

**CONSOLIDATED SERVICE PLAN
FOR
GRANBY RANCH METROPOLITAN DISTRICT NOS. 2-8
TOWN OF GRANBY, COLORADO**

Prepared

by

**WHITE, BEAR & ANKELE
Professional Corporation
1805 Shea Center Drive Suite 100
Highlands Ranch, Colorado 80129**

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I. INTRODUCTION

A. Purpose and Intent.

The Districts are independent units of local government, separate and distinct from the Town, and, except as may otherwise be provided for by State or local law or this Service Plan, their activities are subject to review by the Town only insofar as they may deviate in a material matter from the requirements of the Service Plan. It is intended that the Districts will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the Districts. The primary purpose of the Districts will be to finance the construction, operation and maintenance of these Public Improvements.

B. Need for the Districts.

The purpose of the Districts is to accommodate the phasing of the Granby Ranch development and to provide flexibility for the various potential uses of the property, including commercial and residential. Three districts were originally organized to serve the entire development: 1) Silver Creek Metropolitan District was formed on November 28, 1999 (and changed its name to SolVista Metropolitan District on September 6, 2001); 2) SolVista Metropolitan District No. 1 was formed on November 25, 2003 (and changed its name to Headwaters Metropolitan District on October 23, 2004); and 3) SolVista Metropolitan District No. 2 was formed on November 25, 2003 (and changed its name to Granby Ranch Metropolitan District on October 23, 2004) (collectively the "Existing Districts"). However, in 2006, prior to issuance of general obligation bonds by Granby Ranch Metropolitan District, approximately 4,100 acres of the Granby Ranch development not then under development were excluded from Granby Ranch Metropolitan District to avoid burdening the excluded property with the general obligation debt that would be used to finance improvements benefiting primarily the property within the remaining portion of the Granby Ranch Metropolitan District. At the time of exclusion, it was intended that additional districts would be created to provide the financing and construction of public improvements for those phases not currently under development. As they currently exist and operate, and pursuant to a Master IGA between and among the Existing Districts, the Headwaters Metropolitan District acts as the Operating District and the Granby Ranch Metropolitan District and SolVista Metropolitan District act as the Taxing Districts, in the same manner as those terms are defined herein. It is the intent that Headwaters Metropolitan District act as the Operating District for the Districts in conjunction with its role as the Operating District for Granby Ranch Metropolitan District and SolVista Metropolitan District. Further, to accommodate future growth and to attain the goals of the project, one or more of the Districts may serve as an Operating District in accordance with the provisions of this Service Plan.

C. Objective of the Town Regarding Districts Service Plans.

The Town's objective in approving the Service Plan for the Districts is to authorize the Districts to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the Districts. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Mill Levy for commercial and residential properties, and/or repaid by

Fees. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive tax and Fee burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Service Plan is intended to establish a limited purpose for the Districts and explicit financial constraints that are not to be violated under any circumstances. The primary purpose of the Districts is to provide for the Public Improvements associated with development and regional needs.

It is the intent of the Districts to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt, and if any District has authorized operating functions under an intergovernmental agreement with the Town, to retain only the power necessary to impose and collect taxes or Fees to pay for these costs.

The Districts shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from Fees or from tax revenues collected from a mill levy which shall not exceed the Maximum Mill Levy on commercial and residential properties and which shall not exceed the Maximum Mill Levy Imposition Term on residential properties. It is the intent of this Service Plan to assure to the extent possible that no commercial or residential property bear an economic burden that is greater than that associated with the Maximum Mill Levy in amount and that no property developed for a residential use bear an economic burden that is greater than that associated with the Maximum Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the Districts.

Provision will be made by the Districts to provide notice of meetings, meeting materials, and all other documents and notices not otherwise privileged or confidential provided to a member of the Board to a Town appointed representative. This representative will be authorized to participate as a non-voting attendee at all Board meetings of the Districts. The Town representative will be authorized to participate as a non-voting attendee at all Boards of Directors meetings of the Districts, including access to executive sessions and executive session materials to the full extent of the law.

II. DEFINITIONS

In this Service Plan, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Approved Development Plan: means a Preliminary Development Plan or other process established by the Town for identifying, among other things, Public Improvements necessary for facilitating development for property within the Service Area as approved by the Town pursuant to the Town Code and as amended pursuant to the Town Code from time to time.

Board: means the board of directors of one District or the boards of directors of all Districts, in the aggregate.

Bond, Bonds or Debt: means bonds or other obligations for the payment of which any District has promised to impose an *ad valorem* property tax mill levy, and/or collect Fee revenue.

Bond Sharing Fee: means a percentage of the total net bond proceeds received from the issuance of any General Obligation Bonds up to the total Debt Issuance Limitation set forth in Section V(A)(7) which shall be provided to the Town for jointly funded improvements as more particularly set forth in Section VI(F) hereof.

District: means any one of the Granby Ranch Metropolitan District Nos. 2 through 8.

District No. 2: means the Granby Ranch Metropolitan District No. 2.

District No. 3: means the Granby Ranch Metropolitan District No. 3.

District No. 4: means the Granby Ranch Metropolitan District No. 4.

District No. 5: means the Granby Ranch Metropolitan District No. 5.

District No. 6: means the Granby Ranch Metropolitan District No. 6.

District No. 7: means the Granby Ranch Metropolitan District No. 7.

District No. 8: means the Granby Ranch Metropolitan District No. 8.

Districts: means District Nos. 2, 3, 4, 5, 6, 7 and 8.

Existing Districts: means, collectively, the SoVista Metropolitan District, the Granby Ranch Metropolitan District and the Headwaters Metropolitan District.

External Financial Advisor: means a consultant that: (i) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Fees: means any fee imposed by the Districts for services, programs or facilities provided by the Districts, as described in Section VI. below.

Financial Plan: means the Financial Plan described in Section VI and attached hereto as **Exhibit D**, which describes (i) how the Public Improvements are to be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Bonds: means any General Obligation Bonds issued by the Districts as Debt.

Inclusion Area Boundaries: means the boundaries of the area described in the Inclusion Area Boundary Map.

Inclusion Area Boundary Map: means the map attached hereto as **Exhibit C-2**, describing the property proposed for inclusion within one, but not any more than one, of the boundaries of the Districts.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map.

Initial District Boundary Map: means the map attached hereto as **Exhibit C-1**, describing the initial boundaries of the Districts.

Maximum Mill Levy: means the maximum mill levy any of the Districts is permitted to impose for payment of Debt or operations and maintenance costs, if any, as set forth in Section VI.C. below.

Maximum Mill Levy Imposition Term: means the maximum term for imposition of a mill levy on a particular property developed for residential uses as set forth in Section VI.D. below.

Mosquito Control: means the design, financing, acquisition, installation, construction, operation and maintenance of systems and methods for the elimination and control of mosquitoes, rodents and other pests.

Operating District: means the Headwaters Metropolitan District and/or one or more of District Nos. 2-8, inclusive, as shall be determined by the Districts.

Parks and Recreation: means the design, financing, acquisition, installation, construction, operation and maintenance of public parks and recreation facilities or programs, including, without limitation, grading, soil preparation, sprinkler systems, playgrounds, playfields, ski area and/or ski lifts, golf courses, bike, hiking and nature trails, pedestrian and equestrian trails, pedestrian bridges, picnic areas, a swimming pool facility, lakes, open spaces, common area landscaping and weed control, outdoor lighting of all types, and other recreational facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to such facilities and systems within and without the boundaries of the District, but not outside the boundaries of the Town without the approval of the Town. All recreation facilities will be available to all Town residents on similar terms and conditions as applicable to in-District residents, at rates equivalent to in-District resident rates, but taking into account the tax subsidy of such District residents.

Project: means the development or property commonly referred to as Granby Ranch.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped, operated and maintained and financed as generally described in the Special District Act, except as specifically limited in Section V. below, to serve the future taxpayers and inhabitants of the Service Area as determined by the Board of one or more of the Districts.

Sanitation: means the design, financing, acquisition, installation, construction, operation and maintenance of storm and sanitary sewer systems, including, without limitation collection lines, lift stations, wastewater treatment facilities (financing only), flood and surface drainage, related disposal works and facilities, and solid waste disposal facilities or waste services, and all necessary equipment and improvements, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to such facilities and systems within and without the boundaries of the Districts, but not outside the boundaries of the Town without the approval of the Town.

Service Area: means the property within the Initial District Boundary Map and the Inclusion Area Boundary Map.

Service Plan: means this service plan for the Districts approved by Board of Trustees.

Service Plan Amendment: means an amendment to the Service Plan approved by Board of Trustees in accordance with the Town's ordinance and the applicable state law.

Special District Act: means Section 32-1-101, et seq., of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

Streets, Roadways and Drainage: means the design, financing, acquisition, installation, construction, operation, and maintenance of arterial, collector and local streets and other roadway improvements, including, without limitation, curbs, gutters, culverts, storm sewers systems, including without limitation, lines, channels, detention ponds, flood and surface drainage disposal works and facilities, retaining walls and appurtenances, and other drainage facilities, as well as sidewalks, bridges, parking, paving, lighting, grading, landscaping, entrance facilities, undergrounding of public utilities, and other street improvements, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to such facilities and systems within and without the boundaries of the Districts, but not outside the boundaries of the Town without the approval of the Town.

Taxable Property: means real or personal property within the Service Area subject to ad valorem taxes imposed by the Districts.

Taxing District: means one or more of District Nos. 2, 3, 4, 5, 6, 7 and 8.

Town: means the Town of Granby, Colorado.

Town Code: means the Town Code of the Town of Granby, Colorado.

Board of Trustees: means the Board of Trustees of the Town of Granby, Colorado.

Traffic and Safety Protection: means the design, financing, acquisition, installation, construction, operation and maintenance of traffic and safety protection facilities and services through traffic and safety controls and devices on all streets and roadways, as well as other facilities and improvements, including, without limitation, street lighting and signage, signalization at intersections, traffic, area identification, directional assistance, and driver information signs, and security systems and services, together with all necessary, incidental, and appurtenant facilities, land and easements, and all necessary extensions of and improvements to such facilities and systems within and without the boundaries of the Districts, but not outside the boundaries of the Town without the approval of the Town.

Transportation: means the design, financing, acquisition, installation, construction, operation and maintenance of public transportation system improvements, including, without limitation, infrastructure facilities (i.e., bus stops, parking areas) for transportation equipment, bus systems, parking lots, structures, roofs, covers, and facilities, together with all necessary incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to such facilities and systems within and without the boundaries of the Districts, but not outside the boundaries of the Town without the approval of the Town.

Water: means the design, financing, acquisition, installation, construction, operation and maintenance of water systems, including, without limitation, water distribution and transmission lines, hydrants, storage tanks and reservoirs, water treatment, transmission and distribution facilities, wells, irrigation systems and pumping facilities, and all necessary equipment and improvements, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to such facilities and systems within and without the boundaries of the Districts, but not outside the boundaries of the Town without the approval of the Town.

III. BOUNDARIES

The area of the Initial District Boundaries includes approximately thirty two (32) acres and the total area proposed to be included in the Inclusion Area Boundaries is approximately four thousand one hundred (4,100) acres. A legal description of the Initial District Boundaries is attached hereto as **Exhibit A**. A vicinity map is attached hereto as **Exhibit B**. A map of the Initial District Boundaries is attached hereto as **Exhibit C-1**, and a map of the Inclusion Area Boundaries is attached hereto as **Exhibit C-2**. It is anticipated that the Districts' boundaries may change from time to time as they undergo inclusions and exclusions pursuant to Section 32-1-401, *et seq.*, C.R.S., and Section 32-1-501, *et seq.*, C.R.S., subject to the limitations set forth in Article V. below.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The Service Area consists of approximately four thousand one hundred (4,100) acres of residential and commercial land. The 2005 assessed valuation of the Service Area is \$3,344,625 for purposes of this Service Plan and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The population of the Districts at build-out is estimated to be approximately eleven thousand three hundred eighty-eight (11,388) people.

Approval of this Service Plan by the Town does not imply approval of the development of a specific area within the Districts, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

A. Powers of the Districts and Service Plan Amendment.

The Districts shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the Districts, but not outside the boundaries of the Town without the approval of the Town, as such power and authority is described in the Special District Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein. More specifically, the Town authorizes the Districts to provide the following services and/or facilities: Streets, Roadways and Drainage, Traffic and Safety Protection, Parks and Recreation, Sanitation, Water and Transportation. The Districts are empowered to provide Mosquito Control facilities, improvements and services so long as the Districts obtain prior written approval from and consent of the Town.

The Districts shall also have the power and authority to provide the design, financing, acquisition, installation, construction, operation and maintenance of television relay and translator systems and related electronic and cable facilities, subject to intergovernmental agreements with the Town and any limitations in the Special District Act, together with all necessary, incidental, and appurtenant facilities, land and easements, and all necessary extensions of and improvements to such facilities and systems within and without the boundaries of the District, but not outside the boundaries of the Town without the approval of the Town. Notwithstanding the foregoing, cable television services are currently contemplated to be provided to the Service Area by the Town's existing cable television franchisee, and, as such, the Districts shall not be allowed to provide any television relay and translator systems services without the prior approval and consent of the Town.

The Districts may also provide, finance and pay for other services and facilities authorized under the Special District Act or by law, subject to the approval of the Town, if needed to serve the development and not otherwise provided or planned to be provided by the Town or other governmental agencies within the Granby Ranch community.

In accordance with an intergovernmental agreement with the Town (as further described herein), the Town authorizes and the Districts agree to help finance jointly funded improvements for downtown improvements and for park facilities on a site to be dedicated by the developer of Granby Ranch in Planning Area 1 of the SolVista Preliminary Plan. The Districts' contributions to joint improvements funds shall be disbursed to the Town in accordance with the agreements between and among the parties.

1. Operations and Maintenance of Public Improvements. The purpose of the Districts is to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate and maintain the Public Improvements. The Districts shall dedicate the Public Improvements to the Headwaters Metropolitan District, the Town upon request, or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the Town and applicable provisions of the Town Code. The Districts shall be authorized to operate and maintain any part or all of the Public Improvements unless the provision of such operation and maintenance is allocated to another public entity pursuant to an intergovernmental agreement. All operation and maintenance responsibilities for the Public Improvements to be constructed by the Districts are to be assumed by Headwaters Metropolitan District pursuant to the Headwaters Metropolitan District Service Plan.

2. Construction Standards Limitation. The Districts will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of other governmental entities having proper jurisdiction and of those special districts that qualify as "interested parties" under Section 32-1-204(1), C.R.S., as applicable. The Districts will obtain the Town's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

3. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

4. Inclusion Limitation. The Districts shall not include within any of their boundaries any property outside the Service Area without the prior written consent of the Board of Trustees.

5. Overlap Limitation. The boundaries of the Districts shall not overlap unless the aggregate mill levy of those overlapping Districts imposed for payment of Debt of the overlapping Districts will not at any time exceed the Maximum Mill Levy of the overlapping Districts combined. Additionally, the Districts shall not consent to the organization of any other district organized under the Special District Act within the Service Area which will overlap the boundaries of the Districts unless the aggregate mill levy for payment of Debt of such proposed districts will not at any time exceed the Maximum Mill Levy of the Districts.

6. Initial Debt Limitation. On or before the effective date of approval by the Town of an Approved Development Plan, the Districts shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any fees used for the purpose of repayment of Debt.

7. Total Debt Issuance Limitation. The Districts, in aggregate, shall not issue Debt in excess of Ninety Four Million Two Hundred Fifty Thousand Dollars (\$94,250,000), except as specifically permitted under Section VI (A) hereof.

8. Fee Limitation. Each of the Districts may impose and collect Fees as a source of revenue for repayment of Debt, capital costs, and/or for operations and maintenance. The restrictions in this definition shall not apply to any Fee imposed upon or collected from Taxable Property for the purpose of funding operation and maintenance costs of the Districts.

9. Monies from Other Governmental Sources. The Districts shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the Town is eligible to apply for, except pursuant to an intergovernmental agreement with the Town. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the Districts without any limitation.

10. Consolidation Limitation. The Districts shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town, unless such consolidation is between or among one or more of the Districts.

11. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Mill Levy, Maximum Mill Levy Imposition Term and the Fees have been established under the authority of the Town to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

(b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Mill Levy and the Maximum Mill Levy Imposition Term, shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S. and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the Town as part of a Service Plan Amendment.

12. Service Plan Amendment Requirement. This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and facilities under evolving circumstances without the need for numerous amendments. Actions of the Districts which violate the limitations set forth in Section V. or in Section VI. shall be deemed to be material modifications to this Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin such actions of the Districts.

B. Preliminary Engineering Survey.

The Districts shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, operation, maintenance and financing of the Public Improvements within and without the boundaries of the Districts, as may be more specifically defined in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, operated, maintained or financed, including the backbone and neighborhood infrastructure, was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the Service Area and is approximately One Hundred Twenty Million Dollars (\$120,000,000).

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the Town and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

C. Multiple District Structure.

It is anticipated that the Districts, collectively, will undertake the financing and construction of the Public Improvements. The nature of the functions and services to be provided by each District shall be clarified in an intergovernmental agreement between and among the Districts, as further described herein. All such agreements will be designed to help assure the orderly development of the Public Improvements and essential services in accordance with the requirements of this Service Plan. Implementation of such intergovernmental agreement is essential to the orderly implementation of this Service Plan. Accordingly, any determination of any Board to set aside said intergovernmental agreement without the consent of

all of the Districts shall be a material modification of the Service Plan. Said intergovernmental agreement may be amended by mutual agreement of the Districts without the need to amend this Service Plan.

VI. FINANCIAL PLAN

A. General.

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from their revenues and by and through the proceeds of Debt to be issued by the Districts. The Financial Plan for the Districts illustrates the anticipated Debt to be issued by the Districts, which Debt, at the time of issuance, can reasonably be paid by the Districts by imposing the Maximum Mill Levy within the Maximum Mill Levy Imposition Term and by use of other revenues derived by the imposition of Fees, rates, tolls or charges and other legally available revenues. The Financial Plan is an estimated schedule for issuance of Debt and repayment sources and is subject to change. The total Debt that the Districts shall be permitted to issue shall not exceed Ninety Four Million Two Hundred Fifty Thousand Dollars (\$94,250,000) and shall be permitted to be issued on a schedule and in such year or years as the Districts determine shall meet the needs of the Financial Plan referenced above and shall be phased to serve development as it occurs. In addition thereto, the Districts shall be permitted to issue additional Debt up to Nineteen Million Five Hundred Thousand Dollars (\$19,500,000) plus 4% annual inflation from and after June 1, 2005, until issued for the acquisition, construction and installation of the Amenities. All bonds and other Debt issued by the Districts may be payable from any and all legally available revenues of the Districts, including general ad valorem taxes and Fees to be imposed upon all Taxable Property within the Districts. The Districts will also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(1), C.R.S., as amended from time to time. The Districts shall be permitted to request an increase in the debt limitations contemplated herein by way of an administrative approval process with the Town. Under no circumstances shall an administratively approved change in the debt limitation be considered a material modification of this Service Plan.

An intergovernmental agreement by, between and among the Districts shall provide that the obligation of the Districts to pay Headwaters Metropolitan District for the costs of financing the Public Improvements and for annual service costs shall constitute voter-approved multiple-fiscal year financial obligations of the Districts. Accordingly, the property tax levies certified by the Districts to make necessary payments to Headwaters Metropolitan District may be characterized as financial obligations exempt from spending limits, after voter approval is obtained pursuant to Article X, Section 20 of the Colorado Constitution ("TABOR"). Headwaters Metropolitan District may enter into funding, acquisition and reimbursement agreements with the developer or other entities and may issue revenue bonds, bond anticipation notes or other multiple-fiscal year financial obligations to fund the costs of the Public Improvements and other interim expenses until such time as revenues are available from the Districts or other sources and the Financing Plan can be reasonably implemented. Any funds advanced by the developer or other entities for the purposes of designing, constructing and

installing the Public Improvements may be reimbursed from property taxes collected by the Districts and from other available revenue sources.

In accordance with an intergovernmental agreement among the Districts, the Existing Districts and the Town, a portion of each District's total authorized property tax mill levy, not to exceed 5 mills, will be reserved by that District and placed in a "Transportation Fund." The Transportation Fund will be comprised of funds restricted for transportation functions and transportation facilities benefiting Granby Ranch and the Town.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed fourteen percent (14 %). The proposed maximum underwriting discount will be five percent (5 %). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Mill Levy.

The "Maximum Mill Levy" shall be the maximum mill levy a District is permitted to impose upon the taxable property within such District for payment of Debt and any operations and maintenance costs, regardless of statutory changes to Section 32-1-1101, et seq., C.R.S., shall be fifty (50.000) mills; provided, however, that if the ratio of actual valuation to assessed valuation for residential real property (as of 2003) is changed pursuant to Article X, section 3(1)(b) of the Colorado Constitution and legislation implementing such constitutional provision, the Maximum Mill Levy will be increased or decreased (as to all taxable property in the Districts) to reflect such changes so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes (Gallagher adjustment). Notwithstanding the foregoing, in the event the Maximum Mill Levy is pledged by a District toward the repayment of Debt and such Maximum Mill Levy is imposed by a District for the repayment of that Debt in any given fiscal year, a District is permitted to impose upon the taxable property within such District a mill levy not-to-exceed five (5.000) mills in the same fiscal year, which five (5.000) mills shall be in addition to the Maximum Mill Levy. Any revenues generated by the additional five (5.000) mills imposed by a District shall be used solely for the purpose of meeting a District's obligations under an intergovernmental agreement with the Town for transportation purposes.

To the extent that the Districts are composed of or subsequently organized into one or more subdistricts, as permitted under Section 32-1-1101, C.R.S., the term "District" as used herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

D. Maximum Mill Levy Imposition Term.

The Districts shall have the authority to impose the Maximum Mill Levy as set forth in Section VI.C. Other than the Maximum Mill Levy, the Districts shall not impose a levy

for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential uses which exceeds forty (40) years after the year of the initial imposition of such mill levy unless a majority of the Board of Directors of the District imposing the mill levy are residents of such District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, et seq., C.R.S.

E. Debt Repayment Sources.

Each of the Districts may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service and for operations and maintenance. The Districts may also rely upon various other revenue sources authorized by law. At the Districts' discretion, these may include the power to assess Fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(1), C.R.S., as amended from time to time. In no event shall the debt service mill levy in any District exceed the Maximum Mill Levy or, for residential property within a District, the Maximum Mill Levy Imposition Term, except pursuant to an intergovernmental agreement between the Operating District and the Town for Regional Improvements.

F. Bond Proceeds.

An amount equal to a blended rate of 8% of the total net bond proceeds received from the issuance of any General Obligation Bonds up to the total Debt Issuance Limitation set forth in Section V(A)(7) hereof shall be provided to the Town for jointly funded improvements (the "Bond Sharing Fee"). The Bond Sharing Fee made by the Districts shall be allocated approximately 67% for downtown improvements and approximately 33% for park facilities on a site to be dedicated by the developer in Planning Area 1 of the SolVista Preliminary Plan. The Districts shall remit the Bond Sharing Fee pursuant to the schedule attached hereto as **Exhibit E**. Headwaters Metropolitan District shall be responsible for the collection of the Bond Sharing Fee contemplated in this section from each of the Districts. Payment of the Bond Sharing Fee to Headwaters Metropolitan District shall be a condition of issuing any Bonds authorized herein.

G. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Service Plan for creation of the District. This Bond is solely the obligation of the District and is not any obligation or debt of the Town of Granby. The owner of this Bond also agrees that the Town shall not be responsible or obligated for the repayment of this Bond.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the Districts.

H. Security for Debt.

The Districts shall not pledge any revenue or property of the Town as security for the indebtedness set forth in this Service Plan. Approval of this Service Plan shall not be construed as a guarantee by the Town of payment of any of the Districts' obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the Town in the event of default by the Districts in the payment of any such obligation.

I. TABOR Compliance.

The Districts will comply with the provisions of TABOR. In the discretion of the Board, the Districts may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the Districts will remain under the control of the Districts' Boards.

J. Districts' Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the Districts' organization and initial operations, are anticipated to be One Million Dollars (\$1,000,000.00), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the Districts will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. The first year's operating budget is estimated to be One Million Dollars (\$1,000,000.00) which is anticipated to be derived from property taxes and other revenues.

VII. ANNUAL REPORT

A. General.

Each of the Districts shall be responsible for submitting an annual report to the Manager of the Office of Development Assistance of the Town Manager's Office no later than January 31st of each year following the year in which the Order and Decree creating the District has been issued.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.

2. Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.

3. Copies of the Districts' rules and regulations, if any as of December 31 of the prior year.

4. A summary of any litigation which involves the Districts Public Improvements as of December 31 of the prior year.

5. Status of the Districts' construction of the Public Improvements as of December 31 of the prior year.

6. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the Town as of December 31 of the prior year.

7. The assessed valuation of the Districts for the current year.

8. Current year budget including a description of the Public Improvements to be constructed in such year.

9. Audit of the Districts financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.

10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.

11. Any inability of the Districts to pay their obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

VIII. DISSOLUTION

Upon an independent determination of the Board of Trustees that the purposes for which the Districts were created have been accomplished, the Districts agree to file petitions in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall dissolution occur until the Districts have provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

IX. DISCLOSURE TO PURCHASERS

The Districts will use reasonable efforts to assure that all developers of the property located within the Districts provide written notice to all purchasers of property in the Districts in accordance with the provisions of Section 38-35.7-101, C.R.S. The issuance of this notice by the developers does not obligate the Town in any way to investigate the contents of the notice to determine its completeness or accuracy. The Town in no way warrants the accuracy of the information contained in the notice and the District agrees to indemnify the Town with regard to any and all costs or damages associated with any claims based upon the notice.

X. INTERGOVERNMENTAL AGREEMENTS

An intergovernmental agreement among the Town, the Districts, Granby Ranch Metropolitan District No. 1 and Headwaters Metropolitan District shall be entered into, which agreement will memorialize the financial obligations, understandings and agreements among the parties referenced herein. Additionally, the Districts and Headwaters Metropolitan District will enter into an intergovernmental agreement setting forth the relationship between and among such districts and the terms for financing, acquiring, constructing, and operating public services and improvements to be furnished by the Districts.

XI. OTHER AGREEMENTS

Headwaters Metropolitan District may enter into a Developer Fee Agreement with the developers of Granby Ranch to install the Public Improvements to be furnished by the Districts. Under the Developer Fee Agreement, the developers will be obligated to pay a developer fee in the estimated amount of \$1,500 per lot or equivalent unit. This fee may be increased as necessary by Headwaters Metropolitan District to fund the capital costs of the Public Improvements.

XII. CONCLUSION

It is submitted that this Service Plan for the Districts, as required by Section 32-1-203(2), C.R.S., and Section 122-35 of the Town Code, establishes that:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the Districts;
2. The existing service in the area to be served by the Districts is inadequate for present and projected needs;
3. The Districts are capable of providing economical and sufficient service to the area within its proposed boundaries; and
4. The area to be included in the Districts does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.
5. Adequate service is not, and will not be, available to the area through the Town or county or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.
6. The facility and service standards of the Districts are compatible with the facility and service standards of the Town within which the special districts are to be located and each municipality which is an interested party under Section 32-1-204(1), C.R.S.
7. The proposal is in substantial compliance with a comprehensive plan adopted pursuant to the Town Code.
8. The proposal is in compliance with any duly adopted Town, regional or state long-range water quality management plan for the area.

9. The creation of the District is in the best interests of the area proposed to be served.

Respectfully submitted this 25th day of September, 2007.

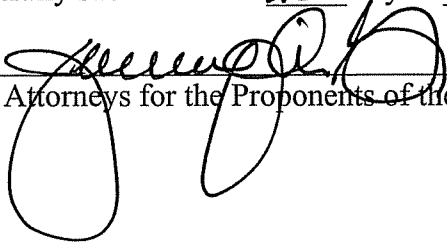
By:  _____
Attorneys for the Proponents of the Districts

EXHIBIT A
LEGAL DESCRIPTIONS

LEGAL DESCRIPTION NO. 1

SHEET 1 OF 2

LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED IN THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER AND NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 1 NORTH, RANGE 76 WEST OF THE 6TH PRINCIPAL MERIDIAN, TOWN OF GRANBY, COUNTY OF GRAND, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 5 AND CONSIDERING THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SOUTHWEST QUARTER OF SECTION 5 TO BEAR NORTH 10°34'46" EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE NORTH 10°34'46" EAST, ALONG SAID WEST LINE, A DISTANCE OF 2002.01 FEET; THENCE NORTH 90°00'00" EAST, A DISTANCE OF 1148.73 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 45°51'27" EAST, A DISTANCE OF 323.05 FEET;

THENCE SOUTH 13°05'00" EAST, A DISTANCE OF 573.76 FEET;

THENCE NORTH 47°17'28" WEST, A DISTANCE OF 492.25 FEET TO THE POINT OF BEGINNING;

SAID PARCEL CONTAINS AN AREA OF 79,391 SQUARE FEET OR 1.82 ACRES, MORE OR LESS.

I, THOMAS D. STAMP, A SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.

THOMAS D. STAMP, P.L.S. 25965
FOR AND ON BEHALF OF CARROLL & LANGE, INC.

12-14-05
DATE



Carroll & Lange
Professional Engineers & Land Surveyors
47 Cooper Creek Way, Suite 320
Winter Park, Colorado 80402-3346
(970) 728-6100

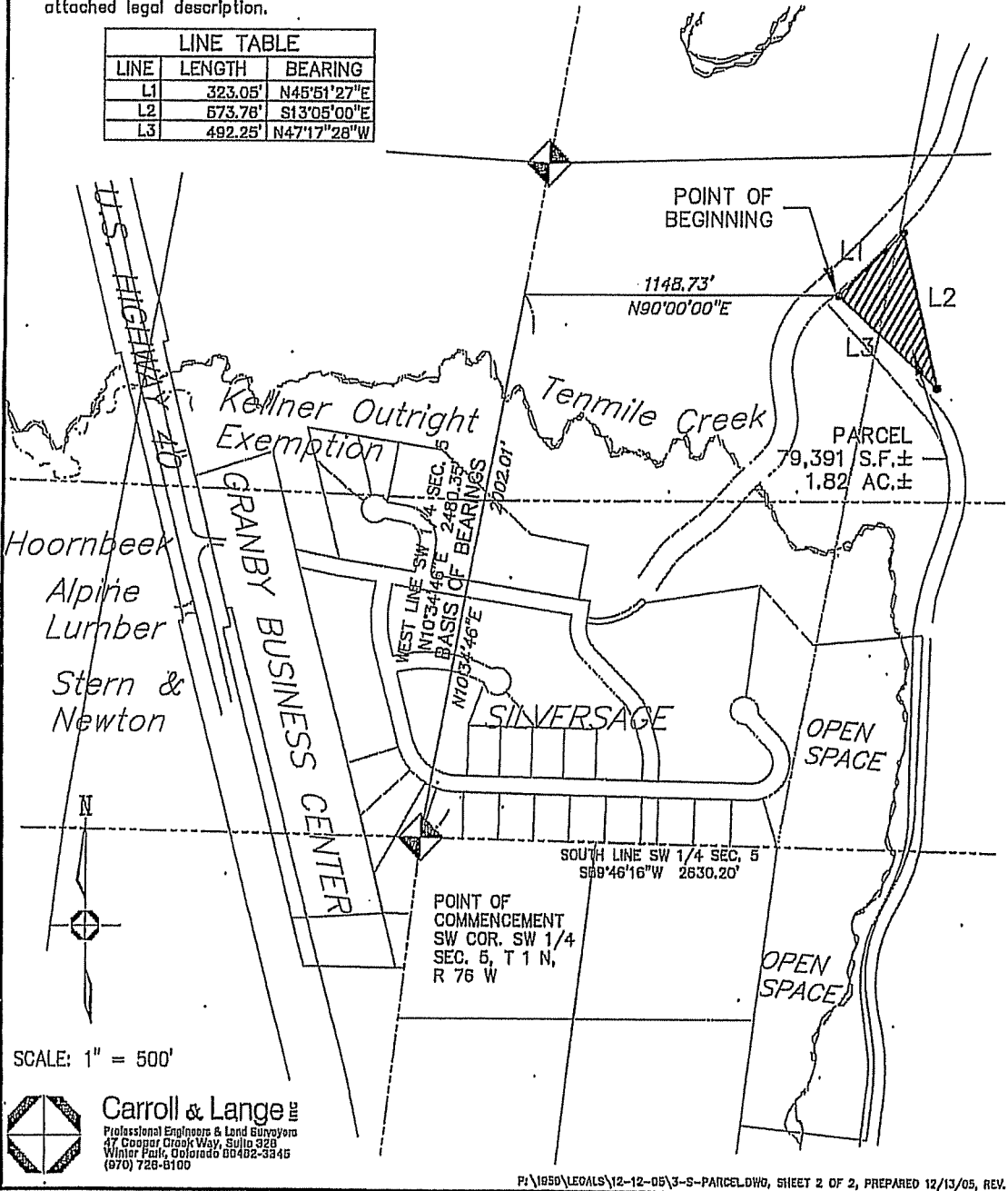
LEGAL DESCRIPTION NO. 1

SHEET 2 OF 2

NOTE:

o Denotes Change of Direction Only. This exhibit does not represent a monumented survey. It is intended only to depict the attached legal description.

LINE TABLE		
LINE	LENGTH	BEARING
L1	323.05'	N45°51'27"E
L2	573.78'	S13°05'00"E
L3	492.25'	N47°17'28"W



LEGAL DESCRIPTION NO. 14
SHEET 1 OF 2

LEGAL DESCRIPTION

THAT PART OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER AND THAT PART OF THE
NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 1 NORTH, RANGE
76 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GRAND, STATE OF COLORADO, LYING
NORTHERLY OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY;

CONTAINING A CALCULATED AREA OF 1,350,449 SQUARE FEET OR 31.002 ACRES, MORE OR LESS.

I, THOMAS D. STAAB, SURVEYOR LICENSED IN THE STATE OF COLORADO,
DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED
BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND CHECKING.


THOMAS D. STAAB, P.L.S. 25965
FOR AND ON BEHALF OF CARROLL & LANGE, INC.

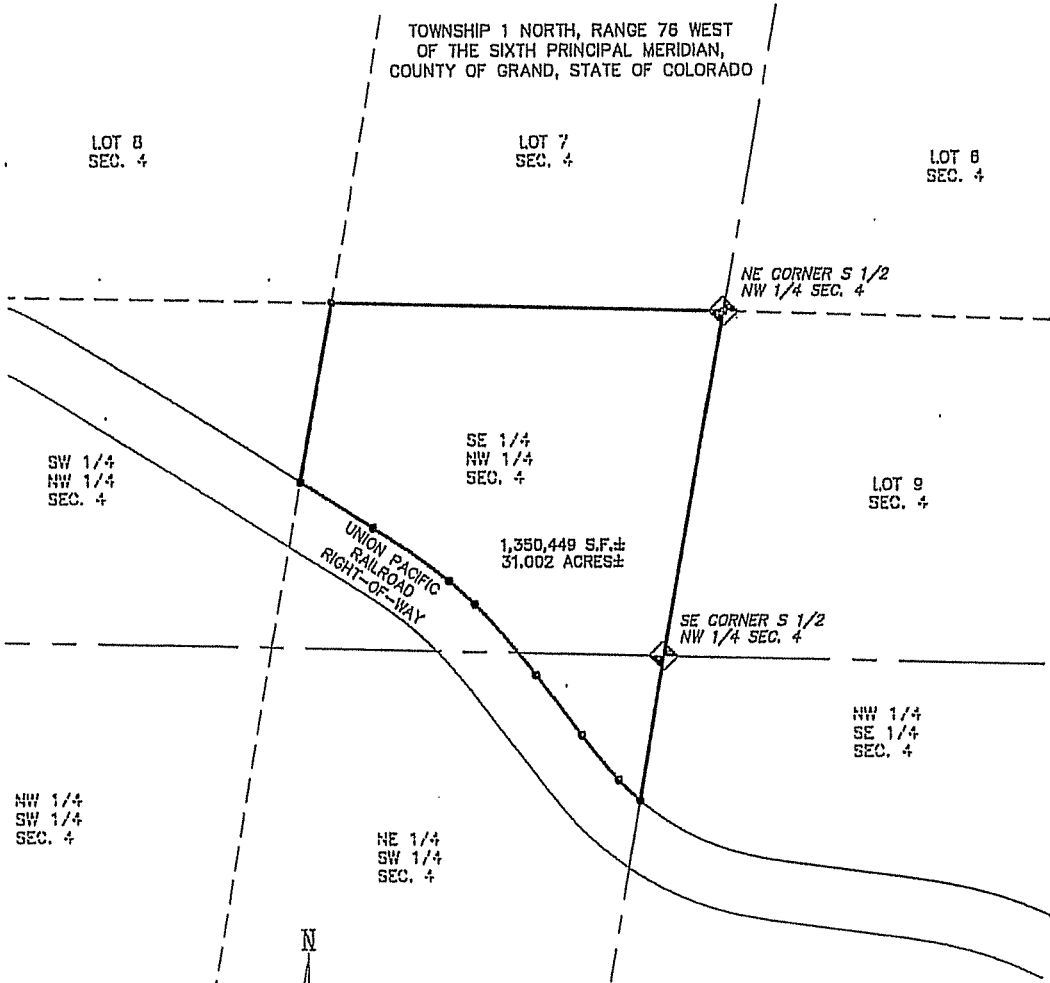
12-15-05
DATE



Carroll & Lange
Professional Engineers & Land Surveyors
155 Sully Union Blvd., Suite 155
Lakewood, Colorado 80228
(303) 800-0200

LEGAL DESCRIPTION NO. 14
SHEET 2 OF 2

TOWNSHIP 1 NORTH, RANGE 76 WEST
OF THE SIXTH PRINCIPAL MERIDIAN,
COUNTY OF GRAND, STATE OF COLORADO



LOT 8
SEC. 4

LOT 7
SEC. 4

LOT 8
SEC. 4

NE CORNER S 1/2
NW 1/4 SEC. 4

SW 1/4
NW 1/4
SEC. 4

SE 1/4
NW 1/4
SEC. 4

LOT 9
SEC. 4

1,350,449 S.F. ±
31,002 ACRES ±

UNION PACIFIC
RAILROAD
RIGHT-OF-WAY

SE CORNER S 1/2
NW 1/4 SEC. 4

NW 1/4
SW 1/4
SEC. 4

NW 1/4
SE 1/4
SEC. 4

NE 1/4
SW 1/4
SEC. 4



SCALE:
1" = 500'



Carroll & Lange
Professional Engineers & Land Surveyors
185 South Union Blvd., Suite 186
Lakewood, Colorado 80228
(303) 980-0200

EXHIBIT B
VICINITY MAP

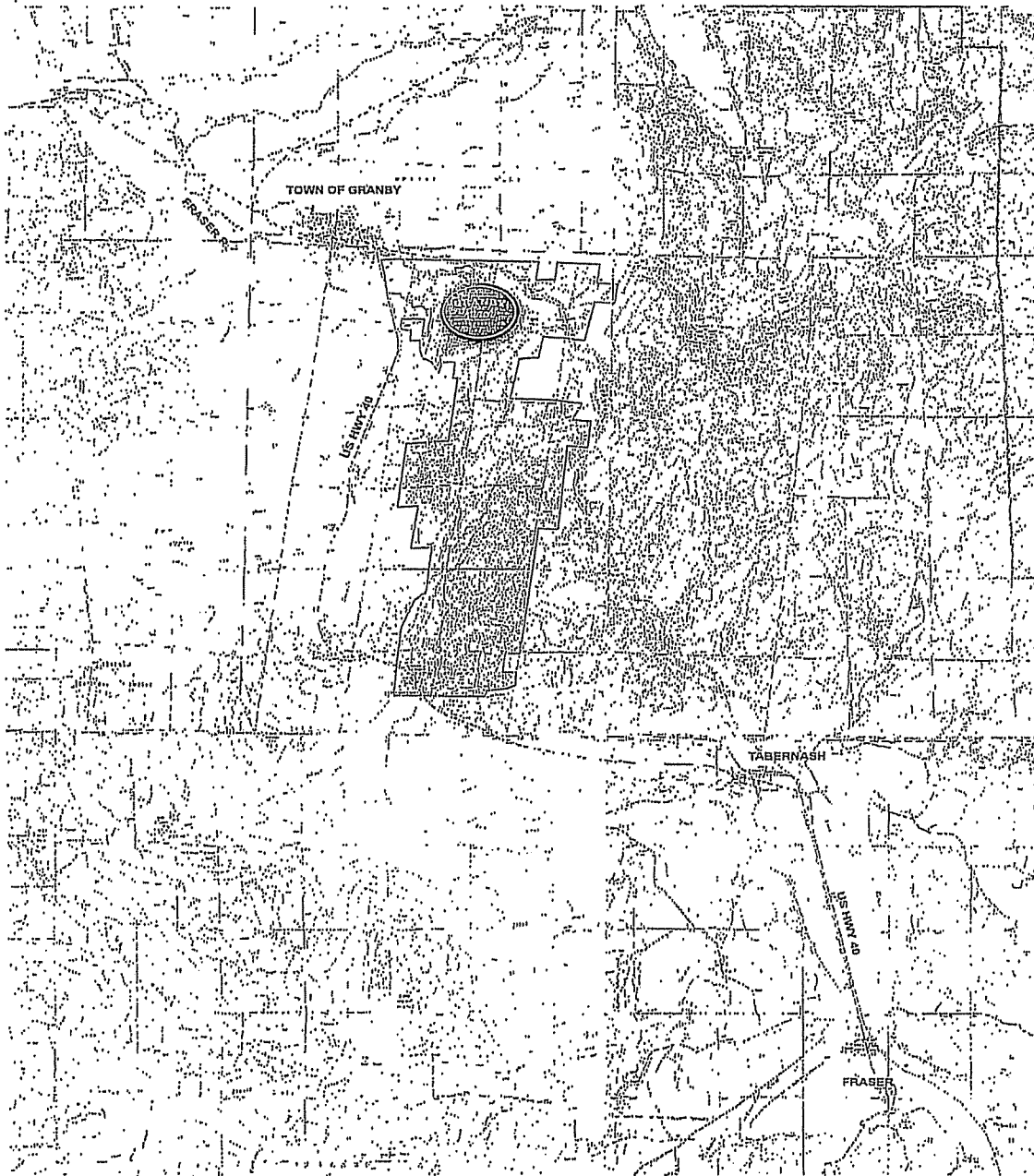
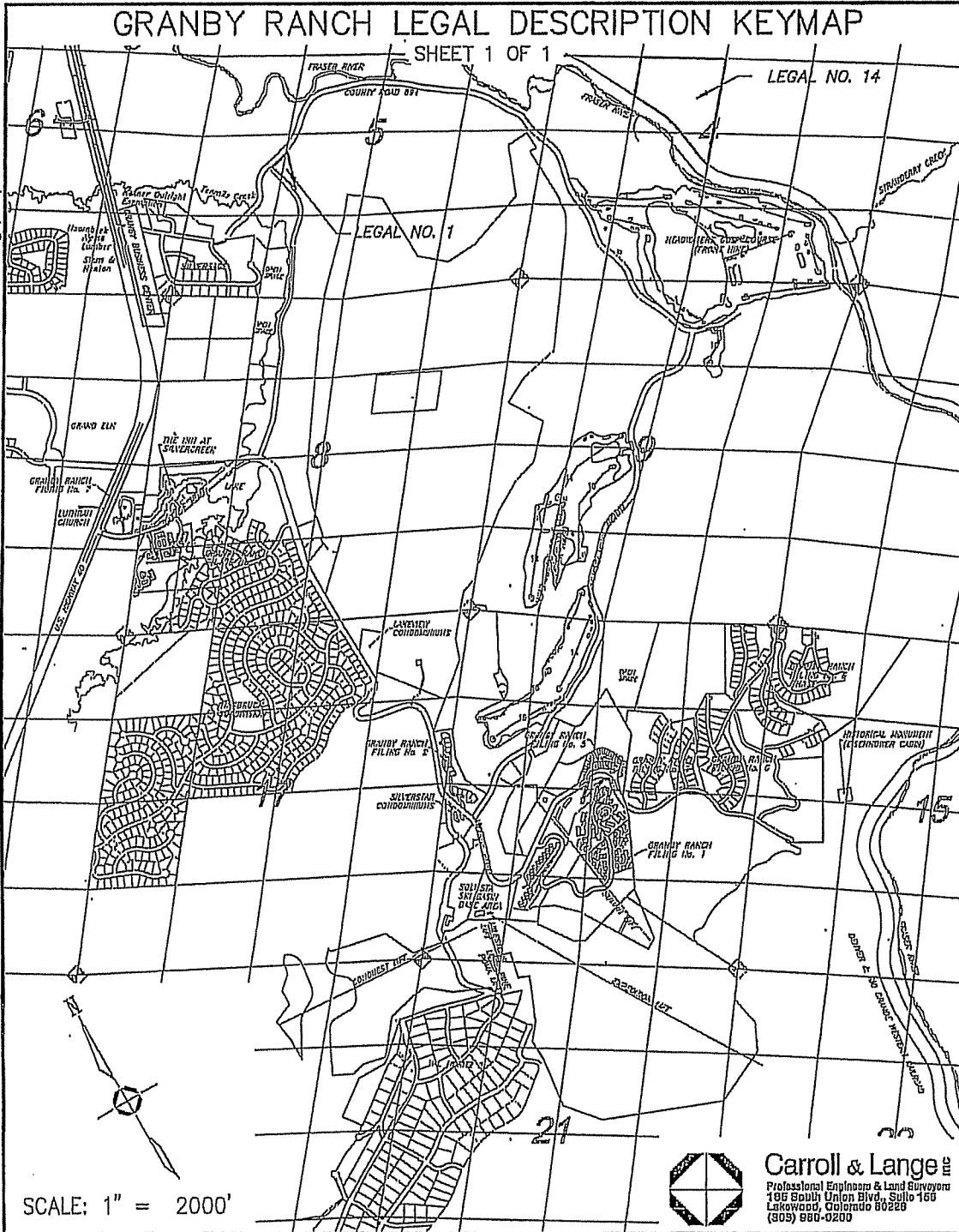


EXHIBIT C-1
INITIAL DISTRICTS' BOUNDARY MAPS

GRANBY RANCH LEGAL DESCRIPTION KEYMAP

SHEET 1 OF 1

P:\1950\LEGAL\S2005-12-12 Reduced GRMD 12-31-2005\GRANBY RANCH LEGALS KEYMAP 4-23-2007.DWG, 4/23/2007 1:47:56 PM, 1:1, Carroll & Lange, Inc., EB



SCALE: 1" = 2000'



Carroll & Lange
Professional Engineers & Land Surveyors
196 South Union Blvd., Suite 160
Lakewood, Colorado 80226
(303) 580-0200

EXHIBIT C-2
INCLUSION AREA BOUNDARY MAP

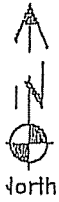


EXHIBIT A-1

Township 1 North, Range 76 West of the 6th P.M., County of Grand, State of Colorado

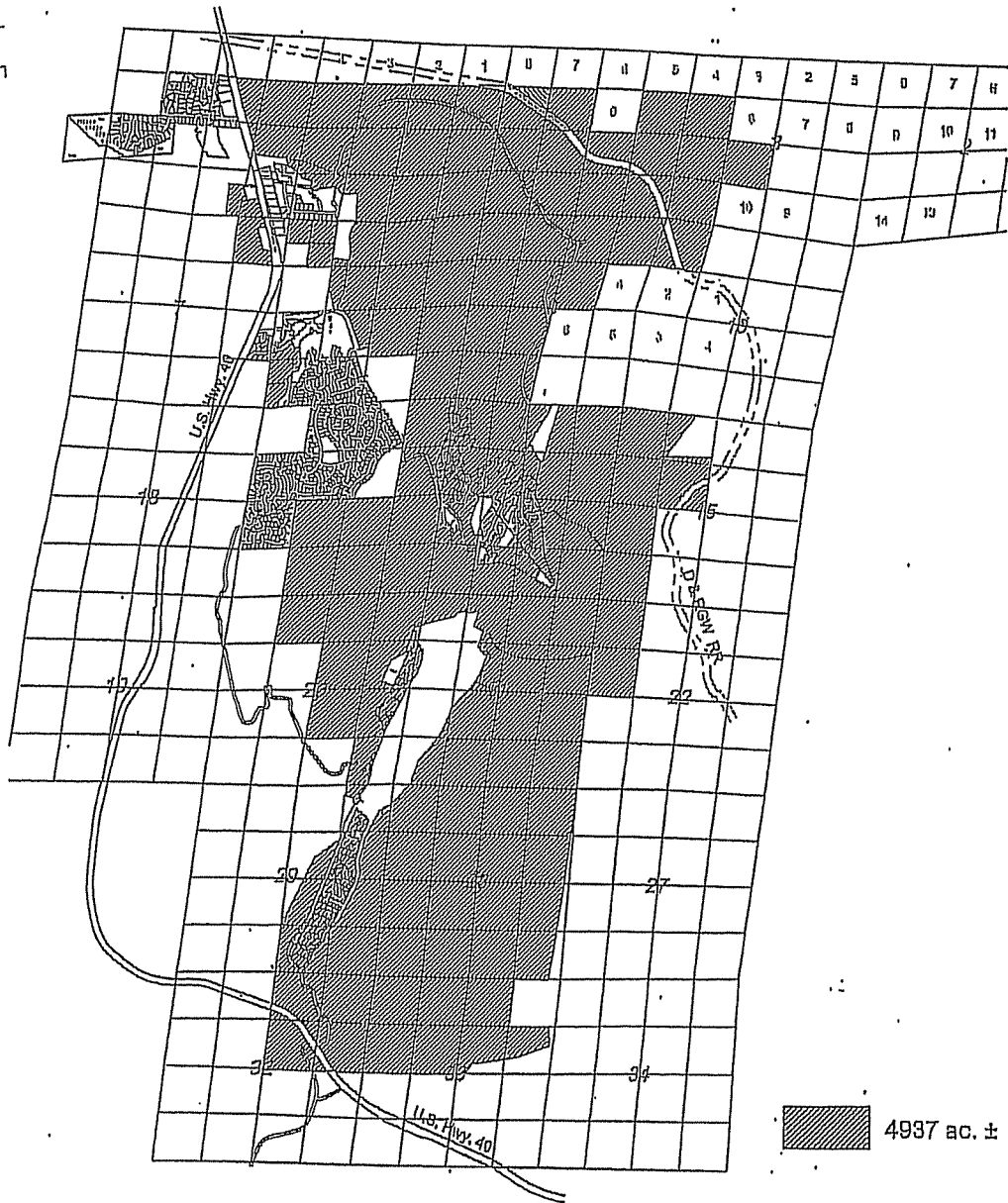


EXHIBIT D
FINANCIAL PLAN

Stan Bernstein and Associates, Inc.

Financial Planners and Consultants

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

8400 East Prentice Avenue, Penthouse

Greenwood Village, Colorado 80111

Telephone: 303-409-7611 Fax: 303-409-7612 Email: stanplan@earthlink.net

MEMORANDUM

TO: Mr. Lance Badger, Gary White, Esq., Ken Marchetti, CPA
Mr. Tom Hale
FROM: Stan Bernstein, Amy Bernstein

DATE: April 20, 2007

SUBJECT: Financing Plan Re: Granby Ranch Metropolitan Districts #2 - #8

Attached for your review is the second draft of a combined Financing Plan for Granby Ranch Metropolitan Districts #2 - #8 ("Financing Districts"). This Financing Plan does not include Financing Plans for Granby Ranch Metropolitan Financing District #1 and the Service District (which is currently referred to as Headwaters Metropolitan District) because the service plans for those districts are not being amended at this time. The attached Financing Plan is based upon the construction of 1,760 single-family homes with an assumed average uninflated value of \$500,000; 1,718 multi-family and enclave homes with an assumed average value of \$350,000, and the phased construction of 645,000 square feet of non-residential space with an assumed average market value of \$100 per square foot – see Schedule 1, page 2 for detailed buildout assumptions.

Financing District #1 (which is not a part of this Financing Plan) contains an additional 340 single family units, 401 multi-family units and 10,000 square feet of non-residential space. When Financing District #1 is combined with Financing Districts #2 - #8, a total of 4,219 living units (2,100 single family and 2,119 multi-family and enclave development units) and 655,000 square feet of non-residential space are assumed to be completed within the all of the Financing Districts' boundaries – this is consistent with the original Service Plan which was approved during 2003.

Exhibit I (Combined General, and Debt Service Funds Cash Flow Forecast – 2007 – 2042), page 1, indicates based upon (i) a total mill levy of 50.0 (of which 8.50 mills are assumed to be transferred to the Service District for operations and administration; and beginning in 2019 an additional 5.0 mills is assumed to be transferred to the Service District for Transit), and (ii) the Developer's expectations of buildout and values (as presented on Schedule 1, page 2), that non-rated 6.5% limited tax general obligation bonds maturing serially over no longer than a thirty-year period could be issued by Granby Ranch Metropolitan Districts # 2 - #8 ("Financing Districts") as presented on the following page and on Schedule 2, page 3):

Memorandum
April 20, 2007
Page ii

• 12/1/2009	\$ 2,000,000
• 12/1/2011	\$ 6,500,000
• 12/1/2014	\$ 8,000,000
• 12/1/2016	\$ 6,000,000
• 12/1/2018	\$ 6,000,000
• 12/1/2020	\$ 8,000,000
• 12/1/2022	\$ 12,750,000
• 12/1/2024	\$ 10,000,000
• 12/1/2027	\$ 15,000,000
• 12/1/2034	\$ 20,000,000
• Totals	\$ 94,250,000

Financing District # 1 issued \$14,750,000 of General Obligation Bonds last summer which are not included in the above bond issues. It is our understanding that when the District was formed during 2003, that a total bond authorization in the amount of \$40 million was authorized and that in 2004 this amount was increased by \$20 million for park and recreation facilities and by \$4 million for storm and sanitary sewer purposes.

This Financing Plan also assumes the collection of approximately \$23 million (see Schedule 3, page 4) of Capital Facility Fee revenues. These revenues would be generated from the imposition of a \$6,255 impact fee on each Single Family Equivalent Unit. These fees could result in bonds being issued sooner than shown above. We have scheduled the timing and the amounts of the above bond issues so that the outstanding bonds divided by the assessed valuation of the Districts approximates the statutory 50% debt to assessed valuation ratio. The Financing Plan assumes that Capital Facility Fee revenues will be paid to the Developer as a reimbursement for Infrastructure Costs.

This Financing Plan assumes that any decrease in the current 7.96% residential assessment rate will be offset by a proportionate increase in the Districts' 50 mill levy. We have also assumed that Specific Ownership Tax revenues will be approximately 7.0% of property tax revenues. We have also assumed a Grand County Treasurer's collection fee of 5.0% of property tax revenues. The Financing Plan also assumes that fees generated from each bond issue will be collected (fees of 8% of the gross bond issue have been assumed except for a 16% fee for the third \$10 million of bonds issued).

Memorandum
April 20, 2007
Page iii

Disclaimer

We have compiled the accompanying Financial Plan. A compilation is limited to presenting information that is the representation of Management of the Districts and the Developer, based upon their best knowledge and belief as of the date of this report, and does not include evaluation of the support for the assumptions underlying the Financing Plan.

The assumptions disclosed in this report and the forecast are those of the Management of the Districts and of the Developer and have not been independently examined, reviewed, or verified by Stan Bernstein and Associates, Inc. Those assumptions identified are believed to be the significant factors in determining the Districts' ability to make debt service and operating payments; however, they are likely not to be all-inclusive. There will usually be differences between forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Key assumptions – like those relating to market values of real property improvements and the buildout schedule of such property – are particularly sensitive in terms of the timing necessary to create the tax base for the Districts. A small variation in these variables, and to their timing and to their appraisal (for determining actual values) by the Grand County Assessor's Office, can have a large effect on the forecasted results. There is a high probability that the forecasted results will differ from realized future tax base factors and such variations can be material.

Additionally, other key assumptions relating to inflation, residential assessment ratios, interest rates, and administrative and operating and maintenance costs may, and likely will, vary from those assumed.

Because Stan Bernstein and Associates, Inc. has not independently evaluated, examined or reviewed the assumptions that the forecasts are based upon, we do not vouch for the achievability (and disclaim any opinion) of the information presented on the accompanying Exhibits and Schedules, and in this report. Furthermore, because of the inherent nature of future events, which are subject to change and variation as events and circumstances change, the actual results may vary materially from the results presented on the accompanying Exhibits and Schedules. Stan Bernstein and Associates, Inc. has no responsibility or obligation to update this information or this Financing Plan for events occurring after the date of this report.

Very truly yours,

Stan Bernstein (for the firm)
Stan Bernstein and Associates, Inc

GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2042

PRELIMINARY DRAFT 4-20-07
 SUBJECT TO CHANGE AND REVISION

EXHIBIT I - FORECASTED REVENUES, EXPENDITURES,
 AND FUND BALANCES

DESCRIPTION	SCHEDULE REFERENCE	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
REVENUES:												
PROPERTY TAX REVENUES @ 50.00 MILLS		0	0	0	209,240	308,939	847,142	1,022,719	1,327,092	1,560,218	1,929,801	2,203,069
SPECIFIC OWNERSHIP TAXES @ 7% OF PROP TAXES		0	0	0	14,647	21,626	59,300	71,590	92,896	109,215	135,086	154,215
CAPITAL FACILITY FEE REVENUES	3	0	696,986	394,065	918,591	719,325	908,762	925,740	1,115,177	1,075,860	996,332	1,000,800
INTEREST EARNED ON CONTINGENCY FUNDS @ 3%		0	0	2,910	14,819	7,507	32,588	11,804	16,436	64,717	25,686	67,652
TOTAL REVENUES		0	<u>696,986</u>	<u>396,975</u>	<u>1,157,297</u>	<u>1,057,396</u>	<u>1,847,792</u>	<u>2,031,853</u>	<u>2,551,602</u>	<u>2,810,011</u>	<u>3,086,906</u>	<u>3,425,735</u>
TRANSFERS AND COLLECTION FEES:												
TRANSFER OF PROP TAXES TO SERVICE DISTRICT @ 8.5 MILLS (FOR OPS/ADMIN)		0	0	0	35,571	52,520	144,014	173,862	225,606	265,237	328,066	374,522
TRANSFER OF PROP TAXES TO SERVICE DISTRICT @ 5.0 MILLS (FOR TRANSIT)		0	0	0	0	0	0	0	0	0	0	0
COUNTY TREASURER FEES @ 5% OF PROP. TAXES		0	0	0	10,462	15,447	42,357	51,136	66,355	78,011	96,490	110,153
TOTAL TRANSFERS AND COLLECTION FEES		0	0	0	<u>46,033</u>	<u>67,967</u>	<u>186,371</u>	<u>224,998</u>	<u>291,960</u>	<u>343,248</u>	<u>424,556</u>	<u>484,675</u>
FUNDS AVAILABLE FOR DEBT SERVICE		0	<u>696,986</u>	<u>396,975</u>	<u>1,111,264</u>	<u>989,430</u>	<u>1,661,421</u>	<u>1,806,855</u>	<u>2,259,641</u>	<u>2,466,763</u>	<u>2,662,350</u>	<u>2,941,060</u>
DEBT SERVICE:												
SERIES 12/1/2009 BONDS	2	0	0	0	155,000	153,375	156,750	154,800	152,850	155,900	153,625	156,350
SERIES 12/1/2011 BONDS	2	0	0	0	0	0	497,500	497,625	497,425	496,900	496,050	499,875
SERIES 12/1/2014 BONDS	2	0	0	0	0	0	0	0	0	615,000	613,825	612,325
SERIES 12/1/2016 BONDS	2	0	0	0	0	0	0	0	0	0	0	460,000
SERIES 12/1/2018 BONDS	2	0	0	0	0	0	0	0	0	0	0	0
SERIES 12/1/2020 BONDS	2	0	0	0	0	0	0	0	0	0	0	0
SERIES 12/1/2022 BONDS	2	0	0	0	0	0	0	0	0	0	0	0
SERIES 12/1/2024 BONDS	2	0	0	0	0	0	0	0	0	0	0	0
SERIES 12/1/2027 BONDS	2	0	0	0	0	0	0	0	0	0	0	0
SERIES 12/1/2034 BONDS	2	0	0	0	0	0	0	0	0	0	0	0
TOTAL DEBT SERVICE		0	0	0	<u>155,000</u>	<u>153,375</u>	<u>654,250</u>	<u>652,425</u>	<u>650,275</u>	<u>1,267,800</u>	<u>1,263,500</u>	<u>1,728,550</u>
FUNDS AVAILABLE AFTER DEBT SERVICE		0	<u>696,986</u>	<u>396,975</u>	<u>956,264</u>	<u>836,055</u>	<u>1,007,171</u>	<u>1,154,430</u>	<u>1,609,366</u>	<u>1,198,963</u>	<u>1,398,850</u>	<u>1,212,510</u>
TOTAL GROSS BONDS ISSUED	2	0	0	2,000,000	0	6,500,000	0	0	8,000,000	0	6,000,000	0
COSTS OF ISSUANCE	2	0	0	(60,000)	0	(195,000)	0	0	(240,000)	0	(180,000)	0
DEVELOPER CAPITAL REIMB/INFRASTRUCTURE FUNDING	2	0	(600,000)	(1,780,000)	(1,200,000)	(5,525,000)	(1,700,000)	(1,000,000)	(6,580,000)	(2,500,000)	(5,340,000)	(2,000,000)
BOND PROCEEDS TO TOWN OF GRANBY (8% - 16% OF GROSS)	2	0	0	(160,000)	0	(780,000)	0	0	(1,180,000)	0	(480,000)	0
TOTAL EXCESS REVENUES OVER EXPENDITURES		0	<u>96,986</u>	<u>396,975</u>	<u>(243,736)</u>	<u>836,055</u>	<u>(692,829)</u>	<u>154,430</u>	<u>1,609,366</u>	<u>(1,301,037)</u>	<u>1,398,850</u>	<u>(787,490)</u>
BEGINNING FUND BALANCE - JANUARY 1		0	0	96,986	493,960	250,225	1,086,279	393,450	547,880	2,157,247	856,209	2,255,059
ENDING FUND BALANCE - DECEMBER 31		0	<u>96,986</u>	<u>493,960</u>	<u>250,225</u>	<u>1,086,279</u>	<u>393,450</u>	<u>547,880</u>	<u>2,157,247</u>	<u>856,209</u>	<u>2,255,059</u>	<u>1,467,569</u>
OUTSTANDING BONDS @ 12/31/ASSESSED VALUATION	2	0.00%	0.00%	47.79%	31.96%	49.87%	40.80%	31.03%	51.66%	41.20%	49.18%	41.64%
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT:												
PROJECTED ASSESSED VALUE GRMD #2 - #8	1	0	0	0	4,184,800	5,178,780	16,942,832	20,454,386	26,541,832	31,204,363	38,596,029	44,061,377
MILL LEVY TRANSFERS TO SERVICE DISTRICT FOR OPS/ADMIN.		8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT FOR OPS/AD.		0	0	0	35,571	52,520	144,014	173,862	225,606	265,237	328,066	374,522
MILL LEVY TRANSFERS TO SERVICE DISTRICT FOR TRANSIT		0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT FOR TRANSIT		0	0	0	0	0	0	0	0	0	0	0

GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2042

EXHIBIT I - FORECASTED REVENUES, EXPENDITURES,
 AND FUND BALANCES

DESCRIPTION	SCHEDULE REFERENCE	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
REVENUES:												
PROPERTY TAX REVENUES @ 50.00 MILLS		2,563,628	2,837,191	3,232,731	3,594,597	4,215,857	4,628,212	5,133,379	5,596,931	6,044,853	6,278,013	6,641,397
SPECIFIC OWNERSHIP TAXES @ 7% OF PROP TAXES		179,454	198,603	226,291	251,622	295,110	323,975	359,337	391,785	423,140	439,461	464,898
CAPITAL FACILITY FEE REVENUES	3	1,163,430	1,257,255	1,409,162	1,376,100	1,344,825	1,331,421	1,019,565	625,500	625,500	625,500	625,500
INTEREST EARNED ON CONTINGENCY FUNDS @ 3%		44,027	93,941	57,884	108,982	60,609	113,746	58,141	92,937	74,444	65,212	91,135
TOTAL REVENUES		3,950,539	4,386,990	4,926,068	5,331,300	5,916,400	6,397,355	6,570,421	6,707,153	7,167,936	7,408,186	7,822,930
TRANSFERS AND COLLECTION FEES:												
TRANSFER OF PROP TAXES TO SERVICE DISTRICT @ 8.5 MILLS (FOR OPS/ADMIN)		435,817	482,322	549,564	611,081	716,696	786,796	872,674	951,478	1,027,625	1,067,262	1,129,038
TRANSFER OF PROP TAXES TO SERVICE DISTRICT @ 5.0 MILLS (FOR TRANSIT)		0	283,719	323,273	359,460	421,586	462,821	513,338	559,693	604,485	627,801	664,140
COUNTY TREASURER FEES @ 5% OF PROP. TAXES		128,181	141,860	161,637	179,730	210,793	231,411	256,669	279,847	302,243	313,901	332,070
TOTAL TRANSFERS AND COLLECTION FEES		563,998	907,901	1,034,474	1,150,271	1,349,074	1,481,028	1,642,681	1,791,016	1,934,353	2,008,964	2,125,247
FUNDS AVAILABLE FOR DEBT SERVICE		3,386,541	3,479,089	3,891,595	4,181,029	4,567,326	4,916,327	4,927,740	4,916,136	5,233,583	5,399,222	5,697,683
DEBT SERVICE:												
SERIES 12/1/2009 BONDS	2	153,750	151,150	153,550	150,625	152,700	149,450	151,200	152,625	153,725	149,500	150,275
SERIES 12/1/2011 BONDS	2	498,050	495,900	498,425	495,300	496,850	497,750	498,000	497,600	496,550	499,850	497,175
SERIES 12/1/2014 BONDS	2	610,500	613,350	615,550	612,100	613,825	613,900	613,825	613,100	614,725	614,700	611,700
SERIES 12/1/2016 BONDS	2	460,450	460,575	460,375	459,850	459,000	457,825	461,325	459,175	456,700	458,900	460,450
SERIES 12/1/2018 BONDS	2	0	460,000	460,450	460,575	460,375	459,850	459,000	457,825	461,325	459,175	456,700
SERIES 12/1/2020 BONDS	2	0	0	0	615,000	613,825	612,325	610,500	613,350	612,100	613,325	613,325
SERIES 12/1/2022 BONDS	2	0	0	0	0	0	978,750	974,000	973,925	978,200	976,500	974,150
SERIES 12/1/2024 BONDS	2	0	0	0	0	0	0	0	765,000	767,525	764,400	765,950
SERIES 12/1/2027 BONDS	2	0	0	0	0	0	0	0	0	0	0	1,150,000
SERIES 12/1/2034 BONDS	2	0	0	0	0	0	0	0	0	0	0	0
TOTAL DEBT SERVICE		1,722,750	2,180,975	2,188,350	2,793,450	2,796,075	3,769,850	3,767,850	4,532,600	4,541,300	4,535,125	5,679,725
FUNDS AVAILABLE AFTER DEBT SERVICE		1,663,791	1,298,114	1,703,245	1,387,579	1,771,251	1,146,477	1,159,890	383,536	692,283	864,097	17,958
TOTAL GROSS BONDS ISSUED	2	6,000,000	0	8,000,000	0	12,750,000	0	10,000,000	0	0	15,000,000	0
COSTS OF ISSUANCE	2	(180,000)	0	(240,000)	0	(382,500)	0	(300,000)	0	0	(450,000)	0
DEVELOPER CAPITAL REIMB/INFRASTRUCTURE FUNDING	2	(5,340,000)	(2,500,000)	(7,120,000)	(3,000,000)	(11,347,500)	(3,000,000)	(8,900,000)	(1,000,000)	(1,000,000)	(13,350,000)	(1,000,000)
BOND PROCEEDS TO TOWN OF GRANBY (8% - 16% OF GROSS)	2	(480,000)	0	(640,000)	0	(1,020,000)	0	(800,000)	0	0	(1,200,000)	0
TOTAL EXCESS REVENUES OVER EXPENDITURES		1,663,791	(1,201,886)	1,703,245	(1,612,421)	1,771,251	(1,853,623)	1,159,890	(616,464)	(307,717)	864,097	(982,042)
BEGINNING FUND BALANCE - JANUARY 1		1,467,569	3,131,360	1,929,474	3,632,719	2,020,298	3,791,550	1,938,027	3,097,916	2,481,452	2,173,735	3,037,832
ENDING FUND BALANCE - DECEMBER 31		3,131,360	1,929,474	3,632,719	2,020,298	3,791,550	1,938,027	3,097,916	2,481,452	2,173,735	3,037,832	2,055,790
OUTSTANDING BONDS @ 12/31/ASSESSED VALUATION	2	47.61%	41.13%	47.47%	39.80%	49.36%	43.72%	48.28%	43.86%	41.35%	49.61%	46.78%
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT:												
PROJECTED ASSESSED VALUE GRMD #2 - #8	1	51,272,560	56,743,822	64,654,619	71,891,934	84,317,132	92,554,244	102,667,572	111,938,614	120,897,064	125,560,268	132,627,942
MILL LEVY TRANSFERS TO SERVICE DISTRICT FOR OPS/ADMIN.		8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT FOR OPS/AD.		435,817	482,322	549,564	611,081	716,696	786,796	872,674	951,478	1,027,625	1,067,262	1,129,038
MILL LEVY TRANSFERS TO SERVICE DISTRICT FOR TRANSIT		0.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT FOR TRANSIT		0	283,719	323,273	359,460	421,586	462,821	513,338	559,693	604,485	627,801	664,140

SEE CONSULTANT'S SUMMARY AND DISCLAIMER

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GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2042

EXHIBIT I - FORECASTED REVENUES, EXPENDITURES,
 AND FUND BALANCES

DESCRIPTION	SCHEDULE REFERENCE	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
REVENUES:											
PROPERTY TAX REVENUES @ 50.00 MILLS		6,879,221	7,259,385	7,501,965	7,899,435	8,146,867	8,562,184	8,663,136	8,836,399	8,836,399	9,013,127
SPECIFIC OWNERSHIP TAXES @ 7% OF PROP TAXES		481,545	508,157	525,138	552,960	570,281	599,353	606,420	618,548	618,548	630,919
CAPITAL FACILITY FEE REVENUES	3	625,500	625,500	625,500	625,500	250,200	0	0	0	0	0
INTEREST EARNED ON CONTINGENCY FUNDS @ 3%		61,674	66,419	79,646	98,867	127,792	151,832	178,305	162,071	149,027	135,142
TOTAL REVENUES		8,047,940	8,459,461	8,732,248	9,176,763	9,095,139	9,313,369	9,447,861	9,617,018	9,603,974	9,780,188
TRANSFERS AND COLLECTION FEES:											
TRANSFER OF PROP TAXES TO SERVICE DISTRICT @ 8.5 MILLS (FOR OPS/ADMIN)		1,169,467	1,234,095	1,275,334	1,342,904	1,384,967	1,455,571	1,472,733	1,502,188	1,502,188	1,532,232
TRANSFER OF PROP TAXES TO SERVICE DISTRICT @ 5.0 MILLS (FOR TRANSIT)		687,922	725,938	750,196	789,944	814,687	856,218	866,314	883,640	883,640	901,313
COUNTY TREASURER FEES @ 5% OF PROP. TAXES		343,951	362,959	375,098	394,972	407,343	428,109	433,157	441,820	441,820	450,656
TOTAL TRANSFERS AND COLLECTION FEES		2,201,351	2,323,003	2,400,529	2,527,819	2,606,997	2,739,899	2,772,204	2,827,648	2,827,648	2,884,201
FUNDS AVAILABLE FOR DEBT SERVICE		5,846,589	6,136,458	6,331,619	6,648,943	6,488,142	6,573,470	6,675,658	6,789,371	6,776,326	6,895,987
DEBT SERVICE:											
SERIES 12/1/2009 BONDS	2	150,725	150,850	150,850	150,125	149,275	153,100	151,275	154,125	151,325	153,200
SERIES 12/1/2011 BONDS	2	498,850	499,550	499,275	498,025	495,800	497,600	498,100	497,300	495,200	501,800
SERIES 12/1/2014 BONDS	2	613,050	613,425	612,825	611,250	613,700	614,850	614,700	613,250	610,500	611,450
SERIES 12/1/2016 BONDS	2	461,350	461,600	461,200	460,150	458,450	461,100	457,775	458,800	458,850	457,925
SERIES 12/1/2018 BONDS	2	458,900	460,450	461,350	461,600	461,200	460,150	458,450	461,100	457,775	458,800
SERIES 12/1/2020 BONDS	2	613,900	613,825	613,100	611,725	614,700	611,700	613,050	613,425	612,825	611,250
SERIES 12/1/2022 BONDS	2	976,150	977,175	977,225	976,300	979,400	976,200	977,025	976,550	974,775	976,700
SERIES 12/1/2024 BONDS	2	766,850	767,100	766,700	765,650	763,950	765,600	763,275	764,300	764,350	768,425
SERIES 12/1/2027 BONDS	2	1,148,625	1,151,600	1,148,600	1,149,950	1,150,325	1,149,725	1,148,150	1,150,600	1,151,750	1,151,600
SERIES 12/1/2034 BONDS	2	0	0	0	0	0	0	1,535,000	1,534,725	1,528,475	1,531,575
TOTAL DEBT SERVICE		5,688,400	5,695,575	5,690,925	5,684,775	5,686,800	5,691,025	7,216,800	7,224,175	7,205,825	7,222,725
FUNDS AVAILABLE AFTER DEBT SERVICE		158,189	440,883	640,694	964,168	801,342	882,445	(541,142)	(434,804)	(429,499)	(326,738)
TOTAL GROSS BONDS ISSUED	2	0	0	0	0	0	20,000,000	0	0	0	0
COSTS OF ISSUANCE	2	0	0	0	0	0	(600,000)	0	0	0	0
DEVELOPER CAPITAL REIMB/INFRASTRUCTURE FUNDING	2	0	0	0	0	0	(17,800,000)	0	0	0	0
BOND PROCEEDS TO TOWN OF GRANBY (8% - 16% OF GROSS)	2	0	0	0	0	0	(1,600,000)	0	0	0	0
TOTAL EXCESS REVENUES OVER EXPENDITURES		158,189	440,883	640,694	964,168	801,342	882,445	(541,142)	(434,804)	(429,499)	(326,738)
BEGINNING FUND BALANCE - JANUARY 1		2,055,790	2,213,979	2,654,862	3,295,557	4,259,725	5,061,067	5,943,512	5,402,370	4,967,566	4,538,067
ENDING FUND BALANCE - DECEMBER 31		2,213,979	2,654,862	3,295,557	4,259,725	5,061,067	5,943,512	5,402,370	4,967,566	4,538,067	4,211,328
OUTSTANDING BONDS @ 12/31/ASSESSED VALUATION	2	43.29%	40.82%	37.68%	35.42%	32.58%	42.55%	40.34%	38.88%	36.59%	34.97%
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT:											
PROJECTED ASSESSED VALUE GRMD #2 - #8	1	137,584,411	145,187,697	150,039,294	157,988,710	162,937,340	171,243,699	173,262,730	176,727,984	176,727,984	180,262,544
MILL LEVY TRANSFERS TO SERVICE DISTRICT FOR OPS/ADMIN.		8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT FOR OPS/AD.		1,169,467	1,234,095	1,275,334	1,342,904	1,384,967	1,455,571	1,472,733	1,502,188	1,502,188	1,532,232
MILL LEVY TRANSFERS TO SERVICE DISTRICT FOR TRANSIT		5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT FOR TRANSIT		687,922	725,938	750,196	789,944	814,687	856,218	866,314	883,640	883,640	901,313

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GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2042

EXHIBIT I - FORECASTED REVENUES, EXPENDITURES,
 AND FUND BALANCES

DESCRIPTION	SCHEDULE REFERENCE	2039	2040	2041	2042	TOTALS
REVENUES:						
PROPERTY TAX REVENUES @ 50.00 MILLS		9,013,127	9,193,390	9,377,258	9,377,258	178,734,160
SPECIFIC OWNERSHIP TAXES @ 7% OF PROP TAXES		630,919	643,537	656,408	656,408	12,511,391
CAPITAL FACILITY FEE REVENUES	3	0	0	0	0	22,907,597
INTEREST EARNED ON CONTINGENCY FUNDS @ 3%		126,340	115,967	114,252	116,214	2,789,724
TOTAL REVENUES		9,770,386	9,952,894	10,147,918	10,149,879	216,942,872
TRANSFERS AND COLLECTION FEES:						
TRANSFER OF PROP TAXES TO SERVICE DISTRICT @ 8.5 MILLS (FOR OPS/ADMIN)		1,532,232	1,562,876	1,594,134	1,594,134	30,384,807
TRANSFER OF PROP TAXES TO SERVICE DISTRICT @ 5.0 MILLS (FOR TRANSIT)		901,313	919,339	937,726	937,726	16,676,231
COUNTY TREASURER FEES @ 5% OF PROP. TAXES		450,656	459,669	468,863	468,863	9,336,708
TOTAL TRANSFERS AND COLLECTION FEES		2,884,201	2,941,885	3,000,722	3,000,722	55,997,746
FUNDS AVAILABLE FOR DEBT SERVICE		6,886,185	7,011,009	7,147,195	7,149,157	160,945,126
DEBT SERVICE:						
SERIES 12/1/2009 BONDS	2	154,425	0	0	0	4,576,275
SERIES 12/1/2011 BONDS	2	501,450	499,475	505,875	0	14,945,125
SERIES 12/1/2014 BONDS	2	615,775	613,150	613,900	612,700	17,169,450
SERIES 12/1/2016 BONDS	2	461,025	457,825	458,650	458,175	11,947,500
SERIES 12/1/2018 BONDS	2	458,850	457,925	461,025	457,825	11,030,575
SERIES 12/1/2020 BONDS	2	613,700	614,850	614,700	613,250	13,491,975
SERIES 12/1/2022 BONDS	2	977,000	975,675	977,725	977,825	19,531,250
SERIES 12/1/2024 BONDS	2	766,200	768,000	768,500	767,700	13,790,475
SERIES 12/1/2027 BONDS	2	1,150,150	1,147,400	1,148,350	1,147,675	17,244,500
SERIES 12/1/2034 BONDS	2	1,533,375	1,533,875	1,533,075	1,530,975	12,261,075
TOTAL DEBT SERVICE		7,231,950	7,066,175	7,081,800	6,566,125	135,988,300
FUNDS AVAILABLE AFTER DEBT SERVICE		(345,765)	(57,166)	65,395	583,032	24,956,826
TOTAL GROSS BONDS ISSUED	2	0	0	0	0	94,250,000
COSTS OF ISSUANCE	2	0	0	0	0	(2,827,500)
DEVELOPER CAPITAL REIMB/INFRASTRUCTURE FUNDING	2	0	0	0	0	(103,582,500)
BOND PROCEEDS TO TOWN OF GRANBY (8% - 16% OF GROSS)	2	0	0	0	0	(8,340,000)
TOTAL EXCESS REVENUES OVER EXPENDITURES		(345,765)	(57,166)	65,395	583,032	4,456,826
BEGINNING FUND BALANCE - JANUARY 1		4,211,329	3,865,565	3,808,399	3,873,794	0
ENDING FUND BALANCE - DECEMBER 31		3,865,565	3,808,399	3,873,794	4,456,826	4,456,826
OUTSTANDING BONDS @ 12/31/ASSESSED VALUATION	2	32.58%	30.85%	28.43%	28.43%	
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT:						
PROJECTED ASSESSED VALUE GRMD #2 - #8	1	180,262,544	183,867,795	187,545,151	187,545,151	
MILL LEVY TRANSFERS TO SERVICE DISTRICT FOR OPS/ADMIN.		8.50	8.50	8.50	8.50	
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT FOR OPS/AD.		1,532,232	1,562,876	1,594,134	1,594,134	30,384,807
MILL LEVY TRANSFERS TO SERVICE DISTRICT FOR TRANSIT		5.00	5.00	5.00	5.00	
PROPERTY TAX TRANSFERS TO SERVICE DISTRICT FOR TRANSIT		901,313	919,339	937,726	937,726	16,676,231

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GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2038

PRELIMINARY DRAFT 4-20-07
 SUBJECT TO CHANGE AND REVISION

SCHEDULE 1 - PROJECTION OF ASSESSED VALUATION GENERATED FROM BUILDOUT

BUILDOUT (YEAR OF COMPLETION)	District	District	Districts	Average	Total	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	#1 - #8	#1	#2 - #8													
Description of Development	of Units	of Units	of Units	Price	Volume											
Residential - Single Family	2,100	340	1,760	500,000	860,000,000	0	20	20	20	20	30	30	30	30	30	50
Residential - Multi Family/Enclave	2,119	401	1,718	350,000	601,300,000	0	80	48	44	95	101	118	134	142	115	110
Total Residential	4,219	741	3,478	425,906	1,461,300,000	0	100	68	64	115	131	148	164	172	145	160
Non-Residential Space	655,000	10,000	645,000	100	64,500,000	0	40,000	0	290,000	0	50,000	0	50,000	0	50,000	0
TOTAL VALUE - PROJECT					1,545,800,000											

Actual Value Generated:

From Residential Buildout	0	36,000,000	25,050,000	25,400,000	43,250,000	50,350,000	56,300,000	61,900,000	64,700,000	55,250,000	63,500,000
From Non-Residential Buildout	0	4,000,000	0	29,000,000	0	5,000,000	0	5,000,000	0	5,000,000	0
Total Actual Value Generated	0	42,000,000	25,050,000	54,400,000	43,250,000	55,350,000	56,300,000	66,900,000	64,700,000	60,250,000	63,500,000

Assessed Valuation Generated:

From Residential Buildout @ 7.96% of Value	0	3,024,800	1,993,980	2,021,840	3,442,700	4,007,860	4,481,480	4,927,240	5,150,120	4,397,900	5,054,600
From Non-Residential Buildout @ 2.9% of Value	0	1,160,000	0	8,410,000	0	1,450,000	0	1,450,000	0	1,450,000	0
Existing Assessed Value	0	0	0	0	0	0	0	0	0	0	0
Total Incremental Assessed Value	0	4,184,800	1,993,980	10,431,840	3,442,700	5,457,860	4,481,480	6,377,240	5,150,120	5,847,900	5,054,600
Total Cumulative Assessed Value - Uninflated	0	4,184,800	6,178,780	16,610,620	20,053,320	25,511,180	29,992,660	36,369,900	41,520,020	47,367,920	52,422,520
Total Cumulative Assessed Value - 2% Biennial Inflation - Beginning in 2012	0	4,184,800	6,178,780	16,942,832	20,454,386	26,541,832	31,204,363	38,596,029	44,061,377	51,272,560	56,743,822

Year Assessed Value Certified to Districts #2 - #8	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Year Property Taxes Collected by Districts #2 - #8	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019

Source for Buildout Developers of Granby Ranch

SEE CONSULTANT'S SUMMARY AND DISCLAIMER

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GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2038

SCHEDULE 1 - PROJECTION OF ASSESSED VALUATION GENERATED FROM BUILDOUT

BUILDOUT (YEAR OF COMPLETION) Description of Development	District #1 - #8 Planned Number of Units	District #1 Planned Number of Units	Districts #2 - #8 Planned Number of Units	Average Per Unit Price	Total Gross Unit Volume	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Residential - Single Family	2,100	340	1,760	500,000	880,000,000	80	80	80	100	100	100	100	100	100
Residential - Multi Family/Enclave	2,119	401	1,718	350,000	601,300,000	106	121	111	120	115	100	63	0	0	0
Total Residential	4,219	741	3,478	425,906	1,481,300,000	186	201	191	220	215	200	163	100	100	100
Non-Residential Space	555,000	10,000	545,000	100	54,500,000	0	0	120,000	0	0	45,000	0	0	0	0
TOTAL VALUE - PROJECT					1,545,800,000										

Actual Value Generated:

From Residential Buildout	77,100,000	82,350,000	78,850,000	92,000,000	90,250,000	85,000,000	72,050,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
From Non-Residential Buildout	0	0	12,000,000	0	0	4,500,000	0	0	0	0	0	0	0	0	0
Total Actual Value Generated	77,100,000	82,350,000	90,850,000	92,000,000	90,250,000	89,500,000	72,050,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000

Assessed Valuation Generated:

From Residential Buildout @ 7.96% of Value	6,137,160	6,555,060	6,276,460	7,323,200	7,183,900	6,766,000	5,735,180	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000
From Non-Residential Buildout @ 2.9% of Value	0	0	3,480,000	0	0	1,305,000	0	0	0	0	0	0	0	0	0
Existing Assessed Value	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Incremental Assessed Value	6,137,160	6,555,060	9,756,460	7,323,200	7,183,900	8,071,000	5,735,180	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000
Total Cumulative Assessed Value - Uninflated	58,559,680	65,114,740	74,871,200	82,194,400	89,378,300	97,449,300	103,184,480	107,164,480	111,144,480	115,124,480	119,104,480	123,084,480	127,064,480	131,044,480	135,024,480
Total Cumulative Assessed Value - 2% Biennial Inflation - Beginning in 2012	64,654,619	71,891,934	84,317,132	92,564,244	102,667,572	111,938,614	120,897,054	125,560,268	132,827,942	137,584,411	144,341,000	151,097,548	157,854,096	164,610,644	171,367,192

Year Assessed Value Certified to Districts #2 - #8	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Year Property Taxes Collected by Districts #2 - #8	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029

Source for Buildout: Developers of Granby Ranch

SEE CONSULTANT'S SUMMARY AND DISCLAIMER

GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2038

SCHEDULE 1 - PROJECTION OF ASSESSED VALUATION GENERATED FROM BUILDOUT

BUILDOUT (YEAR OF COMPLETION) Description of Development	District #1 -#8	District #1	Districts #2 -#8	Average Per Unit Price	Total Gross Unit Volume	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
	Planned Number of Units	Planned Number of Units	Planned Number of Units												
Residential - Single Family	2,100	340	1,760	500,000	860,000,000	100	100	100	100	100	40	0	0	0	0
Residential - Multi Family/Enclave	2,119	401	1,718	350,000	601,300,000	0	0	0	0	0	0	0	0	0	0
Total Residential	4,219	741	3,478	425,906	1,461,300,000	100	100	100	100	100	40	0	0	0	0
Non-Residential Space	655,000	10,000	645,000	100	64,500,000	0	0	0	0	0	0	0	0	0	0
TOTAL VALUE - PROJECT					1,545,800,000										

Actual Value Generated:															
From Residential Buildout	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	20,000,000	0	0	0	0	0	0	0	0	0
From Non-Residential Buildout	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Actual Value Generated	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	20,000,000	0	0	0	0	0	0	0	0	0

Assessed Valuation Generated:															
From Residential Buildout @ 7.95% of Value	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000	1,592,000	0	0	0	0	0	0	0	0	0
From Non-Residential Buildout @ 29% of Value	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Existing Assessed Value	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Incremental Assessed Value	3,980,000	3,980,000	3,980,000	3,980,000	3,980,000	1,592,000	0	0	0	0	0	0	0	0	0
Total Cumulative Assessed Value - Uninflated	<u>119,104,480</u>	<u>123,084,480</u>	<u>127,064,480</u>	<u>131,044,480</u>	<u>135,024,480</u>	<u>136,616,480</u>	<u>136,616,480</u>	<u>136,616,480</u>	<u>136,616,480</u>	<u>136,616,480</u>	<u>136,616,480</u>	<u>136,616,480</u>	<u>136,616,480</u>	<u>136,616,480</u>	<u>136,616,480</u>
Total Cumulative Assessed Value - 2% Biennial Inflation - Beginning In 2012	<u>145,187,697</u>	<u>150,039,294</u>	<u>157,986,710</u>	<u>162,937,340</u>	<u>171,243,689</u>	<u>173,262,730</u>	<u>176,727,984</u>	<u>176,727,984</u>	<u>176,727,984</u>	<u>176,727,984</u>	<u>176,727,984</u>	<u>176,727,984</u>	<u>176,727,984</u>	<u>176,727,984</u>	<u>176,727,984</u>

Year Assessed Value Certified to Districts #2 -#8 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038

Year Property Taxes Collected by Districts #2 -#8 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039

Source for Buildout: Developers of Granby Ranch

SEE CONSULTANT'S SUMMARY AND DISCLAIMER

GRANBY RANCH METROPOLITAN DISTRICTS #2-#8 (COMBINED)
 CASH FLOW FORECAST
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2038

SCHEDULE 1 - PROJECTION OF ASSESSED VALUATION GENERATED FROM BUILDOUT

BUILDOUT (YEAR OF COMPLETION)	District	District	Districts	Average	Total	2038	TOTALS
	#1 -#8	#1	#2 -#8				
Description of Development	Planned	Planned	Planned	Per Unit	Gross Unit		
	Number	Number	Number	Price	Volume		
	of Units	of Units	of Units				
Residential - Single Family	2,100	340	1,760	500,000	880,000,000	0	1,760
Residential - Multi Family/Enclave	2,119	401	1,718	350,000	601,300,000	0	1,718
Total Residential	4,219	741	3,478	425,808	1,481,300,000	0	3,478
Non-Residential Space	655,000	10,000	645,000	100	64,500,000	0	645,000
TOTAL VALUE - PROJECT					1,545,800,000		

Actual Value Generated:

From Residential Buildout	0	1,481,300,000
From Non-Residential Buildout	0	64,500,000
Total Actual Value Generated	0	1,545,800,000

Assessed Valuation Generated:

From Residential Buildout @ 7.95% of Value	0	117,911,480
From Non-Residential Buildout @ 29% of Value	0	18,705,000
Existing Assessed Value	0	0
Total Incremental Assessed Value	0	136,616,480
Total Cumulative Assessed Value - Uninflated	136,616,480	136,616,480
Total Cumulative Assessed Value - 2% Biennial Inflation - Beginning in 2012	183,867,795	183,867,795

Year Assessed Value Certified to Districts #2-#8 2039

Year Property Taxes Collected by Districts #2-#8 2040

Source for Buildout: Developers of Granby Ranch

SEE CONSULTANT'S SUMMARY AND DISCLAIMER PAGE 2C

GRANBY RANCH METROPOLITAN DISTRICTS #2 - #4 (COMBINED)
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2042

SCHEDULE 2 - FORECASTED GENERAL OBLIGATION BOND ISSUES
 AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

DATE OF PROPOSED BOND ISSUE	PROCEEDS METRO DIST.	-- SIZE OF BOND ISSUE --			2042	TOTALS
		PROCEEDS TOWN #1	COSTS OF ISSUANCE	GROSS BOND ISSUE		
12/1/2009	1,780,000	160,000	60,000	2,000,000	0	4,576,275
12/1/2011	5,525,000	780,000	195,000	6,500,000	0	14,945,125
12/1/2014	6,580,000	1,100,000	240,000	8,000,000	612,700	17,169,450
12/1/2016	5,340,000	400,000	100,000	6,000,000	458,175	11,947,500
12/1/2018	5,340,000	400,000	100,000	6,000,000	457,825	11,030,675
12/1/2020	7,120,000	640,000	240,000	8,000,000	613,250	13,491,975
12/1/2022	11,247,500	1,020,000	392,500	12,750,000	977,825	19,531,250
12/1/2024	8,900,000	800,000	300,000	10,000,000	767,700	13,790,475
12/1/2027	13,350,000	1,200,000	450,000	15,000,000	1,147,675	17,244,500
12/1/2034	17,000,000	1,600,000	600,000	20,000,000	1,530,975	12,261,075
TOTALS	83,082,500	8,340,000	2,627,500	94,250,000	6,566,125	135,988,300

ANNUAL DEBT SERVICE REQUIREMENTS

12/1/2009	PRINCIPAL REDUCTION	0	2,000,000
	INTEREST @ 6.50%	0	2,578,275
	TOTAL DEBT SERVICE REQUIREMENTS	0	4,576,275
	BONDS OUTSTANDING END OF YEAR	0	0
12/1/2011	PRINCIPAL REDUCTION	0	6,500,000
	INTEREST @ 6.50%	0	8,445,125
	TOTAL DEBT SERVICE REQUIREMENTS	0	14,945,125
	BONDS OUTSTANDING END OF YEAR	0	0
12/1/2014	PRINCIPAL REDUCTION	510,000	6,930,000
	INTEREST @ 6.50%	102,700	10,239,450
	TOTAL DEBT SERVICE REQUIREMENTS	612,700	17,169,450
	BONDS OUTSTANDING END OF YEAR	1,078,000	1,078,000
12/1/2016	PRINCIPAL REDUCTION	335,000	4,440,000
	INTEREST @ 6.50%	123,175	7,507,500
	TOTAL DEBT SERVICE REQUIREMENTS	458,175	11,947,500
	BONDS OUTSTANDING END OF YEAR	1,560,000	1,560,000
12/1/2018	PRINCIPAL REDUCTION	285,000	3,780,000
	INTEREST @ 6.50%	162,825	7,240,675
	TOTAL DEBT SERVICE REQUIREMENTS	447,825	11,030,675
	BONDS OUTSTANDING END OF YEAR	2,240,000	2,240,000
12/1/2020	PRINCIPAL REDUCTION	350,000	4,300,000
	INTEREST @ 6.50%	263,250	9,191,975
	TOTAL DEBT SERVICE REQUIREMENTS	613,250	13,491,975
	BONDS OUTSTANDING END OF YEAR	3,700,000	3,700,000
12/1/2022	PRINCIPAL REDUCTION	450,000	6,785,000
	INTEREST @ 6.50%	487,825	13,786,250
	TOTAL DEBT SERVICE REQUIREMENTS	937,825	19,531,250
	BONDS OUTSTANDING END OF YEAR	7,015,000	7,015,000
12/1/2024	PRINCIPAL REDUCTION	340,000	3,760,000
	INTEREST @ 6.50%	427,700	10,030,475
	TOTAL DEBT SERVICE REQUIREMENTS	767,700	13,790,475
	BONDS OUTSTANDING END OF YEAR	5,240,000	5,240,000
12/1/2027	PRINCIPAL REDUCTION	420,000	4,225,000
	INTEREST @ 6.50%	727,675	13,019,500
	TOTAL DEBT SERVICE REQUIREMENTS	1,147,675	17,244,500
	BONDS OUTSTANDING END OF YEAR	10,775,000	10,775,000
12/1/2034	PRINCIPAL REDUCTION	360,000	2,345,000
	INTEREST @ 6.50%	1,170,975	9,916,075
	TOTAL DEBT SERVICE REQUIREMENTS	1,530,975	12,261,075
	BONDS OUTSTANDING END OF YEAR	17,655,000	17,655,000
TOTAL BONDS OUTSTANDING END OF YEAR - ALL ISSUES		50,225,000	50,225,000
CERTIFIED ASSESSED VALUE - DISTRICTS #2 - #4		107,545,151	
DEBT TO ASSESSED %		28.43%	

Note 1: Pursuant to an ISA with the Town of Granby the Town will receive 8% of c
 issued by the District, and 0% of all additional bonds issued by the District
 Note 2: For post-2011 bond issues, annual debt service requirements will contin

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GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2038

PRELIMINARY DRAFT 4-20-07
 SUBJECT TO CHANGE AND REVISION

SCHEDULE 3 - PROJECTED \$6,255 PER SFE CAPITAL FACILITIES FEE REVENUE

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
INCREMENTAL RESIDENTIAL UNITS COMPLETED	0	100	63	64	115	131	148	164	172	145	160	166	201	191
INCREMENTAL SFE'S - NON RESID. (1 SFE/3500 SQ. FT.)	0	11	0	83	0	14	0	14	0	14	0	0	0	34
TOTAL SFE'S	0	111	63	147	115	145	148	178	172	159	160	186	201	225
CAPITAL FACILITY RATE/SFE	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>
PROJECTED CAPITAL FACILITY FEE REVENUE	0	<u>696,966</u>	<u>394,065</u>	<u>918,591</u>	<u>719,325</u>	<u>908,762</u>	<u>925,740</u>	<u>1,115,177</u>	<u>1,075,860</u>	<u>996,332</u>	<u>1,000,800</u>	<u>1,163,430</u>	<u>1,257,255</u>	<u>1,409,162</u>

SEE CONSULTANT'S SUMMARY AND DISCLAIMER

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GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2038

SCHEDULE 3 - PROJECTED \$6,255 PER SFE CAPITAL FACILITIES FEE REVENUE

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>
INCREMENTAL RESIDENTIAL UNITS COMPLETED	220	215	200	163	100	100	100	100	100	100	100	100	40	0
INCREMENTAL SFE'S - NON RESID. (1 SFE/3500 SQ. FT.)	0	0	13	0	0	0	0	0	0	0	0	0	0	0
TOTAL SFE'S	220	215	213	163	100	100	100	100	100	100	100	100	40	0
CAPITAL FACILITY RATE/SFE	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>
PROJECTED CAPITAL FACILITY FEE REVENUE	<u>1,376,100</u>	<u>1,344,825</u>	<u>1,331,421</u>	<u>1,019,565</u>	<u>625,500</u>	<u>625,500</u>	<u>625,500</u>	<u>625,500</u>	<u>625,500</u>	<u>625,500</u>	<u>625,500</u>	<u>625,500</u>	<u>250,200</u>	<u>0</u>

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GRANBY RANCH METROPOLITAN DISTRICTS #2 - #8 (COMBINED)
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2007 THROUGH 2038

SCHEDULE 3 - PROJECTED \$6,255 PER SFE CAPITAL FACILITIES FEE REVENUE

	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>TOTALS</u>
INCREMENTAL RESIDENTIAL UNITS COMPLETED	0	0	0	0	3,478
INCREMENTAL SFE'S - NON RESID. (1 SFE/3500 SQ. FT.)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>184</u>
TOTAL SFE'S	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,662</u>
CAPITAL FACILITY RATE/SFE	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>	<u>6,255</u>
PROJECTED CAPITAL FACILITY FEE REVENUE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,907,597</u>

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EXHIBIT E
BOND SHARING FEE SCHEDULE

