$ -	\$ -
Total:				\$ -	\$ -	\$ -	\$ -	
Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-4	Does the entity have any authorized, but unissued, debt?				X			
If yes:	How much?							
	Date the debt was authorized:							
4-5	Does the entity intend to issue debt within the next calendar year?				X			
If yes:	How much?							
Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-6	Does the entity have debt that has been refinanced that it is still responsible for?						X	
If yes:	What is the amount outstanding?		-					
Please answer the following questions by marking the appropriate boxes.						Yes	No	
4-7	Does the entity have any lease agreements?						X	
If yes:	What is being leased?							
	What is the original date of the lease?							
	Number of years of lease?							
	Is the lease subject to annual appropriation?							
	What are the annual lease payments?		-					
4-8	Please use this space to provide any explanations or comments:							

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.			Amount	Total
5-1	Checking accounts		\$ 33,443	
5-2	Savings accounts		\$ -	
5-3	Certificates of deposit		\$ -	
Total Cash Deposits				\$ 33,443
Investments (if investment is a mutual fund, please list underlying investments):				
5-4			\$ -	
5-5			\$ -	
5-6			\$ -	
5-7			\$ -	
Total Investments				\$ -
Total Cash and Investments				\$ 33,443
Please answer the following question by marking in the appropriate box			Yes	No
5-8	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, please explain:		X	
5-9	Please use this space to provide any explanations or comments:			

PART 6 - CAPITAL ASSETS

Please answer the following questions by marking in the appropriate boxes.		Yes	No		
6-1	Does the entity have capital assets?		X		
If yes:	Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, please explain:				
	Complete the following table:				
		Balance - beginning of the year	Additions	Deletions	Year-End Balance
	Land	\$ -	\$ -	\$ -	\$ -
	Buildings	\$ -	\$ -	\$ -	\$ -
	Machinery and equipment	\$ -	\$ -	\$ -	\$ -
	Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
	Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
	Other (explain):	\$ -	\$ -	\$ -	\$ -
	Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
	Total	\$ -	\$ -	\$ -	\$ -
6-2	Please use this space to provide any explanations or comments:				

PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
7-1	Does the entity have an "old hire" firemen's pension plan?		X
7-2	Does the entity have a volunteer firemen's pension plan?		X
If yes:	Who administers the plan?		
	Indicate the contributions from:		
	Tax (property, SO, sales, etc.):	\$ -	
	State contribution amount:	\$ -	
	Other (gifts, donations, etc.):	\$ -	
	Total:	\$ -	
	What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?	\$ -	
7-3	Please use this space to provide any explanations or comments:		

PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
8-1	Did the entity file a budget with the Department of Local Affairs for the current year? If no, please	X	
8-2	Did the entity pass an appropriations resolution? In no, please explain:	X	
If yes:	Please indicate the amount appropriated for each fund for the year:		
	Fund Name	Budgeted Expenditures	
	General Fund	\$ 30,822	
8-3	Please use this space to provide any explanations or comments:		

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box		Yes	No
9-1	Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?	X	
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.			
9-2	Please use this space to provide any explanations or comments:		

PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.		Yes	No
10-1	Is this application for a newly formed governmental entity?		X
If yes:	Date of formation:		
10-2	Has the entity changed its name in the past or current year?		X
If Yes:	Please list the NEW name & PRIOR name:		
10-3	Is the entity a metropolitan district?	X	
10-4	Please indicate what services the entity provides: All services permitted by the Special District Act, except as specifically limited by the District's Service Plan.		
10-5	Does the entity have an agreement with another government to provide services?		X
If yes:	List the name of the other governmental entity and the services provided:		
10-6	Has the district filed a <i>Title 32, Article 1 Special District Notice of Inactive Status</i> during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]		X
If yes:	Date Filed:		
10-7	Please use this space to provide any explanations or comments:		

PART 11 - GOVERNING BODY APPROVAL

Below is the certification and approval of the governing board. By signing the board member is certifying they are a duly elected or appointed officer of the local government. Governing board members may be verified. Also by signing, the board member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$100,000 or less must have an application prepared by a person skilled in governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

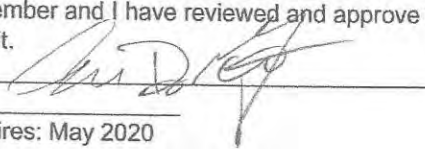
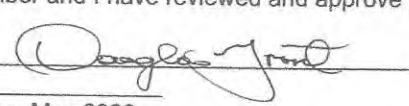
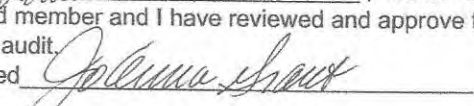
Print the names of all current		A MAJORITY of the governing board members must complete and sign in the column	
Board Member 1	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
	Aaron Grant	Signed <u></u> Date: <u>3/29/16</u> My term Expires: May 2020	
Board Member 2	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
	<u>Douglas Grant</u> Doug Grant	Signed <u></u> Date: <u>3/28/2016</u> My term Expires: May 2020	
Board Member 3	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
	<u>JOANNA GRANT</u> JoAnna Grant	Signed <u></u> Date: <u>3/28/16</u> My term Expires: May 2018	
Board Member 4	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
	Andrew Grant	Signed _____ Date: _____ My term Expires: May 2018	
Board Member 5	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
	Anna Grant	Signed _____ Date: _____ My term Expires: May 2018	
Board Member 6	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
		Signed _____ Date: _____ My term Expires: _____	
Board Member 7	Print Board Members Name	I _____, attest I am a duly elected or appointed board member and I have reviewed and approve the application for exemption from audit.	
		Signed _____ Date: _____ My term Expires: _____	

EXHIBIT B

Pledge Agreement

PLEDGE AGREEMENT

This PLEDGE AGREEMENT (the “Agreement” or “Pledge Agreement”), is made and entered into and dated as of April 20, 2016 by and between CARRIAGE HILLS METROPOLITAN DISTRICT (“CHMD”) and MARKETPLACE METROPOLITAN DISTRICT (“MMD” and together with CHMD, the “Districts”).

BACKGROUND

A. The formation of each of the Districts was approved by the Town of Frederick, Colorado (the “Town”) in conjunction with the approval by the Board of Trustees of the Town of (i) the Carriage Hills Metropolitan District Service Plan (the “CHMD Service Plan”) on April 12, 2006, and (ii) the Marketplace Metropolitan District Service Plan (the “MMD Service Plan,” and together with the CHMD Service Plan, the “Service Plans”) on April 12, 2006, for the purpose of providing certain parameters for the financing of certain public improvements in the Service Area (as defined herein) by the Districts. The Districts were each organized with the approval of the Town and with the approval of the electors, and the Service Plans contemplated cooperation between the Districts as provided herein and in the Service Plans. The Service Plans have been prepared for the Districts pursuant to Sections 32-1-201, C.R.S., *et. seq.*, as amended (the “Special District Act”) and all required governmental approvals have been obtained therefor.

B. Under the Service Plans, the Districts may enter into a cost sharing agreement with each other for shared facilities, whereby each district would be responsible for its proportionate share of the shared public improvements in the Service Area. The purposes for which the Districts were formed include the provision of streets, traffic and safety controls, water, storm and sanitary sewer improvements, parks and recreation facilities or services, transportation improvements, and mosquito control, all in accordance with the Service Plan.

C. Pursuant to the Colorado Constitution, Article XIV, Section 18(2)(a), and Section 29-1-203, C.R.S., the Districts may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract may provide for the sharing of costs, the imposition and collection of taxes, and the incurring of debt.

D. The Districts have agreed to cooperate to provide, operate and maintain certain public infrastructure as authorized by the Special District Act (the “Improvements”) benefiting the Service Area.

E. The Districts have determined that the Improvements were generally contemplated by the Service Plans, are needed and, due to the nature of the Improvements and proximity and interrelatedness of the development anticipated to occur within the boundaries of the Districts, such Improvements will benefit the Districts, residents, property owners and taxpayers in the Districts as a whole.

F. In order to facilitate the provision of the Improvements in a timely, efficient and cost-effective manner sufficient to serve the anticipated development within the Districts, CHMD shall issue a Taxable Limited Tax Revenue Bond in the aggregate principal amount of \$185,000 (the “Bond”) on or about April 20, 2016, pursuant to a bond resolution duly adopted by the Board

of Directors of CHMD on April 18, 2016 (the "CHMD Bond Resolution") and MMD shall agree to enter into this Agreement pursuant to a resolution duly adopted by the Board of Directors of MMD on April 18, 2016 (the "MMD Resolution," and together with the CHMD Bond Resolution, the "Resolutions").

G. In order to facilitate the issuance of the Bond, the Districts have, by the terms of this Agreement, pledged certain revenues and covenanted to take certain actions with respect to generating such revenues, for the benefit of the owner or owners of the Bond (the "Owner").

H. It is hereby determined that the repayment of the Bond shall be based upon the amount of revenues generated from the imposition of a mill levy by the Districts, and that such allocation is fair and is reasonably related to the relative benefit the residents, property owners, and taxpayers of the Districts receive from the Improvements.

Each District, while the Bond is outstanding, shall annually levy and certify (a) the Limited Mill Levy; (b) the revenue from Specific Ownership Taxes (as defined herein) expected to be received by the District in each Fiscal Year (as defined herein) which are attributable to the imposition of the Limited Mill Levy; and (c) any other legally available amounts designated by the District at its discretion, as may be permitted under the Service Plan (the "Pledged Revenue").

I. The Districts have each determined and hereby determine that the execution of this Pledge Agreement and the provision of the Improvements are in the best interests of the Districts and the residents, property owners, and taxpayers thereof.

AGREEMENT

NOW, THEREFORE, for and in consideration of the promises and the mutual covenants and stipulations herein, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. As used herein, unless the context expressly indicates otherwise, the words defined below and capitalized in the text of this Agreement shall have the respective meanings set forth below. Defined terms in the Recitals shall have the meaning ascribed to such capitalized terms as set forth in the Recitals:

"Agreement" or *"Pledge Agreement"* shall mean this Pledge Agreement and any amendment hereto made in accordance herewith.

"Annual Bond Costs" shall mean the Bond Costs to become due and payable in accordance with the CHMD Bond Resolution in the next-succeeding calendar year, including any amounts to be paid pursuant to the redemption provisions of the CHMD Bond Resolution, being Section 10(b) thereof.

"Board" or *"Boards"* shall mean the lawfully organized Boards of Directors of each of the Districts.

“Board of Trustees” shall mean the Board of Trustees for the Town.

“Bond” shall mean the Taxable Limited Tax Revenue Bond issued by CHMD pursuant to the terms of the Bond Resolution for the purpose of financing certain working capital expenditures relating to the Improvements, including refundings thereof, in the aggregate principal amount of \$185,000.

“Bond Costs” shall mean the debt service on or related costs in connection with any bonds, notes, contracts, or other obligations issued or incurred by CHMD, including without limitation payments with respect to principal, interest, prepayment premium, reserve funds, surplus funds, sinking funds, costs of issuance, credit enhancement fees and costs, fees and expenses of any bond registrar, paying agent, authenticating agent, or remarketing agent, and other administrative costs related to the foregoing, and in any event including Estimated Annual Debt as defined in the Bond Resolution.

“Bond Documents” shall mean the Bond Resolution and any other resolution or other agreement entered into or adopted by CHMD in connection with the issuance of the Bonds.

“CHMD Bond Resolution” means the bond resolution duly adopted by the Board of Directors of CHMD on April 18, 2016.

“Districts” shall mean Carriage Hills Metropolitan District and Marketplace Metropolitan District, respectively, including any duly authorized representative, officer, director, employee, agent, engineer or attorney of either District, if applicable.

“Districts’ Obligations” shall mean, with respect to each District, its obligation to pay its allocated portion of the Annual Bond Costs in accordance with the provisions hereof, but solely from Pledged Revenues, to the extent available.

“District Taxes” shall mean the revenues resulting from (a) the imposition of the Limited Mill Levies by the Districts, and (b) Specific Ownership Taxes.

“Effective Date” shall mean the date on which CHMD first issues the Bonds.

“Fiscal Year” means January 1 to December 31.

“Improvements” shall have the meaning set forth in Paragraph D of the Background section hereof.

“Pledged Revenues” shall mean (a) any revenues of the Districts pledged for payment of Annual Bond Costs, collected with respect to the property within the boundaries of the District as a result of the imposition of the Limited Mill Levies, (b) the revenue from Specific Ownership Taxes expected to be received by the Districts in each Fiscal Year; and (c) any other legally available amounts designated by the Districts at their discretion, as may be permitted under the Service Plans.

“Recitals” shall mean the initial paragraphs included under the “BACKGROUND” heading above.

“*Resolutions*” shall have the meaning assigned it in the Background section hereof, as the same may be further supplemented or amended from time to time.

“*Limited Mill Levies*” means, for each District respectively, an ad valorem mill levy (a mill being equal to 1/10 of one cent) imposed upon all taxable property of the District each year in an amount sufficient to pay the principal of, premium if any, and interest on the Bond as the same become due and payable, together with all other District mill levies, such mill levy shall not exceed forty-seven (47.000) mills. In the event of changes in the ratio of actual valuation to Assessed Valuation for residential and commercial property occurring on or after January 1, 2006, pursuant to Article X, Section 3(1)(b) of the Colorado Constitution and legislation implementing such constitutional provision, the forty-seven (47.000) mill levy limitation provided herein will be increased or decreased (as to all taxable property in the District) to reflect such changes so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring on or after January 1, 2006, are neither diminished nor enhanced as a result of such changes (“Gallagher Adjustment”). The Limited Mill Levy shall be an enforceable limit on all District mill levies.

“*MMD Resolution*” means the resolution duly adopted by the Board of Directors of MMD on April 18, 2016.

“*Purchaser*” means NBH Bank, the initial Owner of the Bond.

“*Service Area*” means, with respect to any of the Districts, the geographic area that the Districts are authorized to serve pursuant to their Service Plan, as amended from time to time.

“*Service Plans*” shall mean the Carriage Hills Metropolitan District Service Plan approved on April 12, 2006 and the Marketplace Metropolitan District Service Plan approved on April 12, 2006, respectively, as the same may be amended from time to time.

“*Specific Ownership Taxes*” means all amounts paid to the District by Weld County, Colorado with respect to taxes collected on motor vehicle registrations which are attributable to the imposition of the Limited Mill Levy.

“*State*” shall mean the State of Colorado.

“*Supplemental Act*” shall mean the Supplemental Public Securities Act, Sections 11-57-201, et seq., C.R.S., as the same may be amended from time to time.

“*Termination Date*” shall mean the date on which the Bond issued pursuant to the CHMD Bond Resolution has been defeased as provided therein.

“*Town*” means the Town of Frederick, Colorado.

Section 1.02. Interpretation. In this Agreement, unless the context expressly indicates otherwise, the words defined below shall have the meanings set forth below:

The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms, refer to this Agreement as a whole and not to any particular article, section, or subdivision hereof; the

term “heretofore” means before the date of execution of the Agreement; and the term “hereafter” means after the date of execution of this Agreement.

All definitions, terms, and words shall include both the singular and the plural, and all capitalized words or terms shall have the definitions set forth in Section 1.01 hereof.

Words of the masculine gender include correlative words of the feminine and neuter genders, and words importing the singular number include the plural number and vice versa.

The captions or headings of this Agreement are for convenience only, and in no way define, limit, or describe the scope or intent of any provision, article, or section of this Agreement.

All schedules, exhibits, and addenda referred to herein are incorporated herein by this reference.

ARTICLE II

DISTRICTS’ OBLIGATIONS

Section 2.01. No Additional Electoral Approval Required. The authorization for issuance of debt, Fiscal Year spending, revenue collections and other constitutional matters requiring voter approval for purposes of this Agreement, was approved at the Elections held in accordance with law and pursuant to due notice. The performance of the terms of this Agreement requires no further electoral approval.

Section 2.02. Funding of Bond Costs Generally.

(a) CHMD shall issue the Bond as necessary to finance certain working capital expenditures relating to the Improvements. In exchange for the purchase by the Purchaser of the Bond, the proceeds of which are to be applied to the provision of the Improvements in accordance with the Resolutions, the Districts hereby agree to pay such portion of the Annual Bond Costs as may be funded with the respective Pledged Revenues available to the Districts in accordance with the provisions hereof.

(b) The obligation of CHMD to pay the Annual Bond Costs as provided in the CHMD Bond Resolution shall constitute a limited tax obligation of CHMD payable solely from and to the extent of the Pledged Revenues. Additionally, MMD is obligated to impose the Limited Mill Levy and collect the Pledged Revenues pursuant to the MMD Resolution. Such Pledged Revenues are hereby pledged by the Districts on behalf of the Owner, for the payment of Annual Bond Costs in accordance with the provisions hereof. The Districts’ respective obligations pursuant to the Resolutions (the “Districts’ Obligations”) constitute an irrevocable lien upon the Pledged Revenues of the Districts. The Districts hereby elect to apply all of the provisions of the Supplemental Act to this Pledge Agreement and the Districts’ Obligations.

(c) In no event shall the total or annual obligations of the Districts hereunder exceed the maximum amounts permitted under their electoral authority, the Service Plan, and any other applicable law.

Section 2.03. Imposition of Limited Mill Levies.

(a) In order to fund the Districts' Obligations, the Districts agree to levy on all of the taxable property of the Districts, in addition to all other taxes, direct annual taxes in each of the years 2016 to 2020 (for collection in years 2017 to 2021), inclusive (and, to the extent necessary to make up any defaults, in each year subsequent to 2020) in the amount of the Limited Mill Levy. Nothing herein shall be construed to require the Districts to levy an ad valorem property tax in excess of the Limited Mill Levy. Any mills available after the Limited Mill Levy is set shall may be used to pay operations and maintenance expenses of the Districts.

(b) The Districts shall provide and share mutually between the Districts (i) on or before September 30 of each year, commencing September 30, 2016, the preliminary certification of assessed value for the Districts provided by the Weld County Assessor; and (ii) no later than one business day after receipt by the Districts, the final certified assessed value for the Districts provided by the Weld County Assessor (expected to be provided to the Districts no later than December 10 of each year) for the Districts.

(c) The Districts each acknowledge that they have actively participated in the development of the calculation for determining the Limited Mill Levies to fund such Annual Bond Costs in any given year and that, so long as made in accordance with the foregoing, the determinations of the Districts as to the Limited Mill Levies shall be final and binding upon each District.

(d) This Section 2.03 is hereby declared to be the certificates of the Districts to the Board of County Commissioners indicating the aggregate amount of taxes to be levied for the purposes of paying the Districts' Obligations due hereunder.

(e) It shall be the obligation of the Districts annually at the time and in the manner provided by law for the levying of the Districts' taxes, if such action shall be necessary to effectuate the provisions of this Agreement, to ratify and carry out the provisions hereof with reference to the levy and collection of the ad valorem property taxes herein specified, and to require the officers of the Districts to cause the appropriate officials of Weld County, to levy, extend and collect said District Taxes in the manner provided by law for the purpose of providing funds for the payment of the amounts to be paid hereunder promptly as the same, respectively, become due. Said District Taxes, when collected, shall be applied only to the payment of the amounts to be paid hereunder.

(f) Said District Taxes shall be levied, assessed, collected, and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the State.

(g) The Districts shall pursue all reasonable remedies to collect, or cause the collection of, delinquent ad valorem taxes within its boundaries.

(h) The Districts acknowledge that, pursuant to the terms of the Resolutions, to the extent that any District Taxes are made available to CHMD pursuant to the Resolutions, the amount of District Taxes so payable to CHMD shall be limited to the District Taxes

generated from (i) the imposition of a mill levy limited as set forth in the definition of Limited Mill Levies herein, and (ii) Specific Ownership Taxes.

Section 2.04. Payment and Application of Pledged Revenues. MMD hereby agrees to remit to CHMD, as soon as practicable upon receipt, all revenues comprising Pledged Revenues, which Pledged Revenues shall be applied by CHMD to pay Annual Bond Costs, in accordance with the CHMD Bond Resolution and any other applicable Bond Documents. Such Pledged Revenues shall be paid in lawful money of the United States of America by check mailed or delivered, or by wire transfer, to CHMD, or such other method as may be mutually agreed to by MMD and CHMD.

Section 2.05. Effectuation of Pledge of Security, Current Appropriation. The sums herein required to pay the amounts due hereunder are hereby appropriated for that purpose, and said amounts for each year shall be included in the annual budget and the appropriation resolution or measures to be adopted or passed by the Board of each of the Districts in each year while any of the obligations herein authorized are outstanding and unpaid. No provisions of any constitution, statute, resolution or other order or measure enacted after the execution of this Agreement shall in any manner be construed as limiting or impairing the obligation of the Districts to levy ad valorem property taxes, or as limiting or impairing the obligation of the Districts to levy, administer, enforce and collect the ad valorem property taxes as provided herein for the payment of the obligations hereunder.

Section 2.06. Limited Defenses; Specific Performance. It is understood and agreed by each of the Districts that its obligations hereunder are absolute, irrevocable, and unconditional except as specifically stated herein, and so long as any obligations of the Districts hereunder remain unfulfilled, each of the Districts agree that notwithstanding any fact, circumstance, dispute, or any other matter, it will not assert any rights of setoff, counterclaim, estoppel, or other defenses to the Districts' Obligations, or take or fail to take any action which would delay a payment to CHMD or impair CHMD's ability to receive payments due hereunder. Notwithstanding that this Agreement specifically prohibits and limits defenses and claims of each of the Districts, in the event that any one of the Districts believes that it has valid defenses, setoffs, counterclaims, or other claims other than specifically permitted by this Section 2.06, it shall, nevertheless, make all payments to CHMD as described herein and then may attempt or seek to recover such payments by actions at law or in equity for damages or specific performance, respectively.

Section 2.07. Future Exclusion of Property. The Districts acknowledge and agree that their respective Districts' Obligations hereunder are limited obligations within the meaning of State law and, in accordance with the Special District Act, shall continue to remain as such with respect to any property excluded from the Districts hereunder.

Section 2.08. Additional Covenants.

(a) The Districts shall not incur any additional debt or obligations secured by the Pledged Revenue without the prior written consent of the Purchaser.

(b) The Districts shall keep and maintain, or cause to be kept and maintained, accurate records and accounting entries reflecting all funds received or delivered pursuant

to this Agreement and the use(s) of such funds, including monthly unaudited financial statements reflecting the information contained in the accounting records.

(c) If required by law, the Districts will cause audits to be performed of the records relating to each District's revenues and expenditures, at least once a year in the time and manner provided by law, and shall provide said annual audited financial statements to the Purchaser within the earlier of two weeks following completion or within 210 days after each Fiscal Year end. If audited financial statements are not required by law, the Districts will provide unaudited financial statements prepared by an independent Certified Public Accountant within 210 days after each Fiscal Year end.

(d) At least once a year in the time and manner provided by law, the Districts will cause budgets to be prepared and adopted, and said budgets shall be provided to the Purchaser within 15 days of the prior Fiscal Year end. Copies of the budgets and the audits, if any, will be filed and recorded in the places, time, and manner provided by law.

(e) As soon as available, but in no event later than 30 days following the end of each calendar year, the Districts shall furnish to the Purchaser copies of their annual certifications of each Districts' Assessed Valuation and each Districts' mill levy certification.

(f) The Districts shall provide the Purchaser with such additional information concerning the business affairs and financial condition of the Districts upon reasonable request by the Purchaser.

(g) The Districts shall move all of their traditional banking accounts to Community Banks of Colorado, an affiliate of the Purchaser within 30 days of the issuance of the Bond.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.01. Representations and Warranties of the Districts. Each of the Districts hereby makes the following representations and warranties with respect to itself:

(a) The District is a quasi-municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Colorado.

(b) The District has all requisite corporate power and authority to execute, deliver, and to perform its obligations under this Pledge Agreement. The District's execution, delivery, and performance of this Pledge Agreement has been duly authorized by all necessary action.

(c) The District is not in violation of any of applicable provisions of law or any order of any court having jurisdiction in the matter, which violation could reasonably be expected to materially adversely affect the ability of the District to perform its obligations hereunder. The execution, delivery and performance by the District of this Pledge

Agreement (i) will not violate any provision of any applicable law or regulation or of any order, writ, judgment, or decree of any court, arbitrator, or governmental authority, (ii) will not violate any provision of any document or agreement constituting, regulating, or otherwise affecting the operations or activities of the District in a manner that could reasonably be expected to result in a material adverse effect, and (iii) will not violate any provision of, constitute a default under, or result in the creation or imposition of any lien, mortgage, pledge, charge, security interest, or encumbrance of any kind on any of the revenues or other assets of the District pursuant to the provisions of any mortgage, bond resolution, contract, agreement, or other undertaking to which the District is a party or which purports to be binding upon the District or upon any of its revenues or other assets which could reasonably be expected to result in a material adverse effect.

(d) The District has obtained all consents and approvals of, and has made all registrations and declarations with any governmental authority or regulatory body required for the execution, delivery, and performance by the District of this Pledge Agreement.

(e) There is no action, suit, inquiry, investigation, or proceeding to which the District is a party, at law or in equity, before or by any court, arbitrator, governmental or other board, body, or official which is pending or, to the best knowledge of the District threatened, in connection with any of the transactions contemplated by this Pledge Agreement nor, to the best knowledge of the District is there any basis therefor, wherein an unfavorable decision, ruling, or finding could reasonably be expected to have a material adverse effect on the validity or enforceability of, or the authority or ability of the District to perform its obligations under, this Pledge Agreement.

(f) This Pledge Agreement constitutes the legal, valid, and binding obligation of the District, enforceable against the District in accordance with its terms (except as such enforceability may be limited by bankruptcy, moratorium, or other similar laws affecting creditors' rights generally and provided that the application of equitable remedies is subject to the application of equitable principles).

ARTICLE IV

DEFAULT AND REMEDIES

Section 4.01. Events of Default. The occurrence or existence of any one or more of the following events shall be an "Event of Default" hereunder, and there shall be no default or Event of Default hereunder except as provided in this Section:

(a) the Districts fail or refuse to impose the Limited Mill Levies or to remit the Pledged Revenues as required by the terms of this Pledge Agreement;

(b) any representation or warranty made by any party to this Pledge Agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompleteness would have a material adverse effect upon any other party;

(c) any party to this Pledge Agreement fails in the performance of any other of its covenants in this Pledge Agreement, and such failure continues for 60 days after written

notice specifying such default and requiring the same to be remedied is given to any of the parties hereto;

(d) the Districts commence proceedings for dissolution during the term of this Agreement; or

(e) (i) any party to this Pledge Agreement shall commence any case, proceeding, or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition, or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, paying agent, custodian, or other similar official for itself or for any substantial part of its property, or any party shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any party any case, proceeding, or other action of a nature referred to in clause (i) and the same shall remain not dismissed within 90 days following the date of filing; or (iii) there shall be commenced against any party any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, distraint, or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, stayed, or bonded pending appeal within 90 days from the entry thereof; or (iv) any party shall take action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) any party shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due.

Section 4.02. Remedies for Events of Default. Upon the occurrence and continuance of an Event of Default, the Bond shall bear interest at the Default Rate until such Event of Default is cured the Owner of the Bond may proceed to protect and enforce the rights of any Owner under the Resolutions by mandamus or such other suit, action, or special proceedings in equity or at law, in any court of competent jurisdiction. All such proceedings shall be instituted, had, and maintained for the benefit of the Owner of the Bond then outstanding.

ARTICLE V

MISCELLANEOUS

Section 5.01. Pledge of Revenue. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Districts' Obligations of the Districts shall be governed by Section 11-57-208 of the Supplemental Act and this Pledge Agreement. The Pledged Revenues shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. 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 any of the Districts irrespective of whether such persons have notice of such liens.

Section 5.02. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Boards of Directors of any of the Districts, or any

officer or agent of any of the Districts acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the Districts' Obligations. 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 this Pledge Agreement and as a part of the consideration hereof, each of the Districts specifically waives any such recourse.

Section 5.03. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, this Pledge Agreement contains a recital that it is issued pursuant to certain provisions of the Supplemental Act, and such recital is conclusive evidence of the validity and the regularity of this Pledge Agreement after its delivery for value.

Section 5.04. Limitation of Actions. Pursuant to Section 11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization, execution, or delivery of this Pledge Agreement shall be commenced more than thirty days after the authorization of this Pledge Agreement.

Section 5.05. Notices. Except as otherwise provided herein, all notices or payments required to be given under this Agreement shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, or air freight, to the following addresses:

CHMD: Carriage Hills Metropolitan District
c/o Jennifer Gruber Tanaka, Esq., Shareholder
White Bear Ankele Tanaka & Waldron
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122
Telephone: (303) 858-1800
Facsimile: (303) 858-1801
Email: jtanaka@wbapc.com

MMD: Marketplace Metropolitan District
c/o Jennifer Gruber Tanaka, Esq., Shareholder
White Bear Ankele Tanaka & Waldron
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122
Telephone: (303) 858-1800
Facsimile: (303) 858-1801
Email: jtanaka@wbapc.com

All notices or documents delivered or required to be delivered under the provisions of this Agreement shall be deemed received one day after hand delivery or three days after mailing. Any District by written notice so provided may change the address to which future notices shall be sent.

Section 5.06. Consent of Districts. The Districts hereby consent to the terms of the Bonds as set forth in the Resolutions. The obligation of the Districts to impose the Limited Mill Levies are joint and several; no failure to impose the Limited Mill Levies by one of the District

shall excuse the other District from imposition of its Limited Mill Levies to its maximum amount permitted by the Service Plan.

Section 5.07. Third-Party Beneficiary. The Purchaser shall be a third-party beneficiary of this Agreement and shall be entitled to enforce the provisions hereof.

Section 5.08. Miscellaneous.

(a) This Pledge Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Pledge Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties. This Pledge Agreement may not be contradicted by evidence of any prior or contemporaneous statements or agreements. No party has been induced to enter into this Pledge Agreement by, nor is any party relying on, any representation, understanding, agreement, commitment, or warranty outside those expressly set forth in this Pledge Agreement.

(b) If any term or provision of this Pledge Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Pledge Agreement, and such provision shall not affect the legality, enforceability, or validity of the remainder of this Pledge Agreement. If any provision or part thereof of this Pledge Agreement is stricken in accordance with the provisions hereof, then such stricken provision shall be replaced, to the extent possible, with a legal, enforceable, and valid provision that is as similar in tenor to the stricken provision as is legally possible.

(c) It is intended that there be no third party beneficiaries of this Pledge Agreement, other than the Purchaser. Nothing contained herein, expressed or implied, is intended to give to any person other than the Districts or the Purchaser any claim, remedy, or right under or pursuant hereto, and any agreement, condition, covenant, or term contained herein required to be observed or performed by or on behalf of any party hereto shall be for the sole and exclusive benefit of the other party.

(d) This Pledge Agreement may not be assigned or transferred by any party without the prior written consent of each of the other parties.

(e) This Pledge Agreement shall be governed by and construed under the applicable laws of the State.

(f) This Pledge Agreement may be amended or supplemented by the parties, but any such amendment or supplement must be in writing and must be executed by all parties.

(g) If the date for making any payment or performing any action hereunder shall be a legal holiday or a day on which banks in Denver, Colorado are authorized or required by law to remain closed, such payment may be made or act performed on the next succeeding day which is not a legal holiday or a day on which banks in Denver, Colorado are authorized or required by law to remain closed.

(h) Each party has participated fully in the review and revision of this Pledge Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Pledge Agreement. The language in this Pledge Agreement shall be interpreted as to its fair meaning and not strictly for or against any party.

(i) This Pledge Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(j) Time is of the essence hereof; provided, however, that if the last day permitted or the date otherwise determined for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated.

(k) The Districts shall have the right to access and review each other's records and accounts, on reasonable times during District's regular office hours, for purposes of determining compliance by the Districts with the terms of this Agreement. Such access shall be subject to the provisions of Public Records Act of the State of Colorado contained in Article 72 of Title 24, C.R.S. In the event of disputes or litigation between the parties hereto, all access and requests for such records shall be made in compliance with the Public Records Act.


(l) The Districts each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

Section 5.09. Effective Date and Termination Date. This Agreement shall become effective on the Effective Date, and shall remain in effect until the Termination Date.

[Next page is signature page.]

IN WITNESS WHEREOF, the Districts have executed this Agreement as of the day and year first above written.


CARRIAGE HILLS METROPOLITAN DISTRICT

By 
Its Andrew D. Green

ATTEST:


Secretary/Treasurer

MARKETPLACE METROPOLITAN DISTRICT

By 
Its Andrew D. Green

ATTEST:

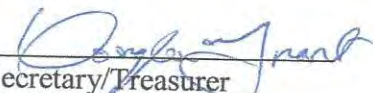

Secretary/Treasurer

EXHIBIT C

2016 Budget

Resolution No. 2015-10-05

**MARKETPLACE METROPOLITAN DISTRICT
RESOLUTION TO AMEND 2015 BUDGET**

WHEREAS, the Board of Directors of Marketplace Metropolitan District (the "District") certifies that at a special meeting of the Board of Directors of the District held October 22, 2015, a public hearing was held regarding the 2015 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2015 as follows:

Special Revenue Fund	\$0
and;	

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2015; and

WHEREAS, funds are available for such expenditure.

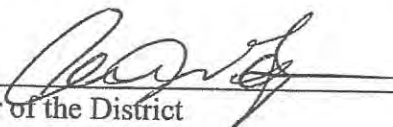
NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2015 as follows:

Special Revenue Fund	\$1,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

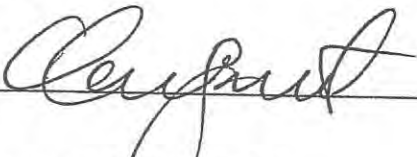
ADOPTED this 22nd day of October 2015.

**MARKETPLACE METROPOLITAN
DISTRICT**



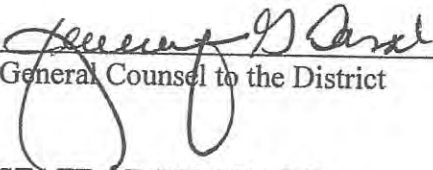
Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

STATE OF COLORADO
COUNTY OF WELD
MARKETPLACE METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held on Thursday, October 22, 2015, at 4040 Coriolis Way, Frederick, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 22nd day of October 2015.



Resolution No. 2015-10-06

**RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS
(2016)**

The Board of Directors of Marketplace Metropolitan District (the "Board"), Town of Frederick, Colorado (the "District") held a special meeting at 4040 Coriolis Way, Frederick, Colorado, on October, 22, 2015, at the hour of 6:00 P.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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NOTICE AS TO PROPOSED 2016 BUDGET

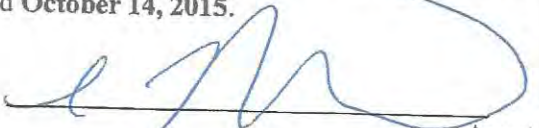
AFFIDAVIT OF PUBLICATION

TIMES-CALL

State of Colorado
County of Boulder

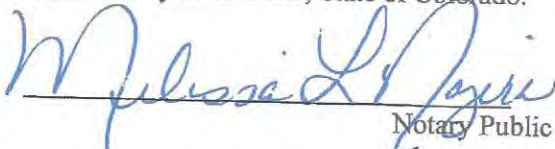
I, the undersigned agent, do solemnly swear that the LONGMONT TIMES-CALL is a daily newspaper printed, in whole or in part, and published in the City of Longmont, County of Boulder, State of Colorado, and which has general circulation therein and in parts of Boulder and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once; and that one publication of said notice was in the issue of said newspaper dated **October 14, 2015**.



Agent

Subscribed and sworn to before me this 16th day of **October, 2015** in the County of Boulder, State of Colorado.



Notary Public

Account #221944
Ad #5658332
Fee \$22.31

MELISSA L NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20064049936
MY COMMISSION EXPIRES DEC. 11, 2018

2500 Public Notice 2500 Public Notice

NOTICE OF PUBLIC HEARING ON THE PROPOSED 2016 BUDGET AND NOTICE OF PUBLIC HEARING ON THE AMENDED 2015 BUDGET

NOTICE IS HEREBY GIVEN that a proposed 2016 budget has been submitted to the Board of Directors (the "Board") of the MARKETPLACE METROPOLITAN DISTRICT (the "District"). A copy of the proposed budget is on file in the office of Schilling & Co., P.O. Box 631579, Highlands Ranch, Colorado, 80163, telephone number: (720) 348-1086, where the same is open for public inspection.

NOTICE IS FURTHER GIVEN that an amendment to the 2015 budget has been submitted to the District. A copy of the proposed amended budget is on file in the office of Schilling & Co., P.O. Box 631579, Highlands Ranch, Colorado, 80163, telephone number: (720) 348-1086, where the same is open for public inspection.

Such proposed budget and amended budget will be considered at a public hearing during a meeting of the District to be held in the Technology Room, Carbon Valley Academy, 4040 Coriolls Way, Frederick, Colorado, on Thursday, October 22, 2015 at 6:00 P.M. Any interested elector of the District may file any objections to the proposed budget or amended budget at any time prior to final adoption of the budget and amended budget by the governing body of the District.

BY ORDER OF THE BOARD OF DIRECTORS:
MARKETPLACE METROPOLITAN DISTRICT
/s/ WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law
Published: Longmont Times-Call October 14, 2015 - 5658332

Thereupon, Director Aaron Grant introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2016 AND ENDING ON THE LAST DAY OF DECEMBER 2016.

WHEREAS, the Board has authorized its treasurer, accountant and/or legal counsel to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 22, 2015, interested electors were given the opportunity to file or register any objections to said proposed budget and no written objections were filed prior to the public hearing; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of § 29-1-101, *et seq.*, C.R.S., as applicable, and Article X, § 20 of the Colorado Constitution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Summary of 2016 Revenues and 2016 Expenditures. The estimated revenues and expenditures for each fund for fiscal year 2016, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2. Adoption of Budget. The budget as submitted, amended, attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year

2016. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 2 shall be deemed ratified by the Board.

Section 3. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2016 budget year, there is hereby levied a tax of fifty (50.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2016 budget year, there is hereby levied a tax of zero (0.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2016 budget year, there is hereby levied a tax of zero (0.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2016 budget year, there is hereby levied a tax of zero (0.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Weld County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto and incorporated herein, are hereby appropriated for the purposes thereof and no other.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Anna Grant.

[Remainder of page intentionally left blank].

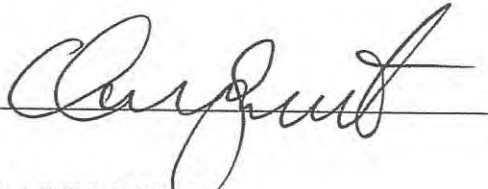
ADOPTED THIS 22ND DAY OF OCTOBER, 2015.

MARKETPLACE METROPOLITAN DISTRICT

Officer of District



ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

STATE OF COLORADO
COUNTY OF WELD
MARKETPLACE METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a District meeting held on Thursday, October 22, 2015, at 4040 Coriolis Way, Frederick, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 22nd day of October, 2015.



EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086

FAX: 720.348.2920

Accountant's Compilation Report

Board of Directors
Marketplace Metropolitan District
Weld County, Colorado

We have compiled the accompanying forecasted budget of revenues, expenditures and fund balances for the General Fund and Special Revenue Fund of the Marketplace Metropolitan District for the year ending December 31, 2016, including forecasted estimates of comparative information for the year ending December 31, 2015, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenues, expenditures and fund balances or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

The actual historical information for the year 2014 is presented for comparative purposes only. Such information is taken from the application for exemption from audit of the Marketplace Metropolitan District for the year ended December 31, 2014, prepared by Schilling & Company, Inc., dated March 24, 2015.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

We are not independent with respect to Marketplace Metropolitan District.

SCHILLING & COMPANY, INC.

Schilling & Company, Inc.
December 7, 2015

**MARKETPLACE METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,**

	<u>ACTUAL 2014</u>	<u>ESTIMATED 2015</u>	<u>ADOPTED BUDGET 2016</u>
ASSESSED VALUATION			
Weld County			
Certified Assessed Value	<u>\$ 762,299</u>	<u>\$ 743,970</u>	<u>\$ 762,770</u>
MILL LEVY			
General Fund	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>
Total mill levy	<u>50.000</u>	<u>50.000</u>	<u>50.000</u>
PROPERTY TAXES			
General	<u>\$ 38,115</u>	<u>\$ 37,199</u>	<u>\$ 38,139</u>
Levied/budgeted property taxes	<u>38,115</u>	<u>37,199</u>	<u>38,139</u>
Adjustments to actual/rounding Property taxes	<u>21</u>	<u>-</u>	<u>-</u>
	<u>\$ 38,136</u>	<u>\$ 37,199</u>	<u>\$ 38,139</u>
PROPERTY TAXES BY FUND			
General Fund	<u>\$ 38,136</u>	<u>\$ 37,199</u>	<u>\$ 38,139</u>
	<u>\$ 38,136</u>	<u>\$ 37,199</u>	<u>\$ 38,139</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**MARKETPLACE METROPOLITAN DISTRICT
GENERAL FUND
FORECASTED 2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,**

	<u>ACTUAL 2014</u>	<u>ESTIMATED 2015</u>	<u>ADOPTED BUDGET 2016</u>
BEGINNING FUND BALANCE	<u>\$ (103,068)</u>	<u>\$ (142,802)</u>	<u>\$ (161,630)</u>
REVENUE			
Property tax	38,136	37,199	38,139
Specific ownership tax	3,213	2,729	2,700
Developer advances	-	-	162,103
Interest income	6	19	20
Other income	62	-	-
General operations fees	250	-	-
Total revenue	<u>41,667</u>	<u>39,947</u>	<u>202,962</u>
Total funds available	<u>(61,401)</u>	<u>(102,855)</u>	<u>41,332</u>
EXPENDITURES			
General Government			
Management	-	-	6,000
Accounting	5,403	4,930	-
Accounting interest charges	1,489	741	-
Legal	36,733	16,943	20,000
Legal interest charges	10,360	7,209	-
Election	-	-	5,000
Insurance and bonds	1,799	2,829	2,900
Office expense	12	548	560
Billing services	267	-	-
Repairs and maintenance	24,766	24,767	-
Miscellaneous	-	-	-
Landscape and road maintenance	-	-	-
County treasurer fees	572	558	572
Transfer out	-	250	-
Contingency	-	-	5,000
Total expenditures	<u>81,401</u>	<u>58,775</u>	<u>40,032</u>
Total expenditures requiring appropriation	<u>81,401</u>	<u>58,775</u>	<u>40,032</u>
ENDING FUND BALANCE	<u>\$ (142,802)</u>	<u>\$ (161,630)</u>	<u>\$ 1,300</u>
RESTRICTED - EMERGENCY RESERVE	<u>\$ 1,300</u>	<u>\$ 1,200</u>	<u>\$ 1,300</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**MARKETPLACE METROPOLITAN DISTRICT
SPECIAL REVENUE FUND
FORECASTED 2016 BUDGET AS ADOPTED
WITH 2014 ACTUAL AND 2015 ESTIMATED
For the Years Ended and Ending December 31,**

	<u>ACTUAL 2014</u>	<u>ESTIMATED 2015</u>	<u>ADOPTED BUDGET 2016</u>
BEGINNING FUND BALANCE	\$ -	\$ -	\$ 3,155
REVENUE			
General operations fees	-	2,300	2,000
General operations late fees	-	180	150
General operations legal/letter fees	-	825	700
Transfer in	-	250	-
Total revenue	<u>-</u>	<u>3,555</u>	<u>2,850</u>
Total funds available	<u>-</u>	<u>3,555</u>	<u>6,005</u>
EXPENDITURES			
Landscape and road maintenance	-	-	3,000
Billing services	-	400	500
Contingency	-	-	-
Total expenditures	<u>-</u>	<u>400</u>	<u>3,500</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>400</u>	<u>3,500</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ 3,155</u>	<u>\$ 2,505</u>

This financial information should be read only in connection with the accompanying accountant's compilation report and the summary of significant assumptions.

**MARKETPLACE METROPOLITAN DISTRICT
2016 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2016 annual budget. Actual results may differ from the prospective results contained in the budget.

SERVICES PROVIDED

The Marketplace Metropolitan District (the "District"), was organized on May 25, 2006 in Weld County. The District is authorized to finance streets, traffic safety controls, street lighting, water, landscaping, sanitary sewer, storm drainage, mosquito control and park and recreation improvements. The District anticipates issuing bonds and initiating construction on the infrastructure items listed previously.

The District prepares its budget on the modified accrual basis of accounting.

REVENUE

Property Tax

Property taxes are forecasted based on the mill levy adopted applied to the annual assessed valuation. The calculation of the taxes levied is displayed on page two of the budget at the adopted total mill levy of 50.000 in the General Fund.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The forecast assumes that the District's share will be equal to approximately 7.1% of the property taxes collected.

General Operations Fees

The District has implemented a general operations fee on residential and commercial units. The fee is due and owing as of the date of transfer of each unit for residential units and when the unit is occupied for commercial use for each commercial unit. The \$50 per unit fee shall be due on the 1st day of each month thereafter. The District anticipates collecting general operations fees on approximately four (4) commercial units in 2016 at a rate of \$50 per month per unit. The general operations fee is to be used for the costs associated with the acquisition, construction, installation, upkeep, repair, operation, maintenance, improvement, replacement and reconstruction of the streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and part recreation facilities.

Investment Income

Interest earned on the District's available funds has been estimated based on interest earnings from the prior year.

**MARKETPLACE METROPOLITAN DISTRICT
2016 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

EXPENDITURES

Administrative Expenditures

Administrative expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

DEBT AND LEASES

The District has no outstanding bonds. The District has no operating or capital leases.

RESTRICTED FUND BALANCE

The District has provided for an emergency reserve fund of at least 3% of fiscal year spending for 2016, as defined under TABOR.

This information is an integral part of the accompanying forecasted budget.

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Weld County, Colorado.

On behalf of the Marketplace Metropolitan District

(taxing entity)^A

the Board of Directors

(governing body)^B

of the Marketplace Metropolitan District

(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 762,770 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

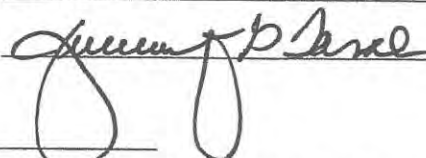
Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 762,770 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/08/2015 for budget/fiscal year 2016.
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

PURPOSE (see end notes for definitions and examples)	LEVY ²	REVENUE ²
1. General Operating Expenses ^H	50.000 mills	\$ 38,139
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< > mills	\$ < >
SUBTOTAL FOR GENERAL OPERATING:	50.000 mills	\$ 38,139
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
_____	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	50.000 mills	\$ 38,139

Contact person: (print) Jennifer Gruber Tanaka, Esq. Daytime phone: (303) 858-1800

Signed:  Title: District Attorney

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are

Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- 1. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 2. Purpose of Issue: _____
Series: _____
Date of Issue: _____
Coupon Rate: _____
Maturity Date: _____
Levy: _____
Revenue: _____

CONTRACTS^K:

- 3. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

- 4. Purpose of Contract: _____
Title: _____
Date: _____
Principal Amount: _____
Maturity Date: _____
Levy: _____
Revenue: _____

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

EXHIBIT C

Second Amended and Restated Fee Resolution

After Recording, Return to:
WHITE BEAR ANKELE TANAKA & WALDRON
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122

Resolution No. 2015-10-04

**SECOND AMENDED AND RESTATED RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
MARKETPLACE METROPOLITAN DISTRICT**

**CONCERNING THE IMPOSITION OF OPERATIONS FEE AND CAPITAL
FACILITIES FEE**

WHEREAS, the Marketplace Metropolitan District (the “**District**”) was formed pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended (the “**Special District Act**”), by order of the District Court for Weld County, Colorado, and after approval of the District’s eligible electors at an election; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the “**Board**”) shall have the management, control and supervision of all the business and affairs of the District; and

WHEREAS, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to acquire, construct, operate and maintain certain amenities and facilities benefitting property and inhabitants within the District, which amenities and facilities generally include streets, traffic safety controls, street lighting, sanitary sewer, water, landscaping, storm drainage, mosquito control and park and recreation improvements and facilities (collectively, the “**Facilities**”); and

WHEREAS, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to provide certain services to property and inhabitants within the boundaries of the District, including without limitation, landscape maintenance and snow removal services (collectively, the “**Services**”); and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the District is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities furnished by the District which, until such fees, rates, tolls, penalties and charges are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the District incurs certain direct and indirect costs associated with the acquisition, construction, installation, repair, replacement, improvement, reconstruction operation and maintenance of the Facilities, as necessary, inclusive of the costs of utilities and capital replacement costs (collectively, the “**Facility Costs**”) in order that the Facilities may be properly provided and maintained; and

WHEREAS, the District incurs certain direct and indirect costs associated with the provision of the Services in order that the Services may be properly provided, the property within

the District maintained, and that the health, safety and welfare of the District and its inhabitants may be safeguarded (collectively, the “**Service Costs**”); and

WHEREAS, the establishment and continuation of a fair and equitable fee (the “**Operations Fee**”) to provide a source of funding to pay for the Facility Costs and the Service Costs, (collectively, the “**Operations Costs**”), which Operations Costs are generally attributable to the persons and/or properties subject to such Operations Fees, is necessary to provide for the common good and for the prosperity and general welfare of the District and its inhabitants and for the orderly and uniform administration of the District’s affairs; and

WHEREAS, the establishment of a fair and equitable fee (the “**Capital Facilities Fee**”) to provide a source of funding to pay for the initial capital direct and indirect costs associated with the construction, installation and acquisition of the Facilities (the “**Capital Facilities Costs**”), which Capital Facilities Costs are generally attributable to each Lot and Commercial Lot (defined below), is necessary to provide for the common good and for the prosperity and general welfare of the District and its inhabitants; and

WHEREAS, the District finds that the Operations Fee and Capital Facilities Fee (as defined below), as set forth in this Resolution, are reasonably related to the overall cost of providing the Facilities and Services and paying the Operations Costs and Capital Facilities Costs, and that imposition thereof is necessary and appropriate; and

WHEREAS, on November 12, 2014, the Board adopted the Amended and Restated Resolution of the Board of Directors of Marketplace Metropolitan District Regarding Imposition of District Fees, Rates, Tolls, Penalties and Charges, which was recorded in the real property records of the Weld County Clerk and Recorder’s Office on December 15, 2014 at Reception No. 4068640 (the “**Prior Fee Resolution**”), and the Board desires to adopt this Resolution to amend and restate the Prior Fee Resolution in its entirety. Any fees, rates, tolls, penalties or charges due under the Prior Fee Resolution, to the extent outstanding and unpaid, shall remain in effect until fully paid and shall not be eliminated hereby.

NOW, THEREFORE, be it resolved by the Board as follows:

1. **DEFINITIONS.** Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

“**Commercial Lot**” means each Lot, regardless of the number of Commercial Units thereon, within the District Boundaries that is used and/or zoned for general commercial, industrial, office, retail or other non-residential uses.

“**Commercial Unit**” means each office space, unit, building or other structure within the District Boundaries that is used and/or zoned for general commercial, industrial, office, retail, or other non-residential uses.

“District Boundaries” means the legal boundaries of the District, as the same are established and amended from time to time pursuant to §§32-1-101, *et seq.*, C.R.S., as more particularly set forth in the map and legal description attached hereto as **Exhibit B** and incorporated herein by this reference.

“Due Date” means the date by which the Operations Fee and Capital Facilities Fee is due, which Due Date is reflected on the Schedule of Fees.

“End User” means any third-party homeowner or tenant of any homeowner occupying or intending to occupy a Residential Unit.

“Fee Schedule” or **“Schedule of Fees”** means the schedule of fees set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, until and unless otherwise amended and/or repealed.

“Lot” means each parcel of land established by a recorded final subdivision plat and which is located within the District Boundaries.

“Residential Unit” means each residential dwelling unit (including, without limitation, condominiums, townhomes, and any other attached dwelling unit and detached single family dwelling units) located within the District Boundaries which has been Transferred to an End User.

“Transfer” or **“Transferred”** shall include a sale, conveyance or transfer by deed, instrument, writing, lease or any other documents or otherwise by which real property is sold, granted, let, assigned, transferred, exchanged or otherwise vested in a tenant, tenants, purchaser or purchasers.

“Vacant Lot” means each parcel of land within the District established by a recorded final subdivision plat, but specifically excluding any parcel upon which one or more Residential Units is situated and specifically excluding any parcel owned by the District.

2. OPERATIONS FEE.

a. The Board has determined, and does hereby determine, that it is in the best interests of the District and its respective residents and property owners to impose, and does hereby impose an Operations Fee to fund the Operations Costs. The Operations Fee is hereby established and imposed in an amount as set forth by the District from time to time pursuant to an annual “Fee Schedule” and shall constitute the rate in effect until such schedule is amended or repealed. The initial Fee Schedule is set forth in **Exhibit A**, attached hereto and incorporated herein by this reference.

b. The Board has determined, and does hereby determine, that the Operations Fee is reasonably related to the overall cost of providing the Facilities and Services, and is imposed on those who are reasonably likely to benefit from or use the Facilities and Services.

c. The revenues generated by the Operations Fee will be accounted for separately from other revenues of the District. The Operations Fee revenue will be used solely for the purpose of paying Operations Costs, and may not be used by the District to pay for general administrative costs of the District. This restriction on the use of the Operations Fee revenue shall be absolute and without qualification.

d. The Board has determined, and does hereby determine, that the Operations Fee is calculated to defray the cost of funding Operations Costs and reasonably distributes the burden of defraying the Operations Costs in a manner based on the benefits received by persons paying the fees and using the Facilities and Services.

3. CAPITAL FACILITIES FEE.

a. A one-time Capital Facilities Fee is hereby established and imposed upon each Residential Unit and each Commercial Unit within the District Boundaries.

b. The Capital Facilities Fee shall be first due and owing as of: 1) the date of Transfer to an End User; or 2) when a Residential Unit is occupied for residential use or when a Commercial Unit is occupied for commercial use, whichever shall first occur. The amount of each Capital Facilities Fee due hereunder shall be at the rate in effect at the time of payment.

4. LATE FEES AND INTEREST. Pursuant to § 29-1-1102(3), C.R.S., any Operations Fee and Capital Facilities Fee not paid in full within fifteen (15) days after the scheduled due date will be assessed a late fee in the amount of Fifteen Dollars (\$15.00) or up to five percent (5%) per month, or fraction thereof, not to exceed a total of twenty-five percent (25%) of the amount due. Interest will also accrue on any outstanding Operations Fees and Capital Facilities Fee, exclusive of assessed late fees, penalties, interest and any other costs of collection, specially including, but not limited, to attorney fees, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S. The District may institute such remedies and collection procedures as authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting property owner shall pay all fees and costs, specifically including, but not limited to, attorneys' fees and costs and costs associated with the collection of delinquent fees, incurred by the District and/or its consultants in connection with the foregoing.

5. PAYMENT. Payment for all fees, rates, tolls, penalties, charges, interest and attorney fees shall be made by check or equivalent form acceptable to the District, made payable to "Marketplace Metropolitan District" and sent to the address indicated on the Fee Schedule. The District may change the payment address from time and time and such change shall not require an amendment to this Resolution.

6. LIEN. The fees imposed hereunder, together with any and all late fees, interest, penalties and costs of collection, shall, until paid, constitute a statutory, perpetual lien on and against the property served, and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j)(I), C.R.S. Said lien may be foreclosed at such time as the District, in its sole discretion, may determine. The lien shall be perpetual in nature (as defined by the laws of the State of Colorado) on the property and shall run with the land. This Resolution shall be recorded in the offices of the Clerk and Recorder of Weld County, Colorado.

7. SEVERABILITY. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

8. THE PROPERTY. This Resolution shall apply to all property within the District's boundaries, including, but not limited to, the property set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, and any additional property included into the District after the date of this Resolution.

9. EFFECTIVE DATE. This Resolution shall become effective on October 22, 2015.

[Remainder of Page Intentionally Left Blank. Signature Page to Follow].

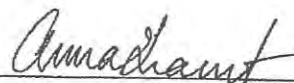
ADOPTED this 22nd day of October, 2015.

MARKETPLACE METROPOLITAN DISTRICT,
a quasi-municipal corporation and political
subdivision of the State of Colorado



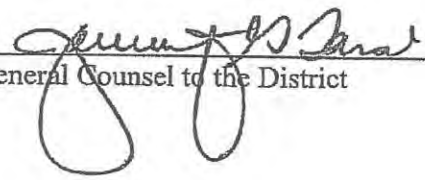
Officer of the District

ATTEST:



APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys At Law



General Counsel to the District

*Signature page to Resolution Concerning the Imposition of Operations Fee and Capital
Facilities Fee*

EXHIBIT A**MARKETPLACE METROPOLITAN DISTRICT****Schedule of Fees****Effective October 22, 2015**

Schedule of Fees		
Fee Type	Classifications	Rate
Operations Fee	Residential Unit	\$50/month
	Commercial Unit	\$50/month
The Due Date for each Operations Fee is the 1 st day of each month . The Operations Fee for each Lot shall commence upon the initial transfer of a Lot to a builder.		
Capital Facilities Fee*	Single Family Residence	\$2,625 / Residential Unit
	Type I Town Home or Patio Home	75% of Single Family Residence Rate
	Type II Town Home or Patio Home	50% of Single Family Residence Rate
	Apartment or Other Multi-Family Residential Dwelling Unit Not Otherwise Enumerated	25% of Single Family Residence Rate
	Commercial	\$21,780 per acre, or portion thereof, for each Lot (ie. \$0.50 per square foot for each lot)
*As of October 22, 2015. Amount to increase by 5% on January 1, 2016, rounded to the nearest twenty-five dollars (\$25.00), and increased by 5%, compounded, on each January 1 thereafter until no Residential Units or Commercial Units remain to be constructed within the District.		
The Due Date for each Capital Facilities Fee is: 1) the date of Transfer to an End User; or 2) when a Residential Unit is occupied for residential use or when a Commercial Unit is occupied for commercial use, whichever shall first occur.		

PAYMENTS:

Payment for each fee shall be made payable to the Marketplace Metropolitan District and sent to the follow address for receipt by the Due Date:

Metro District Management, LLC
333 W. Drake Road, Suite 142
Fort Collins, CO 80526

EXHIBIT B
MARKETPLACE METROPOLITAN DISTRICT
District Boundaries



— ENGINEERING
— PLANNING
— SURVEYING

CivilArts-Drexel Group, Inc. • 1850 Lullwater Circle, Suite A • Longmont, CO 80501 • Tel: (303) 662-1131 • Fax: (303) 662-1149 • www.civilarts-drexel.com

LEGAL DESCRIPTION- MARKETPLACE METROPOLITAN DISTRICT

March 8, 2006

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

LEGAL DESCRIPTION

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

(1) Lot 2, Block 1, Creative Years Subdivision according to the recorded plat thereof;

(2) All of proposed Carriage Hills Marketplace located in the SE1/4 of Section 31, T2N, R67W of the 6th P.M., County of Weld, State of Colorado, described as follows:

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

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

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

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

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

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

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



- ENGINEERING
- PLANNING
- SURVEYING

MARKETPLAGE METROPOLITAN DISTRICT

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

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

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

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

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

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

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

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

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



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

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

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

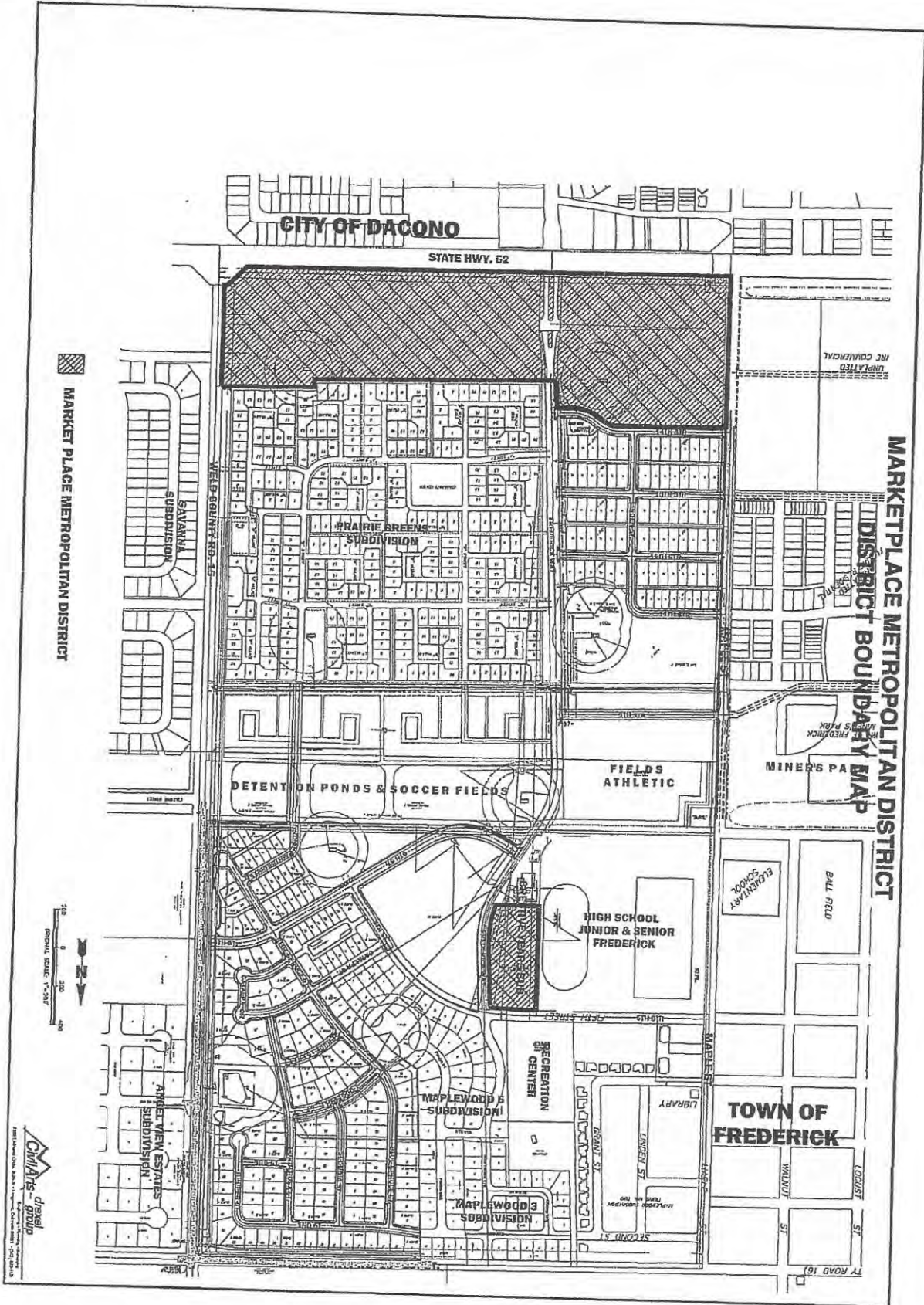
NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown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


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

File: LGL-0206 MP.doc

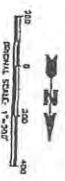
Project: E-177

FORM 28, 2004 142 5/17/09 MAPS



MARKET PLACE METROPOLITAN DISTRICT

MARKET PLACE METROPOLITAN DISTRICT
DISTRICT BOUNDARY MAP



CHILDS - group
dixiel
1800 Lakewood Circle, Suite 111, Littleton, Colorado 80120
Phone: 303.733.1111