THE AURORA HIGHLANDS METROPOLITAN DISTRICT NOS. 1-3

8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Phone: 303-779-5710

NOTICE OF A SPECIAL MEETING AND AGENDA

Boards of Directors:	Office:	Term/Expiration:
Matt Hopper	President	2022/May 2022
Carla Ferreira	Vice President	2022/May 2022
Michael Sheldon	Treasurer	2020/May 2020
Cynthia (Cindy) Shearon	Assistant Secretary	2020/May 2020
VACANCY	Assistant Secretary	2020/May 2020
Denise Denslow	Secretary	N/A

DATE: April 16, 2020
TIME: 3:00 P.M.
PLACE: The Aurora Highlands Construction Trailer
4271 North Gun Club Road
Aurora, Colorado 80019

DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT BOARD MEETING WILL BE HELD BY VIDEO ENABLED WEB CONFERENCE. IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE JOIN THE VIDEO ENABLED WEB CONFERENCE AT https://global.gotomeeting.com/join/645829749.

YOU CAN ALSO DIAL IN USING YOUR PHONE. (FOR SUPPORTED DEVICES, TAP A ONE-TOUCH NUMBER BELOW TO JOIN INSTANTLY.)
United States (Toll Free): 1 877 568 4106 - One-touch: tel: +18775684106, 645829749#
United States: +1 (224) 501-3216 - One-touch: tel: +12245013216, 645829749#
Access Code: 645-829-749

THERE WILL BE ONE PERSON PRESENT AT THE ABOVE-REFERENCED PHYSICAL LOCATION.

I. ADMINISTRATIVE MATTERS

A. Present disclosures of potential conflicts of interest and confirm quorum.

B. Approve Agenda confirm location of the meeting, posting of meeting notices and designate 24-Hour posting place location.

II. CONSENT AGENDA

Consent Agenda – These items are considered to be routine and will be ratified by one motion. There will be no separate discussion of these items unless a board member so requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- Review and consider approval of Minutes from the April 10, 2020 Special Meeting (enclosures).

III. LEGAL MATTERS

A. Review and consider approval of The Aurora Highlands Community Authority Board ("CAB") First Amended and Restated Establishment Agreement between and among Aerotropolis Area Coordinating Metropolitan District ("AACMD"), the Districts and ATEC Metropolitan District Nos. 1 and 2 (enclosure).

B. Acknowledge Inclusion Agreements by and between AACMD and each of the following entities: Aurora Tech Center Development, LLC; Aurora Tech Center Holdings, LLC; Aurora Highlands Holdings, LLC; Aurora Highlands, LLC; GVR King Commercial, LLC; SJSA Investments, LLC; GVR King LLC; Green Valley East, LLC; and GVRE 470 LLC.

C. Discuss and consider approval of Disclosure to Purchasers (enclosure).

IV. FINANCIAL MATTERS

A. Discuss status of proposed CAB bond issuance and related Capital Pledge Agreements.

(i) Acknowledge CAB adoption of Long-Term Capital Improvement Plan.

(ii) Review and consider approval of a Mill Levy Policy Agreement by and among the CAB, AACMD, the Districts and ATEC Metropolitan District Nos. 1 and 2 (enclosure).

(iii) Review and consider adoption of Resolutions Authorizing a Capital Pledge Agreement by and among each of the Districts, Zions Bancorporation, National Association and the CAB for the purpose of securing debt obligations of the CAB thereunder in a maximum aggregate principal amount of up $4,000,000,000 and authorizing the execution and delivery by each District of all documents, agreements and certificates in connection therewith (enclosure).

V. CONSTRUCTION MATTERS

A. _____

VII. OTHER BUSINESS

A. _____

VIII. ADJOURNMENT ***THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 19, 2020.***

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD
FIRST AMENDED AND RESTATED
ESTABLISHMENT AGREEMENT

BETWEEN AND AMONG

AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3
ATEC METROPOLITAN DISTRICT NO. 1
AND
ATEC METROPOLITAN DISTRICT NO. 2

DATED AND EFFECTIVE: APRIL 16, 2020

TABLE OF CONTENTS

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD FIRST AMENDED AND RESTATED ESTABLISHMENT AGREEMENT

THIS FIRST AMENDED AND RESTATED THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD ESTABLISHMENT AGREEMENT ("**CABEA**") is made and entered into this 16TH day of April, 2020, between and among **AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT** ("**AACMD**"), **THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1** ("**District No. 1**"), **THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2** ("**District No. 2**"), **THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3** ("**District No. 3**"), **ATEC METROPOLITAN DISTRICT NO. 1** ("**ATEC No. 1**"), and **ATEC METROPOLITAN DISTRICT NO. 2** ("**ATEC No. 2**") (collectively, the "**CAB Districts**"), all being quasi-municipal corporations and political subdivisions of the State of Colorado.

RECITALS

A. The CAB Districts were organized pursuant to Service Plans, defined below, approved by the City Council of the City of Aurora, Colorado.

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

C. Pursuant to Section 29-1-203.5, C.R.S., metropolitan districts may contract with one another for the joint exercise of any function, service or facility lawfully authorized to each, including the establishment of a separate legal entity to do so as a political subdivision and public corporation of the State of Colorado.

D. The CAB Districts exist for the purpose of designing, acquiring, constructing, installing, financing, operating and maintaining certain street, traffic and safety controls, water, sanitation, stormwater, parks and recreation, television relay and translation, transportation, and mosquito control, and providing certain services, all in accordance with the Service Plans.

E. The Service Plans disclose and establish the necessity for, and anticipate one or more intergovernmental agreements between and/or among two or more of the CAB Districts concerning the financing, construction, operation and maintenance of Public Improvements (as defined in this CABEA) contemplated in the Service Plans and concerning the provision of services in the community to be served by the CAB Districts.

F. The Service Plans contemplate that the CAB Districts, with the approval of their electors, would enter into one or more intergovernmental agreements.

G. At elections of the qualified electors of each of the CAB Districts, in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at such elections, voted in favor of the CAB Districts entering into intergovernmental agreements. To the extent that this CABEA, as an intergovernmental agreement, constitutes a Multiple-Fiscal Year

Financial Obligation of one or more of the CAB Districts, the same has received voter approval in such elections.

H. The Service Plans describe certain Public Improvements to be financed in accordance with general plans of finance described or permitted in the Service Plans, from one or more of the following: (1) revenues received from the imposition of a mill levy within the CAB Districts; (2) revenue received from Fees collected by the CAB Districts; or (3) the proceeds of Bonds and other available revenues (including Developer Advances).

I. The CAB Districts agree that the Public Improvements are needed by the CAB Districts and that such Public Improvements will benefit the residents and property owners in the CAB Districts in terms of cost, quality, and level of service.

J. The CAB Districts agree that the coordinated construction, financing, completion and availability of the Public Improvements in a timely fashion within the Service Area (as defined in this CABEA) will promote the health, safety, prosperity, security, and general welfare of the current and future inhabitants and current and future property owners within the CAB Districts.

K. The CAB Districts desire to establish The Aurora Highlands Community Authority Board (the "**CAB**"), which shall: (i) plan for, design and construct, furnish, operate, and maintain the Public Improvements; and (ii) provide services authorized by the Service Plans, and to which each CAB District shall transfer certain revenues received by it in order to fund the Actual Operation and Maintenance Costs (as such terms are defined in this CABEA).

L. Each CAB District has agreed that: (i) the CAB shall own, operate, maintain, finance and construct the Public Improvements throughout the Service Area pursuant to the Long Term Capital Improvements Plan (as defined in this CABEA) benefiting the CAB Districts; and (ii) each of the CAB Districts shall transfer certain revenues received by it in order to fund the costs of construction, operation, and maintenance of such Public Improvements from its taxes and fees except for the revenues from the ARI Mill Levy, defined below, which are the subject of the ARTA Establishment Agreement, the AACMD/ARTA ARI Mill Levy IGA, and the CAB Districts ARI Mill Levy IGAs, all as defined below.

M. It is the purpose of this CABEA to bind the CAB Districts concerning capital expenditures and operation and maintenance expenses so that the cost of providing facilities and services to the entire Development (as defined in this CABEA) shall be shared by the property owners, taxpayers, and fee payers in the Service Area under the numerous circumstances which could occur in the future.

N. It is the intent of the CAB Districts that all bonds shall be issued by the CAB itself, from time to time, for the financing of the Public Improvements as set forth herein.

O. It is the intent of the CAB Districts that the CAB shall enter into contracts to plan, design, construct, and acquire the Public Improvements.

P. The amount of any bonds issued by the CAB or any applicable CAB District will be based upon estimates of the capital costs of construction of portions of the Public Improvements

as they are and will be needed to complete the Development, plus reserve funds, capitalized interest, legal fees, and any other costs associated with the financing or refinancing of the bonds.

Q. The CAB Districts agree that the provision of services and the operation and maintenance of the Public Improvements by the CAB will be financed, primarily, by mill levies imposed by each of the CAB Districts for such purposes.

R. The CAB Districts desire to set forth their agreement regarding the implementation of guidelines and objectives set forth in the Service Plans for: (i) the financing, construction, and operation and maintenance of the Public Improvements; and (ii) the provision of services described in the Service Plans.

S. The CAB Districts acknowledge that AACMD entered into an Intergovernmental Agreement with the Board of County Commissioners of the County of Adams and the City of Aurora establishing the Aerotropolis Regional Transportation Authority dated February 27, 2018 (respectively, the "**ARTA Establishment Agreement**" and "**ARTA**", both as defined below).

T. Pursuant to the terms of the ARTA Establishment Agreement, ARTA has the responsibility to finance and construct the Regional Transportation System, as defined therein (the "**Regional Transportation System**", as also defined below).

U. ARTA has issued debt, and pursuant to the ARTA Establishment Agreement, ARTA will issue additional debt in the future to fund the Regional Transportation System.

V. AACMD has entered into that certain Intergovernmental Agreement Regarding Imposition, Collection and Transfer of ARI Mill Levies with ARTA dated May 22, 2019 ("**AACMD/ARTA ARI Mill Levy IGA**").

W. Pursuant to the terms of the AACMD/ARTA ARI Mill Levy IGA, AACMD has agreed: (i) to impose the ARI Mill Levy; (ii) to collect and remit the ARI Mill Levy Revenues, defined below, to ARTA; and (iii) to enter into intergovernmental agreements with the other CAB Districts to cause the other CAB Districts to impose the ARI Mill Levy and to collect and remit the ARI Mill Levy Revenues to ARTA (the "**CAB Districts ARI Mill Levy IGAs**").

X. The CAB Districts agree that the obligations of AACMD under the ARTA Establishment Agreement and the AACMD/ARTA ARI Mill Levy IGA, and the obligations of the CAB Districts under the CAB Districts ARI Mill Levy IGAs, shall remain the responsibility of AACMD and the other CAB Districts as set forth in such IGAs, and the CAB shall have no responsibility for the matters set forth therein unless specifically set forth in a written agreement between the CAB and AACMD and/or such CAB Districts, as applicable.

Y. The CAB Districts acknowledge that, prior to the organization of the CAB, AACMD coordinated the planning, design, and construction of the Public Improvements.

Z. The CAB Districts agree that: (i) the CAB shall enter into one or more agreements with AACMD pursuant to which AACMD will coordinate the planning, design, and construction

of certain of the Public Improvements; and (ii) that nothing in this CABEA is intended to limit the authority of AACMD or the CAB to enter into such agreements.

AA. The owner of certain real property within the Development has executed that certain Master Declaration of Covenants, Conditions and Restrictions for The Aurora Highlands, effective January 31, 2020, and recorded such document in the real property records of Adams County, Colorado on February 2, 2020, at reception number 2020000010483 (the "**TAH Master Declaration**"). The TAH Master Declaration initially encumbers certain real property located within District No.1, however, the TAH Master Declaration also contemplates that Supplemental Declarations (as such term is defined below) will add additional real property to the purview of the TAH Master Declaration after platting and prior to such additional real property being sold to a third party. Following the execution and recordation of a Supplemental Declaration, such real property shall thereafter be subject to the TAH Master Declaration, as amended from time to time, and shall be owned, held, conveyed, encumbered, leased, improved, used, occupied, enjoyed, sold, transferred, hypothecated, maintained, and altered in accordance with and subject to the covenants and use restrictions contained in the TAH Master Declaration.

BB. The TAH Master Declaration provides that the CAB shall enforce each of the provisions provided therein on behalf of AACMD, District No. 1, District No. 2, and District No. 3, and additional metropolitan districts, which may include ATEC No. 1 and ATEC No. 2.

CC. The TAH Master Declaration further provides for The Aurora Highlands design guidelines (the "**TAH Design Guidelines**" as defined below) and The Aurora Highlands rules and regulations for covenant enforcement (the "**TAH Covenant Enforcement Rules and Regulations**" as defined below) to be administered, and enforced by the CAB on behalf of the applicable CAB Districts.

DD. Each of the CAB Districts intends that the CAB shall be authorized to undertake covenant enforcement and design review services within the boundaries of the applicable CAB District to the extent that the real property within such boundaries is subject to the TAH Master Declaration, the TAH Design Guidelines, the TAH Covenant Enforcement Rules and Regulations, and such additional declarations imposing covenants, conditions and restrictions, design guidelines, and rules and regulations as may be adopted from time to time for non-residential development that provide for enforcement by the CAB on behalf of any or all of the CAB Districts (the "**TAH Covenants**"); provided, however, that any and all revenues used to furnish such covenant enforcement and design review services in accordance with the TAH Master Declaration, the TAH Design Guidelines, the TAH Covenants, and the TAH Covenant Enforcement Rules and Regulations must be derived from within the boundaries of the CAB District in which the services are furnished.

EE. To promote efficient administration and enforcement of the TAH Master Declaration, the TAH Design Guidelines, the TAH Covenants, and the TAH Covenant Enforcement Rules and Regulations, AACMD, District No. 1, District No. 2, District No. 3, ATEC No. 1 and ATEC No. 2 wish to expressly authorize the CAB to exercise their powers with respect to covenant enforcement and design review services (the "**TAH Covenant Enforcement Services**" as defined below).

FF. Contemporaneously herewith, AACMD, District No. 1, District No. 2, District No. 3, ATEC No. 1, and ATEC No. 2 have each adopted a resolution: (i) acknowledging its powers to enforce covenants pursuant to state statute and acknowledging its intention to provide for uniform enforcement of the covenants and the uniform provision of design review services; and (ii) authorizing the CAB to perform such covenant enforcement and design review services within their respective boundaries, in order to achieve such uniform enforcement of covenants and uniform provision of design review services.

GG. AACMD, District No. 1, District No. 2, District No. 3, ATEC No. 1, and ATEC No. 2 wish to further define the CAB's authority to administer and enforce the TAH Master Declaration, the TAH Design Guidelines, the TAH Covenants, and the TAH Covenant Enforcement Rules and Regulations for the real property within their boundaries, subject to the terms and conditions set forth in this CABEA.

NOW, THEREFORE, for and in consideration of the Recitals and the mutual covenants in this CABEA, the CAB Districts agree as follows:

ARTICLE I : GENERAL PROVISIONS

1.1 Interpretation. This CABEA shall be subject to the following rules of interpretation:

(a) The terms "herein", hereunder", "hereby", "hereto", "hereof", and any similar terms, refer to this CABEA as a whole, including all exhibits, addendums, and amendments, and not to any particular article, section, or subdivision of this CABEA unless otherwise specifically stated to the contrary.

(b) All definitions and terms shall include both the singular and the plural, and all capitalized words or terms shall have the definitions set forth in the Recitals and Section 2.1.

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

(d) The term "and" can mean "or" and the term "or" can mean "and" in any provision, article or section of this CABEA.

1.2 Effective Date and Term. This CABEA shall be effective as of the Effective Date and shall continue to be in full force and effect until all of the following have occurred: (a) each and every CAB District agrees to terminate this CABEA; (b) there is no outstanding Debt; and (c) all Public Improvements owned by the CAB, and all services performed by the CAB, have been assumed by another governmental entity.

1.3 Purpose and Scope of CABEA. As more specifically set forth in this CABEA, the primary purpose of the CABEA is to create The Aurora Highlands Community Authority Board which will: (a) facilitate the planning, design, acquisition, construction, installation,

relocation, redevelopment, financing, and operation and maintenance of the Public Improvements; and (b) provide certain services contemplated by the Service Plans of the CAB Districts on behalf of the CAB Districts, including covenant enforcement and design review services, to benefit the taxpayers, property owners, and residents in the Development. The Service Plans describe the individual CAB Districts and contemplate that the CAB Districts will provide services and Public Improvements to serve the Development. This CABEA will enhance the ability of the CAB Districts, through the CAB, to effectively coordinate the provision of, and financing of, the Public Improvements and services set forth in the Service Plans, and will further facilitate the build-out of the Development in accordance with the City's land use regulations and development standards. The CAB Districts intend to cooperate with one another and with the CAB to effectuate the financing of, and operation and maintenance of, the Public Improvements, and effectuate the provision of services, in a manner that is equitably allocated among the CAB Districts and the residents and taxpayers of the CAB Districts. The statements of intention set forth in this Section 1.3 are essential to the proper interpretation of this CABEA and are intended to clarify the general intent of specific provisions contained in this CABEA.

1.4 Addition of Members. Any metropolitan district organized pursuant to the Act may request to become a CAB District upon its organization, subject to: (a) obtaining the unanimous agreement of the CAB Board, (b) obtaining the unanimous consent of the requesting district's board of directors, and (c) requesting district's execution of this CABEA.

1.5 Inactive Status and Return to Active Status. The CAB Districts acknowledge that one or more of the CAB Districts may elect to become inactive pursuant to the Act, and may determine to remain inactive, in any one or more of the years that this CABEA is in effect.

1.6 Incorporation of Recitals. The Recitals set forth above are incorporated into the body of this Agreement by this reference.

ARTICLE II : DEFINITIONS

2.1 Definitions. As used in this CABEA, unless the context indicates otherwise, the words and terms defined below and capitalized throughout the text of this CABEA shall have the meanings set forth below.

(a) "**Act**" shall mean Title 32, Article 1, C.R.S., as the same may be amended from time to time.

(b) "**Actual Capital Costs**" shall mean those costs which are to be incurred by the CAB for the purpose of planning, designing, constructing, financing, and acquiring the Public Improvements, including, but not limited to, the following:

(i) All costs of labor and materials attributable to the actual construction or acquisition of the Public Improvements and all related components and materials used therein, and all other costs or fees due or paid under cost recovery agreements or due and paid under other agreements with the Developer or Third-Persons, together with all costs and fees incurred to obtain financing for the Public Improvements;

(ii) All costs attributable to the construction or acquisition of the Public Improvements and the Regional Transportation System or any part or component thereof incurred as a result of change orders approved in accordance with any construction contract;

(iii) All costs incurred for planning, design, engineering, construction, management, landscape architecture, engineering, soil testing and inspection, and line and systems testing and inspection attributable to the Public Improvements and the Regional Transportation System, including legal fees;

(iv) Site, permit, and right-of-way or easement acquisition costs, including legal fees;

(v) All bond costs, including, without limitation: (A) the principal and redemption price of, and interest and premium on, any Bonds, including any scheduled mandatory or cumulative sinking fund payments and any mandatory redemption or principal prepayment amounts as provided in the bond documents; (B) accumulation or replenishment of any reserves or surplus funds relating to the Debt; and (C) customary fees related to the issuance of the Debt (including, but not limited to, fees of a trustee, paying agent, rebate agent, and provider of liquidity or credit facility), fees related to remarketing the debt, and any reimbursement due to a provider of liquidity or credit facility securing any Debt;

(vi) All legal fees, management fees, bond issuance costs and fees, credit enhancement costs and fees, accounting fees, interest costs, and reserve funds incurred in connection with the financing, construction, or acquisition of the Public Improvements and the Regional Transportation System;

(vii) All costs for Bonds, insurance, construction administration, financial services, inspections, appraisals, and other professional fees;

(viii) Any other capital costs, expenses, or expenditures associated with the financing, construction, or acquisition of the Public Improvements and the Regional Transportation System; and

(ix) Reimbursement to the Developer for Developer Capital Advances to fund items in Section 2.1(b) (i)-(viii) above.

(c) "**Actual Operations and Maintenance Costs**" shall mean the costs incurred by the CAB to provide Operation and Maintenance Services for the Public Improvements and the Regional Transportation System and shall include the reimbursement to the Developer of the Developer Operating Advances.

(d) "**Alternate Board Member**" shall mean an alternate CAB Board Member, appointed from among a CAB District's Board of Directors and authorized to serve on the CAB Board in the event such CAB District's regular CAB Board Member is unable to attend a meeting or is no longer qualified to serve. Each CAB District appointing more than one Alternate Board Member shall establish an order according to which each such Alternate Board Member shall be authorized to serve on the CAB Board.

(e) "**ARI Mill Levy**" shall mean the ARI Mill Levy as defined in the Service Plans for each of the CAB Districts.

(f) **"ARI Mill Levy Revenues**" shall mean the revenue received by each CAB District from the imposition of the ARI Mill Levy.

(g) "**ARTA**" shall mean the Aerotropolis Regional Transportation Authority, a regional transportation district created and existing pursuant to Title 43, Article 4, Part 6, C.R.S., and any successor entity created to fulfill the purposes for which ARTA was established pursuant to the ARTA Establishment Agreement.

(h) "**ARTA Establishment Agreement**" shall mean the intergovernmental agreement between and among the Board of County Commissioners of the County of Adams, the City of Aurora, and the Aerotropolis Area Coordinating Metropolitan District establishing the Aerotropolis Regional Transportation Authority, dated February 27, 2018, which incorporates as Exhibit A thereto, the Regional Transportation System improvements, and any amendments thereto.

(i) "**Board**" or "**Boards**" shall mean the lawfully organized Board or Boards of Directors of the CAB District(s), as applicable.

(j) "**Board Meeting**" shall mean a regular or special meeting of the Board Members convened pursuant to Section 3.4(d) herein.

(k) "**Board Member**" shall mean a director of the CAB Board of Directors.

(l) "**Bonds**" shall mean bonds or other obligations for the payment of which the CAB Districts have promised to impose an *ad valorem* property tax mill levy and/or the CAB has promised to collect Development Fee revenue.

(m) "**Budget Year**" shall mean the year (immediately following the applicable Planning Year) during which the Actual Operations and Maintenances Costs and Actual Capital Costs are to be incurred.

(n) "**Bylaws**" shall mean any bylaws adopted by the CAB Board, as the same may be amended from time to time. In the absence of any bylaw(s) adopted by the CAB Board or addressing a particular circumstance or interpretation of bylaws adopted by the CAB Board, the CAB Board and any committees established by the CAB Board shall refer to *Robert's Rules of Order, (11th Edition 2018)*.

(o) "**CAB**" shall mean The Aurora Highlands Community Authority Board established pursuant to this CABEA.

(p) "**CAB Board**" shall mean the Board of Directors of the CAB.

(q) "**CAB Districts**" shall mean all districts formed and operating pursuant to Title 32, C.R.S., which agree to the terms and conditions set forth in this CABEA and which are unanimously accepted by the CAB Board as members of the CAB, including, initially: (i)

AACMD, (ii) District No. 1, (iii) District No. 2, (iv) District No. 3, (v) ATEC No. 1, and (vi) ATEC No. 2.

(r) "**CAB Manager**" shall mean a professional manager or management company, hired by the CAB Board, who is experienced and knowledgeable in the management of authorities or local governments.

(s) "**CABEA**" shall mean this Community Authority Board Establishment Agreement and any exhibits, addendums, and amendments hereto made in accordance herewith.

(t) "**Capital Repair and Replacement Costs**" shall mean those costs related to the non-routine repair and replacement of the Public Improvements, as a part of the Actual Operations and Maintenance Costs, which shall be set forth in the Final Budget.

(u) "**City**" shall mean the City of Aurora, Colorado.

(v) "**Construction**" shall include, but not be limited to, construction, expansion, acquisition, capital maintenance, repair, and replacement of the Public Improvements.

(w) "**Construction Schedule**" shall mean the schedule showing the Public Improvements planned for Construction to commence during the Budget Year.

(x) "**County**" shall mean Adams County, Colorado.

(y) "**Covenant Enforcement Rules and Regulations**" shall mean the TAH Covenant Enforcement Rules and Regulations.

(z) "**Covenant Enforcement Services**" shall mean the TAH Covenant Enforcement Services.

(aa) "**C.R.S.**" shall mean the Colorado Revised Statutes as such statutes are amended from time to time. In the event of a repeal of a statute cited herein, the procedure contained in the statute immediately prior to repeal shall apply; provided, however, that if such repealed statute is replaced by another statute, then the new statute shall apply.

(bb) "**Debt**" shall mean: (i) any Bonds, promissory notes, agreements, instruments, or other obligations issued or incurred by the CAB, and payable from the *ad valorem* property taxes of the CAB Districts and other revenues of the CAB Districts, including, but not limited to, Fees, rates, tolls, and charges; or (ii) any other multiple fiscal year financial obligation whatsoever, the payment for which any of the CAB Districts has promised to impose an *ad valorem* property tax mill levy, but excluding any ARI Mill Levy or ARI Mill Levy Revenue.

(cc) "**Declaration**" shall mean the TAH Master Declaration, including any Supplemental Declaration created thereunder.

(dd) "**Design Guidelines**" shall mean the TAH Design Guidelines, as the same may be amended or supplemented from time to time.

(ee) "**Developer**" shall mean Aurora Highlands, LLC, a Nevada limited liability company, or its designated successors and permitted assigns.

(ff) "**Developer Advances**" shall mean, collectively, the Developer Capital Advances and the Developer Operating Advances.

(gg) "**Developer Capital Advances**" shall mean funds advanced by the Developer for payment of Actual Capital Costs, including the amounts previously advanced by the Developer for this purpose.

(hh) "**Developer Operating Advances**" shall mean funds advanced by the Developer for payment of Actual Operations and Maintenance Costs, including the amounts previously advanced by the Developer for this purpose.

(ii) "**Development**" or "Property" shall mean the approximately 3,920-acre development known as The Aurora Highlands and the Aurora Technology and Energy Center, located in the City of Aurora, County of Adams, State of Colorado, which is anticipated to be developed with single family and multi-family homes, commercial, retail, industrial, and other amenities, reaching an estimated population of approximately 41,823 people at full build-out.

(jj) "**Development Fees**" shall mean fees imposed by vote of the CAB, and memorialized in a writing recorded in the real property records of the County, for financing Actual Capital Costs, and such fees shall be required to be paid to the CAB prior to the issuance of a building permit.

(kk) "**District Administrative Costs**" shall mean the costs incurred by the CAB Districts directly related to administrative functions of each applicable CAB District, including, but not limited to, costs related to accounting, financing, audit, insurance, management, and legal services.

(ll) "**Effective Date**" shall mean April 16, 2020.

(mm) "**Event of Default**" shall mean any one or more of the events or the existence of one or more of the conditions set forth in Article XII hereof.

(nn) "**Expanded Notice**" shall mean, in addition to notice being posted as required by the Act, notification being provided by one of the following methods: (i) publication in a newspaper circulated within the City; (ii) an insert with a billing statement; or (iii) email or comparable then-current technology to all property owners. To constitute an Expanded Notice, publication must be made by one of the foregoing methods no less than thirty (30) days prior to the date of the meeting at which consideration of a final decision on the matter will be considered, and not more than sixty (60) days before the date of such meeting. Such Expanded Notice shall include contact information for the CAB and the CAB Districts where additional information may be obtained.

(oo) "**Fee**" shall mean, collectively, (i) any type of charge to any portion of the Service Area for any services or facilities provided by or through the CAB, (ii) any fees imposed

by the CAB for the Design Review Committee or Enforcement Committee services, or (iii) any other community-wide services or facilities provided by or through the CAB.

(pp) "**Final Budget**" shall mean the final budget in any year, and as may be amended within the fiscal year, as established and approved by the CAB following public hearings, for the payment of projected Actual Operations and Maintenance Costs and Actual Capital Costs.

(qq) "**Fine**" shall mean any monetary penalty imposed by the CAB due to a violation of the TAH Covenant Enforcement Rules and Regulations by such owner or resident of the subject real property.

(rr) "**Funding Account**" shall mean the account owned, established, and managed by the CAB.

(ss) "**Long Term Capital Improvement Plan**" shall mean that certain Long Term Capital Improvement Plan adopted by the CAB Board, and amended from time to time, for design and construction of the Public Improvements to serve the Service Area.

(tt) "**Multiple-Fiscal Year Financial Obligation**" shall mean the obligation of the CAB Districts evidenced hereunder, whereby the CAB Districts covenant to pay their respective shares of the Actual Operations and Maintenance Costs and their respective shares of the Actual Capital Costs.

(uu) "**Operations and Maintenances Services**" shall mean those costs incurred in the administration of the CAB, including, but not limited to: (i) the cost of assuring compliance with this CABEA and all applicable statutory and regulatory provisions; (ii) the costs of administering the Funding Account; and (iii) those tasks, services, and functions performed by or on behalf of the CAB, or provided to the CAB, which are necessary or appropriate in order to operate, maintain, repair, and replace the Public Improvements, generally including, without limitation, costs of labor and materials, management, legal, financing, accounting, construction and other professional services, insurance, bonds, permits, licenses, and other governmental approvals.

(vv) "**PIF Revenue**" (*definition reserved for future use*).

(ww) "**PILOT**" shall mean any covenant recorded against the Development or a portion of the Development requiring a payment in lieu of taxes if real or personal property within the Development is not subject to *ad valorem* property taxation.

(xx) "**Planning Year**" shall mean the year immediately preceding the corresponding Budget Year.

(yy) "**Plans**" shall mean the plans, documents, drawings, and other specifications prepared by or for the CAB for the Construction of any Public Improvements.

(zz) "**Present**" or "**Present at the Meeting**" shall mean either being physically present at a Board Meeting or attending a Board Meeting via phone or some other electronic device.

(aaa) "**Public Improvements**" shall mean those improvements and facilities to be financed and constructed as authorized under the Service Plans necessary for the completion of the Development, which shall include the Regional Transportation System.

(bbb) "**Regional Transportation System**" shall mean the regional transportation infrastructure projects identified on Exhibit A of the ARTA Establishment Agreement, as may be amended from time to time.

(ccc) "**Rules and Regulations**" shall mean those rules and regulations established by the CAB Board governing the operation and use of the Public Improvements, as the same may be amended from time to time.

(ddd) "**Service Area**" shall mean Service Area as defined in Section 3.2.

(eee) "**Service Plans**" shall mean the Service Plans, as amended or restated from time to time, for each CAB District, which were approved or will be approved by the appropriate jurisdiction and which include, initially, the following:

(i) The First Amended and Restated Service Plan for the Aerotropolis Area Coordinating Metropolitan District approved October 16, 2017;

(ii) The Consolidated First Amended and Restated Service Plan for The Aurora Highlands Metropolitan District Nos. 1 – 3 approved October 16, 2017; and

(iii) The Service Plan for ATEC Metropolitan District Nos. 1 and 2 approved August 6, 2018.

(fff) "**Specific Ownership Tax Revenues**" shall mean the specific ownership taxes remitted to the CAB Districts pursuant to Section 42-3-107, C.R.S., or any successor statute, as a result of the CAB Districts' imposition of their respective mill levies.

(ggg) "**State**" shall mean the State of Colorado.

(hhh) "**Supplemental Declaration**" shall have the same meaning given to such term in the TAH Master Declaration.

(iii) "**TAH Covenant Enforcement Rules and Regulations**" shall mean the Rules and Regulations for Covenant Enforcement adopted by the CAB and as may be amended from time to time, for the Property within the boundaries of AACMD, District No. 1, District No. 2, District No. 3, ATEC No. 1, and ATEC No. 2.

(jjj) "**TAH Covenant Enforcement Services**" shall mean the covenant enforcement and design review services to be exercised by the CAB, TAH Design Review Committee, TAH Covenant Enforcement Committee, or such designee of the CAB as may

enforce any portion of the TAH Master Declaration or the TAH Covenants on behalf of the CAB Districts.

(kkk) "**TAH Master Declaration**" shall that certain Master Declaration of Covenants, Conditions and Restrictions for The Aurora Highlands, effective January 31, 2020, recorded in the real property records of Adams County, Colorado on February 2, 2020, at reception number 2020000010483, as the same may be amended from time to time, together with any Supplemental Declaration thereto.

(lll) "**TAH Design Guidelines**" shall mean the Design Guidelines adopted pursuant to the TAH Master Declaration, as may be amended from time to time, that apply to the Property that is subject to the TAH Master Declaration.

(mmm)"**Terminating District**" shall mean any CAB District that opts to terminate the Covenant Enforcement Services of the CAB and enforce the terms and conditions of the applicable Declaration, Design Guidelines, and Covenant Enforcement Rules and Regulations within its own territory.

(nnn) "**Third-Persons**" shall mean any individual, corporation, joint venture, estate, limited liability company, trust, partnership, association, or other legal entity, including governmental entities other than the CAB Districts, the Developer, and the CAB.

(ooo) "**Transition Period**" shall mean the period of transition from Covenant Enforcement Services to enforcement of the applicable Declaration, Design Guidelines, and Covenant Enforcement Rules and Regulations by the Terminating District within its own territory as provided in Section 9.9 herein.

ARTICLE III : ESTABLISHMENT OF AUTHORITY

3.1 Establishment of Authority. The Aurora Highlands Community Authority Board is organized as a separate legal entity to be a political subdivision and public corporation of the State of Colorado pursuant to the powers set forth in Article XIV of the Colorado Constitution and in conformity with the provisions of Sections 29-1-203 and 203.5, C.R.S.

3.2 Service Area. The Service Area of the CAB shall consist of the combined service areas of the CAB Districts, as the same may change from time to time.

3.3 Purpose. As further described in section 1.3, above, the primary purpose of the CAB is to effectuate the development of the Public Improvements, and provide certain services, for the benefit of the CAB Districts, the residents, taxpayers, and property owners, including the Developer. By the establishment of the CAB, the CAB Districts will be able to achieve efficiencies in coordinating the designing, planning, construction, acquisition, financing, operating, and maintaining of the Public Improvements. It is the intent that the CAB will provide for residents and property owners the opportunity to participate in the Development through representation on the CAB, ultimately transitioning from construction and development needs to operations and maintenance of all the Public Improvements when the Development is complete.

3.4 Governing. The CAB shall be governed and directed by the CAB, according to the following:

(a) Appointment of Board Members by CAB Districts. Contemporaneously herewith, and pursuant to Section 32-1-902.5, C.R.S., AACMD has filed a motion with the Adams County District Court requesting an increase in the number of members on the AACMD Board of Directors from five (5) to seven (7), however, AACMD may initially appoint up to five (5) Board Members to the CAB Board. AACMD shall not appoint more Board Members to the CAB Board than are qualified to serve on the AACMD Board of Directors. Each of District No. 1, District No. 2, District No. 3, ATEC No. 1, and ATEC No. 2 may appoint one (1) Board Member to the CAB Board.

(i) Eligibility to Serve as a Board Member. To be eligible to be appointed as a Board Member the candidate must be currently serving on the CAB District Board that he or she is being appointed to represent.

(ii) Alternate Board Members. Each CAB District may appoint from among its Board of Directors one or more Alternate Board Members to serve as an Alternate Board Member in the event such CAB District's appointed Board Member is unable to attend a CAB meeting or is no longer qualified to serve.

(1) Each CAB District shall provide the CAB with written documentation evidencing the appointment of its appointed Board Member and any designated Alternate Board Members, and the order in which each Alternate Board Member is authorized to serve as Alternate Board Member in the event of absence of the appointed Board Member.

(iii) Vacancies. In the event of a vacancy on the CAB Board, whether by expiration of term, resignation, by virtue of the fact that the Board Member is no longer qualified to serve on the applicable CAB District's Board, or for any other reason, the applicable CAB District shall appoint a successor Board Member within thirty (30) days following such vacancy.

(iv) Contact Notice. Each CAB District shall provide the CAB with written notice of the appointment and the name and contact information for each Board Member and Alternate Board Members appointed.

(v) New Cab Districts. If at any time following the Effective Date, a special district is added as a new CAB District hereunder (each a "**New CAB District**"), such New CAB District may appoint one (1) Board Member to the CAB Board (each a "**New CAB Board Member**"), in accordance with the process described above. AACMD may appoint one additional Board Member to the CAB Board for each New CAB Board Member, provided that, regardless of the eligibility requirements detailed in Section 3.4(a)(i), above, at such time as the CAB Board is comprised of seven (7) AACMD-appointed Board Members, any additional AACMD-appointed Board member shall be an "eligible elector" of AACMD as such term is defined in Section 32-1-103, *et seq.*, C.R.S.

(b) Term. Each Board Member's term on the CAB Board shall be coincident with his or her term on the CAB District Board from which he or she has been appointed. In the event a Board Member appointed by AACMD under Section 3.4(a)(v) is an "eligible elector" of AACMD and not a member of the AACMD Board, the term of such Board Member shall expire at the next regular election of AACMD following appointment. There shall be no limit on the number of terms a Board Member may serve on the CAB Board.

(c) Compensation. Board Members may receive compensation from the CAB for their service as a Board Member in a manner similar to directors of special districts under the Act. The CAB Board shall adopt a resolution implementing this provision before any compensation is paid to any Board Member.

(d) Meetings.

(i) Regular meetings of the CAB Board shall be held at such place, on such date, and at such time as the CAB Board shall, by resolution or motion, establish from time to time, and in accordance with the requirements for special districts under the Act.

(ii) At least two (2) meetings of the CAB Board shall be held annually.

(iii) Special meetings of the CAB Board may be held at such place, on such day, and at such hour as the CAB Board may determine.

(iv) Notices of all meetings shall be the same as meetings for special districts under the Act, except for those matters requiring Expanded Notice as more fully set forth in this CABEA.

(v) Action of the CAB Board shall be taken at a duly noticed regular or special meeting; provided, however, that after the closing on the first sale of a residential unit by a homebuilder to an end user, the following items shall require approval of the CAB after provision of Expanded Notice and discussion at a minimum of two (2) public meetings prior to approval (approval may be at the second meeting, except for any bona-fide emergency action):

(1) Adoption of the Final Budget; and

(2) Issuance of Bonds.

3.5 Quorum. A Quorum is established by a majority of the Board Members being Present at a Board Meeting, which shall mean being either physically present at a Board Meeting or attending a Board Meeting via phone or by some other electronic device ("Present" or "Present at a Meeting"). If less than a majority of the Board Members then in office is Present at a Meeting, a majority of the Board Members Present shall constitute a quorum for the Meeting. If no Board Members are Present, the Secretary or other officer may continue the Meeting to a different time and place, and in such case the Secretary shall notify absent Board Members of the time and place of such continued Meeting.

(a) Voting Process.

(i) Each serving Board Member or Alternate Board Member (if applicable) shall have one (1) vote; provided however, if the same person is appointed by multiple CAB Districts to serve as Board Member or Alternate Board Member, that person shall only have one (1) vote as a Board Member.

(ii) Each serving Board Member shall vote according to the policy established by the CAB District that the Board Member is representing.

(iii) Voting by proxy is prohibited.

(iv) In the event a vacancy is not filled as described in herein, that Board Member's vote, which was caused by such vacancy, shall be waived on any matter coming before the CAB Board and the related voting requirement, if any, shall be reduced, until such time as the vacancy is filled.

(b) Payments in Lieu of Taxes. Notwithstanding any provision to the contrary contained in this CABEA, any matter involving the collection, retention, or use of PILOTs shall be voted on and decided only by Board Members appointed from AACMD, until such time as the AACMD and the CAB enter into a written agreement providing otherwise; provided, however, that any PILOT revenues pledged by the CAB Districts to the CAB pursuant to a pledge agreement or pledge agreements shall be collected by the CAB and applied as set forth under such pledge agreements to the repayment of the obligations secured under the pledge agreements.

(c) Conflict Disclosures. All Board Members shall disclose conflicts of interest as required of officers or board members of special districts in accordance with Colorado law, as the same may be amended from time to time.

(d) Oath. Each Board Member shall take an oath of office substantially as required of directors of special districts under the Act.

(e) Officers. The officers of the CAB shall be a President, Vice-President, Secretary, Treasurer, and Assistant Secretary (individually, an "**Officer**", and collectively, the "**Officers**"). In addition to the duties designated by the CAB Board, the duties of the Officers shall include:

(i) The President shall preside at all meetings of the CAB Board and, except as otherwise delegated by the CAB Board or provided in this CABEA, shall execute all legal instruments of the CAB.

(ii) The Vice-President shall, in the absence of the President, or in the event of the President's conflict or inability or refusal to act, perform the duties of the President and where so acting shall have all the powers of and be subject to all restrictions upon the President.

(iii) The Secretary shall maintain the official records of the CAB, including the minutes of meetings of the CAB Board, and a register of the names and addresses of the CAB Districts, Board Members, Alternate Board Members, and Officers, and shall issue notice of meetings, attest and affix the corporate seal, as applicable, to all documents of the CAB, and perform such other duties as the CAB Board may prescribe from time to time. The Secretary need not be a CAB Board Member.

(iv) The Treasurer shall serve as financial officer of the CAB.

3.6 Powers. In general, the CAB shall have the power to exercise all powers which are now or may in the future be conferred by law upon a political subdivision and public corporation organized pursuant to Sections 29-1-203 and 29-1-203.5, C.R.S., or which are essential to the provision of its functions, services, and facilities, subject to such limitations as are or may be prescribed by law or in this CABEA. In accordance with Subsection 29-1-203.5(2)(a), C.R.S., the CAB is expressly authorized to exercise any general power of a special district specified in Part 10 of Article 1, Title 32, C.R.S., so long as each of the CAB Districts may lawfully exercise the power; provided, however, that pursuant to Subsection 29-1-203.5(2)(b), C.R.S., the CAB may not levy a tax or exercise a power of eminent domain. The CAB is further authorized to exercise the powers established in Subsection 29-1-203.5(3), C.R.S. To the extent permitted by law and subject to the limitations set forth in this CABEA, the powers and duties of the CAB Board, which shall be exercised by approval of a majority of the present and voting Board Members, unless otherwise specified in this CABEA, include, without limitation, the following:

(a) To establish such Bylaws, rules, regulations, procedures, and policies as may be reasonably necessary for the administration of the CAB and to provide access to and use of the Public Improvements.

(b) To plan, design, acquire, construct, install, relocate and/or redevelop, and finance the Public Improvements according to the procedures set forth in this CABEA.

(c) To own, operate, and manage the Public Improvements as set forth in this CABEA, and to cooperate with other governmental entities with respect to the Public Improvements.

(d) To collect from the CAB Districts and administer revenues for all such purposes in this CABEA, subject to the terms of this CABEA and limitations of law.

(e) To determine the Actual Operations and Maintenance Costs and Final Budget for the Public Improvements and the mill levy required to be imposed by each CAB District.

(f) To determine the Actual Capital Costs and Final Budget for the Public Improvements, the mill levy required to be imposed by each CAB District, and the anticipated revenues generated from the CAB Districts pursuant to the pledge set forth below.

(g) To acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of (subject to the limitations set forth in this CABEA) any legal or equitable interest in real or personal property utilized for the authorized purposes of the CAB.

(h) To conduct the business and affairs of the CAB in the best interests of, and for the benefit of, the CAB Districts and their inhabitants.

(i) To enter into, make, and perform contracts of every kind with the CAB Districts, including the agreements attached to this CABEA, the United States, any state or political subdivision thereof, or any county, city, town, municipality, city and county, any special district formed pursuant to Title 32, C.R.S., or any predecessor thereof, authority, or any person or individual, firm, association, partnership, corporation, or any other organization of any kind with the capacity to contract, for any of the purposes contemplated under this CABEA.

(j) To set Fees, rates, tolls, and charges.

(k) To employ agents and employees, and engage accountants, attorneys, managers, engineers, and other consultants, and to appoint officers of the CAB.

(l) To sue and be sued in the name of the CAB.

(m) To have and use a corporate seal.

(n) To report to the CAB Districts on the progress of plans for and development of the Public Improvements as set forth in the Long Term Capital Improvements Plan.

(o) To keep minutes of the CAB Board's meetings.

(p) To ensure compliance with all Colorado statutes that apply to the CAB, including the provisions of Parts 1 (Local Government Budget Law of Colorado), 5 (Local Government Uniform Accounting Law), and 6 (Local Government Audit Law) of Article 1, Title 29, C.R.S.

ARTICLE IV : ADMINISTRATIVE SERVICES

4.1 Administrative Services. The CAB or its designee shall perform the following administrative services for each CAB District (the "**Administrative Services**"):

(a) Serving as the "official custodian" and repository for the CAB Districts' records and files, and providing incidental office supplies and photocopying, and meeting and reception services.

(b) Coordination of all Board meetings, to include:

(i) Preparation and distribution of agenda and information packets;

(ii) Preparation and distribution of meeting minutes;

(iii) Attendance at Board meetings;

(iv) Preparation, filing, and posting of legal notices required in conjunction with the meeting; and

(v) Other details incidental to meeting preparation and follow-up.

(c) Ongoing maintenance of an accessible, secure, organized, and complete filing system for the CAB Districts' official records.

(d) Monthly preparation of checks and coordination of postings.

(e) Periodic coordination for financial report preparation and review of financial reports.

(f) Insurance administration, including evaluating risks, comparing coverage, processing claims, completing applications, monitoring expiration dates, processing routine written and telephone correspondence, etc., and confirming that all contractors and subcontractors maintain required coverage for the CAB's and the applicable CAB District's benefit.

(g) Election administration, including preparation of election materials, publications, legal notices, pleadings, conducting training sessions for election judges, and generally assisting in conducting elections.

(h) Budget preparation, including preparation of proposed budgets, preparation of required and necessary publications, legal notices, resolutions, certifications, notifications, and correspondence associated with the adoption of the annual budget and certification of the tax levies.

(i) Response to inquiries, questions, and requests for information from the applicable CAB District's property owners, residents, and Third-Persons.

(j) Drafting proposals, bidding, contract and construction administration, and supervision of contractors.

(k) Analysis of financial condition and alternative financial strategies, and supervision of contractors.

(l) Oversee investment of each CAB District's funds based on investment policies established by the CAB Districts' Boards in accordance with State and federal law.

(m) Provide liaison services and coordination with other governments.

(n) Coordinate activities and provide information as requested to external auditors engaged by the CAB Districts' Boards.

(o) Coordinate legal, accounting, engineering, financing, and other professional services for the CAB Districts.

(p) Perform other services with respect to the operation and management of each CAB District as requested by the applicable CAB District's Board.

In addition to these services, when other services are, in the professional opinion of the CAB, necessary, the CAB may, with the approval of a CAB District, provide professional services to such CAB District in lieu of retaining consultants or contractors to provide those services. Without limiting the foregoing provisions of this 4.1, each CAB District may elect, at its own cost, to retain its own legal counsel and/or accounting services (each, a "**Professional Service Provider**"). In addition to providing their respective legal and accounting services, such Professional Service Provider may also assist and/or advise such CAB District as it relates to the Administrative Services provided to such CAB District by the CAB. The CAB Districts do not intend for a CAB District to pay duplicative costs for such legal and/or accounting services. Therefore, reasonable costs incurred by a CAB District for legal and/or accounting services provided by a Professional Service Provider that are similar in scope and cost to, and not in excess of, such CAB District's share of legal and/or accounting services set forth in the Final Budget shall be deducted from amounts that would otherwise be payable to the CAB for legal and/or accounting services. If such CAB District engages a Professional Service Provider for legal and/or accounting services that are not similar in scope and cost to (or are in excess of) such CAB District's share of legal and/or accounting services set forth in the Final Budget, the costs for such Professional Service Provider(s) shall be borne solely by such CAB District.

ARTICLE V : FINANCING OF PUBLIC IMPROVEMENTS AND THE REGIONAL TRANSPORTATION SYSTEM

5.1 Electoral Approval. Each of the CAB Districts has authorized, through the affirmative vote of the their respective voting electors, the issuance of debt, fiscal year spending, Multiple-Fiscal Year Financial Obligations, revenue collections, and other constitutional matters requiring voter approval for purposes of this CABEA, as well as the Construction of the Public Improvements, in accordance with law and pursuant to due notice.

5.2 Bond Issuance, Debt, or Multiple-Fiscal Year Financial Obligation Incurrence. Each CAB District shall use its best efforts to meet its funding obligations under this CABEA through the imposition of mill levies and the imposition and collection of Development Fees, for payment on the CAB's Bonds. With regard to the financing of the Actual Capital Costs of the Public Improvements as determined by the CAB and required for the phasing and build-out of the Development, the CAB Districts agree that the CAB shall issue Bonds. Other than the obligations of the CAB Districts under this CABEA, the AACMD/ARTA ARI Mill Levy IGA, the CAB Districts ARI Mill Levy IGAs, and the Pledge Agreements contemplated by this CABEA, the CAB Districts shall not issue any Bonds or contractually commit to any multiple fiscal year obligations. The CAB Districts acknowledge that from time to time, the Developer will advance funds to the CAB to ensure that the CAB has sufficient funds to meet the CAB's Actual Operation and Maintenance Costs. The CAB is authorized to enter into service, funding and reimbursement agreements with the Developer, on behalf of all the CAB Districts, for

repayment of such obligations in reliance on the CAB Districts' pledge of revenues to the CAB as set forth in this CABEA.

5.3 Financial Obligations. The CAB shall have the authority to issue Bonds, notes, or other financial obligations payable solely from: (a) revenue derived from one or more of the functions, services, systems, or facilities of the CAB; (b) from money received under contracts entered into by the CAB; or (c) from other available money of the CAB. The terms, conditions, and details of Bonds, notes, or other financial obligations including related procedures and refunding conditions, must be set forth in the resolution of the CAB authorizing the Bonds, notes, or other financial obligations (pursuant to which resolution the CAB may elect to apply the terms of the Title 11, Article 57, Part 2, C.R.S., as amended to such Bonds, notes or other financial obligations) and must, to the extent practical, be substantially the same as those provided in Part 4 of Article 35, Title 31, C.R.S., relating to water and sewer revenue bonds; except that the purposes for which the same may be issued are not limited to the financing of water or sewage facilities. Bonds, notes, or other financial obligations issued under this Section are not an indebtedness of the CAB or the cooperating or contracting parties within the meaning of any provision or limitation specified in the Colorado Constitution or statutes. Each Bond, note, or other financial obligation issued under this Section must recite in substance that it is payable solely from the revenues and other available funds of the CAB pledged for the payment thereof, and that it is not a debt of the CAB or the cooperating or contracting parties within the meaning of any provision or limitation specified in the Colorado Constitution or statutes. Notwithstanding anything in this Section to the contrary, Bonds, notes, and other obligations may be issued to mature at such times not beyond forty (40) years from their respective issue dates, shall bear interest at such rates, and shall be sold at, above, or below the principal amount thereof, at a public or private sale, all as determined by the CAB Board. Interest on any Bond, note, or other financial obligation issued under this Section is exempt from taxation except as otherwise may be provided by law. The resolution, trust indenture, or other security agreement under which Bonds, notes, or other financial obligations are issued is a contract with the holders thereof and may contain such provisions as the CAB Board determines to be appropriate and necessary in connection with the issuance thereof and to provide security for the payment thereof, including, without limitation, any mortgage or other security interest in revenue, money, rights, or property of the CAB. The provisions of this Section shall apply to any Bonds issued by the CAB.

(a) The proceeds of any Bonds, the interest on which is intended to be excludable from gross income of the bondholders thereof for federal income tax purposes, shall be used solely to finance items that will not adversely affect the exclusion of such interest from such gross income.

(b) The CAB Districts acknowledge that the CAB may enter into pledge agreements with one or more CAB Districts, pursuant to which such CAB District(s) will be obligated to impose *ad valorem* property taxes for the payment of obligations issued by the CAB to fund Actual Capital Costs of Public Improvements. Notwithstanding any other provision contained in this CABEA, for so long as there remains in effect between the CAB and any CAB District such a pledge agreement, the provisions of such pledge agreement shall supersede every financial obligation of such CAB District under this CABEA with respect to the funding of

Actual Costs of Public Improvements. Any provisions of this CABEA purporting to require such CAB District to impose *ad valorem* property taxes, collect Development Fees, or otherwise pay moneys to the CAB to fund Actual Capital Costs of Public Improvements shall be of no force and effect during the term of such pledge agreement by the terms of the pledge agreement, and the application of any moneys to be imposed, collected, or received by the CAB District under such pledge agreement for the purpose of funding Actual Capital Costs of Public Improvements shall be governed solely by the terms of such pledge agreement.

(c) The CAB Districts acknowledge that the CAB may enter into pledge agreements with one or more CAB Districts, pursuant to which such CAB District(s) will be obligated to impose *ad valorem* property taxes for the payment of the cost of Operations and Maintenance Services and to fund obligations issued by the CAB to reimburse Developer advances to fund the cost of Operations and Maintenance Services. Notwithstanding any other provision contained in this CABEA, for so long as there remains in effect between the CAB and any CAB District such a pledge agreement, the provisions of such pledge agreement shall supersede every financial obligation of such CAB District under this CABEA with respect to the funding of Operations and Maintenance Services and the repayment of Developer advances to fund the cost of Operations and Maintenance Services. Any provisions of this CABEA purporting to require such CAB District to impose *ad valorem* property taxes, collect Fees, or otherwise pay moneys to the CAB to fund Operations and Maintenance Services shall be of no force and effect during the term of such pledge agreement by the terms of the pledge agreement, and the application of any moneys to be imposed, collected, or received by the CAB District under such pledge agreement for the purpose of funding the cost of Operations and Maintenance Service shall be governed solely by the terms of such pledge agreement.

5.4 Funding Account.

(a) Prior to or upon the execution of this CABEA, the CAB will establish the Funding Account.

(b) All revenue received by the CAB Districts (exclusive of any revenue received from the imposition of an ARI Mill Levy imposed pursuant to the AACMD/ARTA ARI Mill Levy IGA or the CAB Districts ARI Mill Levy IGAs) will be transferred on a monthly basis to the CAB for deposit in the Funding Account and application in accordance with the Final Budget for the Budget Year. Notwithstanding the foregoing, if any Bond document or any pledge agreement with respect to any outstanding obligations of any CAB District requires revenue to be deposited directly with a bond trustee or other Third-Person, the applicable CAB District(s) shall be entitled to make such payments, and the failure to deposit such funds into the Funding Account shall not be considered a default under this CABEA. The CAB District(s) making such deposits shall provide the remaining CAB Districts with appropriate supporting documentation evidencing that such deposits are being made in a timely manner.

(c) The CAB shall, pursuant to each CAB District's respective Final Budget, deposit the required portion of revenues from Development Fees, revenue Bond proceeds, and any other revenues received from other sources, including Developer Capital Advances, into the Funding Account.

(d) Each CAB District acknowledges that the CAB may borrow funds for deposit into the Funding Account in reliance on each CAB District's covenants to comply with the requirements of this CABEA.

5.5 Disbursement of Funds. The CAB shall have the sole authority to withdraw moneys from the Funding Account for use in the payment of Actual Capital Costs and Actual Operations and Maintenance Costs as specified by the Final Budget for the CAB. Such funds, together with any interest thereon, shall be used only to pay Actual Capital Costs and Actual Operations and Maintenance Costs incurred by the CAB. The CAB shall provide each CAB District with an annual audit reflecting funds withdrawn and payments made from the Funding Account.

5.6 Interest on Bonds. With respect to the CAB Bonds, the CAB Districts covenants they will not take any action or omit to take any action, if such action or omission would cause the interest on such Bonds to lose any of the following applicable exclusion(s):

(a) exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "**Tax Code**");

(b) exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except to the extent such interest is required to be included in the adjusted current earnings adjustments applicable to corporations under Section 56 of the Tax Code in calculating corporate alternative minimum taxable income; or

(c) exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present State law.

Without limiting the generality of the foregoing, the CAB shall maintain such records regarding the investment of the proceeds of any Bonds that are issued by either the CAB to fulfill any rebate obligations pursuant to Section 148 of the Tax Code. The foregoing covenant shall remain in full force and effect, notwithstanding the payment in full or defeasance of the Bonds, until the date on which all obligations of the CAB in fulfilling the above covenant under the Tax Code and State law have been met.

5.7 Pledge of Payment. The CAB Districts acknowledge that the CAB will determine the Actual Capital Costs and the Actual Operations and Maintenance Costs and will determine the mill levy that, if imposed by all CAB Districts and together with projected Fee revenue, would be sufficient to pay such Actual Capital Costs and Actual Operations and Maintenance Costs. The CAB Districts further agree to impose such mill levies as are determined by the CAB to be sufficient, together with projected Fee revenue, to pay Actual Capital Costs and Actual Operations and Maintenance Costs. The financial obligations of the CAB Districts to remit CAB District revenues to the CAB to fund the Actual Capital Costs and Actual Operations and Maintenance Costs under this CABEA shall be Multiple-Fiscal Year Financial Obligations of each CAB District, payable from ad valorem property taxes generated as a result of the certification by each CAB District of a debt service and operations mill levy and any revenue derived from Development Fees or other Fees, rates, tolls, or other charges of the CAB Districts. The full faith and credit of each CAB District, as limited by this CABEA, is hereby pledged to

the punctual payment of the amounts to be paid under this CABEA. Such amounts shall, to the extent necessary, be paid out of the general revenues of each CAB District or out of any funds available for that purpose.

For the purpose of raising such general revenues, and for the purpose of providing the necessary funds to make payments under this CABEA as the same become due, the Board of each CAB District shall annually determine, fix, and certify a rate of levy for *ad valorem* property taxes to the County, which when levied on all of the taxable property of such CAB District, shall raise direct *ad valorem* property tax revenues which, when added to other funds of the CAB District legally available therefor, will be sufficient to promptly and fully pay the amounts to be paid under this CABEA, as well as all other Multiple-Fiscal Year Financial Obligations or general obligation indebtedness of such CAB District, as the same become due. Except as limited in this CABEA, each CAB District covenants to levy such mills which are from time to time lawful, and as necessary, together with other moneys of the CAB District, to pay the amounts to be paid under this CABEA, along with all other general obligation indebtedness or Multiple-Fiscal Year Financial Obligations of the CAB District.

Notwithstanding anything to the contrary set forth in this CABEA, no CAB District shall be obligated to impose a mill levy in excess of what is allowable under its Service Plan.

5.8 Effectuation of Pledge; Appropriation; Regulatory Amendment. Except as limited by this CABEA, the amounts to be paid under this CABEA are hereby appropriated for that purpose, and such amounts shall be included in the annual budgets and the appropriation resolutions or measures to be adopted or passed by the board of directors of each CAB District in each year this CABEA remains in effect. The CAB shall direct the mill levy to be imposed each year by the CAB Districts. No provisions of any constitution, statute, resolution, or other measure enacted after the execution of this CABEA shall in any manner be construed as limiting or impairing the obligations of a CAB District to levy, administer, enforce, and collect the ad valorem property taxes and other revenues required for the payment of its obligations under this CABEA.

It shall be the duty of the Board of each CAB District annually, at the time and in the manner provided by law for the levying of such CAB District's taxes, to ratify and carry out the provisions of this CABEA regarding the levy and collection of the *ad valorem* property taxes specified under this CABEA, and to require the officers of the CAB District to cause the appropriate officials of the County, to levy, extend, and collect such taxes in the manner provided by law.

5.9 CAB Reliance; Funding Obligations Pending Dispute Resolution. The CAB Districts agree that their authority to modify this CABEA is limited so as to prohibit a repeal of the obligations set forth in this CABEA. The CAB Districts each agree, notwithstanding any fact, circumstance, dispute, or any other matter, that it will not take or fail to take any action which would delay a payment to the CAB or impair the CAB's ability to receive payment due under this CABEA. Each CAB District acknowledges that the CAB may issue revenue Bonds and the CAB may obtain financial commitments and security for its Bonds from Third-Persons, all of whom shall be relying on performance of the payment obligations of the CAB Districts under this CABEA. The purpose of this Section is to ensure that the CAB receives all payment

due under this CABEA in a timely manner so that the CAB may pay Actual Capital Costs and Actual Operations and Maintenance Costs. Notwithstanding that the bondholders are not in any manner third party beneficiaries of this CABEA, and do not have any rights in or rights to enforce or consent to amendment of this CABEA, each CAB District agrees that during the pendency of any litigation which may arise under this CABEA, all payments shall be made by such CAB District for the purpose of enabling the CAB to make payments on its Bonds. If a CAB District believes it has valid defenses, setoffs, counterclaims, or other claims, it shall make all payments to the CAB as described in this CABEA and seek to recover such payments by actions at law or in equity for damages or specific performance.

5.10 Parameters for Bond Issuance. Unless otherwise previously approved in writing by the City, all Bonds issued by any of the CAB Districts and/or the CAB shall be subject to the applicable provisions of the CAB Districts' Service Plans.

ARTICLE VI : CONSTRUCTION OF PUBLIC IMPROVEMENTS

6.1 Construction and Acquisition of Public Improvements.

(a) The CAB shall have the right and power to construct and acquire all Public Improvements set forth in the Long Term Capital Improvements Plan pursuant to a process and procedure set forth in the Bylaws, if any, and as provided in this CABEA.

(b) The CAB Districts acknowledge that the CAB may engage AACMD to provide services to the CAB in relation to the planning, design and construction of the Public Improvements from time to time, including but not limited to, the provision of project management services, and the terms and conditions of the provision of such services shall be as set forth in the agreements as approved and executed by the CAB and AACMD.

(c) The CAB Districts acknowledge that AACMD is a party to the ARTA Establishment Agreement and the AACMD/ARTA ARI Mill Levy IGA, and that the CAB Districts shall have responsibilities under the CAB Districts ARI Mill Levy IGAs.

(d) The CAB Districts agree that until a separate written agreement is entered into between the CAB and AACMD, the CAB shall have no responsibility for the matters that are the subject of the AACMD/ARTA ARI Mill Levy IGA and the CAB Districts ARI Mill Levy IGAs.

(i) The CAB Districts acknowledge the CAB and AACMD are under current discussions regarding an agreement pursuant to which the CAB shall be responsible for the operations and maintenance of certain parts of the Regional Transportation System, prior to acceptance by the appropriate jurisdiction for ownership and maintenance.

6.2 Diligence. If required by the Act or any agreement between the CAB and/or the CAB Districts and another governmental entity having jurisdiction, a contract for construction of approved Public Improvements shall be publicly bid and fully approved at a public meeting.

6.3 Public Improvements Process. Prior to the approval of a construction contract for approved Public Improvements:

(a) The CAB shall determine the operations and maintenance and repair and replacement costs associated with such Public Improvements for purposes of the impact on the operations and maintenance budget in the current and future years. The CAB Board shall schedule, phase, and configure the Public Improvements to adequately and economically provide for the needs of the CAB Districts' residents and property owners, and as development demands require.

(b) The CAB shall obtain all necessary governmental approvals, and exercise reasonable efforts to comply with Colorado and other applicable rules, laws, regulations, and orders.

(c) The CAB shall cause Construction of the Public Improvements to be commenced on a timely basis, subject to receipt of all necessary governmental approvals and the terms of this CABEA.

(d) The CAB shall make available during normal business hours to the CAB Districts copies of any and all Construction contracts and related documents concerning the Public Improvements, and shall deliver copies of such documents to any CAB District upon receipt of a written request. The CAB shall diligently and continuously prosecute to completion the Construction of the Public Improvements.

(e) The CAB Board shall have the authority to approve non-material changes or modifications to construction contracts, in accordance with any adopted CAB Board resolution, between CAB Board meetings and as necessary to diligently pursue Construction activities; provided, however, that any such change order shall be ratified at the next Board Meeting.

(f) In case of emergencies, the CAB Board may approve contracts which shall be ratified at the next CAB Board meeting, so long as it facilitates Construction of the Public Improvements within the Final Budget.

6.4 Governmental Requirements. The facility and service standards of the CAB shall be compatible with those of the City and such other governmental entities as may be applicable.

ARTICLE VII : OWNERSHIP AND DEDICATION OF PUBLIC IMPROVEMENTS; OPERATIONS AND MAINTENANCE SERVICES

7.1 Ownership of Public Improvements. The CAB shall own, operate, and maintain all Public Improvements unless and until any of such Public Improvements are dedicated to the City or another appropriate governmental entity for perpetual ownership and maintenance. The CAB Districts hereby transfer and assign to the CAB all interests in real estate contracts, and the CAB Districts agree to execute all deeds and other documents necessary to evidence this transfer and conveyance.

7.2 Transfer of Public Improvements. Except as may be required by law, the City, or any other jurisdiction that will be accepting the completed improvement for ownership, operations or maintenance, or under the Service Plans, the CAB shall not transfer Public Improvements to another entity without the express written consent of the CAB Districts' Boards.

7.3 Ownership of the Regional Transportation System. The CAB Districts acknowledge that AACMD may own, operate, or maintain certain of the Regional Transportation System during the applicable warranty period and before final transfer to the appropriate governing jurisdiction pursuant to one or more separate agreements between the CAB and AACMD.

(a) Following the applicable warranty period and pursuant to one or more separate agreements between the CAB and AACMD, the CAB shall assume ownership, operate, and maintain any Regional Transportation System improvement(s) constructed by AACMD and not transferred to a separate governing jurisdiction.

(b) The CAB shall not accept any Regional Transportation System improvement that is not constructed in accordance with applicable laws, rules, and regulations.

7.4 Operations and Maintenance Services. Within the constraints of the Final Budget and appropriations for such purposes, the CAB Board shall supervise and cause to be performed all Operation and Maintenance Services, regardless of location, including, but not limited to, the following:

(a) Draft proposals, bidding (if required by laws applying to special districts), contracts, and provide contract administration and supervision of service providers;

(b) Supervise and ensure contract compliance by all service providers, including the establishment and maintenance of preventive maintenance programs;

(c) Procure all inventory, parts, tools, equipment, and other supplies necessary to perform the services required;

(d) Retain service providers and professional services, to perform duties, including, but not limited to, the following:

(i) Operations and maintenance, including mosquito, weed, and animal control;

(ii) Cooperation with City, County, State, and federal authorities in providing such tests as are necessary to maintain compliance with appropriate governmental standards;

(iii) Permitting and supervision of the connection of utility lines to private developments;

(iv) Coordinate Construction with various utility companies to ensure minimum interference with CAB maintenance responsibilities and assets owned;

(v) Perform routine maintenance and repairs necessary to continue the efficient operation of assets;

(vi) Provide for the services of subcontractors necessary to maintain and continue the efficient operation of assets; and

(vii) Provide for emergency preparedness, consisting of a centralized telephone number maintained to provide adequate response to emergencies.

7.5 CAB Manager. The CAB may hire or engage a CAB Manager to assist in the implementation of the Operations and Maintenance Services.

(a) The Actual Operations and Maintenance Costs shall be determined during the budget process.

(b) The CAB shall make available to the CAB Districts copies of all service contracts.

(c) Any agreement governing a CAB Manager's contractual relationship with respect to Bond financed Public Improvements shall comply with all applicable federal income tax requirements if interest on the Bonds is intended to be excluded form gross income of the bondholders for federal income tax purposes.

ARTICLE VIII : BUDGET PROCESS

8.1 Adoption. The CAB shall establish in the CAB's Bylaws an annual budget process. At a minimum, the CAB budget process shall require the CAB to furnish to each CAB District the following:

(a) An accounting of any estimated carryover balances from prior years; and

(b) A proposed schedule for deposits based on the expected timing for receipt of funds generated from (i) the CAB Districts' *ad valorem* property taxes and specific ownership taxes; (ii) Developer Capital Advance(s) and Developer Operating Advances to the CAB or CAB Districts; and/or (iii) other rates, Fees, tolls, and other charges that may be imposed by the CAB or any of the CAB Districts from time to time in accordance with State law.

8.2 Annual Appropriation. On or before December 10th of each year throughout the term of this CABEA, each of the CAB Districts and the CAB agree to budget and appropriate funds for ensuing year in the amount sufficient to pay for the costs and expenses necessary to undertake the services.

8.3 Final Budget. The Final Budget may be amended from time to time in accordance with State law, to reflect changes in actual revenues and/or expenses, utilizing the same process and requirements set forth in this Article, except that the CAB may establish

alternative reasonable time periods for preparation, review, and approval of proposed budget amendments. Any Final Budget processed and approved in accordance with this Section shall be known as an "**Amended Final Budget**".

In the event that funding provided by any CAB District to the CAB exceeds the amount owed by that CAB District according to the Amended Final Budget, the balance may be carried over and credited against the anticipated funding obligation of such CAB District for the following year as identified by the Preliminary Budget Documents.

ARTICLE IX : COVENANT ENFORCEMENT AND ARCHITECTURAL REVIEW

9.1 TAH Master Declaration Delegation to CAB. During the term of this CABEA, AACMD, District No. 1, District No. 2, District No. 3, ATEC No. 1, and ATEC No. 2 assign to the CAB all duties, rights, and obligations delegated to AACMD, District No. 1, District No. 2, District No. 3, ATEC No.1, and ATEC No. 2 by the TAH Master Declaration, the TAH Design Guidelines, and the TAH Covenant Enforcement Rules and Regulations, all as may be amended, with respect to the TAH Covenant Enforcement Services, together with the TAH Covenants, as may be recorded in the future. Specifically, with respect to each document, the CAB is authorized as follows:

(a) TAH Master Declaration. On behalf of AACMD, District No. 1, District No. 2, District No. 3, ATEC No. 1, and ATEC No. 2, the CAB shall be charged with enforcing the TAH Design Guidelines and additional or supplemental design guidelines (including with respect to specific portions of the Service Area) as authorized by the TAH Master Declaration or the TAH Covenants. AACMD, District No. 1, District No. 2, District No. 3, ATEC No. 1, and ATEC No. 2, further authorize the CAB to enforce any and all use restrictions as set forth in the TAH Master Declaration or TAH Covenants on behalf of AACMD, District No. 1, District No. 2, District No. 3, ATEC No.1, and ATEC No. 2, without regard to which of such CAB Districts the property subject to the action is included.

(b) TAH Design Review Committee. The CAB Districts acknowledge that general administration of the TAH Design Guidelines is assigned by the TAH Master Declaration to the TAH Design Review Committee, (also known as the "Community-Wide Architectural Review Committee") as such committee is more particularly defined and described in the TAH Master Declaration and Covenant Enforcement Rules and Regulations (the "**TAH Design Review Committee**"). The CAB shall appoint not less than five (5) members to the TAH Design Review Committee, three (3) of whom having experience in architecture, engineering, land planning, landscape architecture, real estate development, contracting, building, code enforcement, or a related field that the CAB Board deems relevant and appropriate.

(c) TAH Enforcement Committee. The CAB Districts acknowledge that general administration of the covenants, rules, and regulations set forth in the TAH Master Declaration is assigned by the TAH Master Declaration to the Enforcement Committee ("**TAH Enforcement Committee**"), as such committee is more particularly described in the TAH Master Declaration and Covenant Enforcement Rules and Regulations. The CAB shall appoint

the members of the TAH Enforcement Committee in accordance with the TAH Master Declaration and Covenant Enforcement Rules and Regulations.

(d) Imposition of Fees and Fines Related to TAH Master Declaration and TAH Covenants. The CAB Board may adopt and impose appropriate Fees and Fines related to the activities of the TAH Design Review Committee and the TAH Enforcement Committee, and to otherwise implement the provisions of the TAH Master Declaration, the TAH Covenants, and this CABEA.

(e) Independent Contractors. The CAB Districts agree and acknowledge that at any time during the term of this CABEA the CAB may engage one or more independent contractors to carry out and enforce all or a portion of the provisions of the TAH Master Declaration, TAH Design Guidelines, TAH Covenant Enforcement Rules and Regulations, and any supplemental documents and agreements related to the provision of the TAH Covenant Enforcement Services. The contractual relationship with any such independent contractor shall be managed solely by the CAB.

9.2 Covenant Enforcement Area and Revenue. During the term of this CABEA, the CAB is authorized to undertake the applicable Covenant Enforcement Services within the boundaries of the CAB Districts to the extent that the real property within such boundaries is subject to the Declaration, the TAH Design Guidelines, and/or the TAH Covenant Enforcement Rules and Regulations; provided, however, that any and all revenues used to furnish the Covenant Enforcement Services in accordance with TAH Master Declaration, the TAH Design Guidelines, and the TAH Covenant Enforcement Rules and Regulations must be derived from within the boundaries of the CAB District in which the Covenant Enforcement Services are furnished. By way of illustration, revenue furnished for the administration of the TAH Master Declaration, the TAH Design Guidelines, and the TAH Covenant Enforcement Rules and Regulations within the boundaries of District No. 1 shall be derived from within the boundaries of District No. 1 or from within a smaller sub-portion of such area to the extent such sub-area is the sole recipient of the TAH Covenant Enforcement Services provided.

9.3 Records and Reports. Throughout the term of Covenant Enforcement Services by the CAB, the CAB shall maintain and preserve books, documents, papers, and records of any independent contractors or service providers providing services on behalf of the CAB, which are directly pertinent to the Covenant Enforcement Services (subject in all events to the then-current document retention policies of the CAB), and the CAB shall make available the same to the CAB Districts and any of their authorized representatives upon request at all reasonable times for the purpose of making audits and examinations.

9.4 Costs. Costs incurred by the CAB in the provision of Covenant Enforcement Services shall be considered Actual Operations and Maintenance Costs for purposes of this CABEA.

9.5 Appellate Body. The CAB Districts acknowledge that the CAB Board may create an appellate board to review the decisions of the TAH Design Review Committee and the TAH Enforcement Committee. Any appellate board may consist of a subset of the CAB Board members or all CAB Board members.

9.6 Other Committees. The CAB Board may organize and provide for the administration of such other boards, committees, and subcommittees as it deems reasonable and appropriate.

9.7 Termination of Covenant Enforcement Services and Transition of Responsibilities.

(a) Any CAB District may elect to terminate the CAB's Covenant Enforcement Services within its borders with or without cause; provided, however, that in such event the terminating CAB District shall be required to administer and enforce the TAH Master Declaration, the TAH Design Guidelines, and the TAH Covenant Enforcement Rules and Regulations within its own boundaries. In such case, the written resolution of the board of directors of the Terminating District shall establish a Transition Period of ninety (90) to one hundred twenty (120) days to unwind the mutual covenants of this CABEA related to the Covenant Enforcement Services. During such transition period, the Terminating District agrees to work cooperatively with the CAB and the other CAB Districts to develop and execute transition procedures that minimize impact to the CAB Districts' property owners.

(b) To the extent it is possible to assess whether excess funds of the Terminating District will remain under the CAB's control following the termination of Covenant Enforcement Services by the CAB, the CAB shall transmit any funding overage to the Terminating District during the Transition Period. In the event that the end balance for the Terminating District's funding of the Covenant Enforcement Services cannot be determined during the Transition Period, the CAB shall transmit any excess funds of the Terminating District remaining on the CAB's books to the Terminating District no later than January 31st of the year following the year in which Covenant Enforcement Services are terminated.

(c) During the Transition Period, the CAB shall transmit any and all books, documents, papers, and records related to Covenant Enforcement Services provided for the benefit of the Terminating District to such CAB District. The CAB shall also retain copies of such books, documents, papers, and records. The provisions of this subsection (c) are subject, in all events, to the then-current document retention policies of the CAB.

(d) Upon termination of the CAB's Covenant Enforcement Services, any Terminating District shall administer and enforce the applicable Declaration, Design Guidelines, and Covenant Enforcement Rules and Regulations within its own boundaries, and any and all revenues used to furnish such services shall continue to be derived from within the boundaries of the CAB District in which the services are furnished.

ARTICLE X : SPECIAL PROVISIONS

10.1 Rights of the CAB. Subject to the limitations of this CABEA, the CAB Districts grant the CAB the right to construct, own, use, connect, disconnect, modify, renew, extend, enlarge, replace, convey, abandon, or otherwise dispose of any and all real property, Public Improvements or appurtenances thereto, and any and all other interests in real or personal property or otherwise, within the ownership, possession or control of the CAB Districts to enable the CAB to provide the Public Improvements and Operations and Maintenance Services. The

CAB Districts grant to the CAB the right to occupy any place, public or private, which the CAB Districts might occupy, for the purpose of fulfilling the obligations of the CAB under this CABEA. To implement the foregoing, the CAB Districts agree to exercise such authority, to do such acts, and to grant such easements or licenses as may be reasonably requested by the CAB; provided that, any legal, engineering, technical, or other services required, or costs incurred, for the performance of this obligation shall be performed by a Person in the employment of or under contract with, and paid by, the CAB.

10.2 Right to Provide Public Improvements and Services. The CAB Districts agree that they shall not without the prior written consent of the CAB:

(a) Provide Public Improvements of any kind to their residents and property owners, except for financing or construction and dedication of the Public Improvements as set forth herein; or

(b) Provide Operations and Maintenance Services to its residents and property owners except as set forth herein.

10.3 Consolidation of CAB Districts. The CAB Districts may initiate consolidation proceedings in accordance with the Act and Service Plans at such time as the Development is at build-out and the CAB owns and maintains all the Public Improvements not otherwise required to be dedicated to another governmental entity. The CAB Districts shall not file a request with any court to consolidate among themselves or with any other Title 32 districts without the prior written consent of the City. No such consolidation proceedings shall be initiated if less than all of the Boards of the CAB Districts adopt a joint resolution agreeing to such consolidation.

10.4 Dissolution of CAB. In accordance with Section 29-1-203.5(4), C.R.S., upon dissolution of the CAB, all the CAB's property shall be transferred to, or at the direction of, one or more of the CAB Districts.

ARTICLE XI : REPRESENTATIONS AND WARRANTIES

11.1 General Representations. In addition to the other representations, warranties, and covenants made by the CAB Districts in this CABEA, the CAB Districts make the following representations, warranties, and covenants to each other:

(a) Each CAB District has the full right, power, and authority to enter into, perform, and observe this CABEA.

(b) Neither the execution of this CABEA, the consummation of the transactions contemplated hereunder, nor the compliance with the terms and conditions of this CABEA by the CAB Districts will conflict with or result in a breach of any terms, conditions, or provisions of, or constitute a default under any agreement, instrument, indenture, judgement, order, or decree to which a CAB District is a party or by which a CAB District is bound.

(c) This CABEA is the valid and binding obligation of each of the CAB Districts and is enforceable in accordance with its terms.

(d) The CAB Districts shall keep and perform all the covenants and agreements contained in this CABEA and shall take no action which could render this CABEA unenforceable in any manner.

ARTICLE XII : DEFAULTS, REMEDIES, AND ENFORCEMENT

12.1 Events of Default. The occurrence of any one or more of the following events and/or the existence of any one or more of the following conditions shall be considered an Event of Default under this CABEA:

(a) The failure of any CAB District to make any payment when the same shall become due and payable as provided in this CABEA and cure such failure within ten (10) business days of receipt of notice from one of the other CAB Districts or the CAB of such failure;

(b) The failure to perform or observe any other covenants, agreements, or conditions in this CABEA on the part of any CAB District and to cure such failure within thirty (30) days of receipt of notice from one of the other CAB Districts or the CAB of such failure, unless such default cannot be cured within such thirty- (30)-day period, in which case the defaulting party shall have an extended period of time to complete the cure, provide that action to cure such default is commenced within said thirty- (30)-day period and the defaulting party is diligently pursuing the cure to completion.

12.2 Remedies on Occurrence of Events of Default. Upon the occurrence of an Event of Default, the CAB Districts and the CAB shall, individually and collectively, have the following rights and remedies:

(a) The non-defaulting CAB District(s) or the CAB may ask a court of competent jurisdiction to enter a writ of mandamus to compel the board of directors of the defaulting CAB District to perform its duties under this CABEA, and/or to issue temporary and/or permanent restraining orders, or orders of specific performance, to compel the defaulting CAB District to perform in accordance with this CABEA.

(b) The non-defaulting CAB District(s) or the CAB, or both, may protect and enforce its rights under this CABEA by such suits, actions, or special proceedings as it shall deem appropriate, including, without limitation, any proceedings for the specific performance of any covenant or agreement contained in this CABEA, for the enforcement of any other appropriate legal or equitable remedy, or for the recovery of damages, including attorneys' fees and all other costs and expenses incurred in enforcement this CABEA.

(c) The non-defaulting CAB District(s) shall have the right to impose a mill levy, budget, and expend funds as necessary to enforce the terms of this CABEA.

(d) To foreclose any and all liens in the manner specified by law.

Notwithstanding anything to the contrary contained in this CABEA, prior to the time the CAB requires a CAB District to impose a mill levy for their obligations under this

CABEA, any CAB District may file for inactive status and filing for such inactive status shall not constitute an Event of Default.

12.3 General.

(a) Delay or Omission No Waiver. No delay or omission of any CAB District or the CAB to exercise any right or power accruing upon any Event of Default shall exhaust or impair any such right or power or be construed as a waiver of any such Event of Default.

(b) No Waiver of One Default to Affect Another; All Remedies Cumulative. No waiver of any Event of Default by any CAB District or the CAB shall extend to or affect any subsequent or other Event of Default. All rights and remedies of the CAB Districts and the CAB provided in this CABEA may be exercised with or without notice, shall be cumulative, may be exercised separately, concurrently, or repeatedly, and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

ARTICLE XIII : INSURANCE

13.1 CAB Insurance. During the term of this CABEA, the CAB shall maintain appropriate insurance limits and overage related to the provision of the services described in this CABEA and in other agreements of the CAB.

13.2 CAB District Insurance. The CAB Districts shall, to the extent each is active and the same are reasonably and commercially available and funds are available therefor, maintain the following insurance coverages, with companies and in amounts acceptable to each CAB District's respective board of directors:

(a) General liability coverage protecting the CAB Districts and their officers, directors, and employees against any loss, liability, or expense whatsoever from bodily injury, death, property damage, or otherwise, arising from or in any way connected with management, administration, or operations.

(b) Directors' and officers' liability coverage (errors and omissions) protecting the CAB Districts and their directors and officers against any loss, liability, or expense whatsoever arising from the actions and/or inactions of the CAB Districts and their directors and officers in the performance of their duties.

13.3 Workers' Compensation. To the extent they retain employees, the CAB Districts and the CAB shall make provisions for workers' compensation insurance, social security employment insurance, and unemployment compensations for employees, if any, as required by applicable State or federal law.

13.4 Certificates. Upon written request, each CAB District and the CAB shall furnish to the others, certificates of insurance showing compliance with the foregoing requirements. Said certificates shall state that the policy or policies evidenced thereby will not be cancelled or altered without at least thirty (30) days prior written notice to each CAB District and the CAB.

ARTICLE XIV : EMPLOYMENT OF ILLEGAL ALIENS

14.1 Addendum regarding Employment of Illegal Aliens. By its execution, the CAB Districts and the CAB confirm that they each shall comply with the applicable provisions of Section 8-17.5–101 *et. seq.*, C.R.S., and that every public contract for services to which the CAB or a CAB District is a party shall include the certificates, statements, representations, and warranties substantially in the form set forth in **Addendum 1**, Public Contract for Services Addendum, attached to and made a part of this CABEA by this reference.

ARTICLE XV : MISCELLANEOUS

15.1 Relationship of Parties. This CABEA does not and shall not be construed as creating a relationship of joint venturers, partners, or employer-employees between or among the CAB Districts.

15.2 Third-Party Beneficiaries. The CAB Districts agree that (i) unless and until the processes set forth in Sections 10.3 and 10.4 of this CABEA have been completed, and (ii) all Developer Advances have been repaid, the Developer is a third-party beneficiary to this CABEA, and the Developer agrees to and acknowledges such as evidenced by signature below. Other than the Developer, it is intended that there be no third-party beneficiaries of this CABEA, including, without limitation, the owners of any Bonds, notes, contracts, or other obligations incurred or executed by either the CAB Districts or the CAB. Nothing contained in this CABEA, expressed or implied, is intended to give any person other than the CAB Districts, the Developer, and the CAB any claim, remedy, or right under or pursuant to this CABEA, and any agreement, condition, covenant, or term contained in this CABEA required to be observed or performed by or on behalf of any party to this CABEA shall be for the sole and exclusive benefit of the other parties.

15.3 Assignment; Delegation. Except as set forth herein or as contemplated in the Service Plans, neither this CABEA, nor any of the CAB Districts' rights, obligations, duties, or authority under this CABEA may be assigned or delegated, in whole or in part, by any CAB District without the prior written consent of all the other CAB Districts, which consent shall not be unreasonably withheld. Any attempted assignment or delegation in violation of the foregoing shall be deemed void. Consent to one assignment or delegation shall not be deemed to be consent to any subsequent assignment or delegation, nor the waiver of any right to consent to such subsequent assignment or delegation.

15.4 Modification. This CABEA may be modified or amended only by the written agreement of the CAB Districts.

15.5 Governing Law. This CABEA shall be construed and interpreted in accordance with the laws of the State of Colorado. Venue for all actions shall be exclusive in Adams County, Colorado.

15.6 Heading for Convenience Only. The headings, captions, and titles contained in this CABEA are intended for convenience of reference only.

15.7 Counterparts. This CABEA may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document. Photocopies, facsimile copies, and .pdf copies of original signatures shall be treated as originals for all purposes under this CABEA.

15.8 Time is of the Essence. Time is of the essence in this CABEA.

15.9 Notices. Unless otherwise provided below, all notices, demands, requests or other communications to be sent by one party to the other under this CABEA or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via Federal Express or other nationally recognized overnight air courier service, by electronic mail transmission (read-review acknowledged), or by depositing the same in the United States Mail, postage prepaid, addressed as set forth on the attached **Addendum 2**, Notice Addendum.

All notices, demands, requests, or other communications shall be effective: upon such personal delivery or upon electronic mail, read-review acknowledged; one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service; or three (3) business days after deposit in the United States mail. By giving the other parties to this CABEA at least ten (10) days' written notice thereof in accordance with the provisions of this CABEA, each of the parties shall have the right to change its individual notice address from time to time, all notice addresses to be maintained by the CAB.

15.10 District Records. The CAB shall maintain the public records for all the CAB Districts. Access to such records by the CAB Districts and the public shall be as set forth in the Rules and Regulations and in accordance with State law.

15.11 Further Assurances. The CAB Districts each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and documents as may be reasonably required for the performance of their obligations under this CABEA.

15.12 Severability of Provisions. Any provision of this CABEA which is prohibited, unenforceable, or not authorized as determined by a court of competent jurisdiction, shall not affect the remaining provisions of this CABEA or affect the validity, enforceability, or legality of such provisions in any other jurisdiction. Furthermore, in lieu of such prohibited, unenforceable, or non-authorized provision there shall be added automatically as a part of this CABEA, a provision as similar in terms to such prohibited, unenforceable, or non-authorized provision as may be possible and be legal, valid, and enforceable.

15.13 Cooperation Between the CAB Districts. Subject to the terms of the Service Plans, the CAB Districts will cooperate with one another and any other districts organized within the Development to finance the Actual Operations and Maintenance Costs and Actual Capital Costs. The CAB Districts acknowledge that the boundaries of the CAB Districts may change in the future and that each CAB District shall support the exclusion/inclusion of the subject property from and into the respective CAB District.

15.14 Entire Agreement. This CABEA and all attached addenda and exhibits set forth the entire understanding and agreement of the CAB Districts and supersede and replace all prior agreements, memoranda, arrangements, and understandings relating to the subject matter of this CABEA (including, without limitation, that certain The Aurora Highlands Community Authority Board Establishment Agreement between and among the CAB Districts dated November 21, 2019).

15.15 Non-liability of CAB Directors, Members, and Employees. No Board Member, or director of the CAB Districts' individual boards of directors, or officer, employee, agent, attorney or consultant of the CAB Districts or the CAB shall be personally liable in the event of default or breach of this CABEA, or for any amount that may become due under the terms of this CABEA.

[signature blocks on following pages]

IN WITNESS WHEREOF, Aerotropolis Area Coordinating Metropolitan District, The Aurora Highlands Metropolitan District No. 1, The Aurora Highlands Metropolitan District No. 2, The Aurora Highlands Metropolitan District No. 3, ATEC Metropolitan District No. 1, and ATEC Metropolitan District No. 2 have executed this CABEA as of the day and year first written above.

AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT

By: _____
President

Attest:

_____
Secretary

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1

By: _____
President

Attest:

_____
Secretary

[signature blocks continue on following pages]

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2

By: _____
President

Attest:

_____
Secretary

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3

By: _____
President

Attest:

_____
Secretary

ATEC METROPOLITAN DISTRICT NO. 1

By: _____
President

Attest:

_____
Secretary

ATEC METROPOLITAN DISTRICT NO. 2

By: _____
President

Attest:

_____
Secretary

[end of signature pages]

ADDENDUM 1
Public Contract for Services

By execution of this addendum ("**Addendum**") to that certain *[insert name of agreement]* dated _____, 20____, by and between _____ Metropolitan District (the "**District**") and _____ (the "**Contractor**") (the "**Agreement**"), the parties to the Agreement further agree as follows:

1. Pursuant to the requirements of Section 8-17.5–102(1), C.R.S., the Contractor hereby certifies to the District that the Contractor does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that it will participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of the Contractor who are newly hired to perform work under the Agreement.

2. In accordance with Section 8-17.5-102(2)(a), C.R.S., the Contractor shall not:

(a) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or

(b) Enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

3. The Contractor represents and warrants it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

4. The Contractor is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

5. If the Contractor obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Contractor shall:

(a) Notify the subcontractor and the District within three (3) days that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Contractor shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

6. The Contractor shall comply with any reasonable request by the Colorado Department of Labor and Employment (the "**Department**") made in the course of an investigation that the Department is undertaking, pursuant to the law.

7. If the Contractor violates any provision of this Addendum, the District may terminate the Agreement immediately and the Contractor shall be liable to the District for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Contractor to the Colorado Secretary of State, as required by law.

[end of Addendum 1]

ADDENDUM 2
Notice Addendum

To the CAB:	The Aurora Highlands Community Authority Board c/o CliftonLarsonAllen LLP 8390 E. Crescent Parkway, Suite 300 Greenwood Village, Colorado Email: Denise.Denslow@claconnect.com Attn: Denise Denslow
With a Copy To:	McGeady Becher P.C. 450 E. 17th Avenue, Suite 400 Denver, CO 80203 Email: mmcgeady@specialdistrictlaw.com Attn: MaryAnn McGeady
To District No. 1, District No. 2, and/or District No. 3:	*[Name of District]* c/o CliftonLarsonAllen LLP 8390 E. Crescent Parkway, Suite 300 Greenwood Village, Colorado Email: Denise.Denslow@claconnect.com Attn: Denise Denslow
With a Copy To:	Collins Cockrel & Cole P.C. 390 Union Boulevard, Suite 400 Denver, Colorado 80220 Email: mruhland@cccfirm.com Attn: Matt Ruhland
To AACMD, ATEC No. 1, and/or ATEC No. 2:	*[Name of District]* c/o CliftonLarsonAllen LLP 8390 E. Crescent Parkway, Suite 300 Greenwood Village, Colorado Email: Denise.Denslow@claconnect.com Attn: Denise Denslow
With a Copy To:	McGeady Becher P.C. 450 E. 17th Avenue, Suite 400 Denver, CO 80203 Email: mmcgeady@specialdistrictlaw.com Attn: MaryAnn McGeady

[end of Addendum 2]

DRAFT
McGEADY BECHER P.C.
April 13, 2020

AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3
ATEC METROPOLITAN DISTRICT NO. 1
ATEC METROPOLITAN DISTRICT NO. 2
THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD

DISCLOSURE TO PURCHASERS

This Disclosure to Purchasers (the "**Disclosure**") has been prepared by the Aerotropolis Area Coordinating Metropolitan District (the "**Coordinating District**"), The Aurora Highlands Metropolitan District No. 1 ("**TAH No. 1**"), The Aurora Highlands Metropolitan District No. 2 ("**TAH No. 2**"), The Aurora Highlands Metropolitan District No. 3 ("**TAH No. 3**", and collectively with TAH No. 1 and TAH No. 2, the "**TAH Districts**"), ATEC Metropolitan District No. 1 ("**ATEC No. 1**"), ATEC Metropolitan District No. 2 ("**ATEC No. 2**", and with ATEC No. 1, the "**ATEC Districts**") (collectively, TAH No. 1, TAH No. 2, TAH No. 3, ATEC No. 1 and ATEC No. 2 are referred to herein as the "**Financing Districts**" and collectively the Coordinating District and the Financing Districts are referred to herein as the "**Districts**"), and The Aurora Highlands Community Authority Board (the "**Authority**").

The purpose of this Disclosure is to provide property owners with general information regarding the Districts and the Authority, as well as their operations. This Disclosure is intended to provide an overview of pertinent information related to the Districts and the Authority and does not purport to be comprehensive or definitive.

You are encouraged to independently confirm the accuracy and completeness of all statements contained herein.

PURPOSE

The Aurora Highlands and the Aurora Highlands Technology and Energy Center comprise approximately 3,920 acres of property located in the City of Aurora (the "**City**"), County of Adams (the "**County**"), State of Colorado (the "**State**"), which is anticipated to be developed with single family and multi-family homes, commercial, retail, industrial, and other amenities, reaching an estimated population of nearly 42,000 people at full build-out (the "**Development**").

The Districts are located within the Development. Each District is an independent unit of local government, separate and distinct from the City, known as "quasi-municipal corporations and political subdivisions of the State of Colorado" and, except as may otherwise be provided for by State or local law or the respective Service Plans (as explained in more detail below), District activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the their respective Service Plans.

Each District was organized to plan for, design, acquire, construct, install, relocate, redevelop and finance certain public facilities and services, including, but not limited to street

improvement, traffic and safety, water, sanitation, parks and recreation, transportation, mosquito control, fire protection, security, and television relay and transmission in accordance with each District's respective Service Plan (the "**Public Improvements**").

ORGANIZATION/BOARD OF DIRECTORS/SERVICE PLANS

District Organization

The Coordinating District (formerly known at Green Valley Ranch East Metropolitan District No. 1) was organized on December 7, 2004, by the recordation in the real property records of Adams County, Colorado of that Certain Order and Decree issued by the Adams County District Court at Reception No. 20041207001244670.

TAH No. 1 (formerly known as Green Valley Ranch East Metropolitan District No. 2) was organized on December 7, 2004, by the recordation in the real property records of Adams County, Colorado of that Certain Order and Decree issued by the Adams County District Court at Reception No. 20041207001244680.

TAH No. 2 (formerly known as Green Valley Ranch East Metropolitan District No. 3) was organized on December 7, 2004, by the recordation in the real property records of Adams County, Colorado of that Certain Order and Decree issued by the Adams County District Court at Reception No. 0041207001244690.

TAH No. 3 (formerly known as Green Valley Ranch East Metropolitan District No. 4) was organized on December 7, 2004, by the recordation in the real property records of Adams County, Colorado of that Certain Order and Decree issued by the Adams County District Court at Reception No. 0041207001244700.

ATEC No. 1 was organized on November 19, 2019, by the recordation in the real property records of Adams County, Colorado of that Certain Order and Decree issued by the Adams County District Court at Reception No. 2019000100756.

ATEC No. 2 was organized on November 19, 2019, by the recordation in the real property records of Adams County, Colorado of that Certain Order and Decree issued by the Adams County District Court at Reception No. 2019000100758.

Board of Directors

Each District is governed by a five-member Board of Directors, who must be qualified as eligible electors of the District. Each respective Board's regular meeting dates may be obtained from the District Manager at the contact information provided below.

In order to effectuate the obligations anticipated to be provided by the Coordinating District as agreed to by the Financing Districts, the Coordinating District has filed a motion with the Adams County District Court requesting an increase in the number of members on the Coordinating District Board of Directors from five (5) to seven (7), pursuant to Section 32-1-902.5, C.R.S.

Service Plans

The Districts operate pursuant to their respective Service Plans and by the powers authorized by Title 32, Article 1, Colorado Revised Statutes, as amended (the "**Special District Act**").

Coordinating District: The Coordinating District operates pursuant to the First Amended and Restated Service Plan for Aerotropolis Area Coordinating Metropolitan District, as approved by the City on October 16, 2017 (the "**Coordinating District's Service Plan**"). The Coordinating District's Service Plan, which can be amended from time to time, includes a description of the Coordinating District's powers and authority.

TAH Districts: The TAH Districts operate pursuant to the Consolidated First Amended and Restated Service Plan, as approved by the City on October 16, 2017 (the "**TAH Districts' Service Plan**"). The TAH Districts' Service Plan, which can be amended from time to time, includes a description of the TAH Districts' powers and authority.

ATEC Districts: The ATEC Districts operate pursuant to the Service Plan for ATEC Metropolitan District Nos. 1 and 2, approved by the City on August 6, 2018 (the "**ATEC Districts' Service Plan**", and collectively with the Coordinating District's Service Plan and the TAH Districts' Service Plan, the "**Service Plans**"). The ATEC Districts' Service Plan, which can be amended from time to time, includes a description of the ATEC Districts' powers and authority.

Copies of the Service Plans are available from the Division of Local Government in the State Department of Local Affairs (the "**Division**"), https://dola.colorado.gov/lgis/, or from the District Manager at the contact information provided below.

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD

The Service Plans disclose and establish the necessity for, and anticipate one or more intergovernmental agreements between and/or among two or more of the Districts concerning the financing, construction, operation and maintenance of Public Improvements contemplated in the Service Plans and concerning the provision of services in the community to be served by the Districts.

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

Pursuant to Section 29-1-203.5, C.R.S., metropolitan districts may contract with one another for the joint exercise of any function, service or facility lawfully authorized to each, including the establishment of a separate legal entity to do so as a political subdivision and public corporation of the State of Colorado.

The Districts have entered into that certain The Aurora Highlands Community Authority Board Establishment Agreement, dated as of November 21, 2019, as amended and restated by

the First Amended and Restated The Aurora Highlands Community Authority Board Establishment Agreement, dated as of _____, 2020 (collectively, the "**CABEA**"), for the purpose of creating The Aurora Highlands Community Authority Board (the "**Authority**") in order to achieve efficiencies in coordinating the designing, planning, construction, acquisition, financing, operating, and maintaining of the Public Improvements and the provision of certain services. The CABEA may be subject to additional amendments.

The CABEA binds the Districts concerning capital expenditures and operation and maintenance expenses, with the intent that the cost of providing facilities and services to the entire Development will be shared by the current and future residents, occupants, taxpayers, fee payers, and property owners throughout the combined service area of the Districts (the "**Service Area**"), both presently and under various circumstances which may occur in the future.

Prior to the organization of the Authority, the Coordinating District coordinated the planning, design, and construction of the Public Improvements. Pursuant to the CABEA, the Districts agree that the Authority shall enter into one or more agreements with the Coordinating District pursuant to which the Coordinating District will coordinate the planning, design, and construction of certain of the Public Improvements and that nothing in the CABEA is intended to limit the authority of the Coordinating District or the Authority to enter into such agreements.

The Authority generally may, to the extent provided by contract (such as the CABEA), exercise any general power of a special district specified in the Special District Act, other than levying a tax or exercising the power of eminent domain, and may additionally issue bonds payable solely from revenue derived from one or more of the functions, services, systems, or facilities of the Authority, from money received under contracts entered into by the Authority, or from other available money of the Authority.

It is the intent that the Authority will provide for residents and property owners the opportunity to participate in the Development through representation on the Authority Board of Directors (the "Authority Board"), as the Development ultimately transitions from construction and development needs to operations and maintenance of all the Public Improvements.

The Districts intend to cooperate with one another and with the Authority to effectuate the financing of, and operation and maintenance of, the Public Improvements, and effectuate the provision of services, in a manner that is equitably allocated among the Districts and the residents and taxpayers of the Districts.

Pursuant to the CABEA, the Districts have agreed that: (i) the Authority shall own, operate, maintain, finance and construct the Public Improvements throughout the Service Area pursuant to a Long Term Capital Improvements Plan (as defined in the CABEA) benefiting the Districts; and (ii) each of the Districts shall transfer certain revenues received by it in order to fund the costs of construction, operation, and maintenance of such Public Improvements from its taxes and fees. Additionally, the CABEA provides that the Authority will: (A) facilitate the planning, design, acquisition, construction, installation, relocation, redevelopment, financing, and operation and maintenance of the Public Improvements; and (B) provide certain services contemplated by the Service Plans of the Districts on behalf of the Districts, including covenant

enforcement and design review services, to benefit the taxpayers, property owners, and residents in the Development.

A copy of the CABEA is available from the Authority Manager, CliftonLarsonAllen, 8390 East Crescent Parkway, Suite 300, Greenwood Village, Colorado, 80111; (303) 779-5710.

Authority Board of Directors

The Coordinating District may initially appoint up to five (5) board members to the Authority Board. Each of the Financing Districts may appoint one (1) board member to the Authority Board. Subject to certain exceptions related to the Coordinating District, to be eligible to be appointed as a member to the Authority Board the candidate must be currently serving on the District Board of Directors that he or she is being appointed to represent on the Authority Board. The CABEA includes provisions regarding alternate board members, the voting process, appointment of vacancies, the process by which additional special districts may join the Authority, and the process of additional appointments to the Authority Board under such circumstances.

DEBT AUTHORIZATION

The Authority is authorized pursuant to the CABEA to issue bonds for payment and/or reimbursement of the costs of the design, planning, acquisition, construction, installation, relocation, redevelopment and/or completion of the Public Improvements with respect to the Development and to secure payment of the principal of and interest on such bonds with certain property tax revenues, among other things, transferred to it by the Districts.

In accordance with the Service Plans, the Districts, at special elections of the qualified electors for each District, duly called and held in accordance with law and pursuant to due notice, voted in favor of, among other matters, the issuance of indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing the Public Improvements as follows:

District	Total Service Plan/ Voted Debt Authorization
Coordinating District	$8,000,000,000
TAH No. 1	$4,000,000,000
TAH No. 2	$4,000,000,000
TAH No. 3	$4,000,000,000
ATEC No. 1	$4,000,000,000
ATEC No. 2	$4,000,000,000

The Authority anticipates issuing its Special Tax Revenue Draw-Down Bonds, Series 2020A, in the total aggregate principal amount of up to $190,000,000 (the "**Series 2020A Bonds**"), and its Subordinate Special Tax Revenue Draw-Down Bonds Series 2020B, in the total aggregate principal amount of up to $38,000,000 (the "**Series 2020B Bonds**", and collectively with the 2020A Bonds, the "**Bonds**"), for the purpose of paying and/or reimbursing the costs of the design, planning, acquisition, construction, installation, relocation, redevelopment and/or completion of Public Improvements with respect to the Development.

The Bonds shall be special limited tax revenue obligations of the Authority and shall be payable solely from: (i) certain pledged revenue by the Districts pursuant to capital pledge agreements entered into by and between each District and the Authority contemporaneously with the closing on the Bonds (each a "**Capital Pledge Agreement**" and, collectively the "**Capital Pledge Agreements**"); and (ii) the imposition and collection of fees imposed by the vote of the Authority Board, which fees are required to be paid to the Authority by developers of the Development.

TAXES AND FEES IMPOSED ON PROPERTIES WITHIN THE DISTRICT

Ad Valorem Property Taxes

The Districts' primary source of revenue is from property taxes ("**Mill Levies**") imposed on property within the boundaries of the respective Districts. Along with other taxing entities, each District must certify their respective Mill Levies no later than December 15th of each year for payment and collection in the following year. The Mill Levies imposed by each District along with the other taxing entities determines the taxes paid by each property owner within each respective District.

The Districts, through that certain Mill Levy Policy Agreement dated April ____, 2020, agree that the number of mills equal to the Mill Levies required to be imposed by each District under its Capital Pledge Agreement and the period during which each District is required to impose its respective Mill Levies are intended to create an equitable tax burden on the taxpayers in each District, and that such Mill Levies and their terms of imposition, as applicable to each District, are fair and equitable.

Debt Mill Levy

The Service Plans provide the "**Maximum Debt Mill Levy**" each District is permitted to impose upon the taxable property within each District to generate revenues for the repayment of Debt. The Maximum Debt Mill Levy is calculated as follows:

For the portion of any aggregate District's Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt. The Maximum Debt Mill Levy may be adjusted due to changes in the statutory or constitutional method of assessing property tax or in the assessment ratio ("**Gallagher Adjustment**"). The purpose of such Gallagher Adjustment is to assure, to the extent possible, that the actual tax revenues generated by the mill levy are neither decreased nor increased, as described in more detail below.

For the portion of any aggregate District's Debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the debt mill levy imposed to repay such portion of Debt shall <u>not</u> be subject to the fifty (50) mill limitation discussed above, and, as a result, the debt mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

The Districts shall not impose a debt mill levy (or use the proceeds of any mill levy for repayment of Debt) on any single property developed for residential uses for any period which exceeds fifty (50) years after the year of the initial imposition of such debt mill levy unless a majority of the members of the Board of Directors of the District are residents of the 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, C.R.S. et seq.

Operations and Maintenance Mill Levy

In addition to imposing a debt mill levy, the Districts are also authorized by their respective Service Plans to impose a separate mill levy to generate revenues for the provision of administrative, operations and maintenance services (the "**Operations and Maintenance Mill Levy**"). The amount of the Operations and Maintenance Mill Levy may be increased as necessary, separate and apart from the Maximum Debt Mill Levy.

Aerotropolis Regional Transportation Authority-- ARI Mill Levy

On February 27, 2017, the Board of County Commissioners of the County of Adams, the City, and the Coordinating District entered into that certain Intergovernmental Agreement Establishing the Aerotropolis Regional Transportation Authority ("**ARTA**") for the general purposes of constructing, or causing to be constructed, a Regional Transportation System as set forth in the Capital Plan of the ARTA Establishment Agreement generally to serve the regional transportation infrastructure needs of the area surrounding Denver International Airport, which includes the Development. The Coordinating District holds one (1) seat on the ARTA Board of Directors.

The Service Plans require the Districts under certain circumstances to impose an Aurora Regional Improvements Mill Levy (the "**ARI Mill Levy**" or "**ARI Mill Levies**") for the payment of the costs of the planning, design, permitting, construction, acquisition and financing of certain regional improvements in the amount of five (5) mills, subject to the Gallagher Adjustment, minus any mill levy imposed by ARTA for such purpose.

Gallagher Amendment and Gallagher Adjustment

State ad valorem property taxes are imposed on the assessed value of property, and not the "actual" market value of property. The assessed value of commercial property (together with vacant land and certain other non-residential property, collectively "**Commercial Property**") is 29% of "actual" (or market) value, while the assessed value of residential property ("**Residential Property**") is, as of the date of this Disclosure, 7.15% of actual value, and is subject to change for adjustments in the residential assessment rate as described in more detail below.

The Gallagher Amendment to the Colorado Constitution (Section 3(1(b), art. X, COLO. CONST.) generally requires that the statewide residential assessed values comprise approximately forty-five percent (45%) of the total assessed value in the State with commercial and other assessed values making up the other fifty-five percent (55%) of the assessed values in the State.

The result of the Gallagher Amendment is that residential assessment rates fluctuate, usually downward, as overall investment and valuation increases statewide.

The Service Plans provide that if, on or after January 1, 2004, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitations or mill levy imposition amounts set forth in the Service Plans may be increased or decreased to reflect such changes, such increases or decreases to be determined by each of the Districts' Boards in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

Changes occurred in the method of calculating assessed valuation in the State for tax year 2017 and 2019 to comply with the requirements of the Gallagher Amendment. The residential assessment ratio remained at 7.96% since the 2003 levy year, until the 2017 Colorado General Assembly approved a decrease in the residential assessment rate to 7.20% for property tax years commencing on and after January 1, 2017, and the 2019 Colorado General Assembly approved a decrease in the residential assessment rate to 7.15% for property tax years commencing on and after January 1, 2019. Any decrease in the residential assessment ratio will reduce the assessed valuation of residential properties (assuming the actual value of such properties remains static), and will result in a decrease in revenues generated from the imposition of ad valorem property taxes on such residential properties, absent an increase in the number of mills imposed to make up for such loss in revenues pursuant to the authorized Gallagher Adjustment.

District Property Tax Calculation Example-Reduction in Residential Assessment Ratio (Note: The following example does not include Overlapping Mill Levies)

Tax Imposition Year	**Tax Collection Year**	**Actual Value[1] (V)**	**Assessment Ratio (R)**	**Assessed Value (AV) [V x R = AV]**	**Mill Levy[2]/Rate[3] (M)**	**Amount of District Tax Due[4] [AV x M]**
2017	2018	$450,000	7.96%	$35,820	77.930/.077930	$2,791.45
2018	2019	$450,000	7.20%	$32,400	86.156/.086156	$2,791.45
2019	2020	$450,000	7.15%	$32,175	86.7584/.0867584	$2,791.45
2020	2021	$450,000	7.00%	$31,500	88.6175/.0886175	$2,791.45

[1]Based on a project actual value, not a representation of any actual current or future actual value
[2] Based on a projected mill levy, not a representation of any actual current or future mill levy
[3] Each mill is equal to 1/1000th of a dollar
[4] Not a representation of any actual or current amount of District tax due

(a) The Residential Assessment Ratio in 2017 (for collection in 2018) was 7.96%. Therefore, if in 2018 the Actual Value of the Property was $450,000, the Assessed Value of the Property would have been $35,820 (i.e., $450,000 x 7.96% = $35,820). If a District certified a combined debt and operations mill levy of 77.930 mills, it would have generated approximately $2,791.45 in revenue for the respective District.

(b) The Residential Assessment Ratio in 2018 (for collection in 2019) was 7.20%. Therefore, if in 2019 the Actual Value of the Property remained at $450,000, the Assessed Value of the Property would have been $32,400 (i.e., $450,000 x 7.20% = $32,400). Therefore, the respective District would need to have certified a combined mill levy of 86.156 in order to generate the same revenue in 2019 as was collected in 2018.

(c) The Residential Assessment Ratio in 2019 (for collection in 2020) was 7.15%. Therefore, if in 2020 the Actual Value of the Property remained at $450,000, the Assessed Value of the Property would have been $32,175 (i.e., $450,000 x 7.15% = $32,175). Therefore, the respective District would need to have certified a combined mill levy of 86.156 in order to generate the same revenue in 2020 as was collected 2019.

(d) If in 2020 the Actual Value of the Property remains at $450,000, *but if the State Legislature should determine to change the Residential Assessment Ratio for 2020 to 7.00%*, the Assessed Value would be $31,500 (i.e., $450,000 x 7.00% = $31,500), the respective District would need to certify a combined mill levy of 88.6175 in order to generate the same revenue for collection in 2021 as was collected 2020.

District Mill Levies Imposed in 2019 for Collection in 2020

District	Operations and Maintenance Mill Levy	Debt Service Mill Levy	ARI Mill Levy	Total District Mill Levy
Coordinating District	0.000 mills	0.000 mills	0.000 mills	0.000 mills
TAH No. 1	75.277 mills	0.000 mills	0.556 mills	75.833 mills
TAH No. 2	0.000 mills	0.000 mills	0.000 mills	0.000 mills
TAH No. 3	0.000 mills	0.000 mills	0.000 mills	0.000 mills
ATEC No. 1	35.000 mills	0.000 mills	0.000 mills	35.000 mills
ATEC No. 2	35.000 mills	0.000 mills	0.000 mills	35.000 mills

Anticipated Total District Mill Levies to be Imposed in 2020 for Collection in 2021

District	Total District Mill Levy
Coordinating District	0.000 mills
TAH No. 1	78.486 mills
TAH No. 2	78.486 mills
TAH No. 3	78.486 mills
ATEC No. 1	35.556 mills
ATEC No. 2	35.556 mills

Overlapping Mill Levies

In addition to the Mill Levies imposed by each District as described above, the property located within each District is also subject to additional "overlapping" Mill Levies from additional taxing authorities (the "**Overlapping Mill Levies**"). Current information regarding all Mill Levies being imposed on property within each of the Districts can be obtained from the Adams County Treasurer.

Coordinating District: The following chart provides the Overlapping Mill Levies imposed by additional taxing authorities that overlap the boundaries of the Coordinating District for tax collection year 2020.

Taxing Authority	**Mill Levy**
Adams County (2020)	26.917
Aerotropolis Regional Transportation Authority (2020)	5.000
City of Aurora (2020)	8.605
RTD (2020)	0.000
School District 28-Aurora (2020)	81.275
Urban Drainage & Flood (2020)	0.900
Urban Drainage & Flood (S Platte) (2020)	0.097
TOTAL OVERLAPPING MILL LEVY (2020)	122.794

TAH No. 1: The following chart provides the Overlapping Mill Levies imposed by additional taxing authorities that overlap the boundaries of TAH No. 1 for tax collection year 2020.

Taxing Authority	**Mill Levy**
Adams County (2020)	26.917
Aerotropolis Regional Transportation Authority (2020)	5.000
City of Aurora (2020)	8.605
RTD (2020)	0.000
School District 28-Aurora (2020)	81.275
Urban Drainage & Flood (2020)	0.900
Urban Drainage & Flood (S Platte) (2020)	0.097
TOTAL OVERLAPPING MILL LEVY (2020)	122.794

TAH No. 2: The following chart provides the Overlapping Mill Levies imposed by additional taxing authorities that overlap the boundaries of TAH No. 2 for tax collection year 2020.

Taxing Authority	**Mill Levy**
Adams County (2020)	26.917
Aerotropolis Regional Transportation Authority (2020)	5.000
City of Aurora (2020)	8.605
RTD (2020)	0.000
School District 28-Aurora (2020)	81.275
Urban Drainage & Flood (2020)	0.900
Urban Drainage & Flood (S Platte) (2020)	0.097
TOTAL OVERLAPPING MILL LEVY (2020)	122.794

TAH No. 3: The following chart provides the Overlapping Mill Levies imposed by additional taxing authorities that overlap the boundaries of TAH No. 3 for tax collection year 2020.

Taxing Authority	**Mill Levy**
Adams County (2020)	26.917
Aerotropolis Regional Transportation Authority (2020)	5.000
City of Aurora (2020)	8.605
RTD (2020)	0.000
School District 28-Aurora (2020)	81.275
Urban Drainage & Flood (2020)	0.900
Urban Drainage & Flood (S Platte) (2020)	0.097
TOTAL OVERLAPPING MILL LEVY (2020)	122.794

ATEC No. 1: The following chart provides the Overlapping Mill Levies imposed by additional taxing authorities that overlap the boundaries of ATEC No. 1 for tax collection year 2020.

Taxing Authority	**Mill Levy**
Adams County (2020)	26.917
Aerotropolis Regional Transportation Authority (2020)	5.000
City of Aurora (2020)	8.605
RTD (2020)	0.000
School District 28-Aurora (2020)	81.275
Urban Drainage & Flood (2020)	0.900
Urban Drainage & Flood (S Platte) (2020)	0.097
TOTAL OVERLAPPING MILL LEVY (2020)	122.794

ATEC No. 2: The following chart provides the Overlapping Mill Levies imposed by additional taxing authorities that overlap the boundaries of ATEC No. 2 for tax collection year 2020.

Taxing Authority	**Mill Levy**
Adams County (2020)	26.917
Aerotropolis Regional Transportation Authority (2020)	5.000
City of Aurora (2020)	8.605
RTD (2020)	0.000
School District 28-Aurora (2020)	81.275
Urban Drainage & Flood (2020)	0.900
Urban Drainage & Flood (S Platte) (2020)	0.097
TOTAL OVERLAPPING MILL LEVY (2020)	122.794

Fees

In addition to property taxes, the Districts and/or through the Authority may also rely upon various other revenue sources authorized by law to offset the expenses of capital construction and District/Authority management, operations and maintenance. Pursuant to the Service Plans and the CABEA, the Districts and/or through the Authority have the power to assess fees, rates, tolls, penalties, or charges as provided in the Special District Act. For a current fee schedule, please contact the Authority Manager.

The Authority anticipates imposing recurring fees to support the provision of services and maintenance of facilities and such fees will be adjusted from time to time.

The Authority has adopted Resolution No. 2020-____ -___ Imposing Facilities Fees on Residential and Commercial Property, wherein in order to defray the costs of the Public Improvements, the Authority has established a fee for services and/or facilities provided by the Authority to be imposed upon single-family residential property, multi-family residential

property, and commercial property with the Districts (the "**Facilities Fee(s)**"). The Facilities Fees are due to the Authority within ten (10) days of the issuance of each building permit unless otherwise specified by resolution of the Authority.

COVENANT ENFORCEMENT AND DESIGN REVIEW

In accordance with Section 32-1-1004(8), C.R.S., each District has the power to provide covenant enforcement and design review services within the boundaries of its respective District if the declaration, rules and regulations, or any similar document containing the covenants to be enforced for the area with the District name(s) the District as the enforcement or design review entity. The Districts shall have the power to provide covenant enforcement and design review services only if revenues used to provide such services are derived from the area in which the services are furnished. The Districts shall have the ability to impose fees and charges for purposes identified in the covenants, including operations and maintenance of streets, landscaping, and other common areas, for the purpose of enforcing the covenants.

Pursuant to the CABEA, the Districts assigned to the Authority all duties, rights, and obligations delegated to the Districts by that certain Master Declaration of Covenants, Conditions and Restrictions for The Aurora Highlands, effective January 31, 2020, recorded in the real property records of Adams County, Colorado on February 2, 2020, at reception number 2020000010483, as the same may be amended from time to time, together with any Supplemental Declaration thereto (the "**TAH Master Declaration**").

During the term of the CABEA, the Authority is authorized to undertake the applicable Covenant Enforcement Services (as defined in the CABEA) within the boundaries of the Districts to the extent that the real property within such boundaries is subject to the TAH Master Declaration, as well the Rules and Regulation for Covenant Enforcement adopted by the Authority, and any Design Guidelines adopted pursuant to the TAH Master Declaration, as may be amended from time to time, that apply to the property that is subject to the TAH Master Declaration; provided, however, that any and all revenues used to furnish the Covenant Enforcement Services must be derived from within the boundaries of the District in which the Covenant Enforcement Services are furnished.

BOUNDARIES OF THE DISTRICTS

This Disclosure shall apply to the property within the boundaries of each District, which property is described on **Exhibits A-1 through A-6** and **Exhibits B-1 through B-6,** all of which are attached hereto and incorporated herein by this reference.

CONTACT INFORMATION

Should you have any questions regarding this Disclosure, please contact:

Authority/District Manager:
CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO
Phone: (303) 779-5710

Dated this ____ day of _____, 2020.

EXHIBIT A-1

Coordinating District Boundary Map

EXHIBIT A-2

TAH District No. 1 Boundary Map

EXHIBIT A-3

TAH District No. 2 Boundary Map

EXHIBIT A-4

TAH District No. 3 Boundary Map

EXHIBIT A-5

ATEC District No. 1 Boundary Map

EXHIBIT A-6

ATEC District No. 2 Boundary Map

EXHIBIT B-1

Legal Description of Coordinating District Boundaries

EXHIBIT B-2

Legal Description of TAH No. 1 Boundaries

EXHIBIT B-3

Legal Description of TAH No. 2 Boundaries

EXHIBIT B-4

Legal Description of TAH No. 3 Boundaries

EXHIBIT B-5

Legal Description of ATEC No. 1 Boundaries

EXHIBIT B-6

Legal Description of ATEC No. 2 Boundaries

April 5, 2020

To: The Aurora Highlands Community Authority Board
From: Todd A. Johnson, P.E., AACMD Program Manager

RE: The Aurora Highlands - Long Term Capital Improvements Plan

To whom it may concern,

The following is a projection of the Long Term Capital Improvements Plan (LTCIP) and Initial Infrastructure for the Aerotropolis Area Coordinating Metropolitan District (AACMD) who operates in agreement to perform program management through The Aurora Highlands Community Authority Board Establishment Agreement (CABEA). This plan outlines the program of projected public improvement projects, costs, schedule and other associated elements associated with establishing major, "trunk" or "backbone" infrastructure to support the development of The Aurora Highlands (TAH) development.

AACMD coordinates with TAH (landowner/developer and its team), ATEC along with ARTA on the required infrastructure and upcoming projects as programed. AACMD provides the design-build arm of the Aerotropolis Regional Transportation Authority (ARTA) in its independent projects and interrelated AACMD/ARTA projects. This association was established in early 2018 with District design efforts started in mid-2018 with its first build projects starting in December of 2018 and carry on today.

Long Term Capital Improvements Plan:

AACMD has projected that the total Long Term Capital Improvements Plan for the TAH project (four sections 19, 20, 29 and 30) is approximately five hundred million ($500MM) of major district infrastructure with an additional one hundred seventy-five million ($175MM) of supporting or associated infrastructure through ARTA. Additionally, ATEC 1 (sections 21, 28 and southern part of 16) is projected at one hundred thirty million ($130MM) of district infrastructure. ATEC 2 is within the TAH area and will supported by the TAH infrastructure. TAH is

projected to develop over the next 20 plus years, this evolution of development is portrayed in exhibits A and B.

Infrastructure supporting the individual lot or track development or "In-Tract" infrastructure is also being coordinated with AACMD but is projected to be constructed mainly by individual home builders with eligible district costs certified after construction. The developer in coordination with the District may construct some of the In-Tract infrastructure. Projections of eligible district infrastructure can range between $15-45,000/per unit depending upon type, size, location, etc. Specific projections have been provided to D.A. Davidson and are included in their modeling.

Initial Infrastructure:

Initial infrastructure (2018-2021) has been identified as part of the LTCIP. The initial infrastructure projects include those elements required by the local approval agencies (City of Aurora or Adams County), ARTA or TAH. The initial infrastructure has the potential to support approximately 2,000 homes and the commercial/retail/office campus areas between E470 and Main Street which is also categorized as ATEC 2. See exhibit C for these areas. Phase 1A as shown is infrastructure projected to be built by the end of 2020 with Phase 1B being completed in 2021.

To date AACMD/ARTA has approximately thirty-eight million ($38MM) in design and build agreements/contracts. Through the December 19, 2019, draw 18, the following are the allocations:

- AACMD - $17,418,074.62
- ARTA - $4,728,908.76
- ATEC - $97,591.50
- Developer - $778,576.62
- Total = $23,023,151.50

The initial infrastructure is as follows:

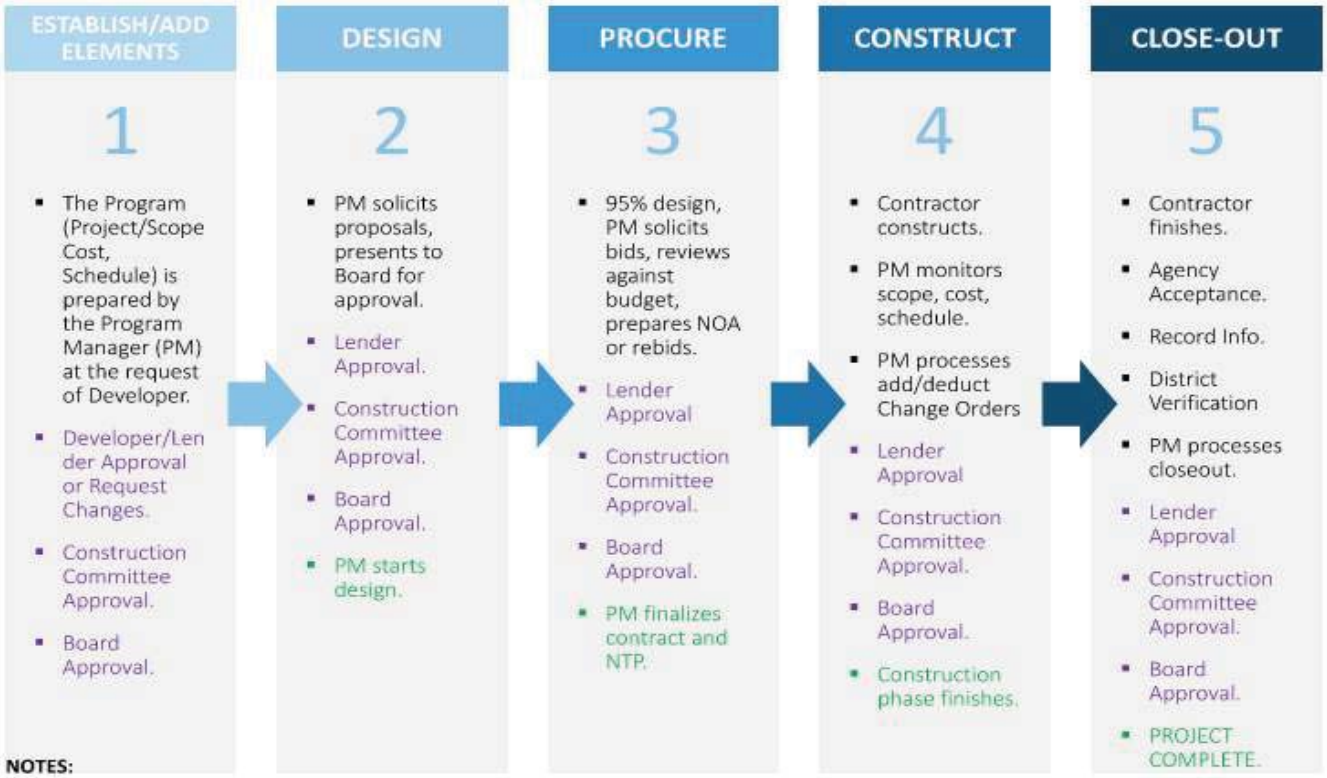
Aerotropolis Area Coordinating Metropolitan District

Project Program

Project	Limits	Type	*Projected Cost	*Spent to Date	*2020 Spend	*2021+ Spend	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20+ Schedule (D-Design B-Build)	Note
Main Street	26th-TAH Pkwy	4L Arterial	$ 12,466,199	$ 12,466,199	$ -	$ -	D	D	B	B	B	B	B	B	B		
Main Street	TAH Pkwy-42nd	4L Arterial	$ 5,763,326	$ 5,763,326	$ -	$ -	D	D	B	B	B	B	B	B	B		
Denali Blvd	TAH Pkwy-42nd	4L Arterial	$ 4,354,003	$ 4,354,003	$ -	$ -	D	D	B	B	B	B	B	B	B		
Denali Blvd	42nd-46th	4L Arterial	$ 3,597,782	$ 3,597,782	$ -	$ -	D	D	B								Grade/min. storm crossing only
TAH Parkway	E470-Main	6L Arterial	$ 1,000,000	$ 1,000,000	$ -	$ -				D	D	B	B	B	B	B	100% ARTA, upgrades only
TAH Parkway	Main-Denali	6L Arterial	$ 3,133,997	$ 3,133,997	$ -	$ -		D	D	D	D	B	B	B	B	B	40% ARTA
TAH Parkway	Denali-38th Pkwy	4L Arterial	$ 5,558,229	$ 5,558,229	$ -	$ -		D	D	D	D	B	B	B	B	B	35% ARTA
42nd Avenue	Main-Denali	3L Collector	$ 3,799,478	$ 3,799,478	$ -	$ -	D	D	B	B	B	B	B	B			
42nd Avenue	Denali-E	3L Collector	$ 3,270,855	$ 3,270,855	$ -	$ -	D	D	B	B	B	B	B	B			
42nd Avenue	E-Reserve	3L Collector	$ 4,449,243	$ 4,449,243	$ -	$ -	D	D	B	B	B	B	B	B			
Reserve Blvd	38th Pkwy-42nd	3L Collector	$ 4,041,763	$ 4,041,763	$ -	$ -	D	D	D	D	B	B	B	B	B		
38th Place	Main-Denali	2L Local	$ 1,581,000	$ 1,581,000	$ -	$ -			D	D	B	B	B				Interim
38th Parkway	TAH Pkwy-Reserve	3L Collector	$ 4,251,010	$ 4,251,010	$ -	$ -			D	D	D	B	B	B	B		
38th Parkway	Reserve-Powhaton	3L Collector	$ 4,079,207	$ 4,079,207	$ -	$ -				D	D	B	B	B	B		Partial Roadway - Fire Access
38th Parkway	Powhaton-Monaghan	3L Collector	$ 4,652,391	$ 4,652,391	$ -	$ -				D	D	B	B	B	B		Partial Roadway - Fire Access
26th Avenue	E470-1st Phase	6L Arterial	$ 601,022	$ 601,022	$ -	$ -	D	D	D	D	B	B	B	B			90% ARTA of Initial Phase
SS01	E470-Main	Sanitary Sewer	$ 493,000	$ 493,000	$ -	$ -	D	D	D	B	B	B	B				
SS02	Main-38th Pl	Sanitary Sewer	$ 203,116	$ 203,116	$ -	$ -	D	D	D	B	B	B	B				
SS03	38th Pl-TAH Pkwy	Sanitary Sewer	$ 289,884	$ 289,884	$ -	$ -	D	D	D	B	B	B	B				
SS04	TAH Pkwy-Denali	Sanitary Sewer	$ 157,760	$ 157,760	$ -	$ -	D	D	D	B	B	B	B				
SS05	Denali-38th Pkwy	Sanitary Sewer	$ 664,564	$ 664,564	$ -	$ -	D	D	D	B	B	B	B				
SS06	38th Pkwy-C	Sanitary Sewer	$ 701,046	$ 701,046	$ -	$ -	D	D	D	B	B	B	B				
SS07	C-26th	Sanitary Sewer	$ 454,546	$ 454,546	$ -	$ -	D	D	D	B	B	B	B				
SS08	Main/38th-TAH Pkwy	Sanitary Sewer	$ 153,816	$ 153,816	$ -	$ -	D	D	D	B	B	B	B				
SS09	TAH Pkwy-B1	Sanitary Sewer	$ 565,964	$ 565,964	$ -	$ -	D	D	D	B	B	B	B				
SS10	B1-26th	Sanitary Sewer	$ 665,550	$ 665,550	$ -	$ -	D	D	D	B	B	B	B				
WT01	E470-Main	Interim	$ 618,700	$ 556,830	$ 61,870	$ -			D	D	B	B					Interim
DR01	E470-Main	Major Drainage	$ 3,500,000	$ 87,500	$ 3,412,500	$ -			D	D	D	D	B	B	B	B	
DR02	Main-Denali	Major Drainage	$ 4,000,000	$ 100,000	$ 3,900,000	$ -			D	D	D	D	B	B	B	B	
DR03	Denali-38th Pkwy	Major Drainage	$ 6,500,000	$ 162,500	$ 6,337,500	$ -			D	D	D	D	B	B	B	B	
DR04	38th Pkwy-C	Major Drainage	$ 1,780,000	$ 44,500	$ 1,735,500	$ -			D	D	D	D	B	B	B	B	
DR07	E470-Main	Major Drainage	$ 390,000	$ 9,750	$ 380,250	$ -	D	D	B	B							
DR08	Main/B1 Pond	Major Drainage	$ 750,000	$ 18,750	$ 731,250	$ -	D	D	B	B							
DR09	Pond-26th	Major Drainage	$ 207,000	$ 5,175	$ 201,825	$ -	D	D	B	B							
DR16	PA28 Pond	Major Drainage	$ 500,000	$ 12,500	$ 487,500	$ -	D	D	D	B	B	B					
DR17	Community Park	Major Drainage	$ 744,000	$ 18,600	$ 725,400	$ -	D	D	D	B	B	B					
DR18	PA44 Pond	Major Drainage	$ 350,000	$ 8,750	$ 341,250	$ -	D	D	D	B	B	B					
DR24	PA52 Pond	Major Drainage	$ 350,000	$ 8,750	$ 341,250	$ -	D	D	D	B	B	B					
Dry Utilities	(Relocates/Lighting)	Dry Utilities	$ 2,000,000	$ -	$ 2,000,000	$ -						B	B	B	B	B	
Park 01	PA15	Park	$ 3,500,000	$ 87,500	$ 3,412,500	$ -					D	D	D	B	B	B	
Park 02	PA24	Park	$ 1,500,000	$ 37,500	$ 1,462,500	$ -						D	D	D	D	B	
Park 03	PA18	Park	$ 2,000,000	$ 50,000	$ 1,950,000	$ -									D	B	
Open Space	PA23	Open Space	$ 1,136,916	$ 56,846	$ 1,080,070	$ -								D	D	B	Trail
Open Space	PA27	Open Space	$ 6,000,000	$ 150,000	$ 5,850,000	$ -					D	D	D	D	B	B	Drainage
Open Space	PA28	Open Space	$ 261,360	$ 13,068	$ 248,292	$ -					D	D	D	D	B	B	Pond
Open Space	PA42	Open Space	$ 182,952	$ 9,148	$ 173,804	$ -									D	B	Trail
Open Space	PA44	Open Space	$ 348,480	$ 17,424	$ 331,056	$ -					D	D	D	D	B	B	Pond
Open Space	PA51	Open Space	$ 1,250,000	$ 62,500	$ 1,187,500	$ -					D	D	D	D	B	B	Pond
Open Space	PA53	Open Space	$ 7,500,000	$ 187,500	$ 7,312,500	$ -					D	D	D	D	B	B	Drainage
Open Space	PA61	Open Space	$ 566,280	$ 28,314	$ 537,966	$ -					D	D	D	D	B	B	Pond
School 01	PA16	Supporting Inf.	$ 250,000	$ 12,500	$ 237,500	$ -							D	D	D	B	
Mass Grading		Overall	$ 1,600,000	$ 400,000	$ 1,200,000	$ -	B	B	B	B	B	B	B	B	B	B	
Rec Center 01	PA24	Aquatics	$ 14,000,000	$ 105,000	$ 13,895,000	$ -						D	D	D	D	D	B
		Subtotal	$ 132,734,439	$ 73,199,656	$ 59,534,784	$ -											
	15%	Contingency	$ 19,910,166	$ 10,979,948	$ 8,930,218	$ -											
	1%	Admin Costs	$ 1,327,344	$ 731,997	$ 595,348	$ -											
		Total Projection	$ 152,644,605	$ 84,179,604	$ 68,465,001	$ -											

Procurement Process

The following is an overview of the procurement process for the overall LTCIP.



NOTES:

1. Program Manger will have the authority to authorize up to $100,000.00 to maintain schedule, items will be ratified at Board Meeting.
2. Construction Committee can authorize up to $250,000.00 change orders or the following percentages per stage: up to 10% of contracted amount at 0-50% of work, up to 5% at 51-75% of work and up to 2.5% of work at 75-100% of work.

NOTES: INPUT/APPROVAL/ACTION. Board will resolve any disputes in the process.

Please feel free to contact me at 303-257-7653 or todd@terraformas.com with any questions or additional information you may need.

Respectfully,

Todd A. Johnson, P.E.
AACMD Program Manager
For and on behalf of:
Terra Forma Solutions, Inc and AACMD

EXHIBIT A

Illustrative Overall Project Phasing

LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2019 OVERVIEW WEST

FIG.1

KRACOV, MIKE, 12/16/2019 2:21 PM

HRGreen DRAWING PATH:J:\2018\181211\CAD\Dwgs\Overall Exhibit\TAH_PHASING_EXHIBIT.dwg

LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2020 OVERVIEW WEST

FIG.2

KRACOV, MIKE, 12/16/2019 2:21 PM

HRGreen DRAWING PATH:J:\2018\181211\CAD\Dwgs\Overall Exhibit\TAH_PHASING_EXHIBIT.dwg

LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2021 OVERVIEW WEST

FIG.3

LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037
- PROPOSED ROADWAY
- EXISTING ROADWAY

NORTH

0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2022 OVERVIEW WEST

FIG.4

LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

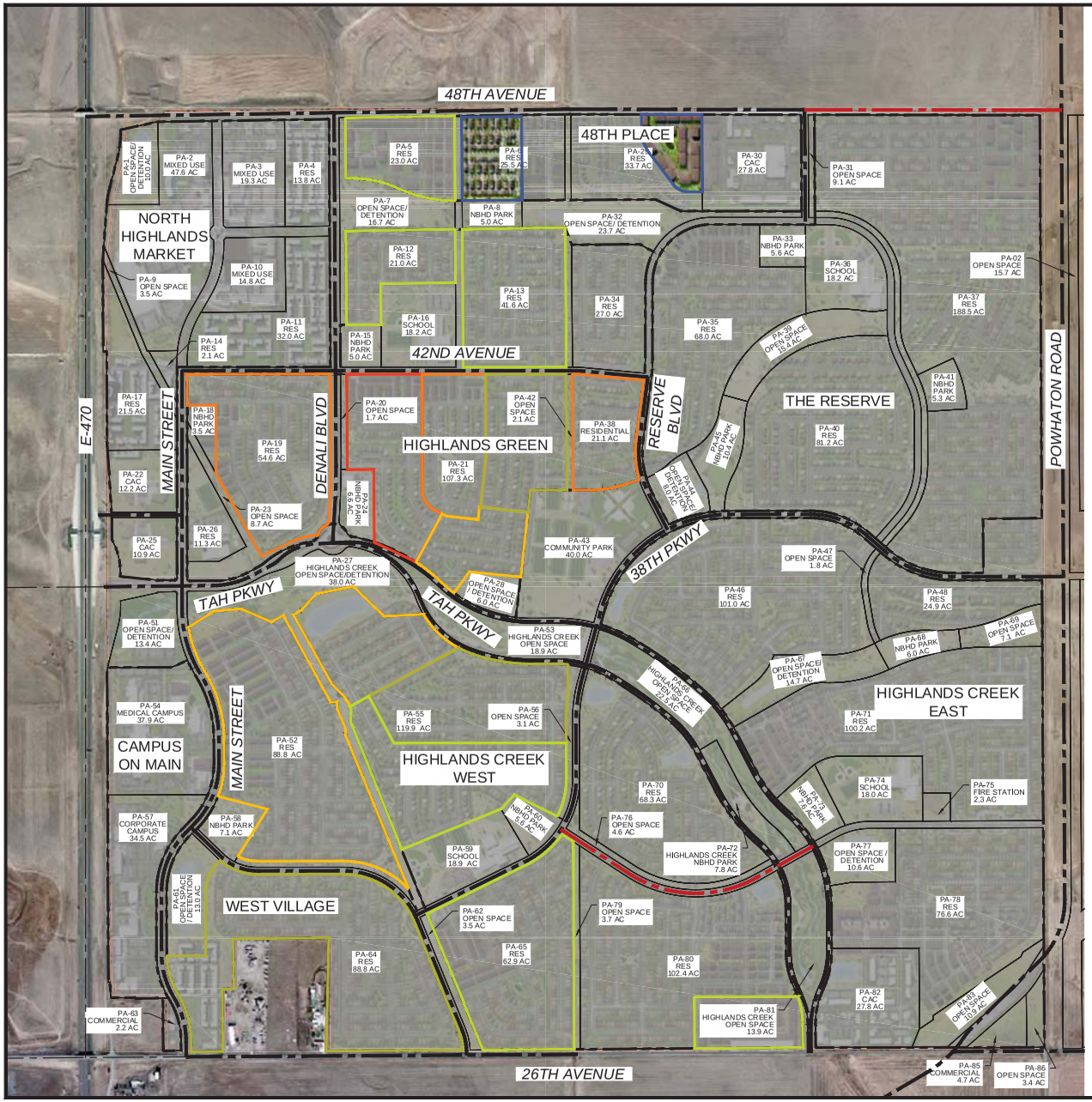
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2023 OVERVIEW WEST

FIG.5



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2024 OVERVIEW WEST

FIG.6

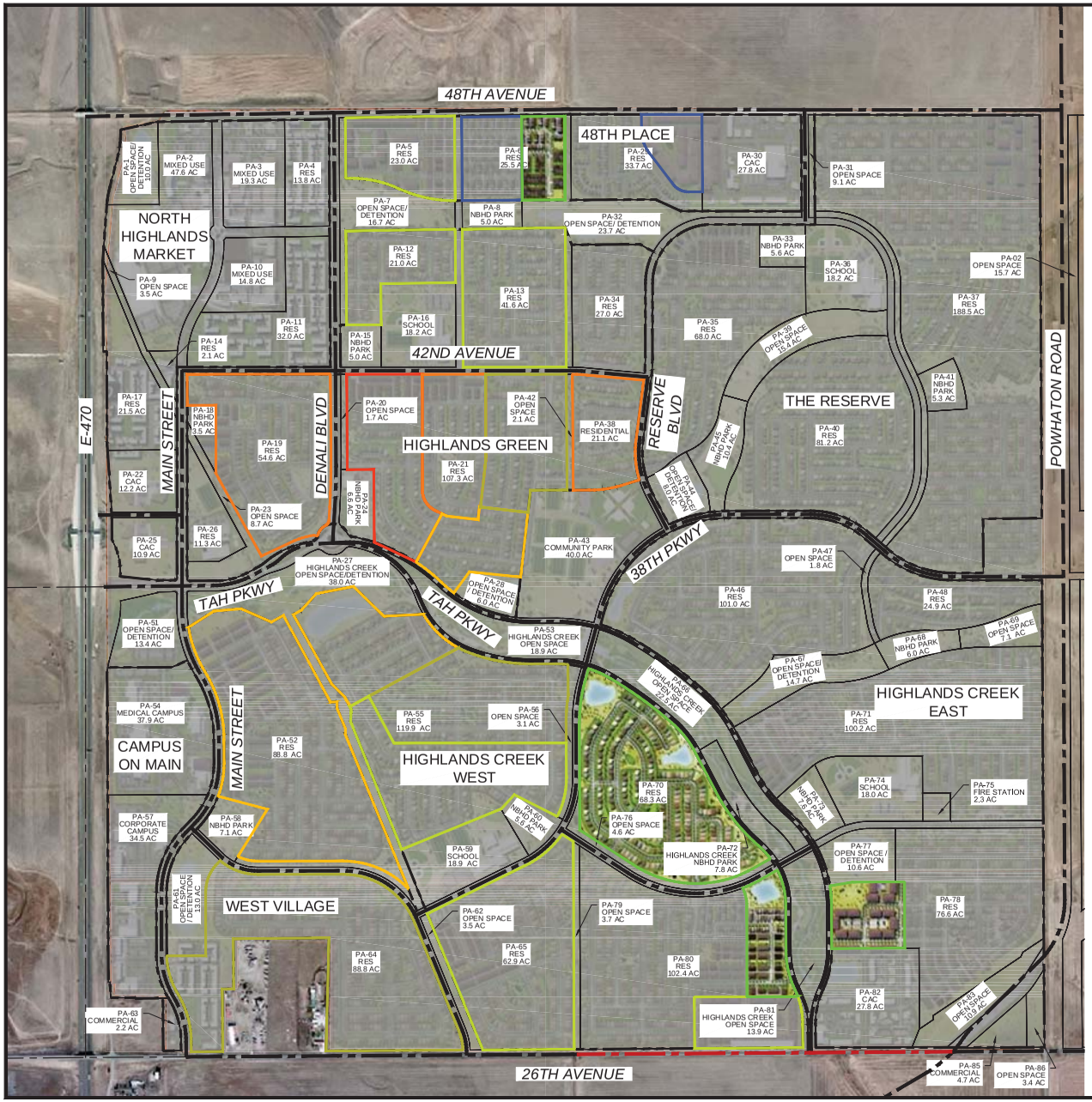
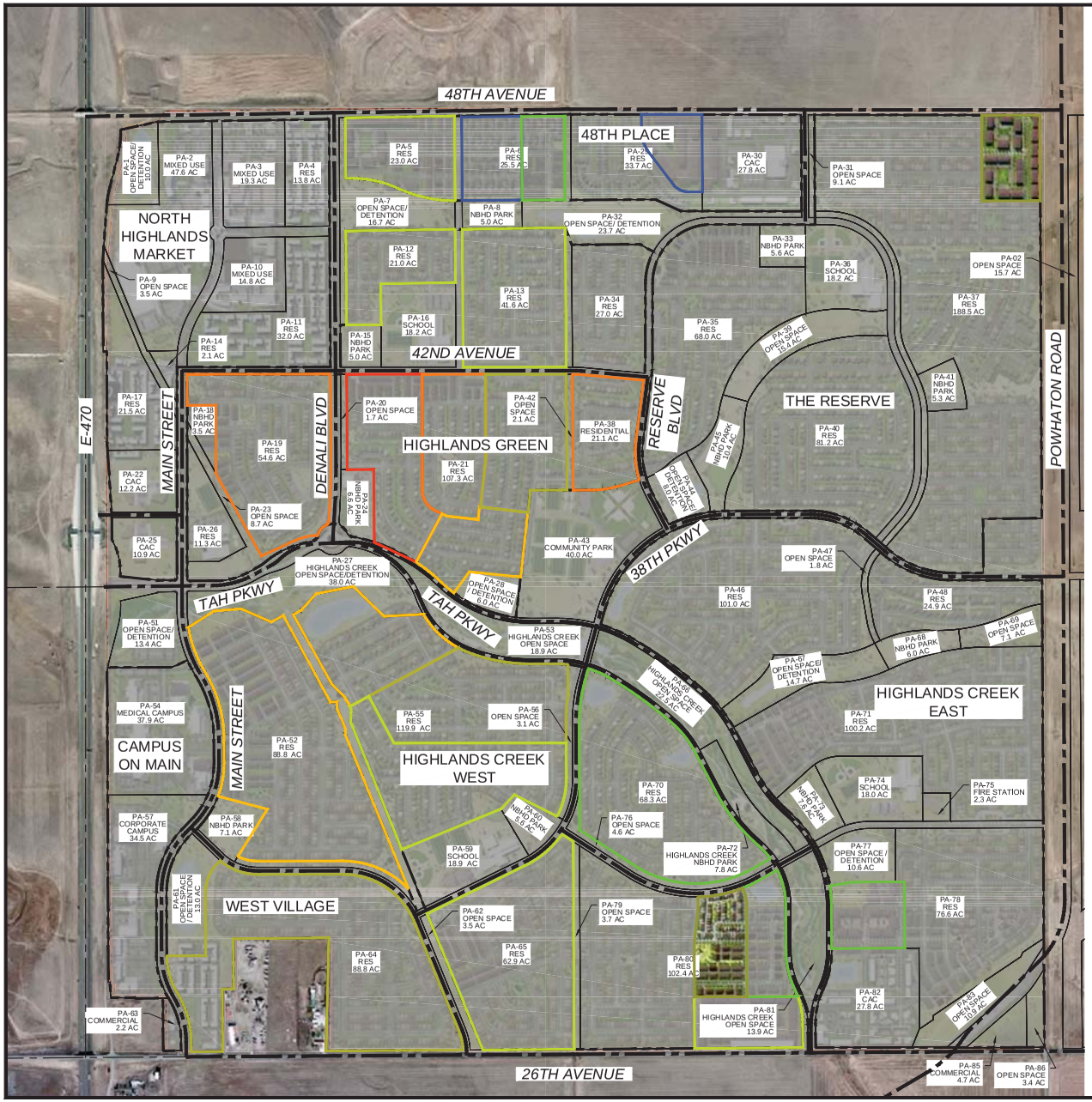


FIG.7



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

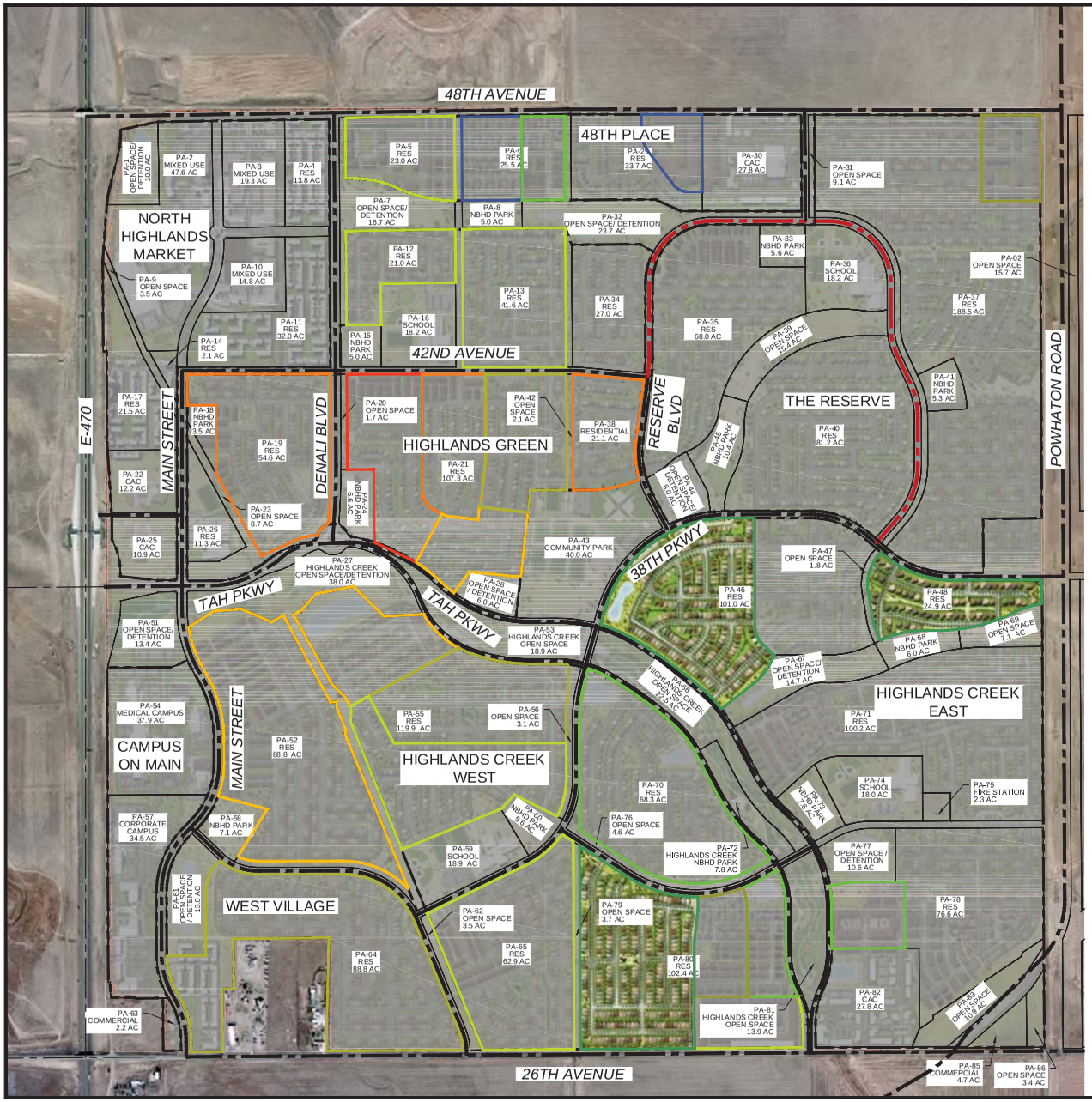
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2026 OVERVIEW WEST

FIG.8



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

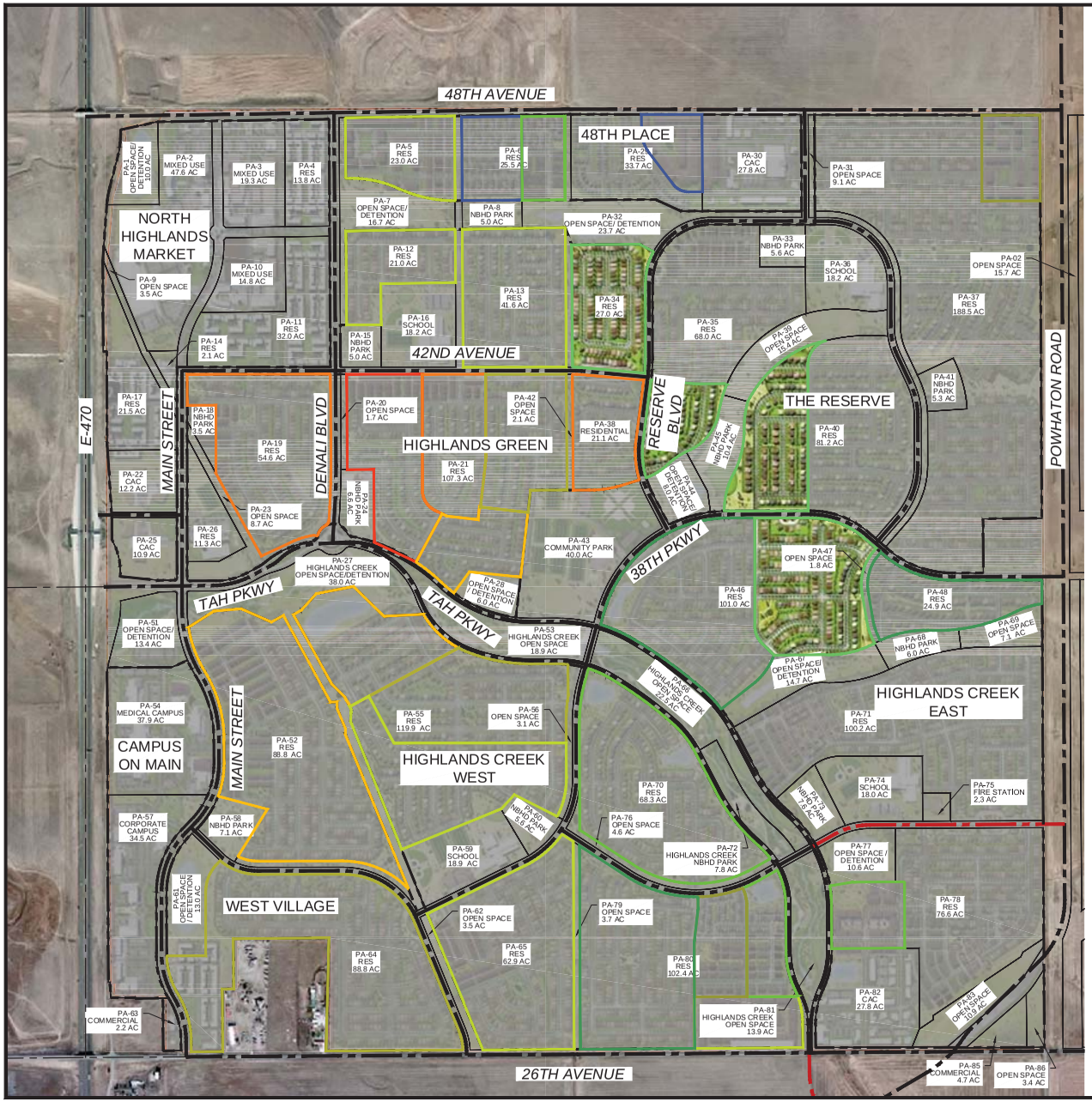
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2027 OVERVIEW WEST

FIG.9



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

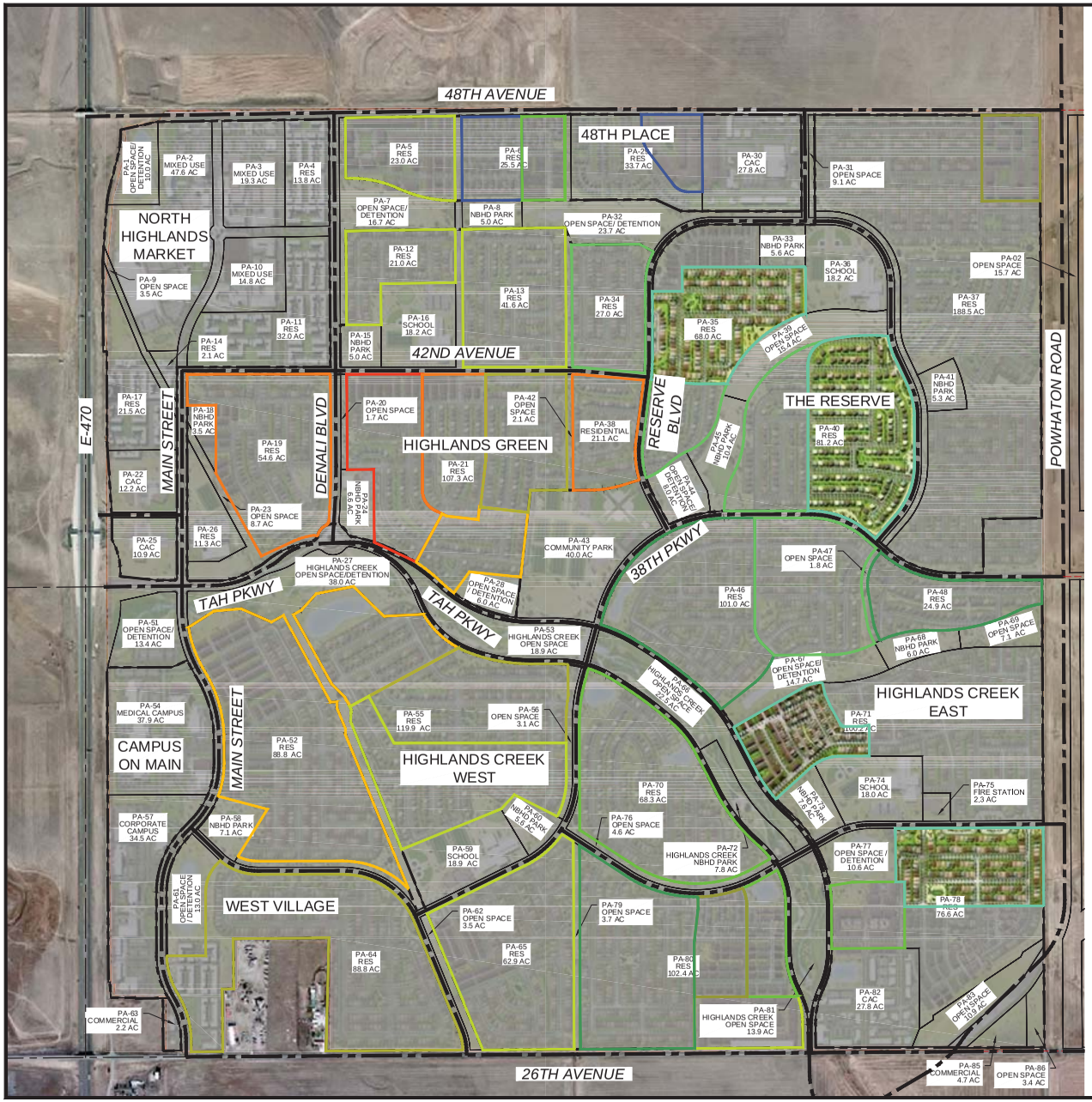
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2028 OVERVIEW WEST

FIG.10



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

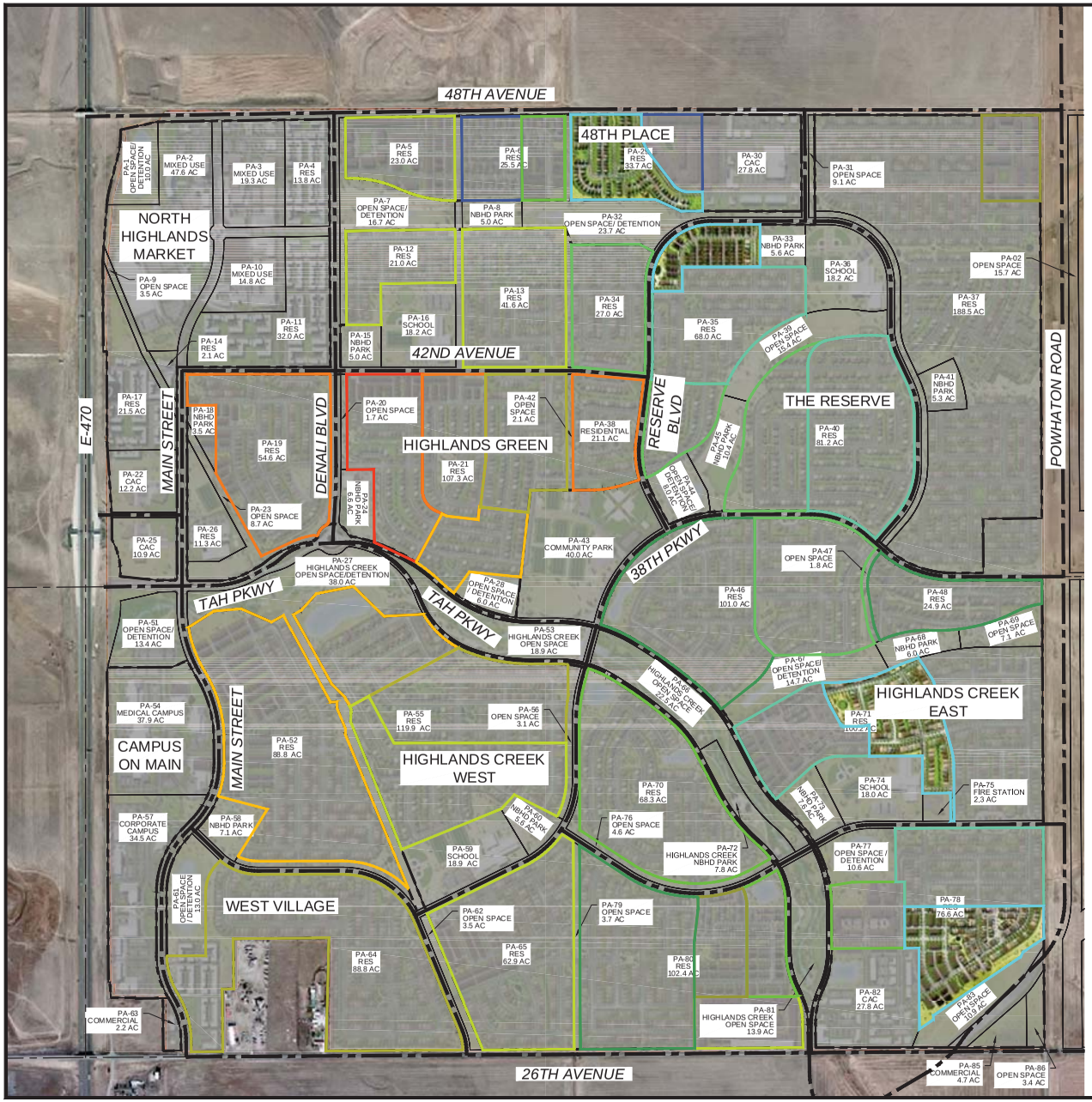
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2029 OVERVIEW WEST

FIG.11



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

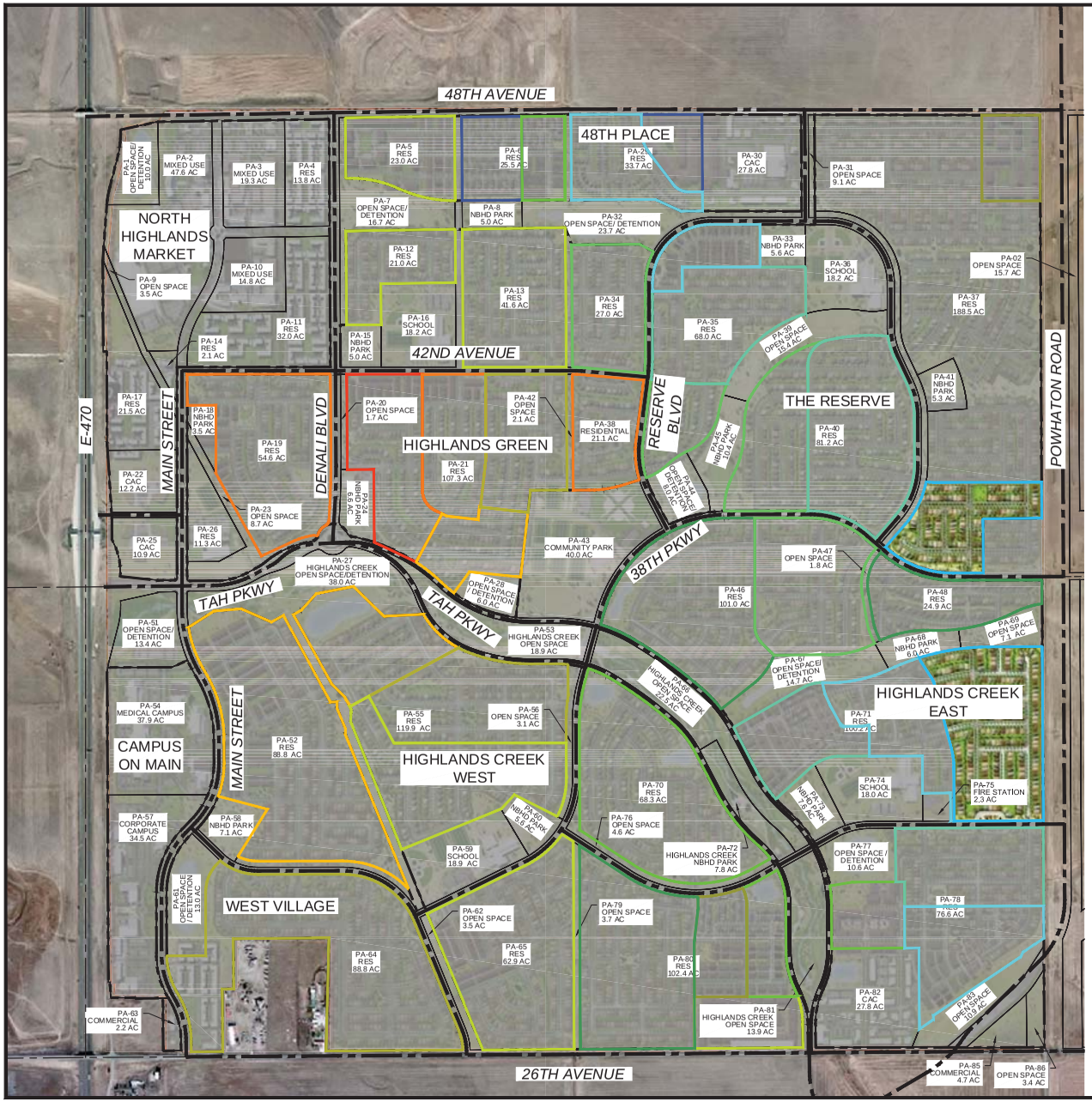
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2030 OVERVIEW WEST

FIG.12



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

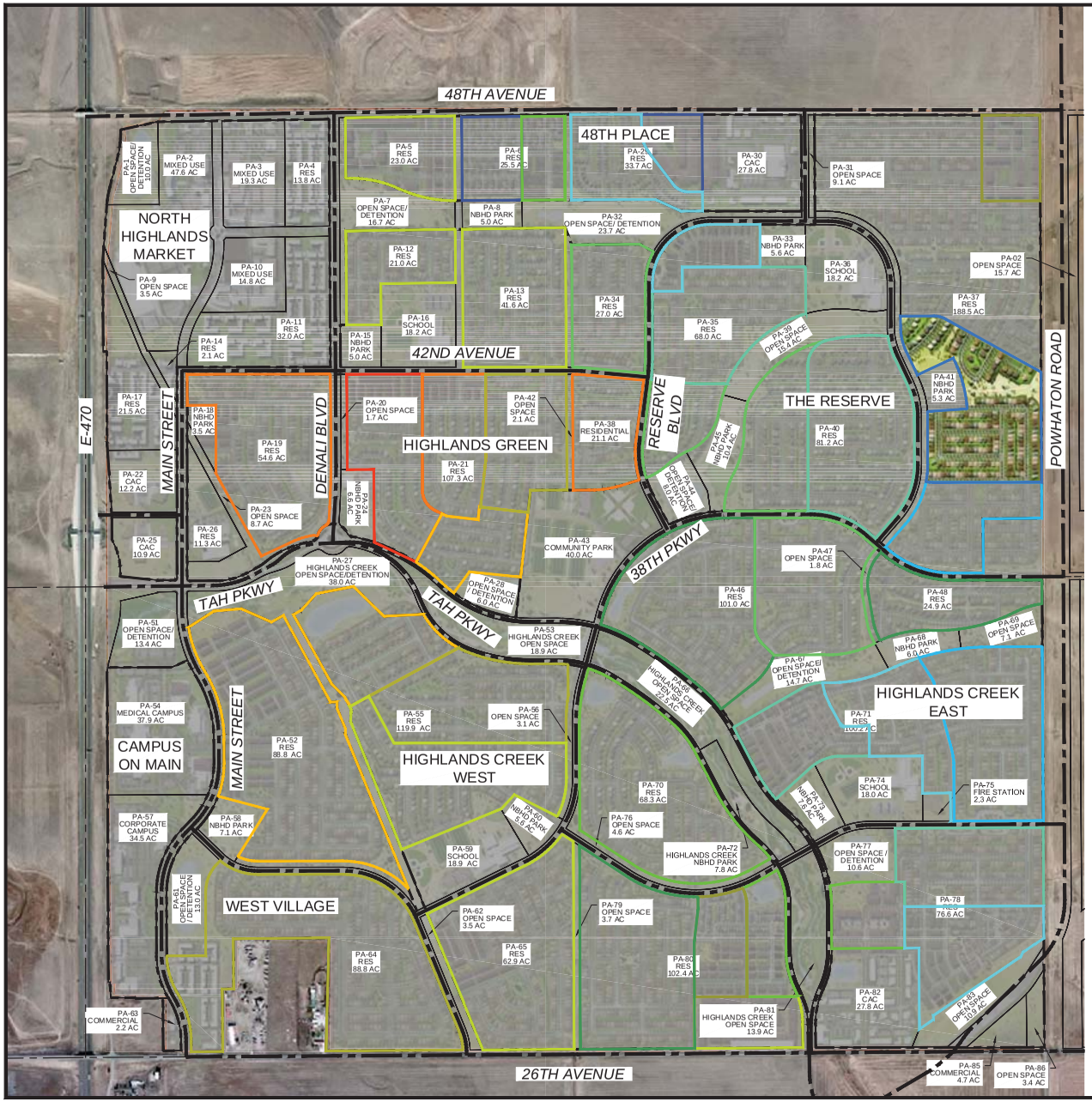
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2031 OVERVIEW WEST

FIG.13



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

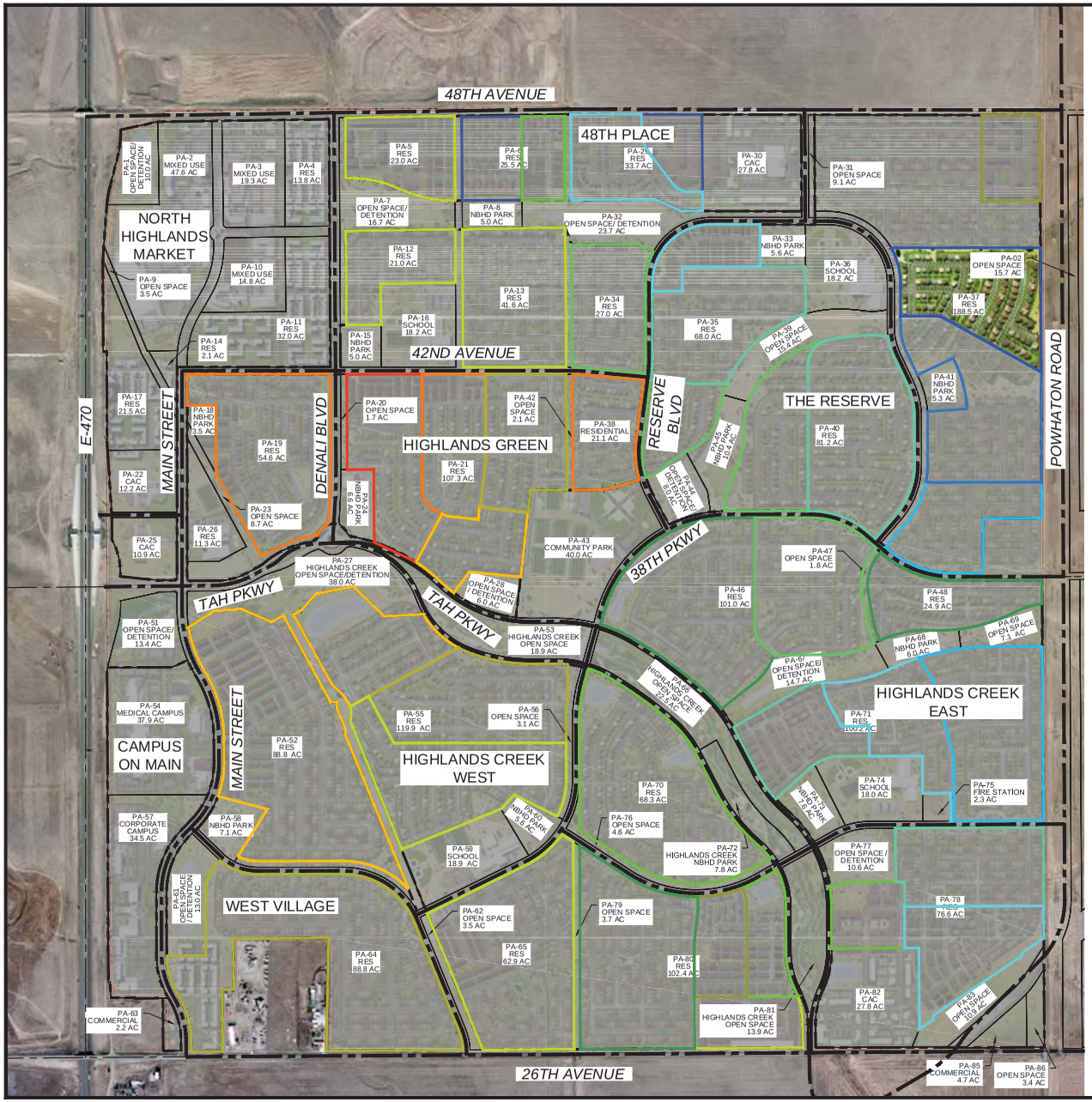
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2032 OVERVIEW WEST

FIG.14



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

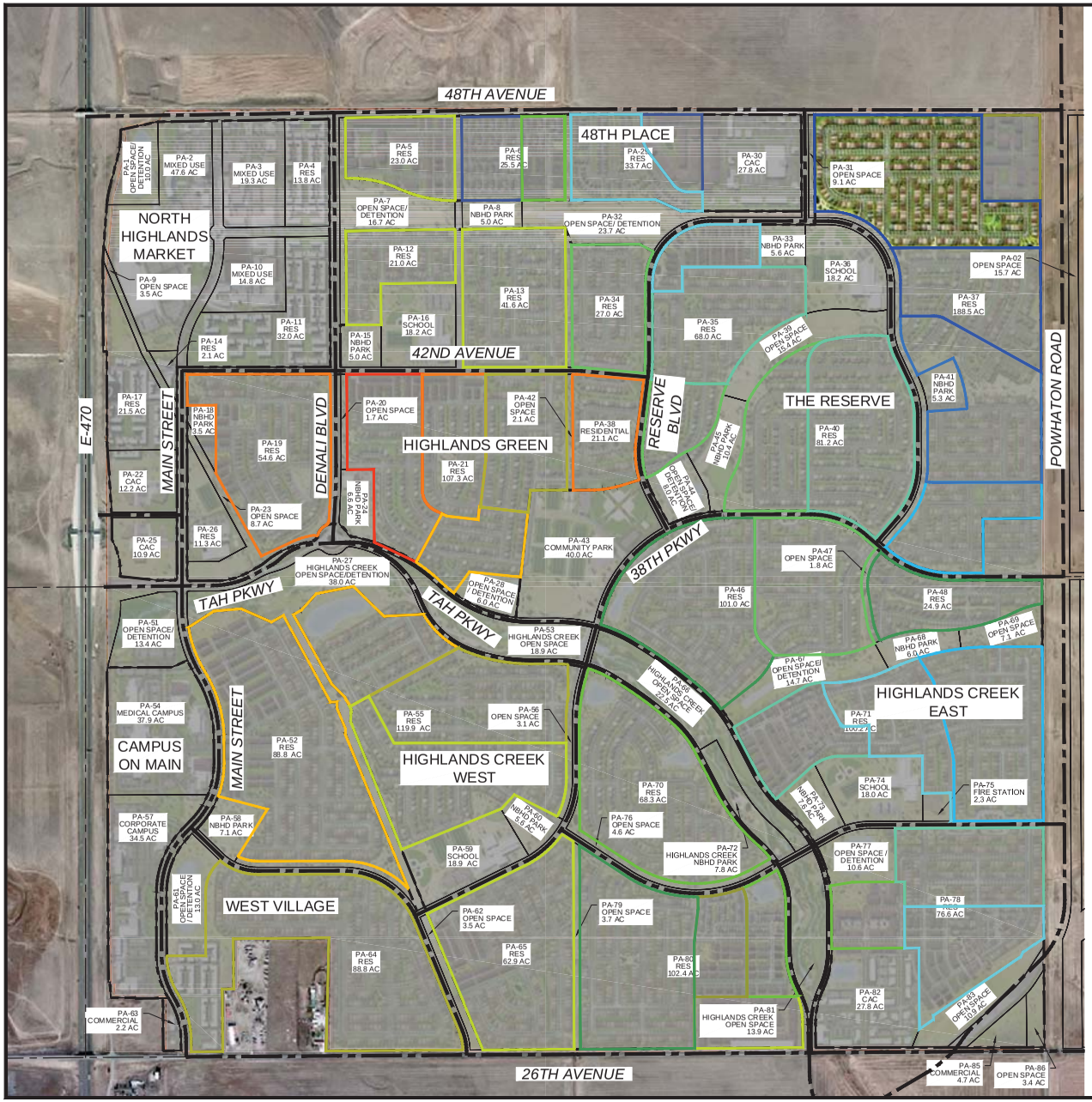
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2033 OVERVIEW WEST

FIG.15



LEGEND

- 2019
- 2020
- 2021
- 2022
- 2023
- 2024
- 2025
- 2026
- 2027
- 2028
- 2029
- 2030
- 2031
- 2032
- 2033
- 2034
- 2035
- 2036
- 2037

PROPOSED ROADWAY

EXISTING ROADWAY

NORTH

0 300 600

HRGreen

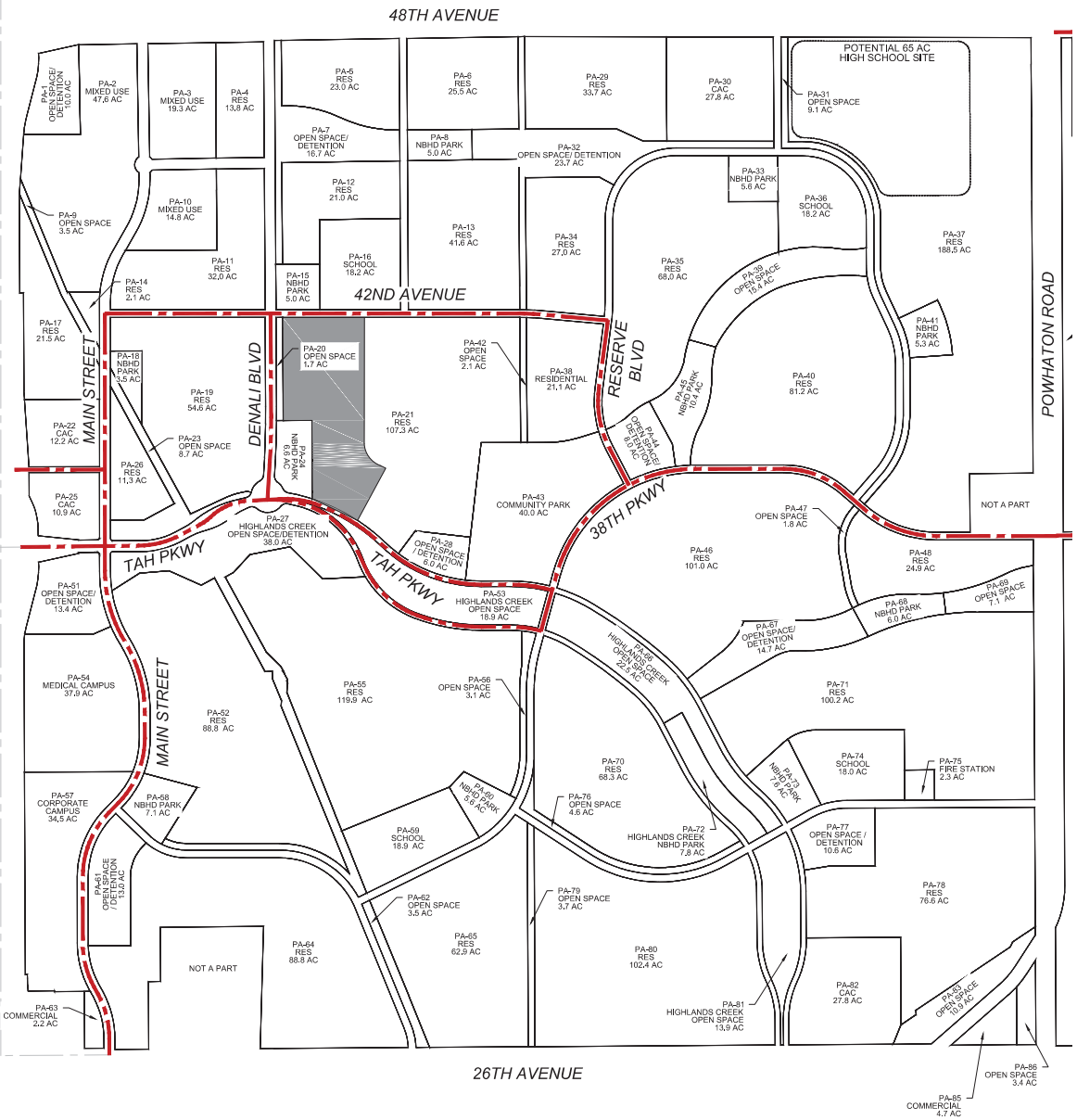
Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2034 OVERVIEW WEST

FIG.16

EXHIBIT B

Overall Project Phasing



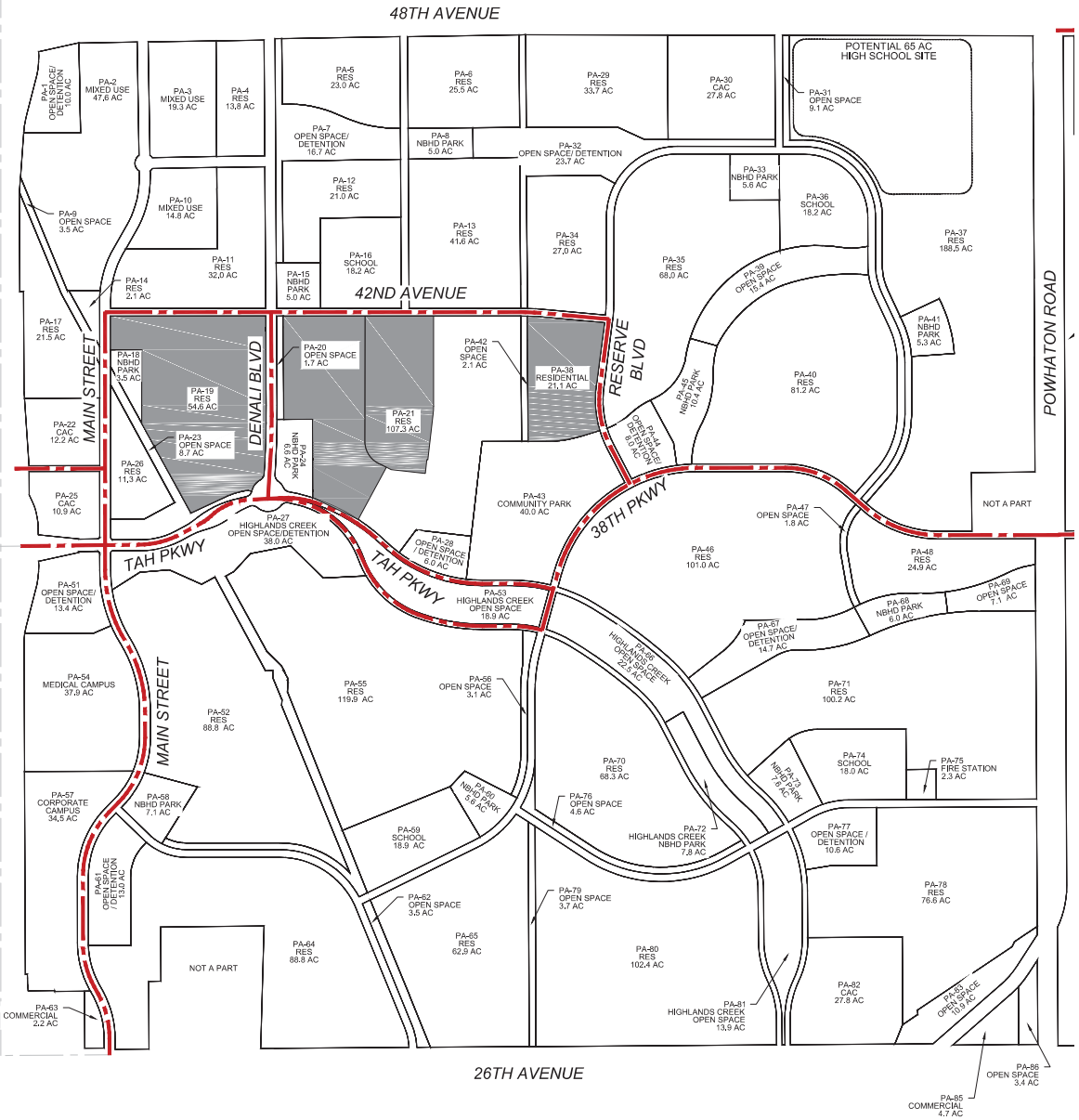
NORTH
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2019

FIG. 1 OF 16

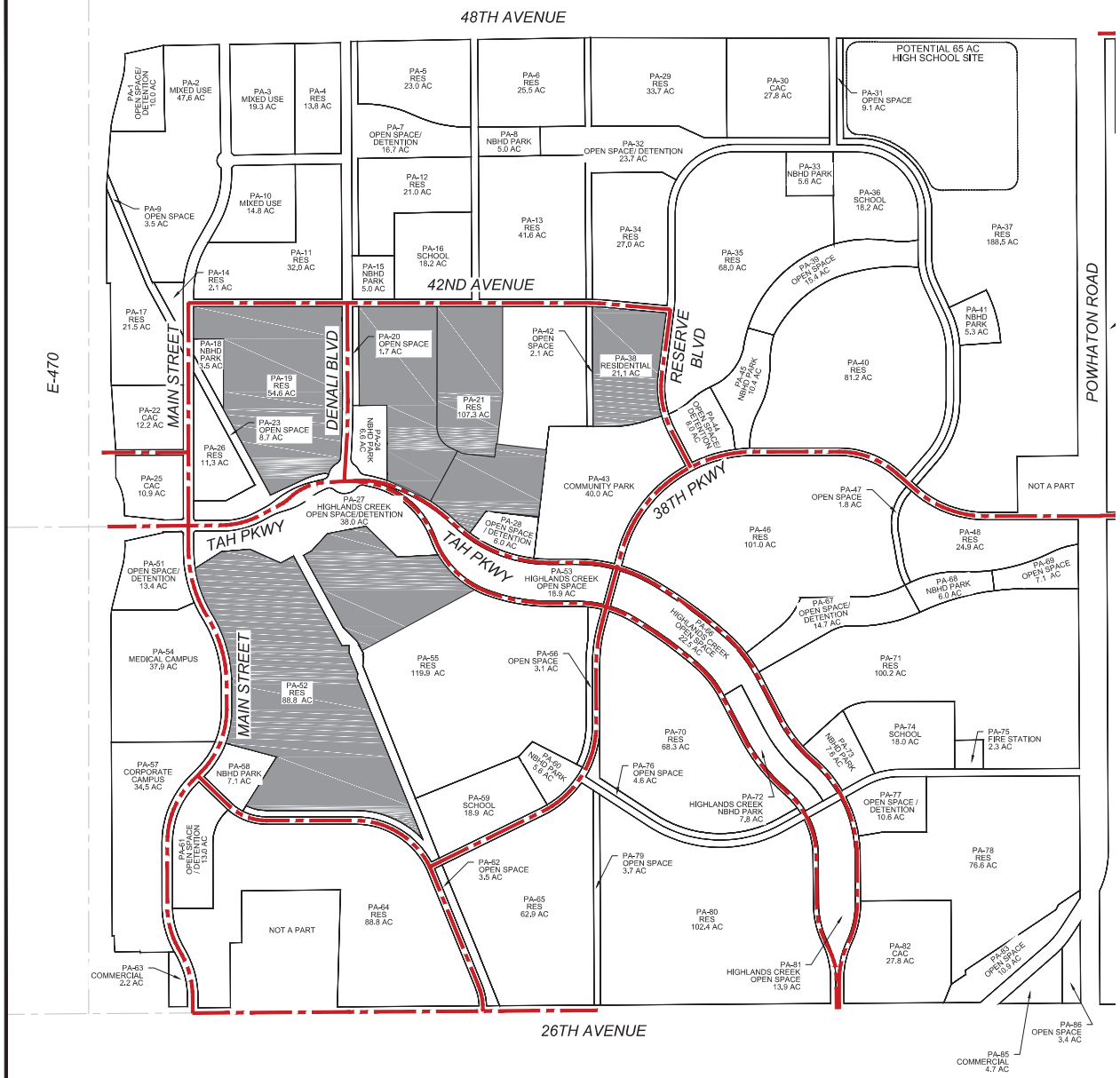


NORTH
0 300 600
HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2020

FIG. 2 OF 16



NORTH
0 300 600

HRGreen

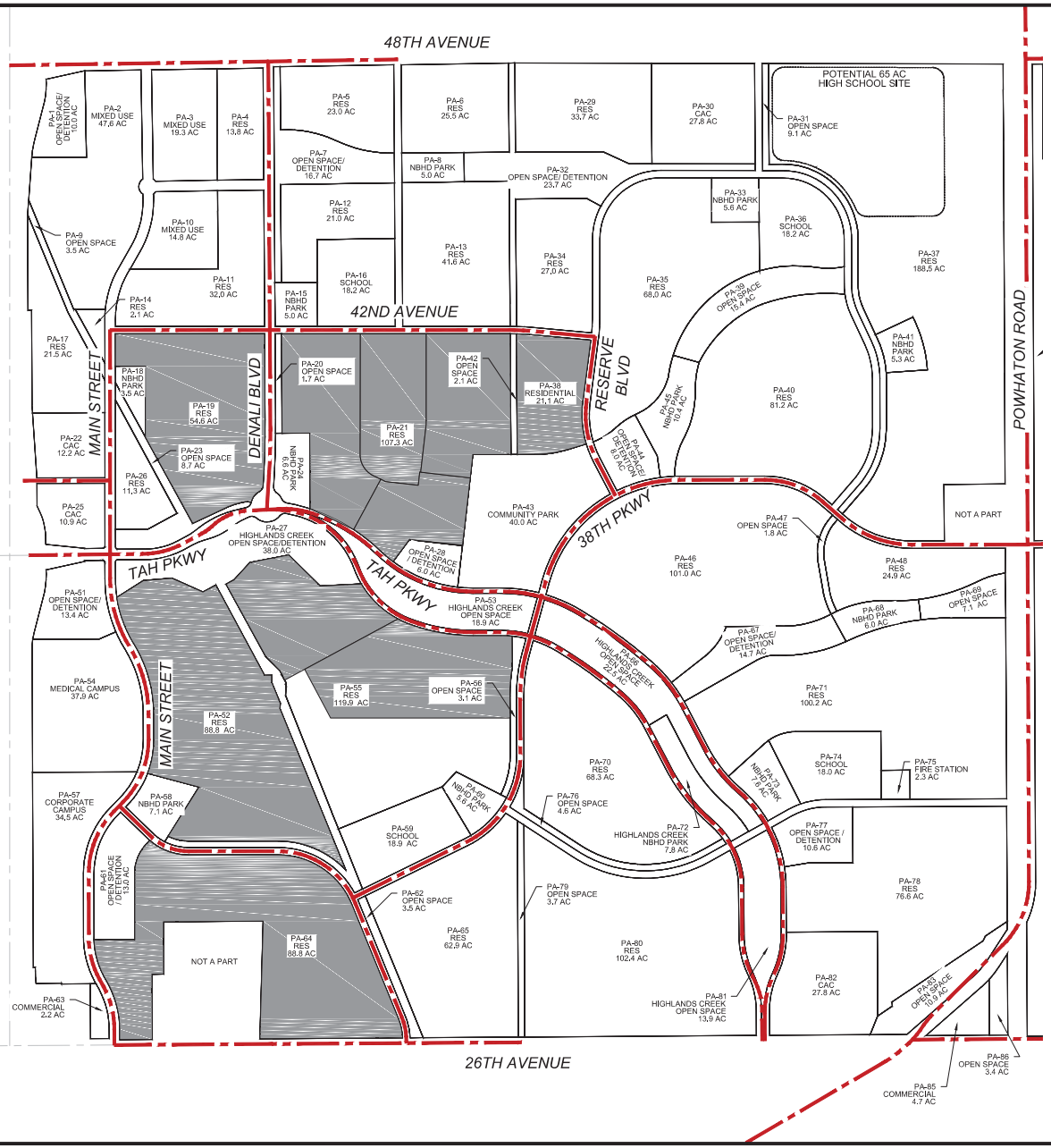
Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2021

FIG. 3 OF 16

KRACOV, MIKE, 12/16/2019 2:28 PM

HRGreen DRAWING PATH:J:\2018\181211\CAD\Dwgs\Overall Exhibit\TAH_LAYERED_EXHIBIT.dwg



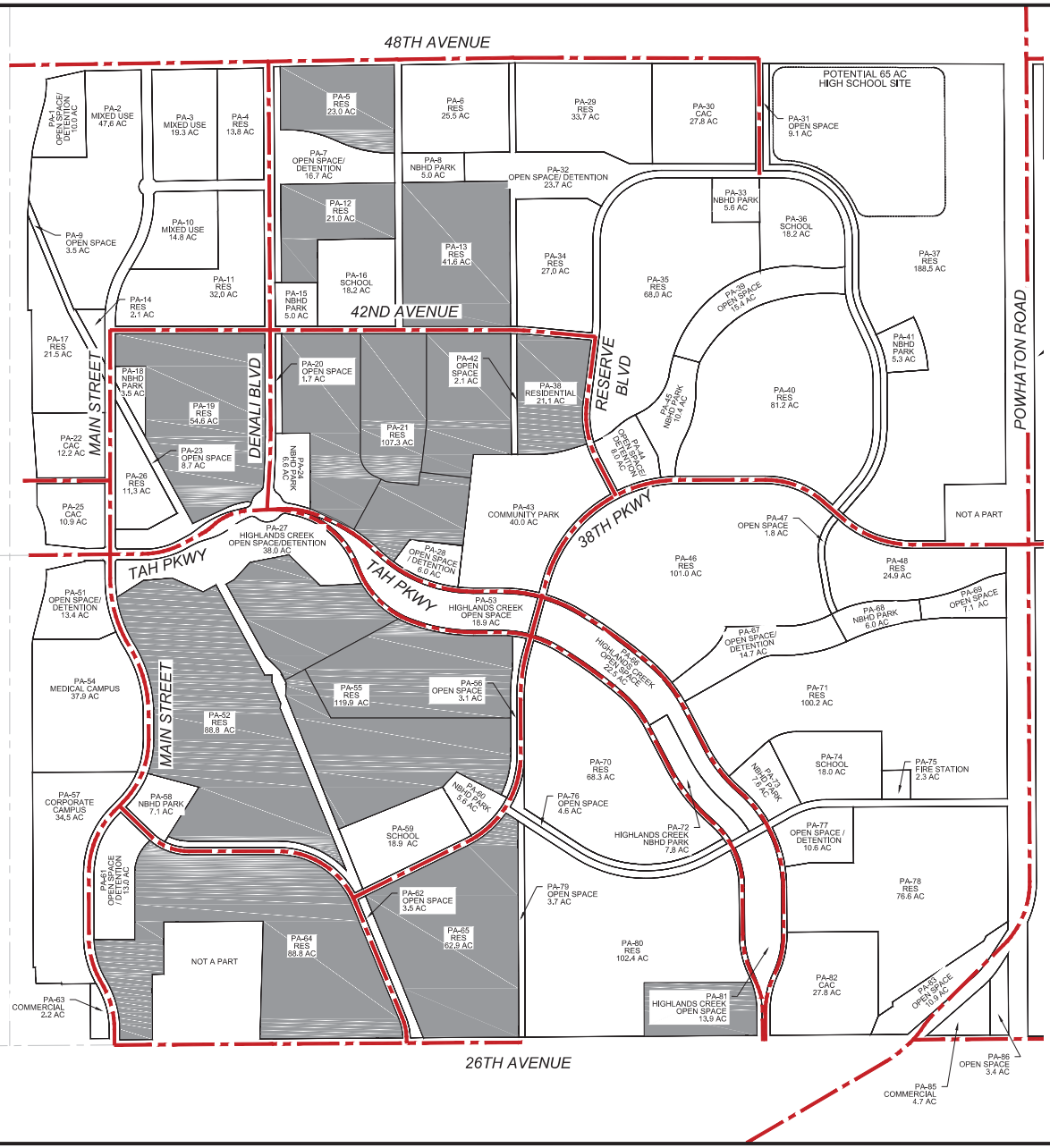
NORTH
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2022

FIG. 4 OF 16



NORTH
0 300 600

HRGreen

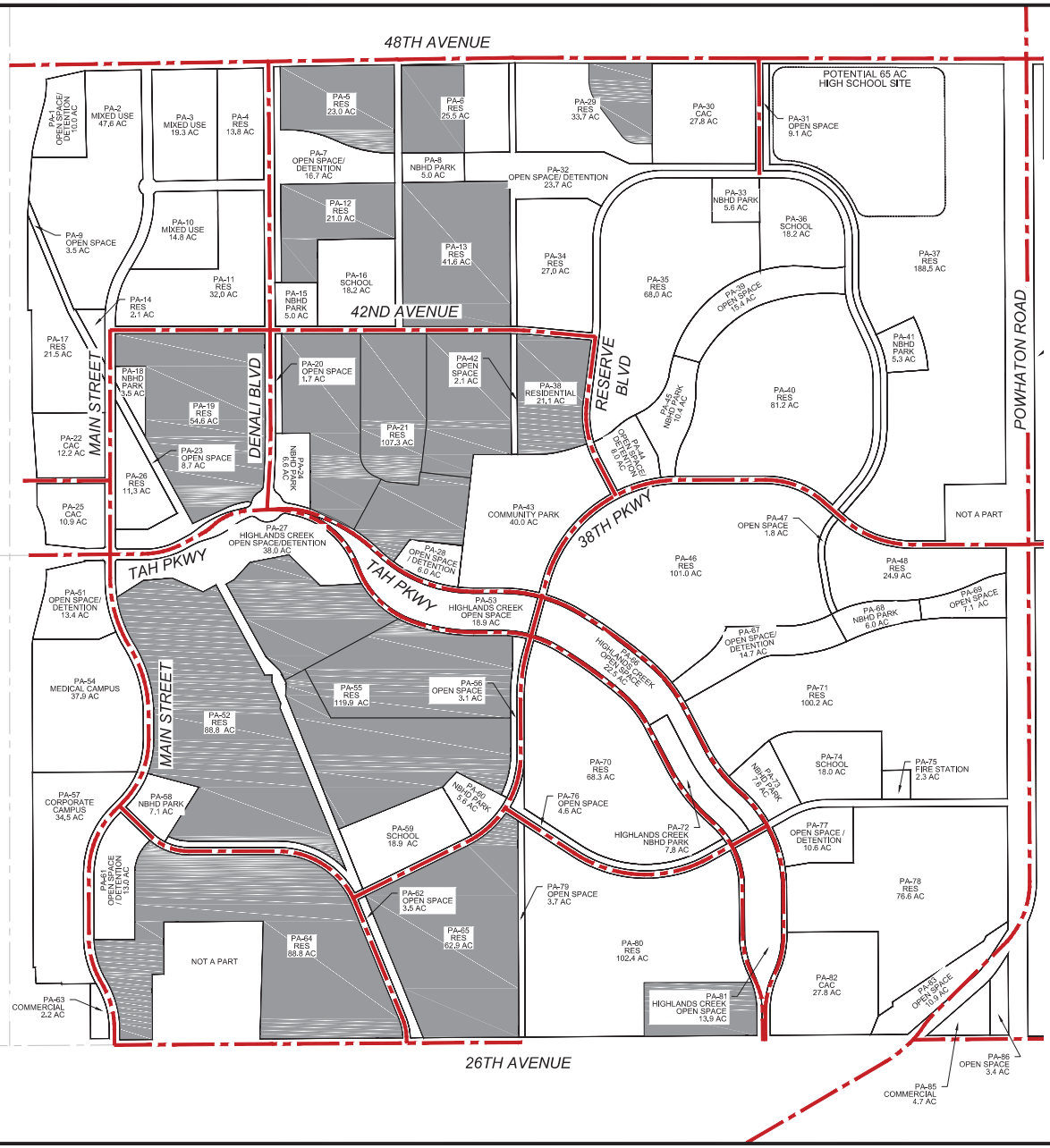
Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2023

FIG. 5 OF 16

KRACOV, MIKE, 12/16/2019 2:28 PM

HRGreen DRAWING PATH-J:\2018\181211\CAD\Dwgs\Overall Exhibit\TAH-LAYERED_EXHIBIT.dwg



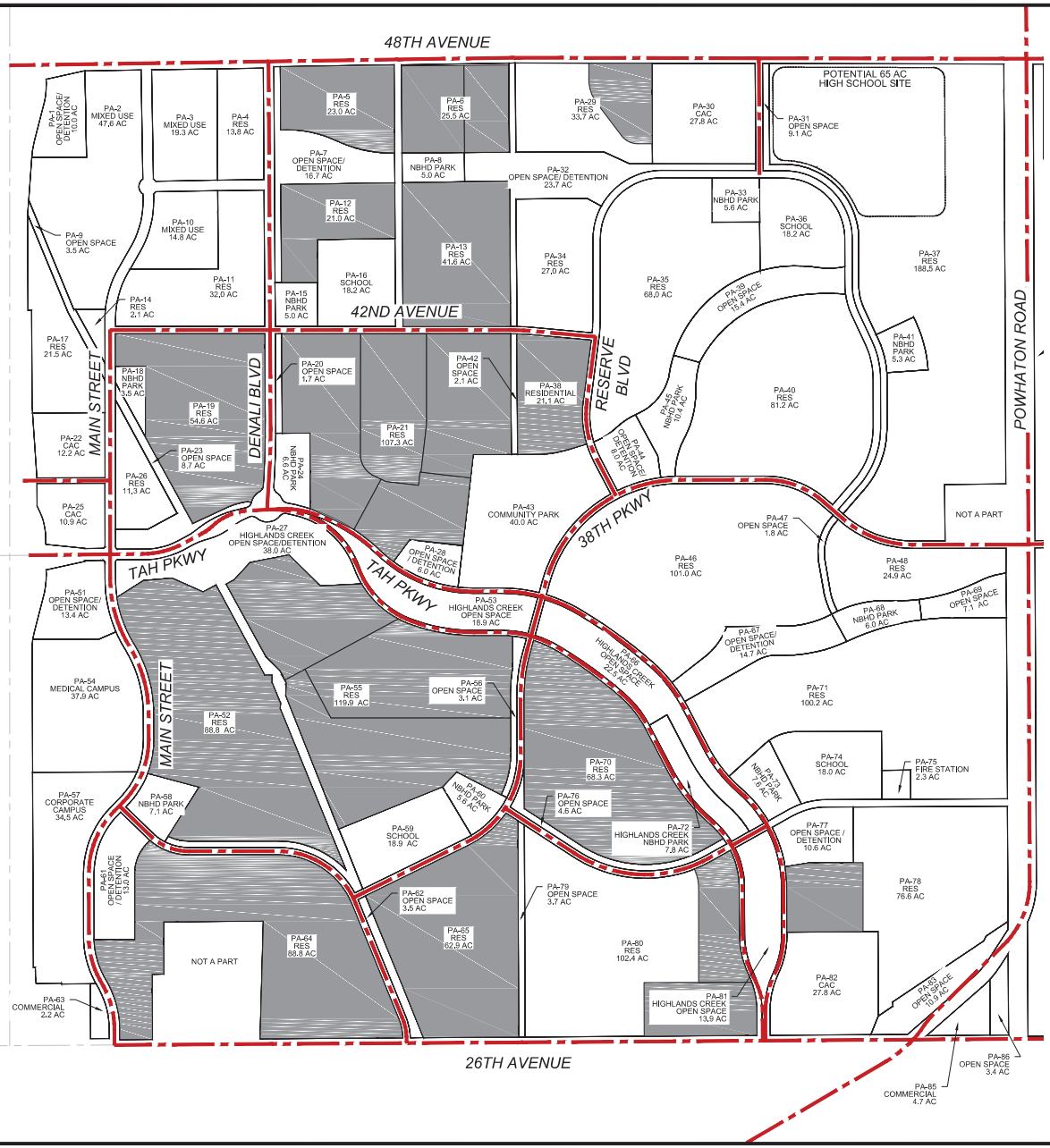
NORTH
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2024

FIG. 6 OF 16



NORTH
0 300 600

HRGreen

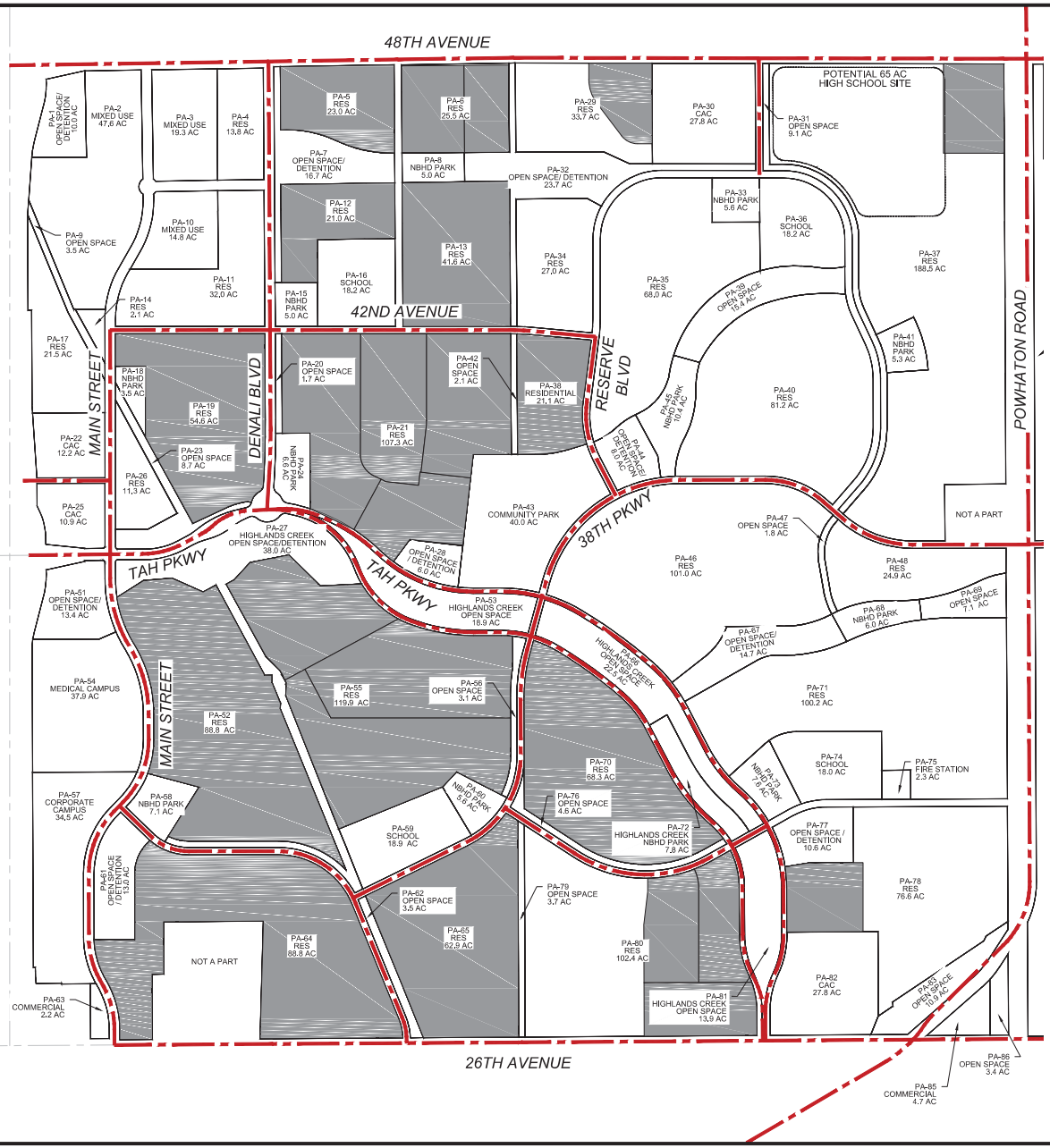
Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2025

FIG. 7 OF 16

KRACOV, MIKE, 12/16/2019 2:28 PM

HRGreen DRAWING PATH:J:\2018\181211\CAD\Dwgs\Overall Exhibit\TAH_LAYERED_EXHIBIT.dwg



NORTH

0 300 600

HRGreen

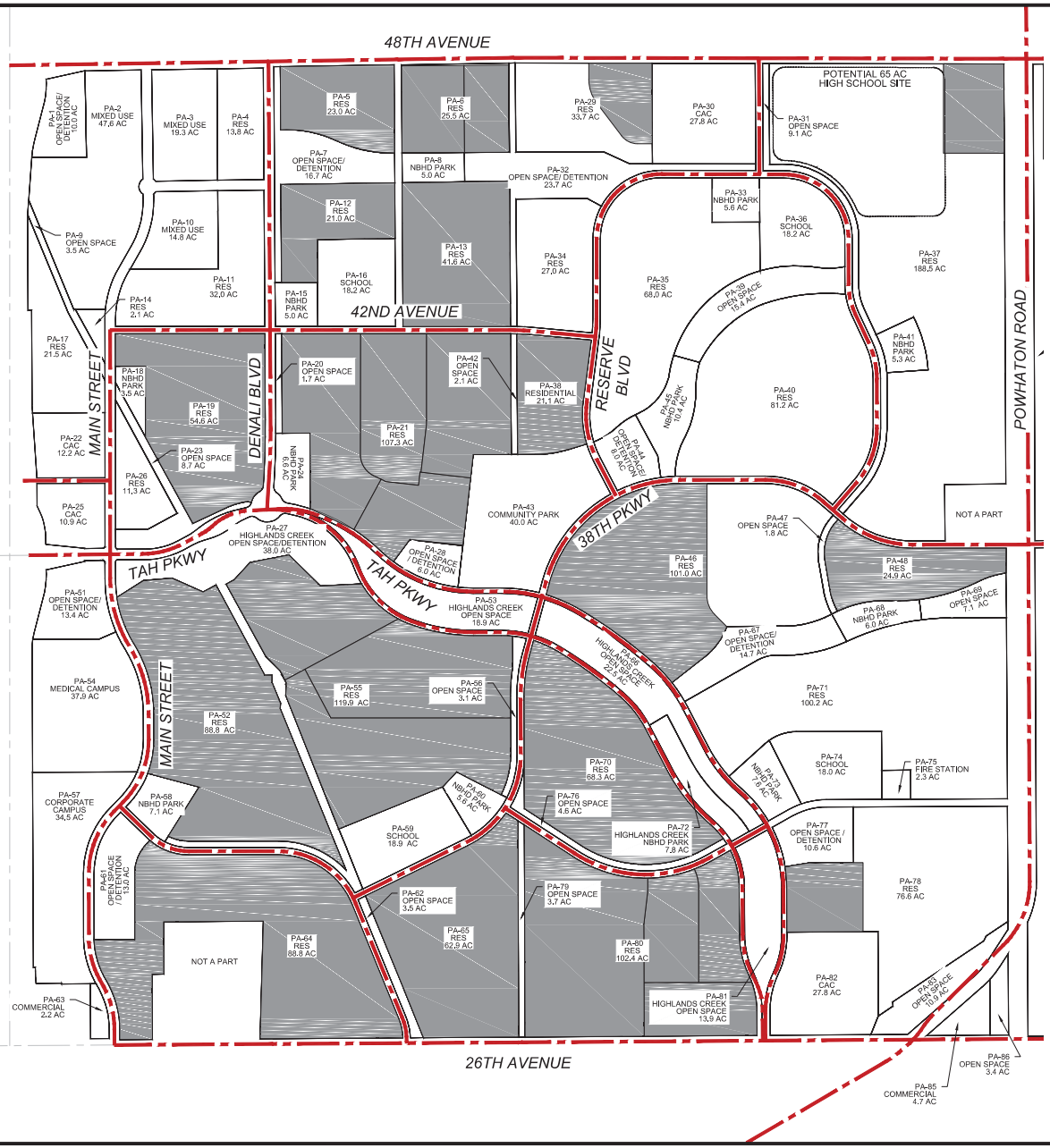
Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2026

FIG. 8 OF 16

KRACOV, MIKE, 12/16/2019 2:28 PM

HRGreen DRAWING PATH:J:\2018\181211\CAD\Dwgs\Overall Exhibit\TAH_LAYERED_EXHIBIT.dwg



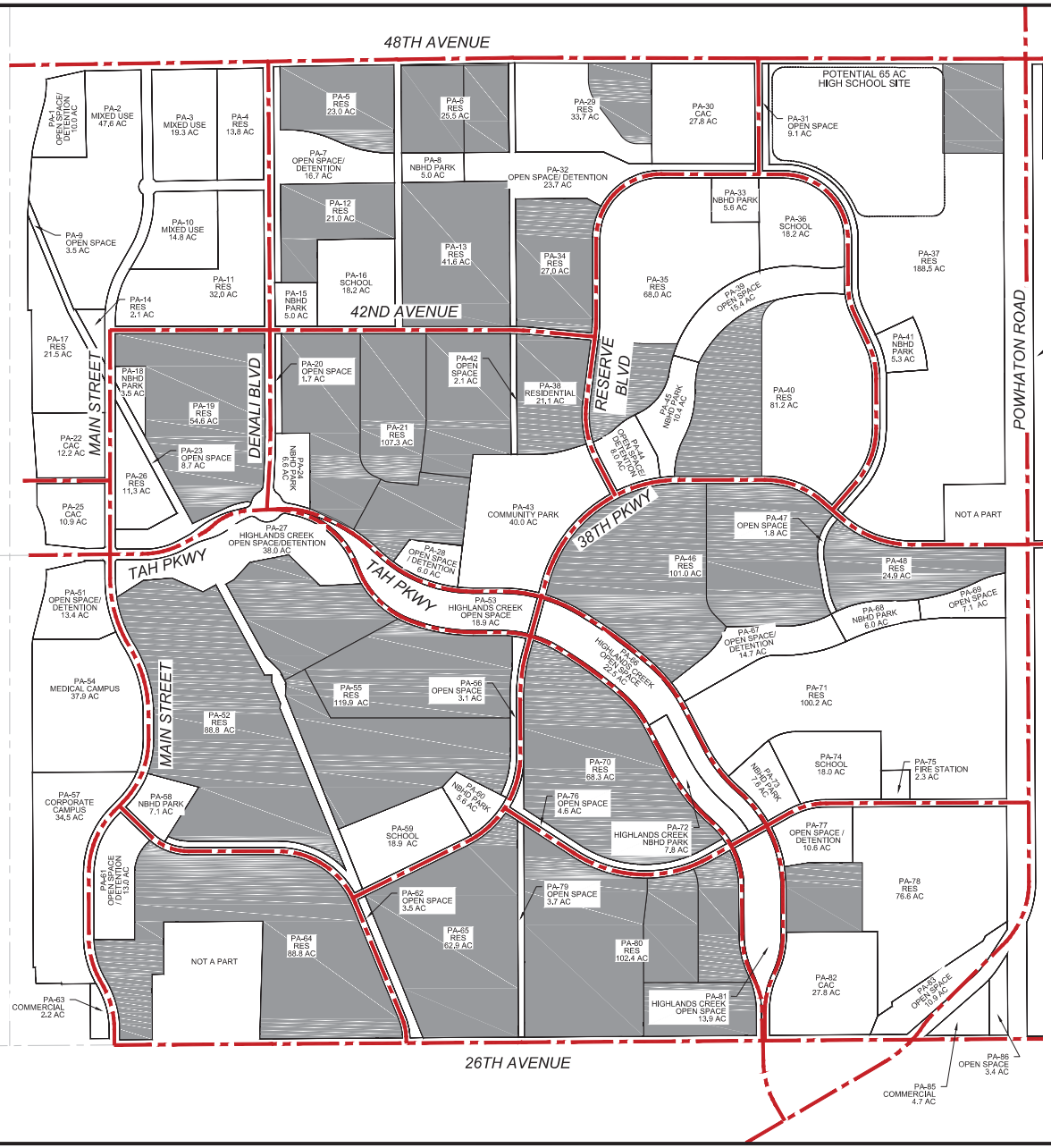
NORTH
0 300 600
HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2027

FIG. 9 OF 16

KRACOV, MIKE, 12/16/2019 2:28 PM
HRGreen DRAWING PATH-U:\2018\181211\CAD\Dwgs\Overall Exhibit\TAH_LAYERED_EXHIBIT.dwg



NORTH

0 300 600

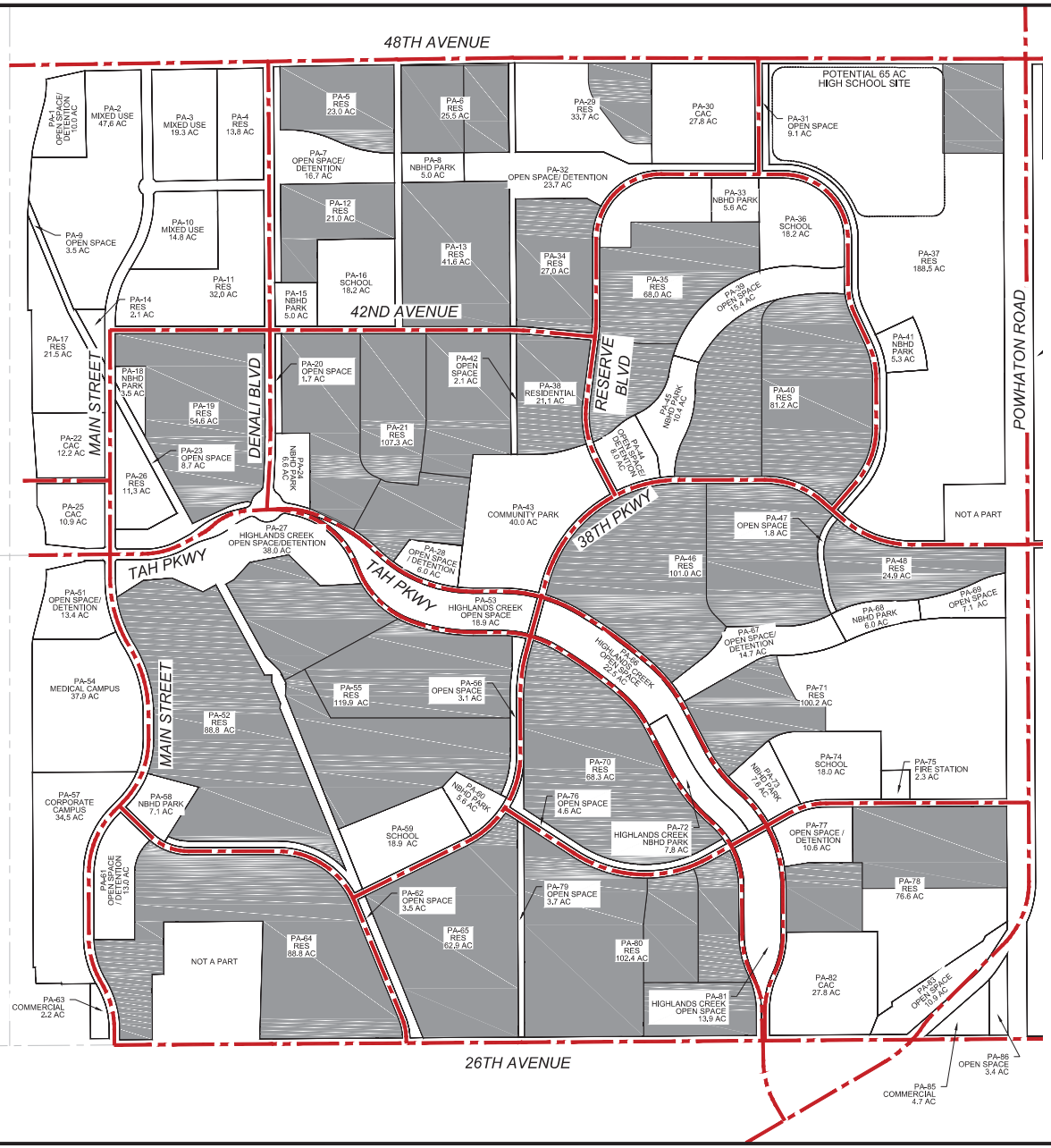
HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS

2028

FIG. 10 OF 16

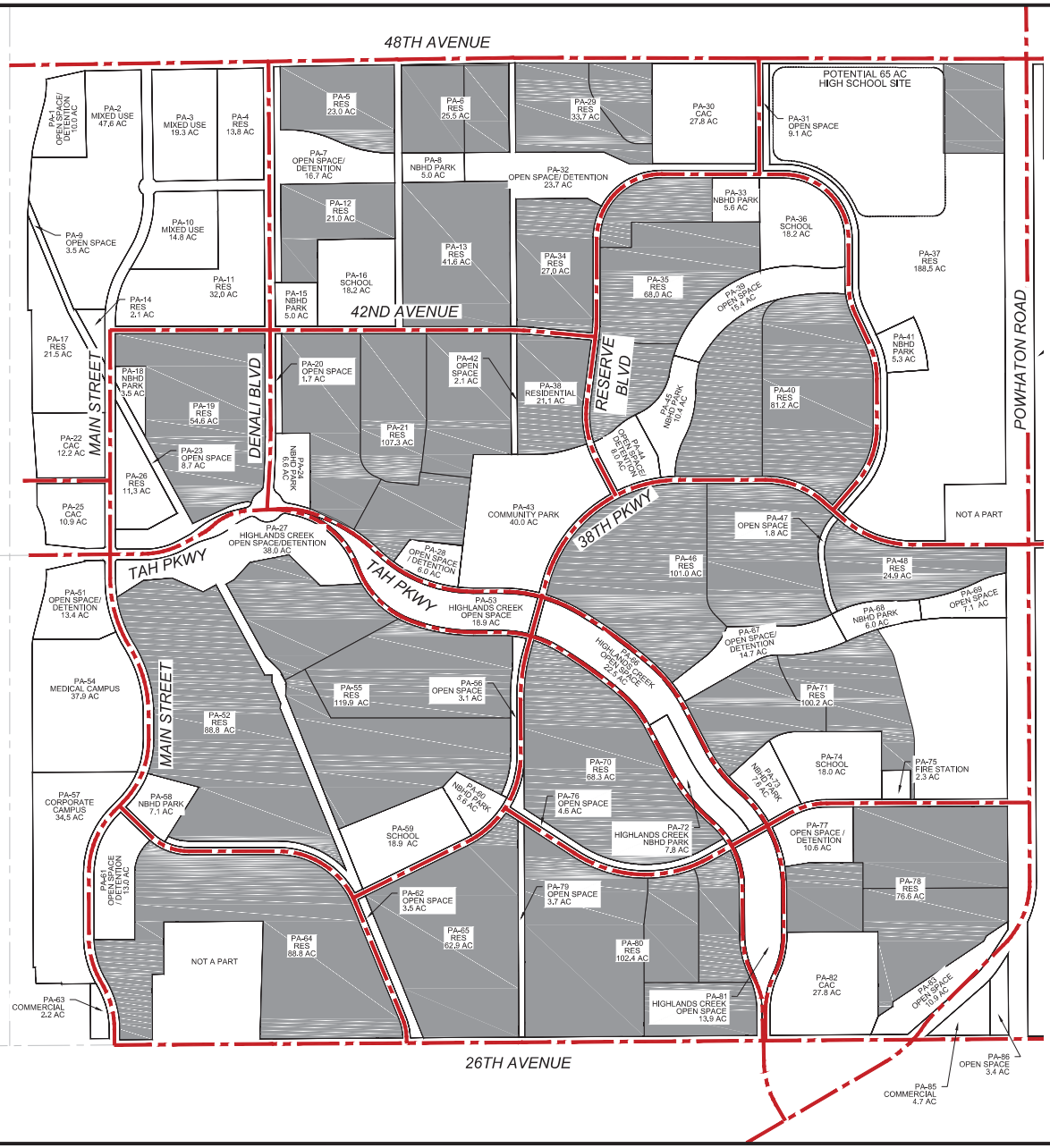


NORTH
0 300 600
HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2029

FIG. 11 OF 16



NORTH
0 300 600
HRGreen

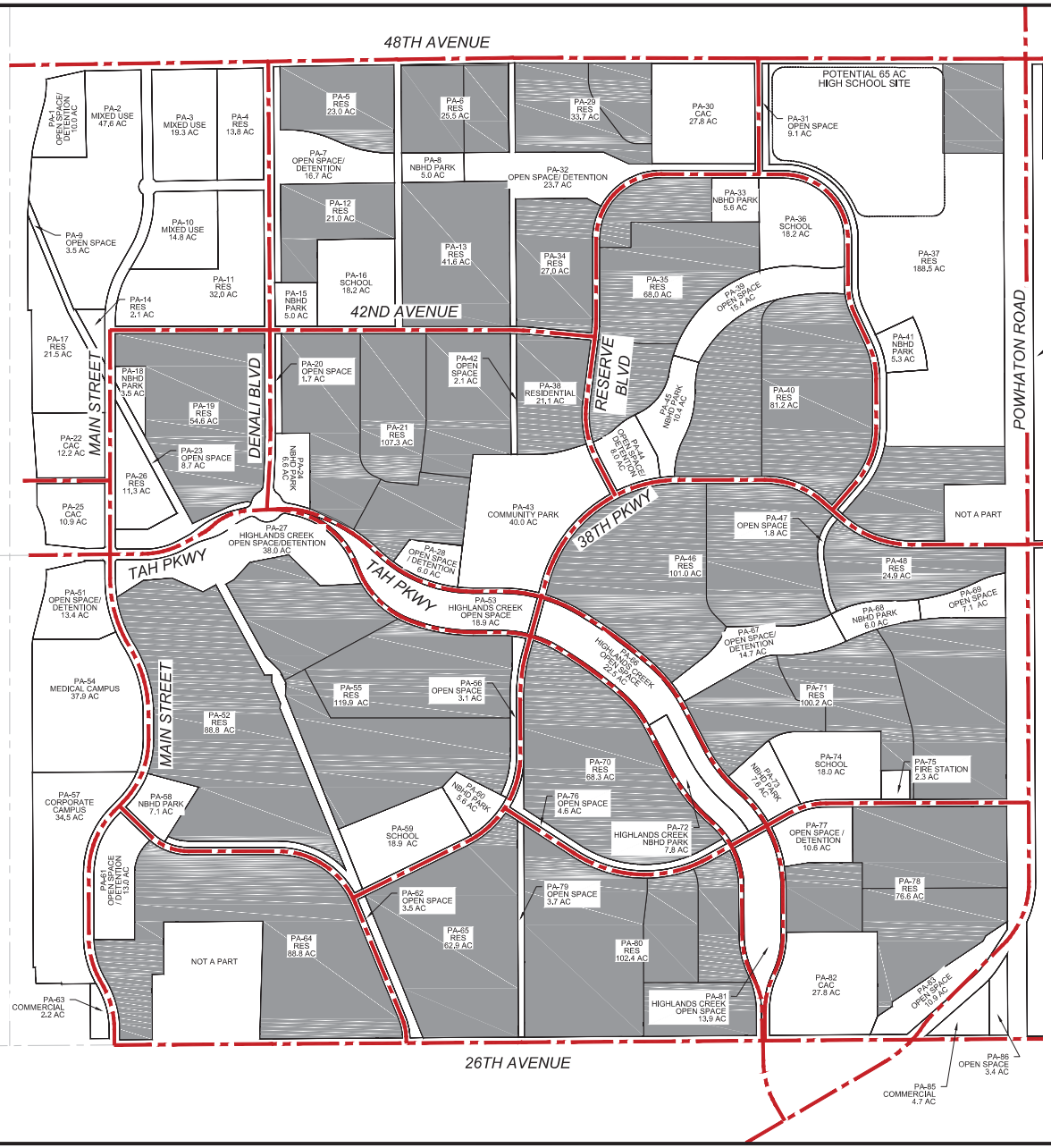
Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2030

FIG. 12 OF 16

KRACOV, MIKE, 12/16/2019 2:28 PM

HRGreen DRAWING PATH-J:\2018\181211\CAD\Dwgs\Overall Exhibit\TAH_LAYERED_EXHIBIT.dwg



NORTH

0 300 600

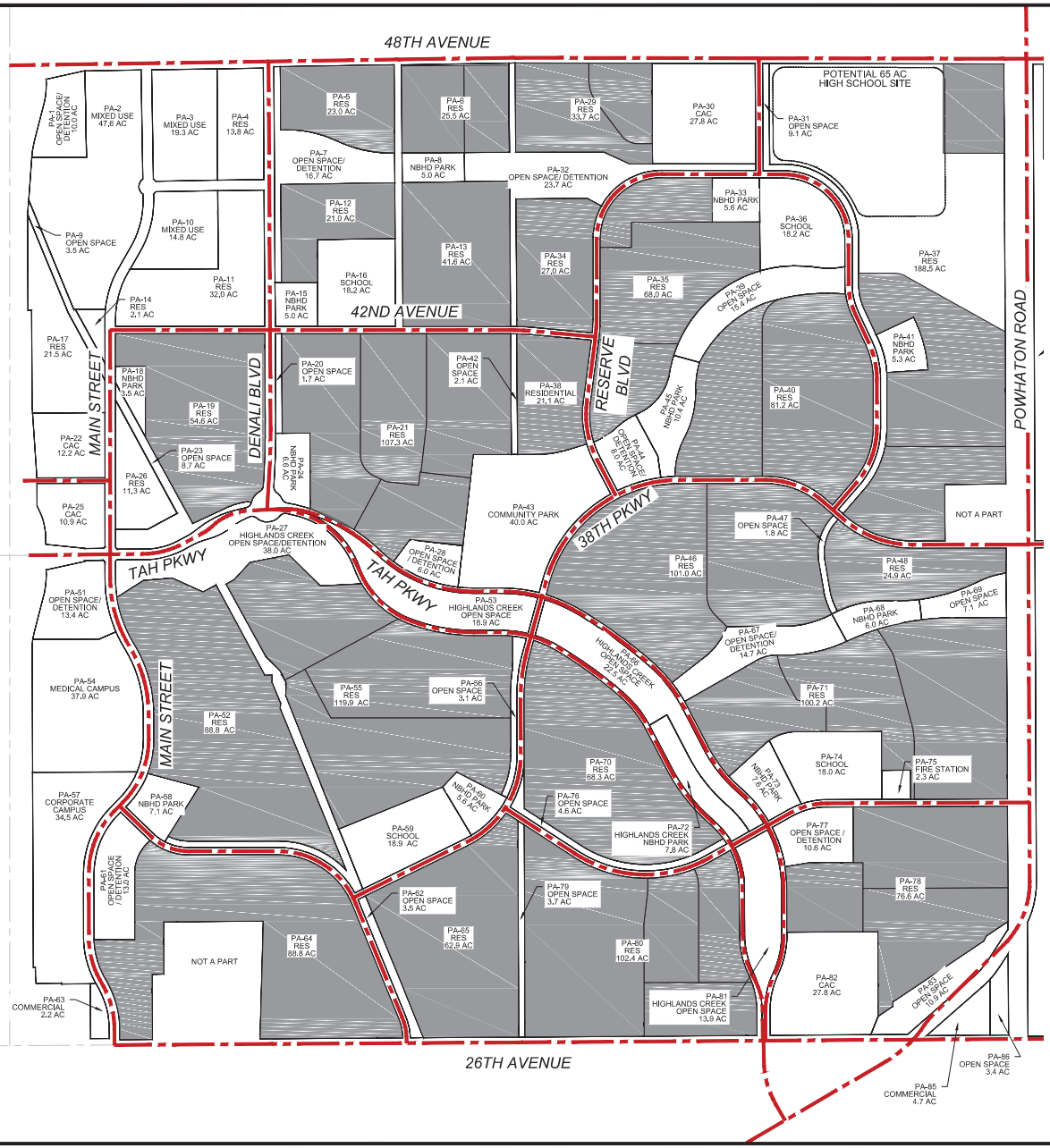
HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS

2031

FIG. 13 OF 16



NORTH
0 300 600

HRGreen

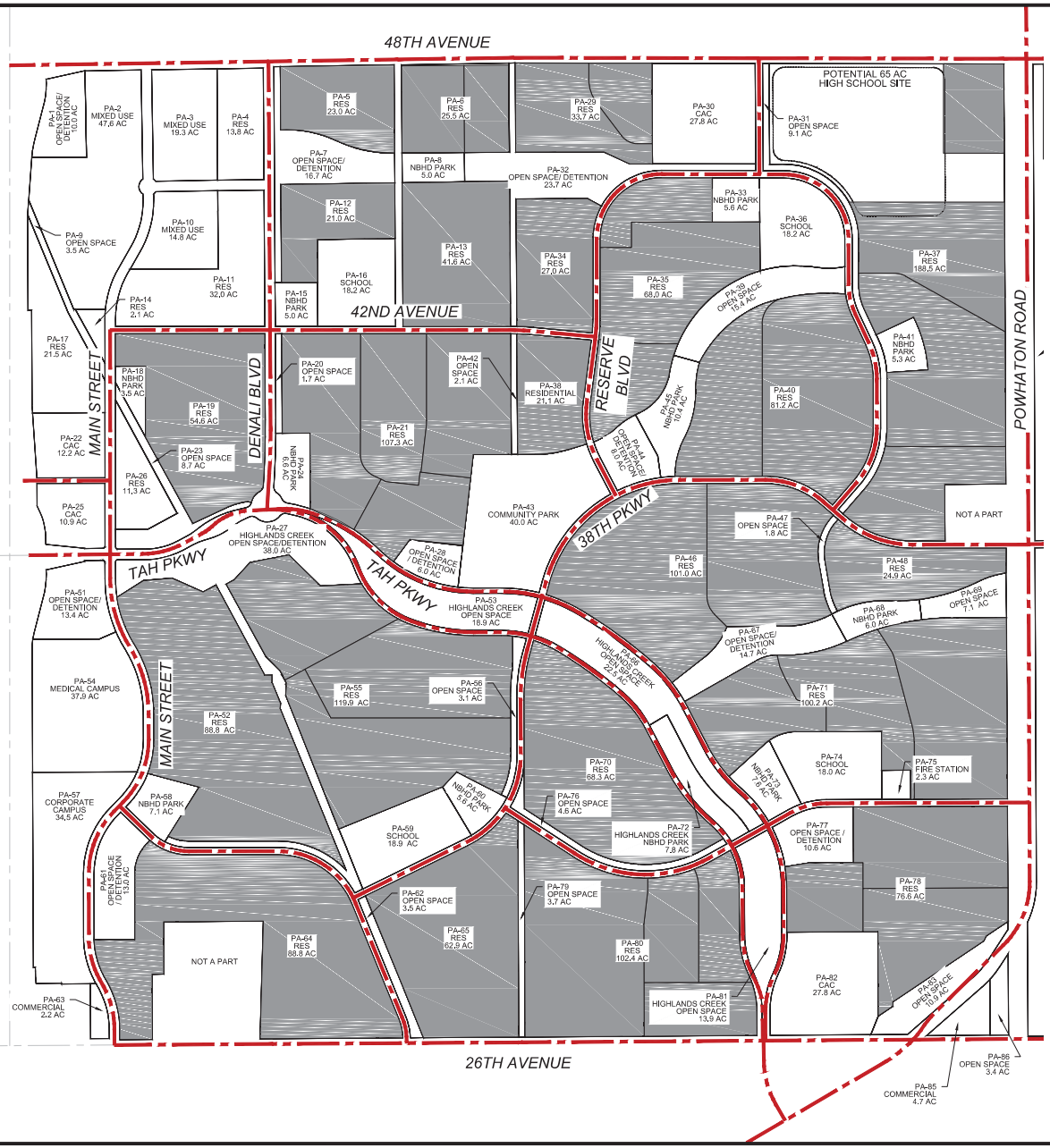
Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2032

FIG. 14 OF 16

KRACOV, MIKE, 12/16/2019 2:28 PM

HRGreen DRAWING PATH-J:\2018\181211\CAD\Dwgs\Overall Exhibit\TAH_LAYERED_EXHIBIT.dwg



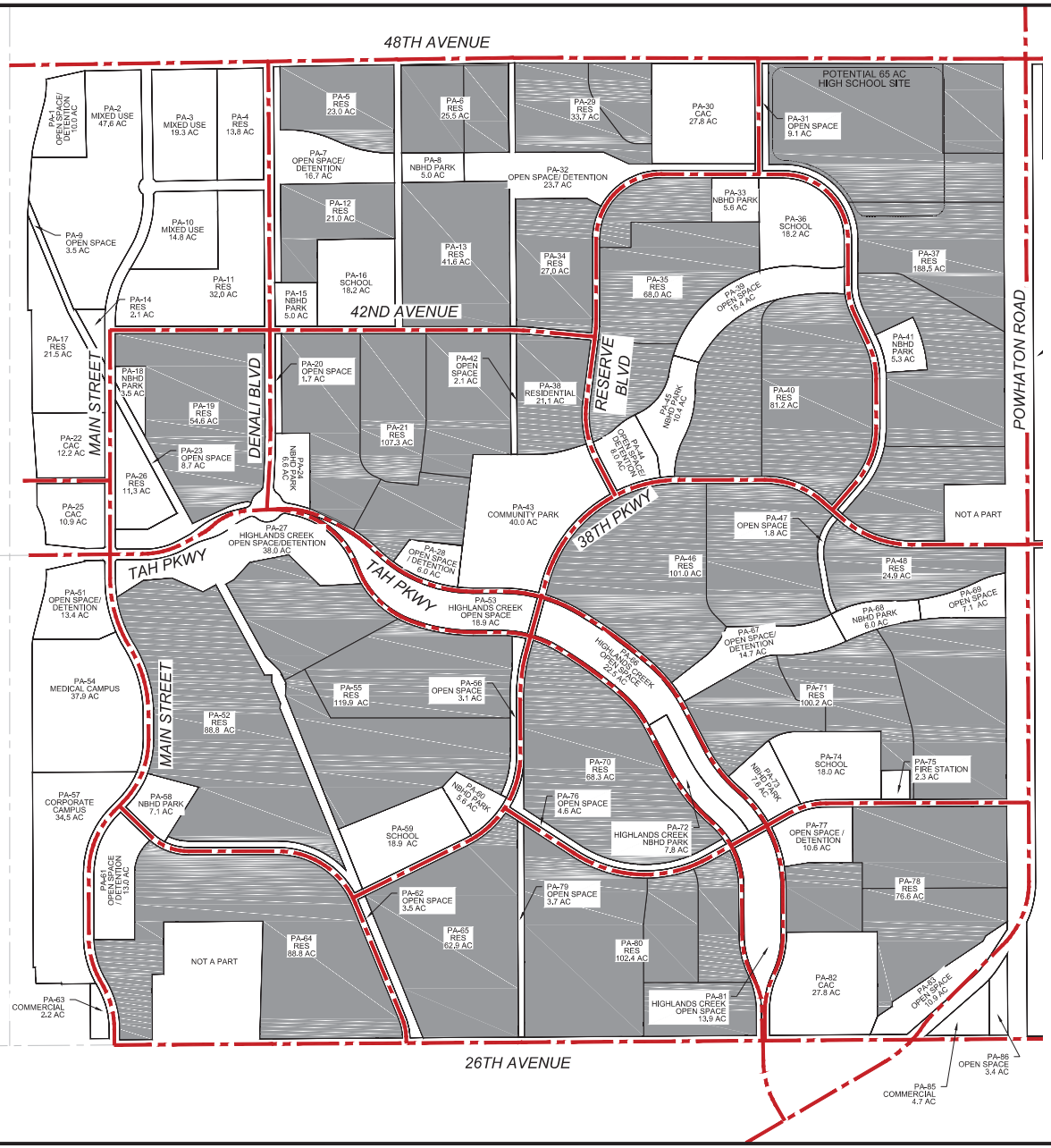
NORTH
0 300 600

HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2033

FIG. 15 OF 16



NORTH
0 300 600
HRGreen

Job No.:	181211
Prepared By:	JAR
Date:	2019-12-16

THE AURORA HIGHLANDS
2034

FIG. 16 OF 16

EXHIBIT C

Initial Infrastructure

FIG.1 OF 1

MILL LEVY POLICY AGREEMENT

This **MILL LEVY POLICY AGREEMENT** (this "Agreement") is entered into and effective as of April ___, 2020 (the "Effective Date"), by and among **THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD** (the "Authority"); **THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1** ("District No. 1"); **THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2** ("District No. 2"); **THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3** ("District No. 3"); **THE AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT** (the "Coordinating District"); **ATEC METROPOLITAN DISTRICT NO. 1** ("ATEC No. 1"); and **ATEC METROPOLITAN DISTRICT NO. 2** ("ATEC No. 2" and, together with District No. 1, District No. 2, District No. 3, the Coordinating District, and ATEC No. 1, collectively, the "CAB Districts").

Capitalized terms used and not otherwise defined in the recitals below have the respective meanings assigned to such terms in Section 1.04 hereof.

RECITALS

WHEREAS, the CAB Districts are quasi-municipal corporations and political subdivisions of the State of Colorado (the "State") duly organized and existing as metropolitan districts under the constitution and laws of the State, including Title 32, Article 1, C.R.S. (the "Special District Act"); and

WHEREAS, the Authority is a public corporation and political subdivision duly organized and existing as a separate legal entity under the constitution and laws of the State, including Title 29, Article 1, Part 2, C.R.S. (the "Act"); and

WHEREAS, the CAB Districts are authorized by the Special District Act to furnish certain public facilities and services; and

WHEREAS, the CAB Districts were created for the purpose of designing, acquiring, constructing, installing, financing, operating and maintaining certain street, traffic and safety controls, water, sanitation, stormwater, parks and recreation, television relay and translation, transportation, and mosquito control, and providing certain services, all in accordance with the Service Plans; and

WHEREAS, the Service Plans for the CAB Districts establish the necessity for, and anticipate one or more intergovernmental agreements among the CAB Districts concerning the financing, construction, operation and maintenance of the public improvements contemplated in the Service Plans and the provision of services in the community to be served by the CAB Districts; and

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

WHEREAS, the Act provides that any such contract, including contracts among the Authority and the CAB Districts, may be entered into for any period, notwithstanding any provision of law limiting the length of any financial contracts or obligations of governments such as the Authority and the CAB Districts; and

WHEREAS, at elections of the eligible electors of each of the CAB Districts held in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at such elections, voted in favor of the CAB Districts entering into intergovernmental agreements including, without limitation, the CABEA, the Capital Pledge Agreements and this Agreement; and

WHEREAS, the Service Plans contemplate that the Public Improvements are to be financed in accordance with general plans of finance described or permitted in the Service Plans, which obligations shall be payable from revenue sources of the CAB Districts, including, without limitation, ad valorem property taxes of the CAB Districts; and

WHEREAS, the CAB Districts and the Authority agree that the Public Improvements will benefit the current and future residents, occupants, taxpayers and property owners in the CAB Districts in terms of cost, quality, and level of service; and

WHEREAS, the CAB Districts and the Authority agree that the coordinated construction, financing, completion and availability of the Public Improvements in a timely fashion within the CAB Districts' and the Authority's Service Area will promote the health, safety, prosperity, security, and general welfare of the current and future residents, occupants, taxpayers and property owners of the CAB Districts; and

WHEREAS, the CAB Districts established the Authority for the purposes of, *inter alia*, designing, constructing, furnishing, operating and maintaining the Public Improvements and providing the services authorized by the Service Plans; and

WHEREAS, each of the CAB Districts has agreed that the Authority will own operate, maintain, finance and construct the Public Improvements throughout the Service Area benefiting the current and future residents, occupants, taxpayers and property owners of the CAB Districts, and that each of the CAB Districts will contribute to the costs of construction, operation, and maintenance of such Public Improvements from its taxes and fees; and

WHEREAS, the CABEA binds the CAB Districts concerning capital expenditures and operation and maintenance expenses, with the intent that the cost of providing facilities and services to the entire Development will be shared by the current and future residents, occupants, taxpayers, fee payers, and property owners in the CAB Districts' Service Area, both presently and under various circumstances which may occur in the future; and

WHEREAS, under the CABEA, it is the stated intent of the CAB Districts that all Debt shall be issued from time to time by the Authority for the purpose of financing Public Improvements; and

WHEREAS, the amount of Debt issued by the Authority is to be based upon estimates of the capital costs of construction of portions of the Public Improvements as they are and will be

needed to complete the Development, plus reserve funds, capitalized interest, legal fees, and any other costs associated with the financing or refinancing of such Debt; and

WHEREAS, the CAB Districts agree that the administrative functions and statutory compliance procedures of the CAB Districts and the provision of services and operation and maintenance of the Public Improvements by the Authority will be financed, primarily, by mill levies imposed by each of the CAB Districts; and

WHEREAS, the CAB Districts and the Authority desire to enter into this Agreement to evidence the mutual benefits enjoyed by the CAB Districts and the Authority by the provision, operation and maintenance of the Public Improvements, and the fair and equitable nature of the obligations of the CAB Districts and the Authority under the Capital Pledge Agreements and the CABEA.

NOW THEREFORE, in consideration of the mutual covenants and promises expressed herein, the Districts hereby agree as follows:

ARTICLE I

SPECIFIC PROVISIONS

Section 1.01. Affirmation of Recitals. The recitals set forth above are true and correct and are incorporated herein by reference.

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

(a) The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms, refer to this Agreement as a whole and not to any particular article, section, or subdivision hereof; the term "heretofore" means before the date of execution of this Agreement; and the term "hereafter" means after the date of execution of this Agreement.

(b) All definitions, terms, and words shall include both the singular and the plural and, unless otherwise defined herein, all capitalized words or terms shall have the meanings assigned to such terms in Section 1.04 hereof.

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

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

Section 1.03. Effective Date and Term. This Agreement shall be effective as of the Effective Date and shall continue to be in full force and effect until such time as

(a) each CAB District agrees in writing to terminate this Agreement;

(b) no Debt is Outstanding;

(c) all Public Improvements owned by the Authority or the CAB Districts have been conveyed to another governmental entity; and

(d) all operations and maintenance obligations with respect to such Public Improvements and all other services performed by the Authority and the CAB Districts have been assumed by another governmental entity.

Section 1.04. Definitions. As used herein, unless the context expressly indicates otherwise, the words defined below and capitalized throughout the text of this Agreement shall have the respective meanings set forth below:

"*Agreement*" means this Mill Levy Policy Agreement.

"*Act*" means Title 29, Article 1, Part 2, C.R.S.

"*ARI Mill Levy*" has the meaning ascribed to such term in the CABEA.

"*ARI Mill Levy Revenues*" has the meaning ascribed to such term in the CABEA.

"*ATEC No. 1*" means ATEC Metropolitan District No. 1, and its successors and assigns.

"*ATEC No. 1 Capital Pledge Agreement*" means the ATEC No. 1 Capital Pledge Agreement, dated as of April ___, 2020, by and among the Authority, ATEC No. 1 and the Trustee.

"*ATEC No. 1 Pledged Revenue*" has the meaning ascribed to such term in the ATEC No. 1 Capital Pledge Agreement.

"*ATEC No. 1 Required Debt Service Mill Levy*" has the meaning ascribed to such term in the ATEC No. 1 Capital Pledge Agreement.

"*ATEC No. 2*" means ATEC Metropolitan District No. 2, and its successors and assigns.

"*ATEC No. 2 Commercial Capital Pledge Agreement*" means the ATEC No. 2 Commercial Capital Pledge Agreement, dated as of April ___, 2020, by and among the Authority, ATEC No. 2 and the Trustee.

"*ATEC No. 2 Pledged Revenue*" has the meaning ascribed to such term in the ATEC No. 2 Commercial Capital Pledge Agreement.

"*ATEC No. 2 Required Debt Service Mill Levy*" has the meaning ascribed to such term in the ATEC No. 2 Commercial Capital Pledge Agreement.

"*ATEC No. 2 Required Operations Mill Levy*" has the meaning ascribed to such term in the ATEC No. 2 Commercial Capital Pledge Agreement.

"*Authority*" means The Aurora Highlands Community Authority Board, a public corporation and political subdivision duly organized and existing as a separate legal entity under the constitution and laws of the State, including the Act, and established pursuant to the CABEA.

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

"*CAB Districts*" means, collectively, District No. 1, District No. 2, District No. 3, ATEC No. 1, ATEC No. 2 and the Coordinating District.

"*CABEA*" means The Aurora Highlands Community Authority Board First Amended and Restated Establishment Agreement dated and effective April 10, 2020 by and among the Authority and the CAB Districts, as the same may be further amended, supplemented or restated from time to time in accordance with the provisions thereof.

"*Capital Pledge Agreement*" or "*Capital Pledge Agreements*" means, individually or collectively, as the context requires, the: (a) District No. 1 Residential Capital Pledge Agreement; (b) District No. 2 Residential Capital Pledge Agreement; (c) District No. 3 Residential Capital Pledge Agreement; (d) ATEC No. 1 Capital Pledge Agreement; (e) ATEC No. 2 Commercial Capital Pledge Agreement; and (f) Coordinating District Capital Pledge Agreement.

"*Coordinating District*" means The Aerotropolis Area Coordinating Metropolitan District, and its successors and assigns.

"*Coordinating District Capital Pledge Agreement*" means the Coordinating District Capital Pledge Agreement, dated as of April ___, 2020, by and among the Authority, the Coordinating District and the Trustee.

"*Coordinating District Required Debt Service Mill Levy*" has the meaning ascribed to such term in the Coordinating District Capital Pledge Agreement.

"*Debt*" means the Initial Series of Bonds and any other bonds, notes, agreements, instruments, or other obligations issued or incurred by the Authority which are payable from ad valorem property taxes of the CAB Districts (*except* for any ARI Mill Levy Revenues) or other District revenues, including, but not limited to, fees, rates, tolls, and charges; which bonds, notes, agreements, instruments or other obligations constitute a multiple fiscal year financial obligation and for the payment of which any one or more of the CAB Districts has promised to impose an ad valorem property tax mill levy (*except* for any ARI Mill Levy).

"*Debt Service Mill Levy*" or "*Debt Service Mill Levies*" means, individually or collectively, as the context requires, the (a) District No. 1 Required Debt Service Mill Levy; (b) District No. 2 Required Debt Service Mill Levy; (c) District No. 3 Required Debt Service Mill Levy; (d) ATEC No. 1 Required Debt Service Mill Levy; (e) ATEC No. 2 Required Debt Service Mill Levy; and (f) Coordinating District Required Debt Service Mill Levy.

"*Development*" means the approximately 3,920-acre development known as The Aurora Highlands and The Aurora Technology and Energy Center, located in the City of Aurora, Adams County, Colorado, which is anticipated to be developed with single family and multi-family

homes, commercial, retail, health care, and other amenities, reaching an estimated population of approximately 41,823 people at full build-out.

"*District No. 1*" means The Aurora Highlands Metropolitan District No. 1 (*formerly known as* Green Valley Ranch East Metropolitan District No. 2), and its successors and assigns.

"*District No. 1 Pledged Revenue*" has the meaning ascribed to such term in the District No. 1 Residential Capital Pledge Agreement.

"*District No. 1 Required Debt Service Mill Levy*" has the meaning ascribed to such term in the District No. 1 Residential Capital Pledge Agreement.

"*District No. 1 Required Operations Mill Levy*" has the meaning ascribed to such term in the District No. 1 Residential Capital Pledge Agreement.

"*District No. 1 Residential Capital Pledge Agreement*" means the District No. 1 Residential Capital Pledge Agreement, dated as of April ___, 2020, by and among the Authority, District No. 1 and the Trustee.

"*District No. 2*" means The Aurora Highlands Metropolitan District No. 2 (*formerly known as* Green Valley Ranch East Metropolitan District No. 3), and its successors and assigns.

"*District No. 2 Pledged Revenue*" has the meaning ascribed to such term in the District No. 2 Residential Capital Pledge Agreement.

"*District No. 2 Required Debt Service Mill Levy*" has the meaning ascribed to such term in the District No. 2 Residential Capital Pledge Agreement.

"*District No. 2 Required Operations Mill Levy*" has the meaning ascribed to such term in the District No. 2 Residential Capital Pledge Agreement.

"*District No. 2 Residential Capital Pledge Agreement*" means the District No. 2 Residential Capital Pledge Agreement, dated as of April ___, 2020, by and among the Authority, District No. 2 and the Trustee.

"*District No. 3*" means The Aurora Highlands Metropolitan District No. 3 (*formerly known as* Green Valley Ranch East Metropolitan District No. 4), and its successors and assigns.

"*District No. 3 Pledged Revenue*" has the meaning ascribed to such term in the District No. 3 Residential Capital Pledge Agreement.

"*District No. 3 Required Debt Service Mill Levy*" has the meaning ascribed to such term in the District No. 3 Residential Capital Pledge Agreement.

"*District No. 3 Required Operations Mill Levy*" has the meaning ascribed to such term in the District No. 3 Residential Capital Pledge Agreement.

"*District No. 3 Residential Capital Pledge Agreement*" means the District No. 3 Residential Capital Pledge Agreement, dated as of April ___, 2020, by and among the Authority, District No. 3 and the Trustee.

"*Effective Date*" has the meaning assigned to such term in the first paragraph of this Agreement.

"*Gallagher Amendment*" means Colorado Constitution, Article X, Section 3(1)(b).

"*Initial Series of Bonds*" means the (a) the Authority's Special Tax Revenue Draw-Down Bonds, Series 2020A, in an aggregate principal amount of up to $190,000,000, issued on April ___, 2020 and (b) the Authority's Subordinate Special Tax Revenue Draw-Down Bonds, Series 2020B, in an aggregate principal amount of up to $38,000,000, issued on April ___, 2020.

"*Mill Levy*" or "*Mill Levies*" means, individually or collectively, as the context requires, the Operations Mill Levies and the Debt Service Mill Levies.

"*Operations Mill Levy*" or "*Operations Mill Levies*" means, individually or collectively, as the context requires, the (a) District No. 1 Required Operations Mill Levy; (b) District No. 2 Required Operations Mill Levy; (c) District No. 3 Required Operations Mill Levy; and (d) ATEC No. 2 Required Operations Mill Levy.

"*Operations Revenue*" means, individually or collectively, as the context requires (and only if and to the extent of any such revenue derived from the performance of the applicable CAB District under the applicable Capital Pledge Agreement), the revenue derived from the imposition of the Operations Mill Levies.

"*Pledged Revenue*" means, individually or collectively, as the context requires (and only if and to the extent of any such revenue derived from the performance of the applicable CAB District under the applicable Capital Pledge Agreement): the (a) District No. 1 Pledged Revenue; (b) the District No. 2 Pledged Revenue; (c) the District No. 3 Pledged Revenue; (d) ATEC No. 1 Pledged Revenue; (e) ATEC No. 2 Pledged Revenue; and (f) Coordinating District Pledged Revenue.

"*Public Improvements*" means those improvements and facilities to be financed and constructed as authorized under the Service Plans and necessary for the completion of the Development, which shall include the Regional Transportation System.

"*Regional Transportation System*" has the meaning assigned to such term in the CABEA.

"*Residential Capital Pledge Agreements*" means, collectively, the (a) District No. 1 Residential Capital Pledge Agreement; (b) District No. 2 Residential Capital Pledge Agreement; and (c) District No. 3 Residential Capital Pledge Agreement.

"*Residential District Service Plan*" means the Consolidated First Amended and Restated Service Plan for The Aurora Highlands Metropolitan District Nos. 1-3 approved by the City of Aurora, Colorado on October 16, 2017, as the same may be amended from time to time.

"*Residential Districts*" means District No. 1, District No. 2 and District No. 3.

"*Service Area*" has the meaning assigned to such term in the CABEA.

"*Service Plans*" means, collectively, the Residential District Service Plan; the Coordinating District Service Plan; the ATEC No. 1 Service Plan; and the ATEC No. 2 Service Plan, each as may be amended from time to time.

"*Trustee*" means and Zions Bancorporation, National Association, having an office and corporate trust offices in Salt Lake City, Utah, its successors and assigns, in its capacity as the trustee for the Initial Series of Bonds.

ARTICLE II

MILL LEVY POLICY

Section 2.01. Purpose of Agreement. The primary purpose of this Agreement is to set forth the agreement of the CAB Districts that the respective obligations of each CAB District under the CABEA and the applicable Capital Pledge Agreement are fair and equitable in light of the benefits received by the CAB Districts.

Section 2.02. Mutual Benefits. Each of the CAB Districts hereby acknowledges that the design, acquisition, installation, construction, operation and maintenance of the Public Improvements benefits each of the CAB Districts. The CAB Districts also agree that their respective obligations under the Capital Pledge Agreements and the CABEA are reasonable in light of the long term benefits to be derived from the regional nature of the Development, and that the Development does and will in the future continue to provide benefits to each CAB District and their respective taxpayers, inhabitants, occupants and property owners. In addition, growth anticipated in the Residential Districts is expected to support the demand for the commercial development planned within ATEC No. 2, and such commercial development will serve the anticipated residents within the Residential Districts.

Section 2.03. Fair Representation on Authority Board. Each CAB District agrees that it is fairly represented on the Board of Directors of the Authority.

Section 2.04. Imposition of Mill Levies.

(a) In light of the benefits derived and to be derived in the future from the Authority's issuance of Debt in accordance with the CABEA and the Capital Pledge Agreements and the funding of Public Improvements from proceeds of such Debt, each CAB District agrees to cooperate and coordinate with each other CAB District in good faith to ensure that the Mill Levies to be imposed by the CAB Districts under the Capital Pledge Agreements (and the operations mill levies to be imposed by ATEC No. 1 under the CABEA) are imposed and certified in the amounts, at the times, and in the manner set forth in each of the Capital Pledge Agreements and the CABEA, as applicable to each CAB District.

(b) Each CAB District is relying upon the timely performance of each of the other CAB Districts in entering into its respective Capital Pledge Agreement. The CAB Districts each agree that failure of any CAB District to perform its obligations under its Capital Pledge Agreement will cause harm to each of the other CAB Districts. In addition, in issuing the Initial Series of Bonds and any future Debt for the purpose of funding, reimbursing or otherwise providing Public Improvements, the Authority is relying on the CAB Districts' performance of their respective obligations under the Capital Pledge Agreements.

(c) Each CAB District agrees to collect and enforce the collection of the Pledged Revenue and the Operations Revenue to be derived from imposition of the CAB Districts' respective Mill Levies (and the operations mill levies to be imposed by ATEC No. 1 under the CABEA) as required under the applicable Capital Pledge Agreement and the CABEA. Each CAB District further agrees that it will transfer or cause to be transferred to the Authority all Pledged Revenue and Operations Revenue in accordance with the terms of the applicable Capital Pledge Agreement and the CABEA, and that it will not withhold or allow to be withheld any portion of its Pledged Revenue or Operations Revenue prior to remittance thereof to the Authority. Notwithstanding the foregoing, it is acknowledged that ATEC No. 1's obligations with respect to revenue derived from its operations mill levy are set forth in the CABEA (and not in its Capital Pledge Agreement; thus, such revenue does not constitute "Operations Revenue" within the meaning of this Agreement); accordingly, ATEC No. 1 agrees to fulfill its obligations under the CABEA with respect to revenue derived from its operations mill levy.

(d) Each CAB District agrees to accept direction from the Authority pursuant to the terms of the CABEA and the Capital Pledge Agreements with respect to the number of mills representing each CAB District's Mill Levy to be certified in each tax levy year. In addition, ATEC No. 1 agrees to accept direction from the Authority pursuant to the terms of the CABEA with respect to the number of mills to be certified by ATEC No. 1 for operations purposes in each tax levy year.

(e) Colorado ad valorem property taxes are imposed on the assessed value of property, and not the "actual" market value of property. The CAB Districts acknowledge that, as a result of the Gallagher Amendment, commercial property (together with vacant land and certain other non-residential property, collectively, "Commercial Property") is

assessed at a significantly higher rate than residential property ("Residential Property"). The assessed value of Commercial Property is 29% of "actual" (or market) value, while the assessed value of Residential Property is 7.15% of actual value (as of the date of this Agreement, and subject to change for adjustments occurring after January 1, 2019 in the residential assessment rate). As a result, a mill levy of any particular number of mills imposed on Commercial Property will derive significantly more tax revenue than if the same number of mills were imposed on Residential Property. As a result of this differential, the Capital Pledge Agreements provide for the imposition of higher Mill Levies by the Residential Districts and lower Mill Levies for CAB Districts with Commercial Property. The CAB Districts agree that the number of mills equal to the Mill Levies required to be imposed by each CAB District under its Capital Pledge Agreement and the period during which each CAB District is required to impose its Mill Levies are intended to create an equitable tax burden on the taxpayers in each CAB District, and that such Mill Levies and their terms of imposition, as applicable to each CAB District, are fair and equitable.

Section 2.05. Representations.

(a) Each CAB District represents and warrants that it has reviewed the CABEA, has had ample opportunity to seek and obtain legal, accounting and other advice in connection therewith, and has voluntarily entered into the CABEA.

(b) Each CAB District represents and warrants that it has reviewed the applicable Capital Pledge Agreement, has had ample opportunity to seek and obtain legal, accounting and other advice in connection therewith, and has voluntarily entered into the applicable Capital Pledge Agreement.

ARTICLE III

GENERAL PROVISIONS

Section 3.01. Integration. This Agreement sets forth the entire agreement and understanding of the parties hereto with respect to the specific matters agreed to herein, and the parties hereto acknowledge that no oral or other agreements, understandings, representations or warranties exist with respect to this Agreement or the obligations of the parties hereto, except those specifically set forth herein.

Section 3.02. Modification. This Agreement may be supplemented, altered, amended, modified, terminated or revoked only by a written instrument signed by all the parties hereto.

Section 3.03. Severability. If any clause or provision of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable clause or provision shall not affect the validity of this Agreement as a whole, and all other clauses or provisions shall be given full force and effect.

Section 3.04. Assignment. This Agreement may not be assigned without the express prior written consent of the parties hereto, and any attempt to assign this Agreement in violation hereof shall be null and void.

Section 3.05. Authority. By execution hereof, each party hereto represents and warrants that its representative signing hereunder has full power and lawful authority to execute this Agreement and to bind the respective party to the terms hereof.

Section 3.06. Applicable Law. This Agreement shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State.

[The remainder of this page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1

By:_____
President

ATTEST:

_____
Assistant Secretary

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2

By:_____
President

ATTEST:

_____
Assistant Secretary

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3

By:_____
President

ATTEST:

_____
Assistant Secretary

[Signature page 1 of 3 to Mill Levy Policy Agreement]

ATEC METROPOLITAN DISTRICT NO. 1

By:_____
President

ATTEST:

_____
Assistant Secretary

ATEC METROPOLITAN DISTRICT NO. 2

By:_____
President

ATTEST:

_____
Assistant Secretary

[Signature page 2 of 3 to Mill Levy Policy Agreement]

THE AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT

By:_____
President

ATTEST:

_____
Assistant Secretary

THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD

By:_____
President

ATTEST:

_____
Assistant Secretary

[Signature page 3 of 3 to Mill Levy Policy Agreement]

CERTIFIED RECORD

OF

PROCEEDINGS OF

THE BOARD OF DIRECTORS

OF

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1
In the City of Aurora
Adams County, Colorado

Relating to a Resolution authorizing a

Capital Pledge Agreement and other matters

Adopted on April 16, 2020

This cover page is not a part of the following resolution and is included solely for the convenience of the reader.

(Attach copy of notice of meeting, as posted)

STATE OF COLORADO)
ADAMS COUNTY)
CITY OF AURORA)
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1)

The Board of Directors (the "District Board") of The Aurora Highlands Metropolitan District No. 1, in the City of Aurora, Adams County, Colorado (the "District") held a special meeting at The Aurora Highlands Construction Trailer, 4271 North Gun Club Road, Aurora, Colorado 80019, on Thursday, the 16th day of April, 2020 at 3:00 p.m.

In accordance with Section 11-57-211, C.R.S., one or more of the members of the District Board participated in this meeting and voted through the use of a conference telephone, and there was at least one person physically present at the designated meeting area to ensure that the public meeting was in fact accessible to the public.

At such meeting, the following members of the District Board were present, constituting a quorum:

Matthew Hopper	President
Carla Ferreira	Vice President
Michael Sheldon	Treasurer
Cynthia Shearon	Assistant Secretary
Vacancy	

[At such meeting, the following members of the District Board were not present:]

Also present at such meeting:

District Manager:	Denise Denslow CliftonLarsonAllen LLP
District Counsel:	Matt Ruhland, Esq. Collins, Cockrel & Cole
District Bond Counsel:	Kamille J. Curylo, Esq., Saranne Maxwell, Esq., & Kristine Lay, Esq. Kutak Rock LLP
Placement Agent:	Brooke Hutchens D.A. Davidson & Co.
Accountant:	Debra Sedgeley CliftonLarsonAllen LLP

At such meeting thereupon there was introduced the following resolution:

RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1 (THE "DISTRICT") AUTHORIZING THE DISTRICT TO ENTER INTO A CAPITAL PLEDGE AGREEMENT WITH THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD (THE "AUTHORITY") AND ZIONS BANCORPORATION, NATIONAL ASSOCIATION RELATING TO THE AUTHORITY'S SPECIAL TAX REVENUE DRAW-DOWN BONDS, SERIES 2020A (THE "SERIES 2020A BONDS"), SUBORDINATE SPECIAL TAX REVENUE DRAW-DOWN BONDS, SERIES 2020B (THE "SUBORDINATE SERIES 2020B BONDS" AND TOGETHER WITH THE SERIES 2020A BONDS, THE "BONDS") AND ANY OTHER ADDITIONAL OBLIGATIONS THAT MAY BE ISSUED BY THE AUTHORITY IN THE FUTURE ON BEHALF OF THE DISTRICT PURSUANT TO ADDITIONAL OBLIGATION DOCUMENTS COLLECTIVELY IN A COMBINED MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF UP TO $4,000,000,000 (COLLECTIVELY, THE "PAYMENT OBLIGATIONS"); AUTHORIZING THE DISTRICT TO ENTER INTO A MILL LEVY POLICY AGREEMENT, ESTABLISHMENT AGREEMENT, A PILOT COVENANT AND OTHER FINANCING DOCUMENTS RELATING TO THE PAYMENT OBLIGATIONS; APPROVING THE FORM OF SUCH CAPITAL PLEDGE AGREEMENT, MILL LEVY POLICY AGREEMENT, ESTABLISHMENT AGREEMENT, PILOT COVENANT AND OTHER FINANCING DOCUMENTS; AUTHORIZING THE EXECUTION AND DELIVERY THEREOF AND OF OTHER DOCUMENTS AND INSTRUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS IN CONNECTION WITH THE FOREGOING; AUTHORIZING INCIDENTAL ACTION; REPEALING PRIOR INCONSISTENT ACTIONS; AND SETTING FORTH THE EFFECTIVE DATE HEREOF.

WHEREAS, capitalized terms used and not otherwise defined in the recitals hereof shall have the meanings set forth in Section 1 below; and

WHEREAS, The Aurora Highlands Metropolitan District No. 1 (the "District") is a quasi-municipal corporation and political subdivision duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado, including particularly Title 32, Article 1, Colorado Revised Statutes ("C.R.S.") (the "Act"); and

WHEREAS, the District petitioned for and received an Order Granting Petition for Name Change on August 14, 2017 from the District Court for Adams County, Colorado changing the District's name from Green Valley Ranch East Metropolitan District No. 2 to The Aurora Highlands Metropolitan District No. 1; and

WHEREAS, the District is authorized by the Act to furnish certain public facilities and services, including, but, not limited to, street improvement, traffic and safety, water, sanitation, parks and recreation, transportation, mosquito control, fire protection, security, and television relay and transmission in accordance with the Service Plan for the District that was approved by the City Council of the City of Aurora, Colorado (the "City") on October 16, 2017 (the "Service Plan");

WHEREAS, the Service Plan has been prepared for the District pursuant to Sections 32-1-201, C.R.S. et seq., and all required governmental approvals have been obtained therefor; and

WHEREAS, in accordance with Part 1 of the Act and the Service Plan, the purpose for which the District was formed include the provision of, among other things, street improvement, traffic and safety, water, sanitation, parks and recreation, transportation, mosquito control, fire protection, security, and television relay and transmission (the "Public Improvements"); and

WHEREAS, pursuant to the Colorado Constitution Article XIV, Section 18(2)(a), and Section 29-1-203, C.R.S., as amended, the District, the other Financing Districts (as hereinafter defined) and The Aurora Highlands Community Authority Board (the "Authority") may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract (including the hereinafter defined CABEA) may provide for the sharing of costs, the imposition and collection of taxes, and the incurring of debt; and

WHEREAS, the Act further provides that any such contract among the Authority, the District and the other Financing Districts may be entered into any for any period, notwithstanding any provision of law limiting the length of any financial contracts or obligations of governments such as the Authority, the District and the other Financing Districts;

WHEREAS, the District together with ATEC Metropolitan District No. 1 ("ATEC No. 1"), ATEC Metropolitan District No. 2 ("ATEC No. 2"), The Aurora Highlands Metropolitan District No. 2 ("District No. 2"), The Aurora Highlands District No. 3 ("District No. 3"), and the Aerotropolis Area Coordinating Metropolitan District (the "Coordinating District" and, together with ATEC No. 1, ATEC No. 2, the District, District No. 2, and District No. 3, the "Financing Districts") have entered into that certain The Aurora Highlands Community Authority Board Establishment Agreement, dated as of November 21, 2019, as supplemented and amended by the First Amended and Restated The Aurora Highlands Community Authority Board Establishment Agreement, dated as of April 16, 2020 (collectively, the "CABEA"), for the purpose of creating the Authority in order to allow the Financing Districts the ability to achieve efficiencies in coordinating the designing, planning, construction, acquisition, financing, operating, and maintaining of the Public Improvements necessary for The Aurora Highlands Development (as hereinafter defined); and

WHEREAS, under the Service Plan and the CABEA, the Financing Districts and the Authority are intended to work together and coordinate their activities with respect to the financing, construction, operation and maintenance of the Public Improvements necessary to serve development (including The Aurora Highlands Development) within the Financing Districts, which is generally anticipated to consist of residential development in the District; and

WHEREAS, the Authority and the Financing Districts envision a Public Improvements financing plan (the "Long Term Capital Improvements Plan") to issue Bonds and other Additional Obligations (both as hereinafter defined) with respect to The Aurora Highlands Development over a term of years consistent with the term of the District No. 1 Residential Capital Pledge Agreement (the "Capital Pledge Agreement") to be dated on or about April 16, 2020, by and among the Authority, the District and Zions Bancorporation National Association,

in its capacity as trustee (the "Trustee") under that certain Indenture of Trust, to be dated as of April 16, 2020 (the "Senior Indenture") and that certain Indenture of Trust (Subordinate), to be dated as of April 16, 2020 (the "Subordinate Indenture" and, together with the Series 2020A Indenture, the "Indentures"), to be entered into with the Authority; and

WHEREAS, the District was organized with the approval of the City, and with the approval of its electors, such approval fully contemplating cooperation among the District, the Authority and the other Financing Districts as provided in the Capital Pledge Agreement, in the Service Plan and the CABEA to effectuate the Long Term Capital Improvements Plan; and

WHEREAS, as contemplated by the Service Plan, the District, District No. 2 and District No. 3 entered into an Intergovernmental Agreement with the City on October 30, 2019 (the "City IGA"); and

WHEREAS, the District and the Authority have determined that the Public Improvements anticipated to be financed pursuant to a Long Term Capital Improvements Plan are generally contemplated by the Service Plan, the City IGA, and the CABEA; are needed; and, due to the nature of the Public Improvements and proximity and interrelatedness of the development anticipated to occur within the boundaries of the Authority, will benefit the residents, property owners and taxpayers in the District; and

WHEREAS, Aurora Highlands, LLC, a Nevada limited liability company, is the developer (the "Developer") of the community located in the service area of the Authority, in the City of Aurora, Adams County, Colorado, and commonly known as The Aurora Highlands (the "The Aurora Highlands Development"), has constructed certain Public Improvements within or otherwise serving the residents, property owners and taxpayers of the Financing Districts and the Authority and is anticipated to construct and/or cause other developers to construct additional Public Improvements within or otherwise serving the residents, property owners and taxpayers of the Financing Districts and the Authority; and

WHEREAS, the Board of Directors the Authority (the "Board of the Authority") and each of the Financing Districts have determined that it is necessary to pay or reimburse the Developer for the costs of acquiring, constructing and installing the Public Improvements over the course of effectuating the Long Term Capital Improvements Plan, the debt for which was approved by the Election (as hereinafter defined) (the "Project"); and

WHEREAS, at an election of the qualified electors of the District duly called for and held on November 8, 2016 (the "Election"), in accordance with law and pursuant to due notice, a majority of eligible electors who voted at each such election voted in favor of, inter alia, the issuance of debt and the imposition of taxes for the payment thereof, for the purpose of funding certain improvements and facilities (the ballot questions relating thereto being attached as Exhibit A to the Capital Pledge Agreement); and

WHEREAS, the returns of the Election were duly canvassed and the result thereof duly declared; and

WHEREAS, the results of the Election were certified by the District by certified mail to the board of county commissioners of each county in which the District is located or to the

governing body of a municipality that has adopted a resolution of approval of the special district pursuant to Section 32-1-204.5, C.R.S., and with the division of securities created by Section 11-51-701, C.R.S., within 45 days after each Election; and

WHEREAS, the District now desires to facilitate the issuance of indebtedness by the Authority secured by ad valorem property taxes of the Financing Districts for the purpose of financing the Project; and

WHEREAS, for the purpose of financing certain of the costs of the Project, the Board of the Authority has determined to initially issue, on behalf of the Financing Districts, its (a) Special Tax Revenue Draw-Down Bonds, Series 2020A (the "Series 2020A Bonds") pursuant to the Senior Indenture and (b) Subordinate Special Tax Revenue Draw-Down Bonds, Series 2020B (the "Subordinate Series 2020B Bonds" and, together with the Series 2020A Bonds, the "Bonds") pursuant to the Subordinate Indenture; and

WHEREAS, it is anticipated that the Authority shall issue Additional Obligations (as hereinafter defined) on behalf of the Financing Districts from time to time in order to finance additional costs of the Project; and

WHEREAS, the District has determined that the execution of the Capital Pledge Agreement and the issuance of the Bonds and Additional Obligations (collectively, "Payment Obligations") for the purpose of financing the Project are in the best interests of the District and the residents, property owners, and taxpayers thereof; and

WHEREAS, in order to provide for the payment of the Payment Obligations that may be issued by the Authority in the future on behalf of the District to finance the Project, the District Board determined and hereby determines that the District shall, by the terms of the Capital Pledge Agreement, pledge certain revenues (referred to therein as the District No. 1 Pledged Revenue) to the Authority for the payment of the Payment Obligations, and shall covenant to take certain actions with respect to generating such revenues, for the benefit of the owners of the Payment Obligations; and

WHEREAS, the Authority has also entered into certain other capital pledge agreements with the other Financing Districts to further secure repayment of the Payment Obligations; and

WHEREAS, the Capital Pledge Agreement shall be entered into pursuant to the provisions of Title 32, Article 1, Parts 11 and 13, C.R.S., the Service Plan and all other laws thereunto enabling; and

WHEREAS, the Board of Directors of the District (the "District Board") specifically elects to apply all of the provisions of Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Public Securities Act"), to the Capital Pledge Agreement other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligations of the District; and

WHEREAS, the obligation of the District to pay the Financing Costs with respect to the Payment Obligations secured under the Capital Pledge Agreement shall be a multiple fiscal year

obligation of the District payable solely from and to the extent of the District No. 1 Pledged Revenue, which District No. 1 Pledged Revenue shall be remitted by the District to the Trustee under the Indentures and Additional Obligation Documents (as hereinafter defined) in order to secure repayment of the Payment Obligations as set forth in the Capital Pledge Agreement; and

WHEREAS, the Bonds shall be issued to "accredited investors" within the meaning of Rule 501(A) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, and will be exempt from registration under the Colorado Municipal Bond Supervision Act; and

WHEREAS, any other Additional Obligations issued by the Authority on behalf of the District under the Capital Pledge Agreement will be issued either in denominations of not less than $500,000 each or to "accredited investors" as that term is defined in Section 11-59-110(1)(g) C.R.S., unless an exemption from the registration requirements of the Colorado Municipal Bond Supervision Act, or any successor statute, is otherwise available; and

WHEREAS, pursuant to the provisions of Section 32-1-1101(6)(a)(VI), C.R.S., the Bonds will be issued only to a "financial institution or institutional investor" as such terms are defined in Section 32-1-103(6.5), C.R.S.; and

WHEREAS, any other Additional Obligations issued by the Authority on behalf of the District under the Capital Pledge Agreement will initially be issued only to a "financial institution or institutional investor" as such terms are defined in Section 32-1-103(6.5), C.R.S. or will constitute a refunding or restructuring contemplated by Section 32-1-1101(6)(b), C.R.S.; and

WHEREAS, based upon the anticipated uses of the proceeds of the Bonds and other Additional Obligations which may be issued under the Capital Pledge Agreement, the Board has determined to allocate the principal amount of the Bonds for which voted authorization is needed and all Additional Obligations issued and secured under the Capital Pledge Agreement to the District's electoral authorization under the Election as more particularly provided in the recitals of the Capital Pledge Agreement; and

WHEREAS, after consideration, the District Board has determined that entering into the Capital Pledge Agreement to support repayment of the Payment Obligations on the terms and conditions set forth in the Capital Pledge Agreement and the related District Documents (as hereinafter defined) is in the best interests of the District, the taxpayers thereof, and hereby determines that it was and is necessary to enter into the Capital Pledge Agreement and to remit the District No. 1 Pledged Revenue to the Trustee under the Indentures and Additional Obligation Documents or as otherwise directed by the Authority; and

WHEREAS, pursuant to Section 32-1-902(3), C.R.S., and Section 18-8-308, C.R.S., all known potential conflicting interests of the Directors were disclosed to the Colorado Secretary of State and to the District Board in writing at least 72 hours in advance of this meeting; additionally, in accordance with Section 24-18-110, C.R.S., the appropriate District Board members have made disclosure of their personal and private interests relating to the Capital Pledge Agreement in writing to the Secretary of State and the District Board; finally, the District Board members having such interests have stated for the record immediately prior to the

adoption of this Resolution the fact that they have such interests and the summary nature of such interests and the participation of those District Board members is necessary to obtain a quorum or otherwise enable the District Board to act; and

WHEREAS, there has been presented at or prior to this meeting of the District Board substantially final drafts of the District Documents; and

WHEREAS, the District Board desires to authorize the execution and delivery of the District Documents and the execution, completion, and delivery of such certificates and other documents as may be necessary to effect the intent of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1, IN THE CITY OF AURORA, ADAMS COUNTY, COLORADO:

Section 1. Definitions. The following capitalized terms shall have the respective meanings set forth below:

"*Act*" has the meaning set forth in the recitals hereof.

"Additional Obligations" has the meaning set forth in the Capital Pledge Agreement.

"Additional Obligation Documents" has the meaning set forth in the Capital Pledge Agreement.

"ATEC No. 1" has the meaning set forth in the recitals hereof.

"ATEC No. 2" has the meaning set forth in the recitals hereof.

"*Authority*" has the meaning set forth in the recitals hereof.

"*Board of the Authority*" has the meaning set forth in the recitals hereof.

"*Bond Counsel*" means Kutak Rock LLP, Denver, Colorado.

"*Bond Resolution*" means the resolution adopted by the Authority which authorizes the issuance of the Bonds and other, related financing documents as more particularly described therein.

"*Bonds*" means the Series 2020A Bonds and Subordinate Series 2020B Bonds.

"*CABEA*" has the meaning set forth in the recitals hereof.

"*Capital Pledge Agreement*" or "*Pledge Agreement*" means the Capital Pledge Agreement dated on or about April 16, 2020, by and among the District, the Authority and the Trustee.

"*City*" means the City of Aurora, Colorado.

"Coordinating District" has the meaning set forth in the recitals hereof.

"Developer" means Aurora Highlands, LLC, a Nevada limited liability company

"*District*" has the meaning set forth in the recitals hereof.

"District Board" has the meaning set forth in the recitals hereof.

"*District Counsel*" means Collins, Cockrel & Cole, Denver, Colorado.

"*District Documents*" means, collectively, the Capital Pledge Agreement, the Mill Levy Policy Agreement, the PILOT Covenant, the CABEA and this Resolution.

"District No. 1 Pledged Revenue" has the meaning set forth in the Capital Pledge Agreement.

"District No. 2" has the meaning set forth in the recitals hereof.

"District No. 3" has the meaning set forth in the recitals hereof.

"*District Representative*" means the person or persons at the time designated to act on behalf of the District as provided in this Resolution or as may from time to time be designated by a resolution adopted by the District Board with a copy of such resolution or, in lieu thereof, a written certificate signed by the President of the District, provided to the Trustee.

"*Election*" has the meaning set forth in the recitals hereof.

"Financing Districts" means, collectively, ATEC No. 1, ATEC No. 2, the District, District No. 2, District No. 3 and the Coordinating District.

"*Indentures*" means, collectively, the Senior Indenture and the Subordinate Indenture.

"Long Term Capital Improvements Plan" has the meaning set forth in the recitals hereof.

"*Mill Levy Policy Agreement*" means that certain Mill Levy Policy Agreement, dated April 16, 2020, by and among the Authority, the Coordinating District, the District, District No. 2, District No. 3, ATEC No. 1 and ATEC No. 2.

"Payment Obligations" means, collectively, the Bonds and Additional Obligations.

"PILOT Covenant" has the meaning set forth in the Capital Pledge Agreement.

"*Project*" has the meaning set forth in the recitals hereof.

"Public Improvements" has the meaning set forth in the recitals hereof.

"*Resolution*" means this resolution which authorizes the execution, delivery, and performance of the District Documents by the District and execution and delivery of the other documents and instruments in connection therewith.

"*Senior Indenture*" has the meaning set forth in the recitals hereof.

"*Series 2020A Bonds*" has the meaning set forth in the recitals hereof.

"*Service Plan*" has the meaning set forth in the recitals hereof.

"*Subordinate Indenture*" has the meaning set forth in the recitals hereof.

"*Subordinate Series 2020B Bonds*" has the meaning set forth in the recitals hereof.

"*Supplemental Public Securities Act*" has the meaning set forth in Section 3(b) hereof.

"The Aurora Highlands Development" has the meaning set forth in the recitals hereof.

"*Trustee*" means (a) with respect to the Bonds, Zions Bancorporation National Association, Denver, Colorado, and its successors, and (b) with respect to Additional Obligations, the entity designated to act as trustee under the related Additional Obligation Documents or any successor entity appointed, qualified, and acting as trustee, paying agent and bond registrar under the provisions of the related Additional Obligation Documents.

Section 2. District Documents: Approval, Authorization, and Amendment. The District Documents are incorporated herein by reference and are hereby approved. The District shall enter into and perform its obligations under the District Documents in the form of such documents presented at or prior to this meeting, with such changes as are made pursuant to this Section 2 and are not inconsistent herewith. The President, Vice President and the Treasurer of the District are each hereby authorized and directed to execute and deliver the District Documents and the Treasurer or Assistant Secretaries of the District are each hereby authorized and directed to attest the District Documents and to affix the seal of the District thereto, and any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District are further authorized to execute, deliver and authenticate such other documents, instruments, or certificates as are deemed necessary or desirable in order to effect the transactions contemplated under the District Documents. The District Documents are to be executed in substantially the form presented at or prior to this meeting of the District Board, provided that such documents may be completed, corrected, or revised as deemed necessary or convenient and approved by District Counsel in order to carry out the purposes of this Resolution and such approval by District Counsel shall be deemed approval by the District Board; provided, however, that District Counsel shall consult with a representative of the District in connection with such approval. To the extent any District Document has been executed prior to the date hereof, then said execution is hereby ratified and affirmed. Copies of all of the District Documents shall be delivered, filed, and recorded as provided therein.

Upon execution of the District Documents, the covenants, agreements, recitals, and representations of the District therein shall be effective with the same force and effect as if specifically set forth herein, and such covenants, agreements, recitals, and representations are hereby adopted and incorporated herein by reference.

The appropriate officers of the District are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the District

relating to the District Documents and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

The execution of any District Document by any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms thereof and hereof.

Section 3. Findings and Declarations of the District Board. The District Board, having been fully informed of and having considered all the pertinent facts and circumstances, hereby finds, determines, and declares as follows:

(a) ***Allocation of Voted Authorization***. The District Board hereby determines to allocate voted authorization obtained at the Elections to the Capital Pledge Agreement as set forth therein.

(b) ***Election to Apply Supplemental Public Securities Act***. The District Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Public Securities Act"), to the Capital Pledge Agreement and its pledge of revenues thereunder, other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligations of the District.

Section 4. Authorization. In accordance with the Constitution of the State of Colorado; Title 32, Article 1, Parts 11 and 13, C.R.S.; the Supplemental Public Securities Act (other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligation of the District thereunder); the Election, and all other laws of the State of Colorado thereunto enabling, the District shall enter into the Capital Pledge Agreement in order to secure the Payment Obligations thereunder in a maximum aggregate principal amount of up to $4,000,000,000 and the other District Documents for the purposes set forth therein. The obligation of the District to pay the Financing Costs with respect to the Payment Obligations secured under the Capital Pledge Agreement shall be a multiple fiscal year obligation of the District payable solely from and to the extent of the District No. 1 Pledged Revenue, which District No. 1 Pledged Revenue shall be remitted by the District to the Trustee under the Indentures and Additional Obligation Documents in order to secure repayment of the Payment Obligations as set forth in the Capital Pledge Agreement.

Section 5. Permitted Amendments to Resolution. Except as otherwise provided herein, the District may amend this Resolution in the same manner, and subject to the same terms and conditions, as apply to an amendment or supplement to the Capital Pledge Agreement as provided therein.

Section 6. Authorization to Execute Other Documents and Instruments. Any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District shall, and they are hereby authorized and directed, to take all actions necessary or appropriate to effectuate the provisions of this Resolution, including, but not limited to, the execution of all documents and certificates necessary or desirable to effectuate the entering into of the District Documents

and the performance by the District of its obligations thereunder, and such certificates, documents, instruments, and affidavits as may be reasonably required by Bond Counsel, the Trustee, or District Counsel. The execution by any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District of any document not inconsistent herewith shall be conclusive proof of the approval by District of the terms thereof.

Section 7. Appointment of District Representative. Matthew Hopper, the District's President, is hereby appointed as the District Representative, and Carla Ferreira, the District's Vice President, is hereby appointed as an alternate District Representative. One or more different or additional District Representatives may from time to time be designated by a resolution adopted by the District Board with a copy of such resolution or, in lieu thereof, a written certificate signed by the President of the District, furnished to the Trustee. Any alternate or alternates may also be designated as such therein.

Section 8. Pledge of Revenues. The creation, perfection, enforcement, and priority of the District No. 1 Pledged Revenue (as defined in the Capital Pledge Agreement) pledged under the Capital Pledge Agreement to secure or pay the Payment Obligations shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Resolution, and the Capital Pledge Agreement. The District No. 1 Pledged Revenue collected pursuant to the Capital Pledge Agreement and pledged for the payment of the Payment Obligations, as received by or otherwise credited to the Authority or the Trustee, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge on the District No. 1 Pledged Revenue and the obligation to perform the contractual provisions made in the Capital Pledge Agreement shall have priority over any or all other obligations and liabilities of the District. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such persons have notice of such liens.

Section 9. Costs and Expenses. All costs and expenses incurred in connection with the Capital Pledge Agreement, this Resolution and the transactions contemplated thereunder and hereunder shall be paid from proceeds of the Payment Obligations or from legally available moneys of the District and/or the Authority or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Section 10. No Recourse Against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Public Securities Act, if a member of the District Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent in connection with its obligations under the District Documents. Such recourse shall not be available either directly or indirectly through the District Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Payment Obligations and as part of the consideration of their sale or purchase, any person purchasing or selling such Payment Obligations specifically waives any such recourse.

Section 11. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, the Capital Pledge Agreement shall contain a recital that it is entered into pursuant to certain provisions of the Supplemental Public Securities Act, other than the

provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligations of the District thereunder. Such recital shall be conclusive evidence of the validity and the regularity of the Capital Pledge Agreement after its delivery.

Section 12. Limitation of Actions. Pursuant to Section 11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or execution and delivery of any of the District Documents in connection with the issuance of the Payment Obligations shall be commenced more than thirty days after the effective date of this Resolution.

Section 13. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the District and the members of the District Board, not inconsistent with the provisions of this Resolution, relating to the execution and delivery of the District Documents and the consummation of the transactions contemplated thereunder are hereby ratified, approved, and confirmed.

Section 14. Resolution Irrepealable. After the District Documents have been executed and delivered, this Resolution shall be and remain irrepealable until such time as the Capital Pledge Agreement shall have been fully discharged pursuant to the terms thereof.

Section 15. Repealer. All orders, bylaws, and resolutions of the District, or parts thereof, inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

Section 16. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

Section 17. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

APPROVED AND ADOPTED by the Board of Directors of The Aurora Highlands Metropolitan District No. 1, in the City of Aurora, Adams County, Colorado, on the 16th day of April, 2020.

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1

[SEAL]

By _____
Matthew Hopper, President

ATTEST:

By _____
Cynthia Shearon, Assistant Secretary

[Signature page to the District Resolution]

Thereupon, Director [_____] moved for the adoption of the foregoing resolution. The motion to adopt the resolution was duly seconded by Director [_____], put to a vote, and carried on the following recorded vote:

Those voting AYE:

[All present]

Those voting NAY:

[None]

Those abstaining:

[None]

Those absent:

[_____]

Thereupon the President, as Chairman of the meeting, declared the Resolution duly adopted and directed the Assistant Secretary to duly and properly enter the foregoing proceedings and Resolution upon the minutes of the District Board.

STATE OF COLORADO)
COUNTY OF ADAMS) ss.
CITY OF AURORA)
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 1)

I, Cynthia Shearon, Assistant Secretary of The Aurora Highlands Metropolitan District No. 1, in the City of Aurora, Adams County, Colorado (the "District"), do hereby certify that the foregoing pages numbered (i) through (iii) and 1 through 12 inclusive, constitute a true and correct copy of that portion of the record of proceedings of the Board of Directors of the District (the "District Board") relating to the adoption of a resolution authorizing the District to enter into a Capital Pledge Agreement, Mill Levy Policy Agreement, Establishment Agreement, PILOT Covenant, and other financing documents in connection with issuance by The Aurora Highlands Community Authority Board (the "Authority") of its Special Tax Revenue Draw-Down Bonds, Series 2020A, Subordinate Special Tax Revenue Draw-Down Bonds, Series 2020B and any other Additional Obligations that may be issued by the Authority in the future on behalf of the District pursuant to Additional Obligation Documents collectively in a combined maximum aggregate principal amount of up to $4,000,000,000, adopted at a special meeting of the District Board held at The Aurora Highlands Construction Trailer, 4271 North Gun Club Road, Aurora, Colorado 80019, on Thursday, the 16th day of April, 2020 at 3:00 p.m., as recorded in the official record of proceedings of said District kept in my office; that the proceedings were duly had and taken; that the meeting was duly held; that the persons therein named were present at said meeting and voted as shown therein; and that a notice of meeting, in the form herein set forth at page (i), was posted prior to the meeting in accordance with applicable law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the District, this 16th day of April, 2020.

_____
Cynthia Shearon, Assistant Secretary

SEAL

CERTIFIED RECORD

OF

PROCEEDINGS OF

THE BOARD OF DIRECTORS

OF

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2
In the City of Aurora
Adams County, Colorado

Relating to a Resolution authorizing a

Capital Pledge Agreement and other matters

Adopted on April 16, 2020

This cover page is not a part of the following resolution and is included solely for the convenience of the reader.

(Attach copy of notice of meeting, as posted)

STATE OF COLORADO)
ADAMS COUNTY)
CITY OF AURORA)
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2)

The Board of Directors (the "District Board") of The Aurora Highlands Metropolitan District No. 2, in the City of Aurora, Adams County, Colorado (the "District") held a special meeting at The Aurora Highlands Construction Trailer, 4271 North Gun Club Road, Aurora, Colorado 80019, on Thursday, the 16th day of April, 2020 at 3:00 p.m.

In accordance with Section 11-57-211, C.R.S., one or more of the members of the District Board participated in this meeting and voted through the use of a conference telephone, and there was at least one person physically present at the designated meeting area to ensure that the public meeting was in fact accessible to the public.

At such meeting, the following members of the District Board were present, constituting a quorum:

Matthew Hopper	President
Carla Ferreira	Vice President
Michael Sheldon	Treasurer
Cynthia Shearon	Assistant Secretary
Vacancy	

[At such meeting, the following members of the District Board were not present:]

Also present at such meeting:

District Manager:	Denise Denslow CliftonLarsonAllen LLP
District Counsel:	Matt Ruhland, Esq. Collins, Cockrel & Cole
District Bond Counsel:	Kamille J. Curylo, Esq., Saranne Maxwell, Esq., & Kristine Lay, Esq. Kutak Rock LLP
Placement Agent:	Brooke Hutchens D.A. Davidson & Co.
Accountant:	Debra Sedgeley CliftonLarsonAllen LLP

At such meeting thereupon there was introduced the following resolution:

RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2 (THE "DISTRICT") AUTHORIZING THE DISTRICT TO ENTER INTO A CAPITAL PLEDGE AGREEMENT WITH THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD (THE "AUTHORITY") AND ZIONS BANCORPORATION, NATIONAL ASSOCIATION RELATING TO THE AUTHORITY'S SPECIAL TAX REVENUE DRAW-DOWN BONDS, SERIES 2020A (THE "SERIES 2020A BONDS"), SUBORDINATE SPECIAL TAX REVENUE DRAW-DOWN BONDS, SERIES 2020B (THE "SUBORDINATE SERIES 2020B BONDS" AND TOGETHER WITH THE SERIES 2020A BONDS, THE "BONDS") AND ANY OTHER ADDITIONAL OBLIGATIONS THAT MAY BE ISSUED BY THE AUTHORITY IN THE FUTURE ON BEHALF OF THE DISTRICT PURSUANT TO ADDITIONAL OBLIGATION DOCUMENTS COLLECTIVELY IN A COMBINED MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF UP TO $4,000,000,000 (COLLECTIVELY, THE "PAYMENT OBLIGATIONS"); AUTHORIZING THE DISTRICT TO ENTER INTO A MILL LEVY POLICY AGREEMENT, ESTABLISHMENT AGREEMENT, A PILOT COVENANT AND OTHER FINANCING DOCUMENTS RELATING TO THE PAYMENT OBLIGATIONS; APPROVING THE FORM OF SUCH CAPITAL PLEDGE AGREEMENT, MILL LEVY POLICY AGREEMENT, ESTABLISHMENT AGREEMENT, PILOT COVENANT AND OTHER FINANCING DOCUMENTS; AUTHORIZING THE EXECUTION AND DELIVERY THEREOF AND OF OTHER DOCUMENTS AND INSTRUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS IN CONNECTION WITH THE FOREGOING; AUTHORIZING INCIDENTAL ACTION; REPEALING PRIOR INCONSISTENT ACTIONS; AND SETTING FORTH THE EFFECTIVE DATE HEREOF.

WHEREAS, capitalized terms used and not otherwise defined in the recitals hereof shall have the meanings set forth in Section 1 below; and

WHEREAS, The Aurora Highlands Metropolitan District No. 2 (the "District") is a quasi-municipal corporation and political subdivision duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado, including particularly Title 32, Article 1, Colorado Revised Statutes ("C.R.S.") (the "Act"); and

WHEREAS, the District petitioned for and received an Order Granting Petition for Name Change on August 14, 2017 from the District Court for Adams County, Colorado changing the District's name from Green Valley Ranch East Metropolitan District No. 3 to The Aurora Highlands Metropolitan District No. 2; and

WHEREAS, the District is authorized by the Act to furnish certain public facilities and services, including, but, not limited to, street improvement, traffic and safety, water, sanitation, parks and recreation, transportation, mosquito control, fire protection, security, and television relay and transmission in accordance with the Service Plan for the District that was approved by the City Council of the City of Aurora, Colorado (the "City") on October 16, 2017 (the "Service Plan");

WHEREAS, the Service Plan has been prepared for the District pursuant to Sections 32-1-201, C.R.S. et seq., and all required governmental approvals have been obtained therefor; and

WHEREAS, in accordance with Part 1 of the Act and the Service Plan, the purpose for which the District was formed includes the provision of, among other things, street improvement, traffic and safety, water, sanitation, parks and recreation, transportation, mosquito control, fire protection, security, and television relay and transmission (the "Public Improvements"); and

WHEREAS, pursuant to the Colorado Constitution Article XIV, Section 18(2)(a), and Section 29-1-203, C.R.S., as amended, the District, the other Financing Districts (as hereinafter defined) and The Aurora Highlands Community Authority Board (the "Authority") may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract (including the hereinafter defined CABEA) may provide for the sharing of costs, the imposition and collection of taxes, and the incurring of debt; and

WHEREAS, the Act further provides that any such contract among the Authority, the District and the other Financing Districts may be entered into any for any period, notwithstanding any provision of law limiting the length of any financial contracts or obligations of governments such as the Authority, the District and the other Financing Districts;

WHEREAS, the District together with ATEC Metropolitan District No. 1 ("ATEC No. 1"), ATEC Metropolitan District No. 2 ("ATEC No. 2"), The Aurora Highlands Metropolitan District No. 1 ("District No. 1"), The Aurora Highlands District No. 3 ("District No. 3"), and the Aerotropolis Area Coordinating Metropolitan District (the "Coordinating District" and, together with ATEC No. 1, ATEC No. 2, the District, District No. 1, and District No. 3, the "Financing Districts") have entered into that certain The Aurora Highlands Community Authority Board Establishment Agreement, dated as of November 21, 2019, as supplemented and amended by the First Amended and Restated The Aurora Highlands Community Authority Board Establishment Agreement, dated as of April 16, 2020 (collectively, the "CABEA"), for the purpose of creating the Authority in order to allow the Financing Districts the ability to achieve efficiencies in coordinating the designing, planning, construction, acquisition, financing, operating, and maintaining of the Public Improvements necessary for The Aurora Highlands Development (as hereinafter defined); and

WHEREAS, under the Service Plan and the CABEA, the Financing Districts and the Authority are intended to work together and coordinate their activities with respect to the financing, construction, operation and maintenance of the Public Improvements necessary to serve development (including The Aurora Highlands Development) within the Financing Districts, which is generally anticipated to consist of residential development in the District; and

WHEREAS, the Authority and the Financing Districts envision a Public Improvements financing plan (the "Long Term Capital Improvements Plan") to issue Bonds and other Additional Obligations (both as hereinafter defined) with respect to The Aurora Highlands Development over a term of years consistent with the term of the District No. 2 Residential Capital Pledge Agreement (the "Capital Pledge Agreement") to be dated on or about April 16, 2020, by and among the Authority, the District and Zions Bancorporation National Association,

in its capacity as trustee (the "Trustee") under that certain Indenture of Trust, to be dated on or about April 16, 2020 (the "Senior Indenture") and that certain Indenture of Trust (Subordinate), to be dated on or about April 16, 2020 (the "Subordinate Indenture" and, together with the Series 2020A Indenture, the "Indentures"), to be entered into with the Authority; and

WHEREAS, the District was organized with the approval of the City, and with the approval of its electors, such approval fully contemplating cooperation among the District, the Authority and the other Financing Districts as provided in the Capital Pledge Agreement, in the Service Plan and the CABEA to effectuate the Long Term Capital Improvements Plan; and

WHEREAS, as contemplated by the Service Plan, the District, District No. 1 and District No. 3 entered into an Intergovernmental Agreement with the City on October 30, 2019 (the "City IGA"); and

WHEREAS, the District and the Authority have determined that the Public Improvements anticipated to be financed pursuant to a Long Term Capital Improvements Plan are generally contemplated by the Service Plan, the City IGA, and the CABEA; are needed; and, due to the nature of the Public Improvements and proximity and interrelatedness of the development anticipated to occur within the boundaries of the Authority, will benefit the residents, property owners and taxpayers in the District; and

WHEREAS, Aurora Highlands, LLC, a Nevada limited liability company, is the developer (the "Developer") of the community located in the service area of the Authority, in the City of Aurora, Adams County, Colorado, and commonly known as The Aurora Highlands (the "The Aurora Highlands Development"), has constructed certain Public Improvements within or otherwise serving the residents, property owners and taxpayers of the Financing Districts and the Authority and is anticipated to construct and/or cause other developers to construct additional Public Improvements within or otherwise serving the residents, property owners and taxpayers of the Financing Districts and the Authority; and

WHEREAS, the Board of Directors of the Authority (the "Board of the Authority") and the Board of Directors of each of the Financing Districts have determined that it is necessary to pay or reimburse the Developer for the costs of acquiring, constructing and installing the Public Improvements over the course of effectuating the Long Term Capital Improvements Plan, the debt for which was approved by the Election (as hereinafter defined) (the "Project"); and

WHEREAS, at an election of the qualified electors of the District duly called for and held on November 8, 2016 (the "Election"), in accordance with law and pursuant to due notice, a majority of eligible electors who voted at each such election voted in favor of, inter alia, the issuance of debt and the imposition of taxes for the payment thereof, for the purpose of funding certain improvements and facilities (the ballot questions relating thereto being attached as Exhibit A to the Capital Pledge Agreement); and

WHEREAS, the returns of the Election were duly canvassed and the result thereof duly declared; and

WHEREAS, the results of the Election were certified by the District by certified mail to the board of county commissioners of each county in which the District is located or to the

governing body of a municipality that has adopted a resolution of approval of the special district pursuant to Section 32-1-204.5, C.R.S., and with the division of securities created by Section 11-51-701, C.R.S., within 45 days after each Election; and

WHEREAS, the District now desires to facilitate the issuance of indebtedness by the Authority secured by ad valorem property taxes of the Financing Districts for the purpose of financing the Project; and

WHEREAS, for the purpose of financing certain of the costs of the Project, the Board of the Authority has determined to initially issue, on behalf of the Financing Districts, its (a) Special Tax Revenue Draw-Down Bonds, Series 2020A (the "Series 2020A Bonds") pursuant to the Senior Indenture and (b) Subordinate Special Tax Revenue Draw-Down Bonds, Series 2020B (the "Subordinate Series 2020B Bonds" and, together with the Series 2020A Bonds, the "Bonds") pursuant to the Subordinate Indenture; and

WHEREAS, it is anticipated that the Authority shall issue Additional Obligations (as hereinafter defined) on behalf of the Financing Districts from time to time in order to finance additional costs of the Project; and

WHEREAS, the District has determined that the execution of the Capital Pledge Agreement and the issuance of the Bonds and Additional Obligations (collectively, "Payment Obligations") for the purpose of financing the Project are in the best interests of the District and the residents, property owners, and taxpayers thereof; and

WHEREAS, in order to provide for the payment of the Payment Obligations that may be issued by the Authority in the future on behalf of the District to finance the Project, the District Board determined and hereby determines that the District shall, by the terms of the Capital Pledge Agreement, pledge certain revenues (referred to therein as the District No. 2 Pledged Revenue) to the Authority for the payment of the Payment Obligations, and shall covenant to take certain actions with respect to generating such revenues, for the benefit of the owners of the Payment Obligations; and

WHEREAS, the Authority has also entered into certain other capital pledge agreements with the other Financing Districts to further secure repayment of the Payment Obligations; and

WHEREAS, the Capital Pledge Agreement shall be entered into pursuant to the provisions of Title 32, Article 1, Parts 11 and 13, C.R.S., the Service Plan and all other laws thereunto enabling; and

WHEREAS, the District Board specifically elects to apply all of the provisions of Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Public Securities Act"), to the Capital Pledge Agreement other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligations of the District; and

WHEREAS, the obligation of the District to pay the Financing Costs with respect to the Payment Obligations secured under the Capital Pledge Agreement shall be a multiple fiscal year obligation of the District payable solely from and to the extent of the District No. 2 Pledged

Revenue, which District No. 2 Pledged Revenue shall be remitted by the District to the Trustee under the Indentures and Additional Obligation Documents (as hereinafter defined) in order to secure repayment of the Payment Obligations as set forth in the Capital Pledge Agreement; and

WHEREAS, the Bonds shall be issued to "accredited investors" within the meaning of Rule 501(A) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, and will be exempt from registration under the Colorado Municipal Bond Supervision Act; and

WHEREAS, any other Additional Obligations issued by the Authority on behalf of the District under the Capital Pledge Agreement will be issued either in denominations of not less than $500,000 each or to "accredited investors" as that term is defined in Section 11-59-110(1)(g) C.R.S., unless an exemption from the registration requirements of the Colorado Municipal Bond Supervision Act, or any successor statute, is otherwise available; and

WHEREAS, pursuant to the provisions of Section 32-1-1101(6)(a)(VI), C.R.S., the Bonds will be issued only to a "financial institution or institutional investor" as such terms are defined in Section 32-1-103(6.5), C.R.S.; and

WHEREAS, any other Additional Obligations issued by the Authority on behalf of the District under the Capital Pledge Agreement will initially be issued only to a "financial institution or institutional investor" as such terms are defined in Section 32-1-103(6.5), C.R.S. or will constitute a refunding or restructuring contemplated by Section 32-1-1101(6)(b), C.R.S.; and

WHEREAS, based upon the anticipated uses of the proceeds of the Bonds and other Additional Obligations which may be issued under the Capital Pledge Agreement, the District Board has determined to allocate the principal amount of the Bonds for which voted authorization is needed and all Additional Obligations issued and secured under the Capital Pledge Agreement to the District's electoral authorization under the Election as more particularly provided in the recitals of the Capital Pledge Agreement; and

WHEREAS, after consideration, the District Board has determined that entering into the Capital Pledge Agreement to support repayment of the Payment Obligations on the terms and conditions set forth in the Capital Pledge Agreement and the related District Documents (as hereinafter defined) is in the best interests of the District, the taxpayers thereof, and hereby determines that it was and is necessary to enter into the Capital Pledge Agreement and to remit the District No. 2 Pledged Revenue to the Trustee under the Indentures and Additional Obligation Documents or as otherwise directed by the Authority; and

WHEREAS, pursuant to Section 32-1-902(3), C.R.S., and Section 18-8-308, C.R.S., all known potential conflicting interests of the members of the District Board were disclosed to the Colorado Secretary of State and to the District Board in writing at least 72 hours in advance of this meeting; additionally, in accordance with Section 24-18-110, C.R.S., the appropriate District Board members have made disclosure of their personal and private interests relating to the Capital Pledge Agreement in writing to the Secretary of State and the District Board; finally, the District Board members having such interests have stated for the record immediately prior to the adoption of this Resolution the fact that they have such interests and the summary nature of such

interests and the participation of those District Board members is necessary to obtain a quorum or otherwise enable the District Board to act; and

WHEREAS, there has been presented at or prior to this meeting of the District Board substantially final drafts of the District Documents; and

WHEREAS, the District Board desires to authorize the execution and delivery of the District Documents and the execution, completion, and delivery of such certificates and other documents as may be necessary to effect the intent of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2, IN THE CITY OF AURORA, ADAMS COUNTY, COLORADO:

Section 1. Definitions. The following capitalized terms shall have the respective meanings set forth below:

"*Act*" has the meaning set forth in the recitals hereof.

"Additional Obligations" has the meaning set forth in the Capital Pledge Agreement.

"Additional Obligation Documents" has the meaning set forth in the Capital Pledge Agreement.

"ATEC No. 1" has the meaning set forth in the recitals hereof.

"ATEC No. 2" has the meaning set forth in the recitals hereof.

"*Authority*" has the meaning set forth in the recitals hereof.

"*Board of the Authority*" has the meaning set forth in the recitals hereof.

"*Bond Counsel*" means Kutak Rock LLP, Denver, Colorado.

"*Bond Resolution*" means the resolution adopted by the Authority which authorizes the issuance of the Bonds and other, related financing documents as more particularly described therein.

"*Bonds*" means the Series 2020A Bonds and Subordinate Series 2020B Bonds.

"*CABEA*" has the meaning set forth in the recitals hereof.

"*Capital Pledge Agreement*" or "*Pledge Agreement*" means the Capital Pledge Agreement dated on or about April 16, 2020, by and among the District, the Authority and the Trustee.

"*City*" means the City of Aurora, Colorado.

"Coordinating District" has the meaning set forth in the recitals hereof.

"Developer" means Aurora Highlands, LLC, a Nevada limited liability company

"*District*" has the meaning set forth in the recitals hereof.

"District Board" has the meaning set forth in the recitals hereof.

"*District Counsel*" means Collins, Cockrel & Cole, Denver, Colorado.

"*District Documents*" means, collectively, the Capital Pledge Agreement, the Mill Levy Policy Agreement, the PILOT Covenant, the CABEA and this Resolution.

"District No. 2 Pledged Revenue" has the meaning set forth in the Capital Pledge Agreement.

"District No. 1" has the meaning set forth in the recitals hereof.

"District No. 3" has the meaning set forth in the recitals hereof.

"*District Representative*" means the person or persons at the time designated to act on behalf of the District as provided in this Resolution or as may from time to time be designated by a resolution adopted by the District Board with a copy of such resolution or, in lieu thereof, a written certificate signed by the President of the District, provided to the Trustee.

"*Election*" has the meaning set forth in the recitals hereof.

"Financing Districts" means, collectively, ATEC No. 1, ATEC No. 2, the District, District No. 1, District No. 3 and the Coordinating District.

"*Indentures*" means, collectively, the Senior Indenture and the Subordinate Indenture.

"Long Term Capital Improvements Plan" has the meaning set forth in the recitals hereof.

"*Mill Levy Policy Agreement*" means that certain Mill Levy Policy Agreement, dated April 16, 2020, by and among the Authority, the Coordinating District, the District, District No. 1, District No. 3, ATEC No. 1 and ATEC No. 2.

"Payment Obligations" means, collectively, the Bonds and Additional Obligations.

"PILOT Covenant" has the meaning set forth in the Capital Pledge Agreement.

"*Project*" has the meaning set forth in the recitals hereof.

"Public Improvements" has the meaning set forth in the recitals hereof.

"*Resolution*" means this resolution which authorizes the execution, delivery, and performance of the District Documents by the District and execution and delivery of the other documents and instruments in connection therewith.

"*Senior Indenture*" has the meaning set forth in the recitals hereof.

"*Series 2020A Bonds*" has the meaning set forth in the recitals hereof.

"*Service Plan*" has the meaning set forth in the recitals hereof.

"*Subordinate Indenture*" has the meaning set forth in the recitals hereof.

"*Subordinate Series 2020B Bonds*" has the meaning set forth in the recitals hereof.

"*Supplemental Public Securities Act*" has the meaning set forth in Section 3(b) hereof.

"The Aurora Highlands Development" has the meaning set forth in the recitals hereof.

"*Trustee*" means (a) with respect to the Bonds, Zions Bancorporation National Association, Denver, Colorado, and its successors, and (b) with respect to Additional Obligations, the entity designated to act as trustee under the related Additional Obligation Documents or any successor entity appointed, qualified, and acting as trustee, paying agent and bond registrar under the provisions of the related Additional Obligation Documents.

Section 2. District Documents: Approval, Authorization, and Amendment. The District Documents are incorporated herein by reference and are hereby approved. The District shall enter into and perform its obligations under the District Documents in the form of such documents presented at or prior to this meeting, with such changes as are made pursuant to this Section 2 and are not inconsistent herewith. The President, Vice President and the Treasurer of the District are each hereby authorized and directed to execute and deliver the District Documents and the Treasurer or Assistant Secretaries of the District are each hereby authorized and directed to attest the District Documents and to affix the seal of the District thereto, and any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District are further authorized to execute, deliver and authenticate such other documents, instruments, or certificates as are deemed necessary or desirable in order to effect the transactions contemplated under the District Documents. The District Documents are to be executed in substantially the form presented at or prior to this meeting of the District Board, provided that such documents may be completed, corrected, or revised as deemed necessary or convenient and approved by District Counsel in order to carry out the purposes of this Resolution and such approval by District Counsel shall be deemed approval by the District Board; provided, however, that District Counsel shall consult with a representative of the District in connection with such approval. To the extent any District Document has been executed prior to the date hereof, then said execution is hereby ratified and affirmed. Copies of all of the District Documents shall be delivered, filed, and recorded as provided therein.

Upon execution of the District Documents, the covenants, agreements, recitals, and representations of the District therein shall be effective with the same force and effect as if specifically set forth herein, and such covenants, agreements, recitals, and representations are hereby adopted and incorporated herein by reference.

The appropriate officers of the District are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the District relating to the District Documents and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

The execution of any District Document by any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms thereof and hereof.

Section 3. Findings and Declarations of the District Board. The District Board, having been fully informed of and having considered all the pertinent facts and circumstances, hereby finds, determines, and declares as follows:

(a) ***Allocation of Voted Authorization***. The District Board hereby determines to allocate voted authorization obtained at the Elections to the Capital Pledge Agreement as set forth therein.

(b) ***Election to Apply Supplemental Public Securities Act***. The District Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Public Securities Act"), to the Capital Pledge Agreement and its pledge of revenues thereunder, other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligations of the District.

Section 4. Authorization. In accordance with the Constitution of the State of Colorado; Title 32, Article 1, Parts 11 and 13, C.R.S.; the Supplemental Public Securities Act (other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligation of the District thereunder); the Election, and all other laws of the State of Colorado thereunto enabling, the District shall enter into the Capital Pledge Agreement in order to secure the Payment Obligations thereunder in a maximum aggregate principal amount of up to $4,000,000,000 and the other District Documents for the purposes set forth therein. The obligation of the District to pay the Financing Costs with respect to the Payment Obligations secured under the Capital Pledge Agreement shall be a multiple fiscal year obligation of the District payable solely from and to the extent of the District No. 2 Pledged Revenue, which District No. 2 Pledged Revenue shall be remitted by the District to the Trustee under the Indentures and Additional Obligation Documents in order to secure repayment of the Payment Obligations as set forth in the Capital Pledge Agreement.

Section 5. Permitted Amendments to Resolution. Except as otherwise provided herein, the District may amend this Resolution in the same manner, and subject to the same terms and conditions, as apply to an amendment or supplement to the Capital Pledge Agreement as provided therein.

Section 6. Authorization to Execute Other Documents and Instruments. Any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District shall, and they are hereby authorized and directed, to take all actions necessary or appropriate to effectuate the provisions of this Resolution, including, but not limited to, the execution of all documents and certificates necessary or desirable to effectuate the entering into of the District Documents and the performance by the District of its obligations thereunder, and such certificates, documents, instruments, and affidavits as may be reasonably required by Bond Counsel, the Trustee, or District Counsel. The execution by any one of the President, Vice President,

Treasurer, or Assistant Secretaries of the District of any document not inconsistent herewith shall be conclusive proof of the approval by District of the terms thereof.

Section 7. Appointment of District Representative. Matthew Hopper, the District's President, is hereby appointed as the District Representative, and Carla Ferreira, the District's Vice President, is hereby appointed as an alternate District Representative. One or more different or additional District Representatives may from time to time be designated by a resolution adopted by the District Board with a copy of such resolution or, in lieu thereof, a written certificate signed by the President of the District, furnished to the Trustee. Any alternate or alternates may also be designated as such therein.

Section 8. Pledge of Revenues. The creation, perfection, enforcement, and priority of the District No. 2 Pledged Revenue (as defined in the Capital Pledge Agreement) pledged under the Capital Pledge Agreement to secure or pay the Payment Obligations shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Resolution, and the Capital Pledge Agreement. The District No. 2 Pledged Revenue collected pursuant to the Capital Pledge Agreement and pledged for the payment of the Payment Obligations, as received by or otherwise credited to the Authority or the Trustee, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge on the District No. 2 Pledged Revenue and the obligation to perform the contractual provisions made in the Capital Pledge Agreement shall have priority over any or all other obligations and liabilities of the District. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such persons have notice of such liens.

Section 9. Costs and Expenses. All costs and expenses incurred in connection with the Capital Pledge Agreement, this Resolution and the transactions contemplated thereunder and hereunder shall be paid from proceeds of the Payment Obligations or from legally available moneys of the District and/or the Authority or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Section 10. No Recourse Against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Public Securities Act, if a member of the District Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent in connection with its obligations under the District Documents. Such recourse shall not be available either directly or indirectly through the District Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Payment Obligations and as part of the consideration of their sale or purchase, any person purchasing or selling such Payment Obligations specifically waives any such recourse.

Section 11. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, the Capital Pledge Agreement shall contain a recital that it is entered into pursuant to certain provisions of the Supplemental Public Securities Act, other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the

Payment Obligations of the District thereunder. Such recital shall be conclusive evidence of the validity and the regularity of the Capital Pledge Agreement after its delivery.

Section 12. Limitation of Actions. Pursuant to Section 11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or execution and delivery of any of the District Documents in connection with the issuance of the Payment Obligations shall be commenced more than thirty days after the effective date of this Resolution.

Section 13. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the District and the members of the District Board, not inconsistent with the provisions of this Resolution, relating to the execution and delivery of the District Documents and the consummation of the transactions contemplated thereunder are hereby ratified, approved, and confirmed.

Section 14. Resolution Irrepealable. After the District Documents have been executed and delivered, this Resolution shall be and remain irrepealable until such time as the Capital Pledge Agreement shall have been fully discharged pursuant to the terms thereof.

Section 15. Repealer. All orders, bylaws, and resolutions of the District, or parts thereof, inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

Section 16. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

Section 17. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

APPROVED AND ADOPTED by the Board of Directors of The Aurora Highlands Metropolitan District No. 2, in the City of Aurora, Adams County, Colorado, on the 16th day of April, 2020.

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2

[SEAL]

By _____
Matthew Hopper, President

ATTEST:

By _____
Cynthia Shearon, Assistant Secretary

[Signature page to the District Resolution]

Thereupon, Director [_____] moved for the adoption of the foregoing resolution. The motion to adopt the resolution was duly seconded by Director [_____], put to a vote, and carried on the following recorded vote:

Those voting AYE:

[All present]

Those voting NAY:

[None]

Those abstaining:

[None]

Those absent:

[_____]

Thereupon the President, as Chairman of the meeting, declared the Resolution duly adopted and directed the Assistant Secretary to duly and properly enter the foregoing proceedings and Resolution upon the minutes of the District Board.

STATE OF COLORADO)
COUNTY OF ADAMS) ss.
CITY OF AURORA)
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 2)

I, Cynthia Shearon, Assistant Secretary of The Aurora Highlands Metropolitan District No. 2, in the City of Aurora, Adams County, Colorado (the "District"), do hereby certify that the foregoing pages numbered (i) through (iii) and 1 through 12 inclusive, constitute a true and correct copy of that portion of the record of proceedings of the Board of Directors of the District (the "District Board") relating to the adoption of a resolution authorizing the District to enter into a Capital Pledge Agreement, Mill Levy Policy Agreement, Establishment Agreement, PILOT Covenant, and other financing documents in connection with issuance by The Aurora Highlands Community Authority Board (the "Authority") of its Special Tax Revenue Draw-Down Bonds, Series 2020A, Subordinate Special Tax Revenue Draw-Down Bonds, Series 2020B and any other Additional Obligations that may be issued by the Authority in the future on behalf of the District pursuant to Additional Obligation Documents collectively in a combined maximum aggregate principal amount of up to $4,000,000,000, adopted at a special meeting of the District Board held at The Aurora Highlands Construction Trailer, 4271 North Gun Club Road, Aurora, Colorado 80019, on Thursday, the 16th day of April, 2020 at 3:00 p.m., as recorded in the official record of proceedings of said District kept in my office; that the proceedings were duly had and taken; that the meeting was duly held; that the persons therein named were present at said meeting and voted as shown therein; and that a notice of meeting, in the form herein set forth at page (i), was posted prior to the meeting in accordance with applicable law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the District, this 16th day of April, 2020.

_____
Cynthia Shearon, Assistant Secretary

SEAL

CERTIFIED RECORD

OF

PROCEEDINGS OF

THE BOARD OF DIRECTORS

OF

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3
In the City of Aurora
Adams County, Colorado

Relating to a Resolution authorizing a

Capital Pledge Agreement and other matters

Adopted on April 16, 2020

This cover page is not a part of the following resolution and is included solely for the convenience of the reader.

(Attach copy of notice of meeting, as posted)

STATE OF COLORADO)
ADAMS COUNTY)
CITY OF AURORA)
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3)

The Board of Directors (the "District Board") of The Aurora Highlands Metropolitan District No. 3, in the City of Aurora, Adams County, Colorado (the "District") held a special meeting at The Aurora Highlands Construction Trailer, 4271 North Gun Club Road, Aurora, Colorado 80019, on Thursday, the 16th day of April, 2020 at 3:00 p.m.

In accordance with Section 11-57-211, C.R.S., one or more of the members of the District Board participated in this meeting and voted through the use of a conference telephone, and there was at least one person physically present at the designated meeting area to ensure that the public meeting was in fact accessible to the public.

At such meeting, the following members of the District Board were present, constituting a quorum:

Matthew Hopper	President
Carla Ferreira	Vice President
Michael Sheldon	Treasurer
Cynthia Shearon	Assistant Secretary
Vacancy	

[At such meeting, the following members of the District Board were not present:]

Also present at such meeting:

District Manager:	Ann Finn CliftonLarsonAllen LLP
District Counsel:	Matt Ruhland, Esq. Collins, Cockrel & Cole
District Bond Counsel:	Kamille J. Curylo, Esq., Saranne Maxwell, Esq., & Kristine Lay, Esq. Kutak Rock LLP
Placement Agent:	Brooke Hutchens D.A. Davidson & Co.
Accountant:	Debra Sedgeley CliftonLarsonAllen LLP

At such meeting thereupon there was introduced the following resolution:

RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3 (THE "DISTRICT") AUTHORIZING THE DISTRICT TO ENTER INTO A CAPITAL PLEDGE AGREEMENT WITH THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD (THE "AUTHORITY") AND ZIONS BANCORPORATION, NATIONAL ASSOCIATION RELATING TO THE AUTHORITY'S SPECIAL TAX REVENUE DRAW-DOWN BONDS, SERIES 2020A (THE "SERIES 2020A BONDS"), SUBORDINATE SPECIAL TAX REVENUE DRAW-DOWN BONDS, SERIES 2020B (THE "SUBORDINATE SERIES 2020B BONDS" AND TOGETHER WITH THE SERIES 2020A BONDS, THE "BONDS") AND ANY OTHER ADDITIONAL OBLIGATIONS THAT MAY BE ISSUED BY THE AUTHORITY IN THE FUTURE ON BEHALF OF THE DISTRICT PURSUANT TO ADDITIONAL OBLIGATION DOCUMENTS COLLECTIVELY IN A COMBINED MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF UP TO $4,000,000,000 (COLLECTIVELY, THE "PAYMENT OBLIGATIONS"); AUTHORIZING THE DISTRICT TO ENTER INTO A MILL LEVY POLICY AGREEMENT, ESTABLISHMENT AGREEMENT, A PILOT COVENANT AND OTHER FINANCING DOCUMENTS RELATING TO THE PAYMENT OBLIGATIONS; APPROVING THE FORM OF SUCH CAPITAL PLEDGE AGREEMENT, MILL LEVY POLICY AGREEMENT, ESTABLISHMENT AGREEMENT, PILOT COVENANT AND OTHER FINANCING DOCUMENTS; AUTHORIZING THE EXECUTION AND DELIVERY THEREOF AND OF OTHER DOCUMENTS AND INSTRUMENTS IN CONNECTION THEREWITH; MAKING FINDINGS IN CONNECTION WITH THE FOREGOING; AUTHORIZING INCIDENTAL ACTION; REPEALING PRIOR INCONSISTENT ACTIONS; AND SETTING FORTH THE EFFECTIVE DATE HEREOF.

WHEREAS, capitalized terms used and not otherwise defined in the recitals hereof shall have the meanings set forth in Section 1 below; and

WHEREAS, The Aurora Highlands Metropolitan District No. 3 (the "District") is a quasi-municipal corporation and political subdivision duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado, including particularly Title 32, Article 1, Colorado Revised Statutes ("C.R.S.") (the "Act"); and

WHEREAS, the District petitioned for and received an Order Granting Petition for Name Change on August 14, 2017 from the District Court for Adams County, Colorado changing the District's name from Green Valley Ranch East Metropolitan District No. 4 to The Aurora Highlands Metropolitan District No. 3; and

WHEREAS, the District is authorized by the Act to furnish certain public facilities and services, including, but, not limited to, street improvement, traffic and safety, water, sanitation, parks and recreation, transportation, mosquito control, fire protection, security, and television relay and transmission in accordance with the Service Plan for the District that was approved by the City Council of the City of Aurora, Colorado (the "City") on October 16, 2017 (the "Service Plan");

WHEREAS, the Service Plan has been prepared for the District pursuant to Sections 32-1-201, C.R.S. et seq., and all required governmental approvals have been obtained therefor; and

WHEREAS, in accordance with Part 1 of the Act and the Service Plan, the purpose for which the District was formed includes the provision of, among other things, street improvement, traffic and safety, water, sanitation, parks and recreation, transportation, mosquito control, fire protection, security, and television relay and transmission (the "Public Improvements"); and

WHEREAS, pursuant to the Colorado Constitution Article XIV, Section 18(2)(a), and Section 29-1-203, C.R.S., as amended, the District, the other Financing Districts (as hereinafter defined) and The Aurora Highlands Community Authority Board (the "Authority") may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract (including the hereinafter defined CABEA) may provide for the sharing of costs, the imposition and collection of taxes, and the incurring of debt; and

WHEREAS, the Act further provides that any such contract among the Authority, the District and the other Financing Districts may be entered into any for any period, notwithstanding any provision of law limiting the length of any financial contracts or obligations of governments such as the Authority, the District and the other Financing Districts;

WHEREAS, the District together with ATEC Metropolitan District No. 1 ("ATEC No. 1"), ATEC Metropolitan District No. 2 ("ATEC No. 2"), The Aurora Highlands Metropolitan District No. 1 ("District No. 1"), The Aurora Highlands District No. 2 ("District No. 2"), and the Aerotropolis Area Coordinating Metropolitan District (the "Coordinating District" and, together with ATEC No. 1, ATEC No. 2, the District, District No. 1, and District No. 2, the "Financing Districts") have entered into that certain The Aurora Highlands Community Authority Board Establishment Agreement, dated as of November 21, 2019, as supplemented and amended by the First Amended and Restated The Aurora Highlands Community Authority Board Establishment Agreement, dated as of April 16, 2020 (collectively, the "CABEA"), for the purpose of creating the Authority in order to allow the Financing Districts the ability to achieve efficiencies in coordinating the designing, planning, construction, acquisition, financing, operating, and maintaining of the Public Improvements necessary for The Aurora Highlands Development (as hereinafter defined); and

WHEREAS, under the Service Plan and the CABEA, the Financing Districts and the Authority are intended to work together and coordinate their activities with respect to the financing, construction, operation and maintenance of the Public Improvements necessary to serve development (including The Aurora Highlands Development) within the Financing Districts, which is generally anticipated to consist of residential development in the District; and

WHEREAS, the Authority and the Financing Districts envision a Public Improvements financing plan (the "Long Term Capital Improvements Plan") to issue Bonds and other Additional Obligations (both as hereinafter defined) with respect to The Aurora Highlands Development over a term of years consistent with the term of the District No. 3 Residential Capital Pledge Agreement (the "Capital Pledge Agreement") to be dated on or about April 16, 2020, by and among the Authority, the District and Zions Bancorporation National Association,

in its capacity as trustee (the "Trustee") under that certain Indenture of Trust, to be dated on or about April 16, 2020 (the "Senior Indenture") and that certain Indenture of Trust (Subordinate), to be dated on or about April 16, 2020 (the "Subordinate Indenture" and, together with the Series 2020A Indenture, the "Indentures"), to be entered into with the Authority; and

WHEREAS, the District was organized with the approval of the City, and with the approval of its electors, such approval fully contemplating cooperation among the District, the Authority and the other Financing Districts as provided in the Capital Pledge Agreement, in the Service Plan and the CABEA to effectuate the Long Term Capital Improvements Plan; and

WHEREAS, as contemplated by the Service Plan, the District, District No. 1 and District No. 2 entered into an Intergovernmental Agreement with the City on October 30, 2019 (the "City IGA"); and

WHEREAS, the District and the Authority have determined that the Public Improvements anticipated to be financed pursuant to a Long Term Capital Improvements Plan are generally contemplated by the Service Plan, the City IGA, and the CABEA; are needed; and, due to the nature of the Public Improvements and proximity and interrelatedness of the development anticipated to occur within the boundaries of the Authority, will benefit the residents, property owners and taxpayers in the District; and

WHEREAS, Aurora Highlands, LLC, a Nevada limited liability company, is the developer (the "Developer") of the community located in the service area of the Authority, in the City of Aurora, Adams County, Colorado, and commonly known as The Aurora Highlands (the "The Aurora Highlands Development"), has constructed certain Public Improvements within or otherwise serving the residents, property owners and taxpayers of the Financing Districts and the Authority and is anticipated to construct and/or cause other developers to construct additional Public Improvements within or otherwise serving the residents, property owners and taxpayers of the Financing Districts and the Authority; and

WHEREAS, the Board of Directors of the Authority (the "Board of the Authority") and the Board of Directors of each of the Financing Districts have determined that it is necessary to pay or reimburse the Developer for the costs of acquiring, constructing and installing the Public Improvements over the course of effectuating the Long Term Capital Improvements Plan, the debt for which was approved by the Election (as hereinafter defined) (the "Project"); and

WHEREAS, at an election of the qualified electors of the District duly called for and held on November 8, 2016 (the "Election"), in accordance with law and pursuant to due notice, a majority of eligible electors who voted at each such election voted in favor of, inter alia, the issuance of debt and the imposition of taxes for the payment thereof, for the purpose of funding certain improvements and facilities (the ballot questions relating thereto being attached as Exhibit A to the Capital Pledge Agreement); and

WHEREAS, the returns of the Election were duly canvassed and the result thereof duly declared; and

WHEREAS, the results of the Election were certified by the District by certified mail to the board of county commissioners of each county in which the District is located or to the

governing body of a municipality that has adopted a resolution of approval of the special district pursuant to Section 32-1-204.5, C.R.S., and with the division of securities created by Section 11-51-701, C.R.S., within 45 days after each Election; and

WHEREAS, the District now desires to facilitate the issuance of indebtedness by the Authority secured by ad valorem property taxes of the Financing Districts for the purpose of financing the Project; and

WHEREAS, for the purpose of financing certain of the costs of the Project, the Board of the Authority has determined to initially issue, on behalf of the Financing Districts, its (a) Special Tax Revenue Draw-Down Bonds, Series 2020A (the "Series 2020A Bonds") pursuant to the Senior Indenture and (b) Subordinate Special Tax Revenue Draw-Down Bonds, Series 2020B (the "Subordinate Series 2020B Bonds" and, together with the Series 2020A Bonds, the "Bonds") pursuant to the Subordinate Indenture; and

WHEREAS, it is anticipated that the Authority shall issue Additional Obligations (as hereinafter defined) on behalf of the Financing Districts from time to time in order to finance additional costs of the Project; and

WHEREAS, the District has determined that the execution of the Capital Pledge Agreement and the issuance of the Bonds and Additional Obligations (collectively, "Payment Obligations") for the purpose of financing the Project are in the best interests of the District and the residents, property owners, and taxpayers thereof; and

WHEREAS, in order to provide for the payment of the Payment Obligations that may be issued by the Authority in the future on behalf of the District to finance the Project, the District Board determined and hereby determines that the District shall, by the terms of the Capital Pledge Agreement, pledge certain revenues (referred to therein as the District No. 3 Pledged Revenue) to the Authority for the payment of the Payment Obligations, and shall covenant to take certain actions with respect to generating such revenues, for the benefit of the owners of the Payment Obligations; and

WHEREAS, the Authority has also entered into certain other capital pledge agreements with the other Financing Districts to further secure repayment of the Payment Obligations; and

WHEREAS, the Capital Pledge Agreement shall be entered into pursuant to the provisions of Title 32, Article 1, Parts 11 and 13, C.R.S., the Service Plan and all other laws thereunto enabling; and

WHEREAS, the District Board specifically elects to apply all of the provisions of Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Public Securities Act"), to the Capital Pledge Agreement other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligations of the District; and

WHEREAS, the obligation of the District to pay the Financing Costs with respect to the Payment Obligations secured under the Capital Pledge Agreement shall be a multiple fiscal year obligation of the District payable solely from and to the extent of the District No. 3 Pledged

Revenue, which District No. 3 Pledged Revenue shall be remitted by the District to the Trustee under the Indentures and Additional Obligation Documents (as hereinafter defined) in order to secure repayment of the Payment Obligations as set forth in the Capital Pledge Agreement; and

WHEREAS, the Bonds shall be issued to "accredited investors" within the meaning of Rule 501(A) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, and will be exempt from registration under the Colorado Municipal Bond Supervision Act; and

WHEREAS, any other Additional Obligations issued by the Authority on behalf of the District under the Capital Pledge Agreement will be issued either in denominations of not less than $500,000 each or to "accredited investors" as that term is defined in Section 11-59-110(1)(g) C.R.S., unless an exemption from the registration requirements of the Colorado Municipal Bond Supervision Act, or any successor statute, is otherwise available; and

WHEREAS, pursuant to the provisions of Section 32-1-1101(6)(a)(VI), C.R.S., the Bonds will be issued only to a "financial institution or institutional investor" as such terms are defined in Section 32-1-103(6.5), C.R.S.; and

WHEREAS, any other Additional Obligations issued by the Authority on behalf of the District under the Capital Pledge Agreement will initially be issued only to a "financial institution or institutional investor" as such terms are defined in Section 32-1-103(6.5), C.R.S. or will constitute a refunding or restructuring contemplated by Section 32-1-1101(6)(b), C.R.S.; and

WHEREAS, based upon the anticipated uses of the proceeds of the Bonds and other Additional Obligations which may be issued under the Capital Pledge Agreement, the District Board has determined to allocate the principal amount of the Bonds for which voted authorization is needed and all Additional Obligations issued and secured under the Capital Pledge Agreement to the District's electoral authorization under the Election as more particularly provided in the recitals of the Capital Pledge Agreement; and

WHEREAS, after consideration, the District Board has determined that entering into the Capital Pledge Agreement to support repayment of the Payment Obligations on the terms and conditions set forth in the Capital Pledge Agreement and the related District Documents (as hereinafter defined) is in the best interests of the District, the taxpayers thereof, and hereby determines that it was and is necessary to enter into the Capital Pledge Agreement and to remit the District No. 3 Pledged Revenue to the Trustee under the Indentures and Additional Obligation Documents or as otherwise directed by the Authority; and

WHEREAS, pursuant to Section 32-1-902(3), C.R.S., and Section 18-8-308, C.R.S., all known potential conflicting interests of the members of the District Board were disclosed to the Colorado Secretary of State and to the District Board in writing at least 72 hours in advance of this meeting; additionally, in accordance with Section 24-18-110, C.R.S., the appropriate District Board members have made disclosure of their personal and private interests relating to the Capital Pledge Agreement in writing to the Secretary of State and the District Board; finally, the District Board members having such interests have stated for the record immediately prior to the adoption of this Resolution the fact that they have such interests and the summary nature of such

interests and the participation of those District Board members is necessary to obtain a quorum or otherwise enable the District Board to act; and

WHEREAS, there has been presented at or prior to this meeting of the District Board substantially final drafts of the District Documents; and

WHEREAS, the District Board desires to authorize the execution and delivery of the District Documents and the execution, completion, and delivery of such certificates and other documents as may be necessary to effect the intent of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3, IN THE CITY OF AURORA, ADAMS COUNTY, COLORADO:

Section 1. Definitions. The following capitalized terms shall have the respective meanings set forth below:

"*Act*" has the meaning set forth in the recitals hereof.

"Additional Obligations" has the meaning set forth in the Capital Pledge Agreement.

"Additional Obligation Documents" has the meaning set forth in the Capital Pledge Agreement.

"ATEC No. 1" has the meaning set forth in the recitals hereof.

"ATEC No. 2" has the meaning set forth in the recitals hereof.

"*Authority*" has the meaning set forth in the recitals hereof.

"*Board of the Authority*" has the meaning set forth in the recitals hereof.

"*Bond Counsel*" means Kutak Rock LLP, Denver, Colorado.

"*Bond Resolution*" means the resolution adopted by the Authority which authorizes the issuance of the Bonds and other, related financing documents as more particularly described therein.

"*Bonds*" means the Series 2020A Bonds and Subordinate Series 2020B Bonds.

"*CABEA*" has the meaning set forth in the recitals hereof.

"*Capital Pledge Agreement*" or "*Pledge Agreement*" means the Capital Pledge Agreement dated on or about April 16, 2020, by and among the District, the Authority and the Trustee.

"*City*" means the City of Aurora, Colorado.

"Coordinating District" has the meaning set forth in the recitals hereof.

"Developer" means Aurora Highlands, LLC, a Nevada limited liability company

"*District*" has the meaning set forth in the recitals hereof.

"District Board" has the meaning set forth in the recitals hereof.

"*District Counsel*" means Collins, Cockrel & Cole, Denver, Colorado.

"*District Documents*" means, collectively, the Capital Pledge Agreement, the Mill Levy Policy Agreement, the PILOT Covenant, the CABEA and this Resolution.

"District No. 3 Pledged Revenue" has the meaning set forth in the Capital Pledge Agreement.

"District No. 1" has the meaning set forth in the recitals hereof.

"District No. 2" has the meaning set forth in the recitals hereof.

"*District Representative*" means the person or persons at the time designated to act on behalf of the District as provided in this Resolution or as may from time to time be designated by a resolution adopted by the District Board with a copy of such resolution or, in lieu thereof, a written certificate signed by the President of the District, provided to the Trustee.

"*Election*" has the meaning set forth in the recitals hereof.

"Financing Districts" means, collectively, ATEC No. 1, ATEC No. 2, the District, District No. 1, District No. 2 and the Coordinating District.

"*Indentures*" means, collectively, the Senior Indenture and the Subordinate Indenture.

"Long Term Capital Improvements Plan" has the meaning set forth in the recitals hereof.

"*Mill Levy Policy Agreement*" means that certain Mill Levy Policy Agreement, dated April 16, 2020, by and among the Authority, the Coordinating District, the District, District No. 1, District No. 2, ATEC No. 1 and ATEC No. 2.

"Payment Obligations" means, collectively, the Bonds and Additional Obligations.

"PILOT Covenant" has the meaning set forth in the Capital Pledge Agreement.

"*Project*" has the meaning set forth in the recitals hereof.

"Public Improvements" has the meaning set forth in the recitals hereof.

"*Resolution*" means this resolution which authorizes the execution, delivery, and performance of the District Documents by the District and execution and delivery of the other documents and instruments in connection therewith.

"*Senior Indenture*" has the meaning set forth in the recitals hereof.

"*Series 2020A Bonds*" has the meaning set forth in the recitals hereof.

"*Service Plan*" has the meaning set forth in the recitals hereof.

"*Subordinate Indenture*" has the meaning set forth in the recitals hereof.

"*Subordinate Series 2020B Bonds*" has the meaning set forth in the recitals hereof.

"*Supplemental Public Securities Act*" has the meaning set forth in Section 3(b) hereof.

"The Aurora Highlands Development" has the meaning set forth in the recitals hereof.

"*Trustee*" means (a) with respect to the Bonds, Zions Bancorporation National Association, Denver, Colorado, and its successors, and (b) with respect to Additional Obligations, the entity designated to act as trustee under the related Additional Obligation Documents or any successor entity appointed, qualified, and acting as trustee, paying agent and bond registrar under the provisions of the related Additional Obligation Documents.

Section 2. District Documents: Approval, Authorization, and Amendment. The District Documents are incorporated herein by reference and are hereby approved. The District shall enter into and perform its obligations under the District Documents in the form of such documents presented at or prior to this meeting, with such changes as are made pursuant to this Section 2 and are not inconsistent herewith. The President, Vice President and the Treasurer of the District are each hereby authorized and directed to execute and deliver the District Documents and the Treasurer or Assistant Secretaries of the District are each hereby authorized and directed to attest the District Documents and to affix the seal of the District thereto, and any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District are further authorized to execute, deliver and authenticate such other documents, instruments, or certificates as are deemed necessary or desirable in order to effect the transactions contemplated under the District Documents. The District Documents are to be executed in substantially the form presented at or prior to this meeting of the District Board, provided that such documents may be completed, corrected, or revised as deemed necessary or convenient and approved by District Counsel in order to carry out the purposes of this Resolution and such approval by District Counsel shall be deemed approval by the District Board; provided, however, that District Counsel shall consult with a representative of the District in connection with such approval. To the extent any District Document has been executed prior to the date hereof, then said execution is hereby ratified and affirmed. Copies of all of the District Documents shall be delivered, filed, and recorded as provided therein.

Upon execution of the District Documents, the covenants, agreements, recitals, and representations of the District therein shall be effective with the same force and effect as if specifically set forth herein, and such covenants, agreements, recitals, and representations are hereby adopted and incorporated herein by reference.

The appropriate officers of the District are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the District relating to the District Documents and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

The execution of any District Document by any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms thereof and hereof.

Section 3. Findings and Declarations of the District Board. The District Board, having been fully informed of and having considered all the pertinent facts and circumstances, hereby finds, determines, and declares as follows:

(a) ***Allocation of Voted Authorization***. The District Board hereby determines to allocate voted authorization obtained at the Elections to the Capital Pledge Agreement as set forth therein.

(b) ***Election to Apply Supplemental Public Securities Act***. The District Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Public Securities Act"), to the Capital Pledge Agreement and its pledge of revenues thereunder, other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligations of the District.

Section 4. Authorization. In accordance with the Constitution of the State of Colorado; Title 32, Article 1, Parts 11 and 13, C.R.S.; the Supplemental Public Securities Act (other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the Payment Obligation of the District thereunder); the Election, and all other laws of the State of Colorado thereunto enabling, the District shall enter into the Capital Pledge Agreement in order to secure the Payment Obligations thereunder in a maximum aggregate principal amount of up to $4,000,000,000 and the other District Documents for the purposes set forth therein. The obligation of the District to pay the Financing Costs with respect to the Payment Obligations secured under the Capital Pledge Agreement shall be a multiple fiscal year obligation of the District payable solely from and to the extent of the District No. 3 Pledged Revenue, which District No. 3 Pledged Revenue shall be remitted by the District to the Trustee under the Indentures and Additional Obligation Documents in order to secure repayment of the Payment Obligations as set forth in the Capital Pledge Agreement.

Section 5. Permitted Amendments to Resolution. Except as otherwise provided herein, the District may amend this Resolution in the same manner, and subject to the same terms and conditions, as apply to an amendment or supplement to the Capital Pledge Agreement as provided therein.

Section 6. Authorization to Execute Other Documents and Instruments. Any one of the President, Vice President, Treasurer, or Assistant Secretaries of the District shall, and they are hereby authorized and directed, to take all actions necessary or appropriate to effectuate the provisions of this Resolution, including, but not limited to, the execution of all documents and certificates necessary or desirable to effectuate the entering into of the District Documents and the performance by the District of its obligations thereunder, and such certificates, documents, instruments, and affidavits as may be reasonably required by Bond Counsel, the Trustee, or District Counsel. The execution by any one of the President, Vice President,

Treasurer, or Assistant Secretaries of the District of any document not inconsistent herewith shall be conclusive proof of the approval by District of the terms thereof.

Section 7. Appointment of District Representative. Matthew Hopper, the District's President, is hereby appointed as the District Representative, and Carla Ferreira, the District's Vice President, is hereby appointed as an alternate District Representative. One or more different or additional District Representatives may from time to time be designated by a resolution adopted by the District Board with a copy of such resolution or, in lieu thereof, a written certificate signed by the President of the District, furnished to the Trustee. Any alternate or alternates may also be designated as such therein.

Section 8. Pledge of Revenues. The creation, perfection, enforcement, and priority of the District No. 3 Pledged Revenue (as defined in the Capital Pledge Agreement) pledged under the Capital Pledge Agreement to secure or pay the Payment Obligations shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Resolution, and the Capital Pledge Agreement. The District No. 3 Pledged Revenue collected pursuant to the Capital Pledge Agreement and pledged for the payment of the Payment Obligations, as received by or otherwise credited to the Authority or the Trustee, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge on the District No. 3 Pledged Revenue and the obligation to perform the contractual provisions made in the Capital Pledge Agreement shall have priority over any or all other obligations and liabilities of the District. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such persons have notice of such liens.

Section 9. Costs and Expenses. All costs and expenses incurred in connection with the Capital Pledge Agreement, this Resolution and the transactions contemplated thereunder and hereunder shall be paid from proceeds of the Payment Obligations or from legally available moneys of the District and/or the Authority or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Section 10. No Recourse Against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Public Securities Act, if a member of the District Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent in connection with its obligations under the District Documents. Such recourse shall not be available either directly or indirectly through the District Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Payment Obligations and as part of the consideration of their sale or purchase, any person purchasing or selling such Payment Obligations specifically waives any such recourse.

Section 11. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, the Capital Pledge Agreement shall contain a recital that it is entered into pursuant to certain provisions of the Supplemental Public Securities Act, other than the provisions of 11-57-207(1)(a), C.R.S., relating to a forty-year maturity with respect to securities issued by a public entity, which shall not apply to the Capital Pledge Agreement and the

Payment Obligations of the District thereunder. Such recital shall be conclusive evidence of the validity and the regularity of the Capital Pledge Agreement after its delivery.

Section 12. Limitation of Actions. Pursuant to Section 11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or execution and delivery of any of the District Documents in connection with the issuance of the Payment Obligations shall be commenced more than thirty days after the effective date of this Resolution.

Section 13. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the District and the members of the District Board, not inconsistent with the provisions of this Resolution, relating to the execution and delivery of the District Documents and the consummation of the transactions contemplated thereunder are hereby ratified, approved, and confirmed.

Section 14. Resolution Irrepealable. After the District Documents have been executed and delivered, this Resolution shall be and remain irrepealable until such time as the Capital Pledge Agreement shall have been fully discharged pursuant to the terms thereof.

Section 15. Repealer. All orders, bylaws, and resolutions of the District, or parts thereof, inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

Section 16. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

Section 17. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

APPROVED AND ADOPTED by the Board of Directors of The Aurora Highlands Metropolitan District No. 3, in the City of Aurora, Adams County, Colorado, on the 16th day of April, 2020.

THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3

[SEAL]

By _____
Matthew Hopper, President

ATTEST:

By _____
Cynthia Shearon, Assistant Secretary

[Signature page to the District Resolution]

Thereupon, Director [_____] moved for the adoption of the foregoing resolution. The motion to adopt the resolution was duly seconded by Director [_____], put to a vote, and carried on the following recorded vote:

Those voting AYE:

[All present]

Those voting NAY:

[None]

Those abstaining:

[None]

Those absent:

[_____]

Thereupon the President, as Chairman of the meeting, declared the Resolution duly adopted and directed the Assistant Secretary to duly and properly enter the foregoing proceedings and Resolution upon the minutes of the District Board.

STATE OF COLORADO)
COUNTY OF ADAMS) ss.
CITY OF AURORA)
THE AURORA HIGHLANDS METROPOLITAN DISTRICT NO. 3)

I, Cynthia Shearon, Assistant Secretary of The Aurora Highlands Metropolitan District No. 3, in the City of Aurora, Adams County, Colorado (the "District"), do hereby certify that the foregoing pages numbered (i) through (iii) and 1 through 12 inclusive, constitute a true and correct copy of that portion of the record of proceedings of the Board of Directors of the District (the "District Board") relating to the adoption of a resolution authorizing the District to enter into a Capital Pledge Agreement, Mill Levy Policy Agreement, Establishment Agreement, PILOT Covenant, and other financing documents in connection with issuance by The Aurora Highlands Community Authority Board (the "Authority") of its Special Tax Revenue Draw-Down Bonds, Series 2020A, Subordinate Special Tax Revenue Draw-Down Bonds, Series 2020B and any other Additional Obligations that may be issued by the Authority in the future on behalf of the District pursuant to Additional Obligation Documents collectively in a combined maximum aggregate principal amount of up to $4,000,000,000, adopted at a special meeting of the District Board held at The Aurora Highlands Construction Trailer, 4271 North Gun Club Road, Aurora, Colorado 80019, on Thursday, the 16th day of April, 2020 at 3:00 p.m., as recorded in the official record of proceedings of said District kept in my office; that the proceedings were duly had and taken; that the meeting was duly held; that the persons therein named were present at said meeting and voted as shown therein; and that a notice of meeting, in the form herein set forth at page (i), was posted prior to the meeting in accordance with applicable law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the District, this 16th day of April, 2020.

_____
Cynthia Shearon, Assistant Secretary

SEAL