

PINEY LAKE TRAILS METROPOLITAN DISTRICT NOS. 1 & 2
2025 CONSOLIDATED ANNUAL REPORT
TO
DOUGLAS COUNTY BOARD OF COUNTY COMMISSIONERS

Pursuant to §32-1-207(3)(c) and the Consolidated Service Plan for Piney Lake Trails Metropolitan District Nos. 1 & 2 (the “**Districts**”), the Districts are required to provide an annual report to Douglas County Board of County Commissioners (the “**County**”) with regard to the following matters.

For the year ending December 31, 2025, the Districts make the following report:

I. District Description - General Information

a. Board members, officers’ titles, and terms.

Jordan Honea, President, 2029

Tim Westbrook, Treasurer, 2027

Amanda Nilemo, Secretary, 2029

Vacant, 2029

Vacant, 2027

b. Changes in board membership in past year.

Director Ian Nelson resigned from the Boards on September 8, 2025. Director Clark and Director Horan resigned from the Boards on November 24, 2025 and November 25, 2025. Director Nilemo was appointed to the Boards on September 25, 2025 for a term ending May 2029.

c. Name and address for official District contact.

Megan J. Murphy, Esq.

WBA, PC

2154 E Commons Ave Suite 2000

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Carrie Bartow, District Accountant

LaMont Harris, District Accountant

CliftonLarsonAllen, LLC

Carrie.bartow@claconnect.com

Lamont.harris@claconnect.com

d. Elections held in the past year and their purpose.

The District held an election on May 6, 2025 for the purpose of electing board members and posing ballot issues and questions to the electorate.

II. Boundary changes for the report year and proposed changes for the coming year.

Piney Lake Trails Metropolitan District No. 1 (“District No. 1”) had an Order for Exclusion of Property granted by the Douglas County District Court on July 9, 2025, and recorded at Reception # 2025032701.

Piney Lake Trails Metropolitan District No. 2 (“District No. 2”) had an Order for Exclusion of Property granted by the Douglas County District Court on July 8, 2025, and recorded with the Douglas County Clerk and Recorder at Reception # 2025032725.

III. List of intergovernmental agreements (existing or proposed) and a brief description of each detailing the financial and service arrangements.

District No. 1 entered into that certain First Amendment to the Open Space Agreement with Toll Southwest LLC and the County for the purpose of clarifying terms in the underlying IGA.

a. Contracts for operations, debt, and other contractual obligations with sub-districts or operating and taxing districts.

None.

b. Reimbursement agreements with developers and/or builders for advances to fund capital costs and administrative/operational and maintenance costs of the District.

The Districts entered into Reimbursement Agreements with Toll Southwest, LLC, dated April 28, 2025 and attached hereto as **Exhibit A**.

District No. 1 entered into an Infrastructure Acquisition and Reimbursement Agreement with Toll Southwest, LLC dated April 18, 2025 and attached hereto as **Exhibit A**.

IV. Service Plan

a. List and description of services authorized in Service Plan.

The District has the authority pursuant to C.R.S. §§ 32-1-1001 and 32-1-1004, as amended, to finance, design, construct, acquire, install, maintain, and provide for the following services and public improvements: Water, Storm Sewer, Sanitation and Wastewater Treatment, Street Improvements, Traffic Safety Protection, Parks and Recreation, Television Relay and Television, Mosquito Control, Covenant Enforcement and Design Review, and Security.

b. List and description of facilities authorized in Service Plan

See response to a. above.

c. List and description of any extraterritorial services, facilities, and agreements

- d.** The District entered into an Open Space Agreement with the Douglas County Board of County Commissioners dated September 24, 2024 and attached hereto as **Exhibit B**.

V. Development Progress

a. Indicate the estimated year of build-out, as set forth in the Service Plan.

The Service Plan estimates completion of build-out in 2026.

b. List the services provided with the date service began compared to the date authorized by the Service Plan.

As of December 31, 2025, the Districts are not yet providing any services.

c. List changes made to the Service Plan, including when the change was authorized, when it was implemented or is expected to be implemented.

The Districts submitted an Amended and Restated Service Plan on July 7, 2025 which was approved by the County on September 2, 2025. The Resolution Approving the Amended and Restated Plan was recorded at Reception No. 2025041824. The Amended and Restated Service Plan (i) restructured the mill levy authorization such that, prior to the initial imposition of a debt service mill levy, each District may certify up to 70 mills for operations and maintenance, and subsequent to the initial imposition of a debt service mill levy, the maximum debt service mill levy is 50 mills and the maximum operations and maintenance mill levy is 20 mills, in each case subject to Mill Levy Adjustment, with a Maximum Total Mill Levy of 70 mills; (ii) increased the total authorized debt limit from \$15,000,000 to \$22,000,000; (iii) increased the anticipated Developer Advance to \$31,000,000; and (iv) increased the estimated costs of the public improvements to \$31,000,000.

d. List facilities to be acquired or constructed or leased back as set forth in the Service Plan and compare the date of completion or operation with the date authorized by the Service Plan.

The Districts did not acquire, construct, or lease back any facilities in the report year.

e. List facilities not completed. Indicate the reason for incompleteness and

provide a revised schedule, if any.

As of December 31, 2025 the Districts have not completed any of the public improvements contemplated in the Service plan. The Service Plan anticipates full build-out in 2026.

- f. List facilities currently under construction with the percentage complete and an anticipated date of completion.**

As of December 31, 2025, the District have not started construction of any facilities contemplated in the Service Plan.

- g. Indicate the population of the District for the previous five (5) years and provide population projections for the next five (5) years.**

The population of the Districts since formation is zero. Pursuant to the development projections in the Service Plan the population for the next five (5) years is estimated as follows:

Fiscal Year	Service Plan Estimate
2026	90
2027	224
2028	358
2029	528
2030	528

- h. List the planned number of housing units by type and the number of commercial and industrial properties with respective square footage and anticipated dates of completion/operation. Compare the completed units and completed commercial and industrial properties to the amount planned in the Service Plan.**

As of December 31, 2025, the Districts had not yet completed construction of any of the 176 single-family residential units contemplated in the Service Plan. The Districts are in the process of amending their service plan and it is anticipated that construction of single-family residential units will begin in 2026, with a total of 32 units to be completed in 2026, 48 units completed in 2027, 48 units completed in 2028, and 48 completed units in 2029.

- i. List any enterprises created by and/or operated by or on behalf of the District, and summarize the purpose of each**

Not applicable.

VI. Financial Plan and Financial Activities

- a. Provide a copy of the audit or exemption from the audit for the reporting year.**

A copy of the 2025 District No. 1 Audit and the District No. 2 Audit Exemption Application are attached hereto as **Exhibit C**.

- b. Provide a copy of the budget, showing the reporting and previous years.**

A copy of the 2026 Budget is attached hereto as **Exhibit D**.

- c. Show revenues and expenditures of the District for the previous five (5) years and provide projections for the next five (5) years. Include any non-District or non- governmental financial support. Include and list individually all fees, rates, tolls, etc., with a summary of the purpose of each. Show other miscellaneous tax revenue, such as specific ownership taxes. For the same period, show actual and projected mill levies by purpose (showing mill levies for each individual general obligation, revenue-based obligation, or contractual obligation).**

See attached **Exhibit C**.

- d. List all debt that has been issued, including all individual issuances with a schedule of service until the debt is retired**

As of December 31, 2025, District No. 1 issued Limited Tax General Obligation Bonds, Series 2025A, in the amount of \$9,365,000, and Limited Tax General Obligation and Special Revenue Subordinate Bonds, Series 2025B, in the amount of \$1,985,000, in a combined aggregate principal amount of \$11,350,000.

- e. List individually all authorized but unissued debt, including the purpose, ballot issue letter designation and election date, and amounts authorized and unissued**

See attached DLG-32 forms in **Exhibit E**.

- f. List the total amount of debt issued and outstanding as of the date of the annual report and compare to the maximum authorized debt level as set forth in the Service Plan**

As of December 31, 2025, District No. 1 has issued Limited Tax General Obligation Bonds, Series 2025A and Subordinate Limited Tax General Obligation Bonds, Series 2025B, in an aggregate principal amount of \$11,350,000 which does not exceed the \$22,000,000 limit imposed by the Service Plan.

- g. Enterprises of the District**

- i. **Include revenues of the enterprise, showing both direct support from the District and all other sources**

N/A.

- ii. **Include expenses of the enterprise, showing both direct payments to the District and all other obligations**

N/A.

h. Detail contractual obligations

- i. **Describe the type of obligation, current year dollar amount, and any changes in the payment schedule, e.g. balloon payments.**

See responses to Section III.

- ii. **Report any inability of the District to pay current obligations that are due within the current budget year.**

To our actual knowledge, there was not any inability of the Districts to pay its obligations as they came due.

- iii. **Describe any District financial obligations in default.**

To our actual knowledge, the District did not receive notice of any uncured defaults.

i. Actual and Assessed Valuation History

- i. **Report the annual actual and assessed valuation for the current year and for each of seven (7) years prior to current year.**

Tax Year	Certified Assessed Valuation	Annual Actual
2018	Not Organized	Not Organized
2019	Not Organized	Not Organized
2020	Not Organized	Not Organized
2021	Not Organized	Not Organized
2022	District No. 1 - \$1,437,730	District No. 1 - \$1,437,730
	District No. 2 - \$1,437,730	District No. 2 - \$1,437,730

2023	District No. 1 - \$2,358,400	District No. 1 - \$2,358,400
	District No. 2 - \$2,358,400	District No. 2 - \$2,358,400
2024	District No. 1 - \$2,358,500	District No. 1 - \$2,358,500
	District No. 2 - \$2,358,500	District No. 2 - \$2,358,500
2025	District No. 1 - \$2,358,500	District No. 1 - \$2,358,500
	District No. 2 - \$2,358,500	District No. 2 - \$2,358,500

- ii. **For each year, compare the certified assessed value with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the certified value.**

District No. 1

Year	Certified Assessed Valuation	Service Plan
2018	Not available	Not available
2019	Not available	Not available
2020	Not available	Not available
2021	Not available	Not available
2022	\$1,437,730	\$0
2023	\$2,358,500	\$0
2024	\$2,358,500	\$652,500
2025	\$2,358,500	\$2,945,925

District No. 2

Year	Certified Assessed Valuation	Service Plan
2018	Not available	Not available
2019	Not available	Not available
2020	Not available	Not available
2021	Not available	Not available
2022	\$1,437,730	\$0
2023	\$2,875,460	\$0
2024	\$2,358,500	\$652,500
2025	\$2,358,500	\$2,945,925

j. **Mill Levy History**

- i. **Report the annual mill levy for the current year and for each of**

the seven (7) years prior to current year. Break the mill levies out by purpose (e.g., debt issuance and operations and maintenance).

District No. 1

Year	Debt	Operations and Maintenance
2018	Not organized	Not organized
2019	Not organized	Not organized
2020	Not organized	Not organized
2021	Not organized	Not organized
2022	0.000	0.000
2023	0.000	0.000
2024	0.000	0.000
2025	0.000	72.759

District No. 2

Year	Debt	Operations and Maintenance
2018	Not organized	Not organized
2019	Not organized	Not organized
2020	Not organized	Not organized
2021	Not organized	Not organized
2022	0.000	0.000
2023	0.000	0.000
2024	0.000	0.000
2025	0.000	0.000

District No. 1's 2025 operations and maintenance mill levy of 72.759 mills reflects a Mill Levy Adjustment pursuant to the Amended and Restated Service Plan, which provides that the mill levy limitation shall be increased or decreased to account for legislatively mandated changes in the ratio of actual valuation to assessed valuation for residential real property so that, to the extent possible, actual tax revenues generated are neither diminished nor enhanced as a result of such changes.

- ii. For each year, compare the actual mill levy with the Service Plan estimate for that year. If Service Plan estimates are not available, indicate the same and report the actual mill levies.**

District No. 1

Year	Actual Debt Service Levy	Debt Mill Levy	Service Plan Debt Service Mill Levy	Actual O&M Mill Levy	Service Plan O&M Levy	Plan Mill Levy
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2018	Not organized	Not organized	Not organized	Not organized
2019	Not organized	Not organized	Not organized	Not organized
2020	Not organized	Not organized	Not organized	Not organized
2021	Not organized	Not organized	Not organized	Not organized
2022	0.000	0.000	0.000	0.000
2023	0.000	50.000	0.000	10.000
2024	0.000	50.000	12.000	10.000
2025	0.000	50.000	72.759	10.000

District No. 2

Year	Actual Debt Service Levy	Service Plan Debt Service Mill Levy	Actual O&M Mill Levy	Service Plan O&M Mill Levy
2018	Not organized	Not organized	Not organized	Not organized
2019	Not organized	Not organized	Not organized	Not organized
2020	Not organized	Not organized	Not organized	Not organized
2021	Not organized	Not organized	Not organized	Not organized
2022	0.000	0.000	0.000	0.000
2023	0.000	50.000	0.000	10.000
2024	0.000	50.000	0.000	10.000
2025	0.000	50.000	0.000	10.000

k. Miscellaneous Taxes History

- i. Report the annual miscellaneous tax revenue for the current year and for each of the seven (7) years prior to the current year. Break the tax revenue out by purpose (e.g., general operations, revenue-based obligations, debt by issue, contractual obligations, other)**

District No. 2 has had no annual miscellaneous tax revenue since its organization in 2023. See attached **Exhibit F**.

- ii. For each year, compare the actual miscellaneous tax revenue with the Service Plan estimate for that year (if provided in Plan). If the Service Plan estimates are not available, indicate the same and report the actual taxes.**

District No. 2 has had no annual miscellaneous tax revenue since

its organization in 2023.

I. Estimated Assessed Valuation of District at 100% Build-Out

i. Provide an updated estimate and compare this with the Service Plan estimate.

Per the Service Plan the estimated valuation upon completion is \$9,066,804.

m. Estimated Amount of Additional General Obligation Debt to be Issued by the District between the End of Current Year and 100% Build-Out.

i. Provide an updated estimate based on current events. Do not include refunding bonds.

Based on current events, Piney Lake Trails Metropolitan District Nos. 1 & 2 do not anticipate issuing further debt after 2025.

n. Notice of any uncured defaults existing for more than ninety days under any debt instrument of the District.

To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any debt instrument.

o. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety-day period.

To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

VII. Access information to obtain a copy of rules and regulations adopted by the Board.

The Board has not issued rules and regulations as of the date of this report. The District website is: <https://www.pineylaketrailsmd1-2.com/>

VIII. A summary of litigation involving public improvements owned by the District.

To our actual knowledge, based on review of the court records in Douglas County, Colorado, and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's Public Improvements as of December 31, 2025.

§ 32-1-207(3), C.R.S Statutory Requirements

1. Boundary changes made.

Piney Lake Trails Metropolitan District No. 1 (“District No. 1”) had an Order for Exclusion of Property granted by the Douglas County District Court on July 9, 2025, and recorded at Reception # 2025032701.

Piney Lake Trails Metropolitan District No. 2 (“District No. 2”) had an Order for Exclusion of Property granted by the Douglas County District Court on July 8, 2025, and recorded with the Douglas County Clerk and Recorder at Reception # 2025032725.

2. Intergovernmental Agreements entered into or terminated with other governmental entities.

District No. 1 entered into that certain First Amendment to the Open Space Agreement with Toll Southwest LLC and the County for the purpose of clarifying terms in the underlying IGA.

3. Access information to obtain a copy of rules and regulations adopted by the board.

As of December 31, 2025, the Districts have not adopted any rules or regulations.

4. A summary of litigation involving public improvements owned by the District.

To our actual knowledge, based on review of the court records in Douglas County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the Districts’ public improvements as of December 31, 2025.

5. The status of the construction of public improvements by the District.

As of December 31, 2025, the Districts had not constructed any public improvements.

6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.

The Districts did not construct any facilities or improvements conveyed or dedicated to the County in 2025.

7. The final assessed valuation of the District as of December 31st of the reporting year.

The Districts’ assessed valuation is \$2,358,500.

8. A copy of the current year’s budget.

The 2026 budgets are attached hereto as **Exhibit C**.

- 9. A copy of the audited financial statements, if required by the “Colorado Local Government Audit Law”, part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

See **Exhibit C**.

- 10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

To our actual knowledge, the District did not receive notice of any uncured defaults existing for more than ninety (90) days under any Debt instrument of the Districts.

- 11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

To our actual knowledge, there was not any inability of the Districts to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

EXHIBIT A
REIMBURSEMENT AGREEMENTS WITH TOLL SOUTHWEST, LLC
INFRASTRUCTURE ACQUISITION AND REIMBURSEMENT AGREEMENT WITH
TOLL SOUTHWEST, LLC (DISTRICT NO. 1

FUNDING AND REIMBURSEMENT AGREEMENT (Operations and Maintenance)

This **FUNDING AND REIMBURSEMENT AGREEMENT** (the “**Agreement**”) is made and entered into as of April 28, 2025, by and between PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and TOLL SOUTHWEST, LLC, a Delaware limited liability company (“**Toll Southwest**”). The District and Toll Southwest are collectively referred to herein as the “**Parties**.”

RECITALS

WHEREAS, the District is a quasi-municipal corporation and political subdivision of the State of Colorado, organized in accordance with the provisions of Article 1, Title 32, Colorado Revised Statutes (the “**Special District Act**”), with the power to provide certain public infrastructure, improvements and services, as described in the Special District Act, within and without its boundaries (collectively, the “**Public Infrastructure**”), as authorized and in accordance with the Service Plan for the District (the “**Service Plan**”); and

WHEREAS, the District has incurred and will incur costs in furtherance of the District’s permitted purposes, including, but not limited to, costs in the nature of general administrative (such as legal, engineering, architectural, surveying, management, accounting, auditing, and insurance), operating, and maintenance costs, and other costs necessary to continued good standing under applicable law (the “**Costs**”); and

WHEREAS, the District does not presently have financial resources to provide funding for payment of Costs that are projected to be incurred prior to the anticipated availability of funds; and

WHEREAS, Toll Southwest is willing to advance funds to the District, from time to time, on the condition that the District agrees to repay such advances, in accordance with the terms set forth in this Agreement; and

WHEREAS, the District is willing to execute one or more reimbursement notes, bonds, or other instruments (“**Reimbursement Obligations**”), which may be multiple fiscal year obligations that are not subject to annual appropriation, in an aggregate principal amount not to exceed the Maximum Loan Amount (as defined below) and accrued interest, to be issued to or at the direction of Toll Southwest upon its request, subject to the terms and conditions of this Agreement, to further evidence the District’s obligation to repay the funds advanced hereunder; and

WHEREAS, the District anticipates repaying moneys advanced by Toll Southwest hereunder, including as evidenced by any requested Reimbursement Obligations, with funds available from ad valorem taxes, fees, or other legally available revenues of the District determined to be available therefor; and

WHEREAS, the District and Toll Southwest desire to enter into this Agreement for the purpose of consolidating all understandings and commitments between them relating to amounts

to be advanced by Toll Southwest to the District in order for the District to be able to pay the Costs, and the repayment by the District of such amounts; and

WHEREAS, the Board of Directors of the District (the “**Board**”) has determined that the best interests of the District and its property owners and taxpayers will be served by entering into this Agreement in order to allow the District to meet its obligations to pay for Costs; and

WHEREAS, the Parties have authorized their officers to execute this Agreement and to take all other actions necessary and desirable to effectuate the purposes of this Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the District and Toll Southwest agree as follows:

COVENANTS AND AGREEMENTS

1. Advance Amount and Term. Toll Southwest agrees to advance to the District one or more sums of money not to exceed the aggregate of \$50,000 per annum (the “**Annual Loan Cap**”) for two years, up to \$100,000 (as the same may be subsequently increased as set forth below, or by agreement of the Parties and execution of a supplement or addendum to this Agreement) (the “**Maximum Loan Amount**”). These funds shall be advanced to the District in one or a series of installments and shall be available to the District through [December 31, 2026] (the “**Loan Obligation Termination Date**”). Thereafter, the Loan Obligation Termination Date will automatically extend for additional one (1) year terms unless Toll Southwest provides written notice to the District of termination at least thirty (30) days prior to December 31st of each year. Upon each automatic one (1) year extension of the Loan Obligation Termination Date, Toll Southwest agrees to advance the District one or more sums of money up to the Annual Loan Cap, and the Maximum Loan Amount shall be automatically increased upon each one (1) year extension by the Annual Loan Cap.

2. Prior Costs Incurred. The Parties agree and acknowledge that Toll Southwest has incurred or been assigned Costs on behalf of the District prior to the execution of this Agreement in anticipation that the same would be reimbursed as provided in this Agreement (the “**Prior Costs**”). A summary of the Prior Costs is attached hereto as **Exhibit A** and incorporated herein. Interest on the Prior Costs shall begin accruing as of the date of this Agreement. Reimbursement for Prior Costs shall be made in accordance with, and subject to the terms and conditions of, this Agreement governing the reimbursement for Costs, except that any Prior Costs reimbursed in accordance with this Agreement shall not be included in the calculation of the Maximum Loan Amount under Section 1 of this Agreement.

3. Use of Funds. The District agrees that it shall apply all funds advanced by Toll Southwest under this Agreement solely to Costs of the District as set forth from time to time in the annual adopted budget for the District, and pursuant to any contracts entered into with third parties to perform functions for the District under such adopted budget. It is understood that the District has budgeted or will budget as revenue from year to year the entire aggregate amount which may be borrowed hereunder to enable the District to appropriate revenues to pay the Costs included within the District’s annual budget. Toll Southwest shall be entitled to a quarterly accounting of

the expenditures made by the District, upon request, and otherwise may request specific information concerning such expenditures at reasonable times and upon reasonable notice to the District.

4. Manner for Requesting Advances.

a. The District shall from time to time determine the amount of revenue required to fund budgeted expenditures by the District, but such determination shall be made not more often than monthly. Each determination shall be made based upon the expenditures contained in the adopted budget for the District, the rate of expenditures estimated for the next succeeding month, and such other factors as the District may consider relevant to the projection of future financial needs. Not less than fifteen (15) days before the beginning of each month, the District shall notify Toll Southwest of the requested advance for the next month, and, subject to the Annual Loan Cap, Toll Southwest shall deposit such advance with the District on or before the beginning of that month. The Parties may vary from this schedule upon mutual agreement.

b. Upon receipt of advances hereunder, the District shall keep a record of such advances made. Failure to record such advances shall not affect inclusion of such amounts as reimbursable pursuant to this Agreement; provided that such advances are substantiated by the District's accountant. Toll Southwest may provide any relevant documentation evidencing such unrecorded advance to assist in the District's final determination.

5. Obligations Irrevocable. The obligations of Toll Southwest created by this Agreement are absolute, irrevocable, unconditional, and are not subject to setoff or counterclaim. Toll Southwest shall not take any action which would delay or impair the District's ability to receive the funds contemplated herein with sufficient time to properly pay approved invoices and/or notices of payment due.

Interest Prior to Issuance of Reimbursement Obligations. With respect Advances made under this Agreement prior to the earlier of payment in full thereof, or the issuance of any Reimbursement Obligation reflecting such Advances, interest shall accrue on such amounts, as simple interest with no compounding at the rate of the MMD Interest Rate which means the Municipal Market Data "AAA" General Obligation Yield Curve, 30-Year constant maturity, published by Refinitiv at www.tm3.com, or successor index if replaced plus 400 basis points (the "**Interest Rate**"). Repayments of such advances will apply first to accrued and unpaid interest and second to principal. Upon issuance of a Reimbursement Obligation, unless otherwise consented to by Toll Southwest, any interest then accrued on any previously advanced amount shall be added to the amount of the loan advance and reflected as principal of the Reimbursement Obligation, and shall thereafter accrue interest as provided in such Reimbursement Obligation.

6. Terms of Repayment; Source of Revenues.

a. Any funds advanced under this Agreement shall be repaid in accordance with the terms of this Agreement. The District intends to repay any advances made under this Agreement to the extent that funds are available from ad valorem taxes, fees, or other legally available revenues of the District, net of any debt service obligations or annual operations and maintenance costs of the District. Any mill levy certified by the District for the purpose of

repaying advances made hereunder shall not exceed 10.000 mills and shall be further subject to any restrictions provided in the District's Service Plan, outstanding debt instruments, electoral authorization, or any applicable laws. Any payments made by the District shall be credited first, to any interest then due and payable under this Agreement, and second, to the outstanding principal balance of amounts advanced to the District.

b. The provision for repayment of advances, as set forth in Section 7(a) hereof, shall be at all times subject to annual appropriation by the District. To the extent required by Article X, Section 20 of the Colorado Constitution, the District's failure to appropriate funds in any given fiscal year will not be deemed or construed to constitute a default by the District under this Section 7(b). The District's failure to appropriate funds in any given fiscal year will not be deemed or construed to effect a discharge of the District's obligation to pay in any subsequent fiscal year, and interest will continue to accrue on any unpaid principal as provided in Section 0 above.

c. At such time as the District issues Reimbursement Obligations to evidence an obligation to repay advances made under this Agreement, the repayment terms of such Reimbursement Obligations shall control and supersede any otherwise applicable provision of this Agreement, except for the Maximum Reimbursement Obligation Repayment Term (as defined below). Such Reimbursement Obligations may be issued as multi-fiscal-year financial obligations, not subject to annual appropriation.

7. Issuance of Reimbursement Obligations.

a. Subject to any limitations or restrictions contained in any loan or bond documents or other multi-fiscal-year instruments, and the conditions of this Section 7 and Section 8 hereof, upon request of Toll Southwest, the District hereby agrees to issue to or at the direction of Toll Southwest one or more Reimbursement Obligations to evidence any repayment obligation of the District then existing with respect to advances made, and interest accrued, under this Agreement. Such Reimbursement Obligations shall be payable solely from the sources identified in the Reimbursement Obligations, including, but not limited to, ad valorem property tax revenues of the District, and shall be secured by the District's pledge to apply such revenues as required thereunder, unless otherwise consented to by Toll Southwest. Such Reimbursement Obligations shall mature on a date or dates, subject to the limitation set forth in the Maximum Reimbursement Obligation Repayment Term defined herein, and bear interest at a market rate to be determined at the time of issuance of such Reimbursement Obligations, subject to compliance with the provisions of Section 32-1-1101(7), C.R.S.

b. The term for repayment of any Reimbursement Obligations issued under this Agreement shall not extend beyond twenty (20) years from the date of this Agreement (the "**Maximum Reimbursement Obligation Repayment Term**").

c. The issuance of any Reimbursement Obligations shall be subject to the availability of an exemption from the registration requirements of §11-59-106, C.R.S., and shall be subject to such prior filings with the Colorado State Securities Commissioner as may be necessary to claim such exemption, in accordance with §11-59-110, C.R.S., and any regulations promulgated thereunder.

d. In connection with the issuance of any such Reimbursement Obligations, the District shall make such filings as it may deem necessary to comply with the provisions of §32-1-1604, C.R.S., as amended.

e. The terms of this Agreement may be used to construe the intent of the Parties in connection with issuance of any Reimbursement Obligations, and shall be read as nearly as possible to make the provisions of any Reimbursement Obligations and this Agreement fully effective. Should any irreconcilable conflict arise between the terms of this Agreement and the terms of any Reimbursement Obligations, the terms of such Reimbursement Obligations shall prevail.

f. If, for any reason, any Reimbursement Obligations are determined to be invalid or unenforceable, the District shall issue new Reimbursement Obligations that are legally enforceable, subject to the provisions of this Section 7.

g. In the event that it is determined that payments of all or any portion of interest on any Reimbursement Obligations may be excluded from gross income of the holder thereof for federal income tax purposes upon compliance with certain procedural requirements and restrictions that are not inconsistent with the intended uses of funds contemplated herein and are not overly burdensome to the District, the District agrees, upon request of Toll Southwest, to take all action reasonably necessary to satisfy the applicable provisions of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

8. No Debt. It is hereby agreed and acknowledged that this Agreement evidences the District's good faith intent to repay Toll Southwest for advances made in accordance with the terms of this Agreement. However, this Agreement shall not constitute a debt or indebtedness by the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple-fiscal-year financial obligation. Further, the provision for repayment of advances made, as set forth in Section 6 hereof, and the agreement to issue Reimbursement Obligations as set forth in Section 7 hereof, shall be at all times subject to annual appropriation by the District, in its absolute discretion. Toll Southwest expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the District's Board and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. By acceptance of this Agreement, Toll Southwest agrees and consents to all of the limitations with respect to the payment of the principal and interest due under this Agreement, and as may be limited by the District's Service Plan.

9. Termination.

a. Toll Southwest's obligations to advance funds to the District in accordance with this Agreement shall terminate on December 31, 2026 (subject to the extension terms above), except to the extent advance requests have been made to Toll Southwest that are pending by this termination date, in which case said pending request(s) will be honored notwithstanding the passage of the termination date.

b. The District's obligations under this Agreement shall terminate at the earlier of the repayment in full of the Maximum Loan Amount (or such lesser amount advanced hereunder if it is determined by the District that no further advances shall be required hereunder) and accrued interest or twenty (20) years from the execution date hereof. After twenty (20) years from the execution of this Agreement, the Parties hereby agree and acknowledge that any obligation created by this Agreement which remains due and outstanding under this Agreement, including accrued interest, is forgiven in its entirety, generally and unconditionally released, waived, acquitted and forever discharged, and shall be deemed a contribution to the District by Toll Southwest, and there shall be no further obligation of the District to pay or reimburse Toll Southwest with respect to such amounts. For the avoidance of any doubt, Reimbursement Obligations are not considered "due and outstanding" under this Agreement, but are payable in accordance with their terms.

c. Notwithstanding any provision in this Agreement to the contrary, the District's obligation to reimburse Toll Southwest for any and all funds advanced or otherwise payable to Toll Southwest under and pursuant to this Agreement (whether Toll Southwest has already advanced or otherwise paid such funds or intends to make such advances or payments in the future) shall terminate automatically and be of no further force or effect upon the occurrence of (a) Toll Southwest's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by Toll Southwest dissolving Toll Southwest as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership or similar process or actions with regard to Toll Southwest (whether voluntary or involuntary). The termination of the District's reimbursement obligation as set forth in this section shall be absolute and binding upon Toll Southwest, its successors and assigns. Toll Southwest, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the District relating to or arising out of the District's reimbursement obligations under this Agreement in the event that any of the occurrences described in this section occur.

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

11. Notices and Place for Payments. All notices, demands and communications (collectively, "**Notices**") under this Agreement shall be delivered or sent by: (a) first class, registered or certified mail, postage prepaid, return receipt requested; (b) nationally recognized overnight carrier, addressed to the address of the intended recipient set forth below or such other address as either party may designate by notice pursuant to this Section 12; or (c) sent by confirmed facsimile transmission, PDF, or email. Notices shall be deemed given either one (1) business day after delivery BY the overnight carrier, three (3) days after being mailed as provided in clause (a) above, or upon confirmed delivery as provided in clause (c) above.

District: Piney Lake Trails Metropolitan District No. 1
WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law
2154 East Commons Avenue, Suite 2000

Centennial, Colorado 80122
Attention: Megan J. Murphy
(303) 858-1800 (phone)
(303) 858-1801 (fax)
mmurphy@wbapc.com

Developer: Toll Southwest, LLC
250 Gibraltar Road
Horsham, Pennsylvania 19044
Attention: Reggie Carveth
(303) 708-0730 (phone)
rcarveth@tollbrothers.com

12. Amendments. This Agreement may only be amended or modified by a writing executed by the Parties.

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

14. Applicable Laws. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located.

15. Assignment. In no event shall either party assign, transfer or convey all or any portion of its rights or obligations under this Agreement. Any purported assignment, transfer or conveyance is void.

16. Authority. By execution hereof, the Parties represent and warrant that their respective representatives signing hereunder have full power and authority to execute this Agreement and to bind the respective party to the terms hereof.

17. Entire Agreement. This Agreement constitutes and represents the entire, integrated agreement between the Parties with respect to the matters set forth herein and hereby supersedes any and all prior negotiations, representations, agreements, or arrangements of any kind with respect to those matters, whether written or oral. This Agreement shall become effective upon the date of full execution hereof.

18. Legal Existence. The District will maintain its legal identity and existence so long as any of the advanced amounts contemplated herein remain outstanding. The foregoing statement shall apply unless, by operation of law, another legal entity succeeds to the liabilities and rights of

the District without materially adversely affecting Toll Southwest's privileges and rights under this Agreement.

19. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the District, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the District and, in particular, governmental immunity afforded or available to the District, pursuant to the Colorado Governmental Immunity Act, §§24-10-101, *et seq.*, C.R.S.

20. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

21. Parties Interested Herein/No Third Party Beneficiaries. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the Parties any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties. Nothing contained in this Agreement shall give or allow any such claim or right of action by any other third parties. It is the express intention of the Parties that any person other than the Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

22. Electronic Storage and Execution. The Parties agree that the transactions described in this Agreement may be conducted, and related documents may be signed and stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of electronically signed and stored documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law. Any electronic signature affixed to this Agreement or any amendments or consents thereto shall carry the full legal force and effect of any original, handwritten signature.

23. Counterpart Execution. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

DISTRICT:

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado

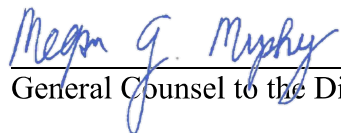
By: 
Jordan Honea (May 5, 2025 13:26 MDT)
Officer of the District

Attest:


By: Ian Nelson (May 5, 2025 14:44 MDT)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law


General Counsel to the District

TOLL SOUTHWEST:

TOLL SOUTHWEST, LLC, a Delaware limited liability company


Reggie Carveth (May 5, 2025 12:06 MDT)

Reggie Carveth

Printed Name

dp

Title

[Signature page to Funding and Reimbursement Agreement]

EXHIBIT A
PRIOR COSTS

FUNDING AND REIMBURSEMENT AGREEMENT (Operations and Maintenance)

This **FUNDING AND REIMBURSEMENT AGREEMENT** (the “**Agreement**”) is made and entered into as of April 28, 2025, by and between PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and TOLL SOUTHWEST, LLC, a Delaware limited liability company (“**Toll Southwest**”). The District and Toll Southwest are collectively referred to herein as the “**Parties**.”

RECITALS

WHEREAS, the District is a quasi-municipal corporation and political subdivision of the State of Colorado, organized in accordance with the provisions of Article 1, Title 32, Colorado Revised Statutes (the “**Special District Act**”), with the power to provide certain public infrastructure, improvements and services, as described in the Special District Act, within and without its boundaries (collectively, the “**Public Infrastructure**”), as authorized and in accordance with the Service Plan for the District (the “**Service Plan**”); and

WHEREAS, the District has incurred and will incur costs in furtherance of the District’s permitted purposes, including, but not limited to, costs in the nature of general administrative (such as legal, engineering, architectural, surveying, management, accounting, auditing, and insurance), operating, and maintenance costs, and other costs necessary to continued good standing under applicable law (the “**Costs**”); and

WHEREAS, the District does not presently have financial resources to provide funding for payment of Costs that are projected to be incurred prior to the anticipated availability of funds; and

WHEREAS, Toll Southwest is willing to advance funds to the District, from time to time, on the condition that the District agrees to repay such advances, in accordance with the terms set forth in this Agreement; and

WHEREAS, the District is willing to execute one or more reimbursement notes, bonds, or other instruments (“**Reimbursement Obligations**”), which may be multiple fiscal year obligations that are not subject to annual appropriation, in an aggregate principal amount not to exceed the Maximum Loan Amount (as defined below) and accrued interest, to be issued to or at the direction of Toll Southwest upon its request, subject to the terms and conditions of this Agreement, to further evidence the District’s obligation to repay the funds advanced hereunder; and

WHEREAS, the District anticipates repaying moneys advanced by Toll Southwest hereunder, including as evidenced by any requested Reimbursement Obligations, with funds available from ad valorem taxes, fees, or other legally available revenues of the District determined to be available therefor; and

WHEREAS, the District and Toll Southwest desire to enter into this Agreement for the purpose of consolidating all understandings and commitments between them relating to amounts

to be advanced by Toll Southwest to the District in order for the District to be able to pay the Costs, and the repayment by the District of such amounts; and

WHEREAS, the Board of Directors of the District (the “**Board**”) has determined that the best interests of the District and its property owners and taxpayers will be served by entering into this Agreement in order to allow the District to meet its obligations to pay for Costs; and

WHEREAS, the Parties have authorized their officers to execute this Agreement and to take all other actions necessary and desirable to effectuate the purposes of this Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the District and Toll Southwest agree as follows:

COVENANTS AND AGREEMENTS

1. Advance Amount and Term. Toll Southwest agrees to advance to the District one or more sums of money not to exceed the aggregate of \$50,000 per annum (the “**Annual Loan Cap**”) for two years, up to \$100,000 (as the same may be subsequently increased as set forth below, or by agreement of the Parties and execution of a supplement or addendum to this Agreement) (the “**Maximum Loan Amount**”). These funds shall be advanced to the District in one or a series of installments and shall be available to the District through December 31, 2026 (the “**Loan Obligation Termination Date**”). Thereafter, the Loan Obligation Termination Date will automatically extend for additional one (1) year terms unless Toll Southwest provides written notice to the District of termination at least thirty (30) days prior to December 31st of each year. Upon each automatic one (1) year extension of the Loan Obligation Termination Date, Toll Southwest agrees to advance the District one or more sums of money up to the Annual Loan Cap, and the Maximum Loan Amount shall be automatically increased upon each one (1) year extension by the Annual Loan Cap.

2. Prior Costs Incurred. The Parties agree and acknowledge that Toll Southwest has incurred or been assigned Costs on behalf of the District prior to the execution of this Agreement in anticipation that the same would be reimbursed as provided in this Agreement (the “**Prior Costs**”). A summary of the Prior Costs is attached hereto as **Exhibit A** and incorporated herein. Interest on the Prior Costs shall begin accruing as of the date of this Agreement. Reimbursement for Prior Costs shall be made in accordance with, and subject to the terms and conditions of, this Agreement governing the reimbursement for Costs, except that any Prior Costs reimbursed in accordance with this Agreement shall not be included in the calculation of the Maximum Loan Amount under Section 1 of this Agreement.

3. Use of Funds. The District agrees that it shall apply all funds advanced by Toll Southwest under this Agreement solely to Costs of the District as set forth from time to time in the annual adopted budget for the District, and pursuant to any contracts entered into with third parties to perform functions for the District under such adopted budget. It is understood that the District has budgeted or will budget as revenue from year to year the entire aggregate amount which may be borrowed hereunder to enable the District to appropriate revenues to pay the Costs included within the District’s annual budget. Toll Southwest shall be entitled to a quarterly accounting of

the expenditures made by the District, upon request, and otherwise may request specific information concerning such expenditures at reasonable times and upon reasonable notice to the District.

4. Manner for Requesting Advances.

a. The District shall from time to time determine the amount of revenue required to fund budgeted expenditures by the District, but such determination shall be made not more often than monthly. Each determination shall be made based upon the expenditures contained in the adopted budget for the District, the rate of expenditures estimated for the next succeeding month, and such other factors as the District may consider relevant to the projection of future financial needs. Not less than fifteen (15) days before the beginning of each month, the District shall notify Toll Southwest of the requested advance for the next month, and, subject to the Annual Loan Cap, Toll Southwest shall deposit such advance with the District on or before the beginning of that month. The Parties may vary from this schedule upon mutual agreement.

b. Upon receipt of advances hereunder, the District shall keep a record of such advances made. Failure to record such advances shall not affect inclusion of such amounts as reimbursable pursuant to this Agreement; provided that such advances are substantiated by the District's accountant. Toll Southwest may provide any relevant documentation evidencing such unrecorded advance to assist in the District's final determination.

5. Obligations Irrevocable. The obligations of Toll Southwest created by this Agreement are absolute, irrevocable, unconditional, and are not subject to setoff or counterclaim. Toll Southwest shall not take any action which would delay or impair the District's ability to receive the funds contemplated herein with sufficient time to properly pay approved invoices and/or notices of payment due.

6. Interest Prior to Issuance of Reimbursement Obligations. With respect Advances made under this Agreement prior to the earlier of payment in full thereof, or the issuance of any Reimbursement Obligation reflecting such Advances, interest shall accrue on such amounts, as simple interest with no compounding at the rate of the MMD Interest Rate which means the Municipal Market Data "AAA" General Obligation Yield Curve, 30-Year constant maturity, published by Refinitiv at www.tm3.com, or successor index if replaced plus 400 basis points (the "**Interest Rate**"). Repayments of such advances will apply first to accrued and unpaid interest and second to principal. Upon issuance of a Reimbursement Obligation, unless otherwise consented to by Toll Southwest, any interest then accrued on any previously advanced amount shall be added to the amount of the loan advance and reflected as principal of the Reimbursement Obligation, and shall thereafter accrue interest as provided in such Reimbursement Obligation.

7. Terms of Repayment; Source of Revenues.

a. Any funds advanced under this Agreement shall be repaid in accordance with the terms of this Agreement. The District intends to repay any advances made under this Agreement to the extent that funds are available from ad valorem taxes, fees, or other legally available revenues of the District, net of any debt service obligations or annual operations and maintenance costs of the District. Any mill levy certified by the District for the purpose of

repaying advances made hereunder shall not exceed 10.000 mills and shall be further subject to any restrictions provided in the District's Service Plan, outstanding debt instruments, electoral authorization, or any applicable laws. Any payments made by the District shall be credited first, to any interest then due and payable under this Agreement, and second, to the outstanding principal balance of amounts advanced to the District.

b. The provision for repayment of advances, as set forth in Section 7(a) hereof, shall be at all times subject to annual appropriation by the District. To the extent required by Article X, Section 20 of the Colorado Constitution, the District's failure to appropriate funds in any given fiscal year will not be deemed or construed to constitute a default by the District under this Section 7(b). The District's failure to appropriate funds in any given fiscal year will not be deemed or construed to effect a discharge of the District's obligation to pay in any subsequent fiscal year, and interest will continue to accrue on any unpaid principal as provided in Section 6 above.

c. At such time as the District issues Reimbursement Obligations to evidence an obligation to repay advances made under this Agreement, the repayment terms of such Reimbursement Obligations shall control and supersede any otherwise applicable provision of this Agreement, except for the Maximum Reimbursement Obligation Repayment Term (as defined below). Such Reimbursement Obligations may be issued as multi-fiscal-year financial obligations, not subject to annual appropriation.

8. Issuance of Reimbursement Obligations.

a. Subject to any limitations or restrictions contained in any loan or bond documents or other multi-fiscal-year instruments, and the conditions of this Section 8 and Section 9 hereof, upon request of Toll Southwest, the District hereby agrees to issue to or at the direction of Toll Southwest one or more Reimbursement Obligations to evidence any repayment obligation of the District then existing with respect to advances made, and interest accrued, under this Agreement. Such Reimbursement Obligations shall be payable solely from the sources identified in the Reimbursement Obligations, including, but not limited to, ad valorem property tax revenues of the District, and shall be secured by the District's pledge to apply such revenues as required thereunder, unless otherwise consented to by Toll Southwest. Such Reimbursement Obligations shall mature on a date or dates, subject to the limitation set forth in the Maximum Reimbursement Obligation Repayment Term defined herein, and bear interest at a market rate to be determined at the time of issuance of such Reimbursement Obligations, subject to compliance with the provisions of Section 32-1-1101(7), C.R.S.

b. The term for repayment of any Reimbursement Obligations issued under this Agreement shall not extend beyond twenty (20) years from the date of this Agreement (the "**Maximum Reimbursement Obligation Repayment Term**").

c. The issuance of any Reimbursement Obligations shall be subject to the availability of an exemption from the registration requirements of §11-59-106, C.R.S., and shall be subject to such prior filings with the Colorado State Securities Commissioner as may be necessary to claim such exemption, in accordance with §11-59-110, C.R.S., and any regulations promulgated thereunder.

d. In connection with the issuance of any such Reimbursement Obligations, the District shall make such filings as it may deem necessary to comply with the provisions of §32-1-1604, C.R.S., as amended.

e. The terms of this Agreement may be used to construe the intent of the Parties in connection with issuance of any Reimbursement Obligations, and shall be read as nearly as possible to make the provisions of any Reimbursement Obligations and this Agreement fully effective. Should any irreconcilable conflict arise between the terms of this Agreement and the terms of any Reimbursement Obligations, the terms of such Reimbursement Obligations shall prevail.

f. If, for any reason, any Reimbursement Obligations are determined to be invalid or unenforceable, the District shall issue new Reimbursement Obligations that are legally enforceable, subject to the provisions of this Section 8.

g. In the event that it is determined that payments of all or any portion of interest on any Reimbursement Obligations may be excluded from gross income of the holder thereof for federal income tax purposes upon compliance with certain procedural requirements and restrictions that are not inconsistent with the intended uses of funds contemplated herein and are not overly burdensome to the District, the District agrees, upon request of Toll Southwest, to take all action reasonably necessary to satisfy the applicable provisions of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

9. No Debt. It is hereby agreed and acknowledged that this Agreement evidences the District's good faith intent to repay Toll Southwest for advances made in accordance with the terms of this Agreement. However, this Agreement shall not constitute a debt or indebtedness by the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple-fiscal-year financial obligation. Further, the provision for repayment of advances made, as set forth in Section 7 hereof, and the agreement to issue Reimbursement Obligations as set forth in Section 8 hereof, shall be at all times subject to annual appropriation by the District, in its absolute discretion. Toll Southwest expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the District's Board and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. By acceptance of this Agreement, Toll Southwest agrees and consents to all of the limitations with respect to the payment of the principal and interest due under this Agreement, and as may be limited by the District's Service Plan.

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District: Piney Lake Trails Metropolitan District No. 2
WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law
2154 East Commons Avenue, Suite 2000

Centennial, Colorado 80122
Attention: Megan J. Murphy
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(303) 858-1801 (fax)
mmurphy@wbapc.com

Developer: Toll Southwest, LLC
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15. Applicable Laws. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located.

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21. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

22. Parties Interested Herein/No Third Party Beneficiaries. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the Parties any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties. Nothing contained in this Agreement shall give or allow any such claim or right of action by any other third parties. It is the express intention of the Parties that any person other than the Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

23. Electronic Storage and Execution. The Parties agree that the transactions described in this Agreement may be conducted, and related documents may be signed and stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of electronically signed and stored documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law. Any electronic signature affixed to this Agreement or any amendments or consents thereto shall carry the full legal force and effect of any original, handwritten signature.

24. Counterpart Execution. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

DISTRICT:

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

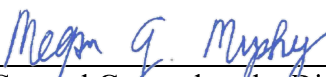
By: 
Jordan Honea (May 5, 2025 13:26 MDT)
Officer of the District

Attest:


By: Ian Nelson (May 5, 2025 14:44 MDT)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law


General Counsel to the District

TOLL SOUTHWEST:

TOLL SOUTHWEST, LLC, a Delaware limited liability company


Reggie Carveth (May 5, 2025 12:06 MDT)

Reggie Carveth

Printed Name
dp

Title

[Signature page to Funding and Reimbursement Agreement]

EXHIBIT A
PRIOR COSTS

INFRASTRUCTURE ACQUISITION

AND

REIMBURSEMENT AGREEMENT

BETWEEN

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1

AND

TOLL SOUTHWEST, LLC

DATED April 18, 2025

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EXHIBITS

EXHIBIT A - Application for Acceptance of District Eligible Costs
Dedicated Public Infrastructure

EXHIBIT B – Application for Acceptance of District Eligible Costs
District Public Infrastructure

EXHIBIT C - Application for Acceptance of District Eligible Costs
Capital Services Costs

INFRASTRUCTURE ACQUISITION AND REIMBURSEMENT AGREEMENT

This INFRASTRUCTURE ACQUISITION AND REIMBURSEMENT AGREEMENT (the “**Agreement**”) is made and entered into as of the 28th day of April, 2025, by and between PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and TOLL SOUTHWEST, LLC, a Delaware limited liability company (“**Toll Southwest**”).

RECITALS

A. The District was organized to provide Public Infrastructure for the Project as authorized in the Special District Act and the Service Plan for the District.

B. In accordance with the Special District Act and the Service Plan, the District has the power to manage, control, and supervise the affairs of the District, including the acquisition, financing, construction, and installation of Public Infrastructure.

C. Toll Southwest has incurred or may in the future incur District Eligible Costs, which may consist of Eligible Public Infrastructure Costs, Eligible Capital Service Costs, or both.

D. The Parties desire to establish the terms and conditions for the reimbursement of District Eligible Costs that become Certified District Eligible Costs, and to provide for the conveyance of Public Infrastructure consisting of District Public Infrastructure to the District.

E. The District does not intend to direct the design or construction of any Public Infrastructure by way of this Agreement.

F. The Parties do not intend hereby to enter into a public works contract as defined in § 24-91-103.5(1)(b), C.R.S.

G. The Parties do not intend hereby to enter into a contract for work or materials in accordance with § 32-1-1001(1)(d)(I), C.R.S.

H. Pursuant to § 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District, and the Board has determined that the best interests of the District, property owners within the District, and the public, are served by entering into this Agreement, and this Agreement is in furtherance of the purposes for which the District was established.

I. The Parties have authorized their respective officers or representatives to execute this Agreement and to take all other actions necessary and desirable to effectuate the purposes of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement, the Parties agree as follows:

COVENANTS AND AGREEMENTS

ARTICLE 1

PURPOSE OF AGREEMENT

1.1 **Purpose of Agreement.** This Agreement establishes the terms and conditions for the reimbursement of Certified District Eligible Costs by the District, and the terms and conditions for the acquisition of District Public Infrastructure.

ARTICLE 2

DEFINITIONS

2.1 **Definitions.** In this Agreement, unless a different meaning clearly appears from the context, capitalized terms mean:

Accountant's Cost Certification: A written certification issued by the District Accountant following review of an Engineer's Cost Certification, invoices, and other material presented to substantiate Eligible Public Infrastructure Costs, in form and substance reasonably acceptable to the District, declaring the total amount of Eligible Public Infrastructure Costs proposed for reimbursement.

Accountant's Services Cost Certification: A written certification issued by the District Accountant following review of invoices, and other material presented to substantiate the Eligible Capital Services Costs, in form and substance reasonably acceptable to the District, declaring the total amount of Eligible Capital Services Costs proposed for reimbursement.

Agreement: This Infrastructure Acquisition and Reimbursement Agreement between the Parties dated April 28, 2025.

Application for Acceptance of District Eligible Costs/Application: An application by Toll Southwest for reimbursement of Eligible Public Infrastructure Costs or Eligible Capital Services Costs, in the form attached to this Agreement as Exhibits A, B and C.

Application Review Procedures: Those requirements set forth in Article III hereof by which an Application for Acceptance of District Eligible Costs is evaluated for sufficiency as a condition to adoption of a District Acceptance Resolution.

Board: The duly elected and/or appointed Board of Directors of the District.

Bonds: Bonds, notes or other multiple fiscal year financial obligations issued by the District with respect to which proceeds are available for the payment of Certified District Eligible Costs.

Certified District Eligible Costs: District Eligible Costs that have been accepted by the District through adoption of a District Acceptance Resolution.

Component Unit(s): portions of Public Infrastructure that are substantially complete and fit for their intended purposes, whether or not yet placed in service.

Construction Drawings: Drawings prepared by a licensed and registered engineer and approved by the applicable governmental entity, by which Public Infrastructure has been built.

Dedicated Public Infrastructure: Public Infrastructure that is to be dedicated to another governmental entity for public use.

Design Engineer's Certification: A certification in form and substance reasonably acceptable to the District from an engineer or other appropriate design professional, licensed in Colorado and approved by the District, stating that 1) the Public Infrastructure, or applicable Component Unit thereof, has been inspected for compliance with approved designs, plans and construction standards, and, if applicable, Construction Drawings; 2) that the Public Infrastructure, or applicable Component Unit thereof, has been substantially constructed in accordance with the approved designs, plans and construction standards, and, if applicable, Construction Drawings; and 3) the Public Infrastructure is fit for its intended purpose.

District Acceptance Resolution: A resolution adopted by the Board of the District following satisfactory completion of the Application Review Procedures.

District Accountant: An accountant licensed to practice in the State of Colorado that has been engaged by the District.

District Eligible Costs: Collectively, the Eligible Public Infrastructure Costs and the Eligible Capital Services Costs.

District Engineer: An engineer licensed to practice in the State of Colorado that has been engaged by the District.

District Public Infrastructure: Public Infrastructure that is intended to be owned and operated by the District.

District Inspection Report: A report issued by the District Engineer following an Inspection in connection with District Public Infrastructure, addressing those matters set forth Section 3.3 hereof.

District: Piney Lake Trails Metropolitan District No. 1.

Eligible Public Infrastructure Costs: Costs related to the acquisition, financing, planning, design, construction, and installation of Public Infrastructure that may be lawfully funded by the District under the Special District Act and the Service Plan, and which may represent Dedicated Public Infrastructure and/or District Public Infrastructure.

Eligible Capital Services Costs: Costs of certain services and/or work directly related to the ability of the District to provide and/or the provision of Public Infrastructure, including but not limited to: District organizational costs, engineering, architectural, surveying, construction planning, and related legal, accounting, and other professional services.

Engineer's Cost Certification: A written report certifying that, in the opinion of the District Engineer, the cost of the Public Infrastructure is reasonable considering the type of Public Infrastructure being reviewed.

Inspection: With respect to District Public Infrastructure, an inspection conducted by the District Engineer and Toll Southwest to ascertain the completion of such Public Infrastructure and/or whether corrective work is required prior to acceptance by the District.

Maximum Repayment Term: Shall mean, with respect to any and all costs accepted by an Acceptance Resolution and not otherwise the subject of a Reimbursement Obligation, twenty (20) years from the date of each such Acceptance Resolution, or such lesser period as may be established in the Service Plan.

MMD AAA Index: The Municipal Market Data "AAA" General Obligation Yield Curve, 30-Year constant maturity, published by Refinitiv at www.tm3.com, or successor index if replaced.

MMD Interest Rate: The interest rate based on the MMD AAA Index plus 400 basis points.

Notices: Shall mean those forms of notice authorized by Section 7.5 hereof.

Party or Parties: Party refers to the District or Toll Southwest, individually; Parties refers to the District and Toll Southwest, collectively.

Project: The proposed development described generally in the Service Plan, for which the District is authorized to furnish Public Infrastructure.

Public Infrastructure: The improvements and associated services authorized under the Service Plan and the Special District Act, whether to be dedicated to another governmental entity or to be acquired by the District, and which may include Dedicated Public Infrastructure, District Public Infrastructure and/or Component Units.

Reimbursement Obligation/s: One or more notes, bonds, or other multiple fiscal year financial obligations issued at the request of Toll Southwest in the amount of Certified District Eligible Costs as approved from time to time.

Service Plan: The Service Plan for the District as approved by the Board of County Commissioners of Douglas County on April 5, 2022, as amended from time to time.

Special District Act: Part 1 of Article of Title 32, Colorado Revised Statutes, as amended from time to time.

Third-Party Accounting Firm: An accounting firm mutually selected by the Parties to perform certain functions as set forth in Sections 3.2.b and 3.3 hereof.

Third-Party Engineering Firm: An engineering firm mutually selected by the Parties to perform certain functions as set forth in Section 3.2.a hereof.

Toll Southwest: means Toll Southwest, LLC, a Delaware limited liability company.

ARTICLE 3

APPLICATION FOR ACCEPTANCE/REVIEW PROCEDURES

3.1. **Application for Acceptance of District Eligible Costs.** Toll Southwest will initiate a request for the District's acceptance of District Eligible Costs by submitting the following, as applicable:

a. For Dedicated Public Infrastructure, a completed "Application for Acceptance of District Eligible Costs - Dedicated Public Infrastructure" attached hereto as **Exhibit A** and incorporated herein by this reference.

b. For District Public Infrastructure, a completed "Application for Acceptance of District Eligible Costs - District Public Infrastructure" attached hereto as **Exhibit B** and incorporated herein by this reference.

c. For Eligible Capital Services Costs, a completed "Application for Acceptance of District Eligible Costs - Capital Services Costs" attached hereto as **Exhibit C** and incorporated herein by this reference.

d. Notwithstanding the provisions of Section 3.1.a., no Application for Acceptance of District Eligible Costs – Dedicated Public Infrastructure may be submitted to the extent such Application includes costs for Dedicated Public Infrastructure that has not received conditional acceptance from the applicable governmental entity, unless a) the District has Bond proceeds available to fund the full amount to be requested, and b) the District agrees to accept such Application. In such event, the provisions of Section 3.3 regarding the conduct of an inspection and issuance of an Inspection Report shall apply.

3.2. **Common Application Review Procedures - Eligible Public Infrastructure Costs.** Following receipt of a complete Application for Acceptance of District Eligible Costs as provided in Section 3.1 (a) or (b) above, the District shall promptly direct the following to occur:

a. The District shall direct the District Engineer to review the Application for Acceptance of District Eligible Costs to substantiate the District Eligible Costs associated with the Public Infrastructure proposed for reimbursement for the purpose of issuing an Engineer's Cost Certification. Such Engineer's Cost Certification shall be issued promptly upon completion of the Engineer's review. Toll Southwest may dispute the conclusions set

forth in the Engineer's Cost Certification, and the Parties shall attempt to resolve any such disputes in good faith, within 30 days of issuance thereof. In the event the Parties are not able to resolve such disputes within 30 days of the date of the Engineer's Cost Certification, the Parties shall submit the dispute to a Third-Party Engineering Firm, whose findings shall be binding on the Parties. The fees and expenses of the Third-Party Engineering Firm shall be split equally between the Parties, unless otherwise agreed.

b. Upon receipt of the Engineer's Cost Certification, the District shall direct the District Accountant to review the Engineer's Cost Certification and Application for Acceptance of District Eligible Costs and issue an Accountant's Cost Certification. Toll Southwest may dispute the conclusions set forth in the Accountant's Cost Certification, and the Parties shall attempt to resolve any such dispute in good faith. In the event the Parties are not able to resolve such disputes within 30 days of the date of the Accountant's Cost Certification, the Parties shall submit the dispute to a Third-Party Accounting Firm, whose findings shall be binding on the Parties. The fees and expenses of the Third-Party Accounting Firm shall be split equally between the Parties.

3.3. **Additional Application Review Procedures - District Public Infrastructure.** In addition to the requirements set forth in Section 3.2, upon receipt of an Application for Acceptance of District Eligible Costs – District Public Infrastructure, the District shall promptly direct the following to occur:

a. The District Engineer, or other appropriate consultant engaged by the District according to the nature of the work being inspected, and Toll Southwest, or its representative, shall jointly conduct an Inspection of the Public Infrastructure within 30 days of the submission of a complete Application for Acceptance of District Eligible Costs – District Public Infrastructure;

b. Within 14 days after the Inspection, the District Engineer shall issue a District Inspection Report that addresses the following:

i. whether the Public Infrastructure has been constructed in substantial accordance with the Construction Drawings;

ii. whether the Public Infrastructure is fit for its intended purpose; and

iii. whether any corrective work is necessary before declaring satisfaction of subsections (i) and (ii) hereof, in which case the District Inspection Report will include a punch list of such items.

c. If the District Inspection Report identifies any necessary corrective work, Toll Southwest shall be responsible for correcting such work listed on the punch list to the reasonable satisfaction of the District. The Parties shall mutually agree on a date by which such corrective work must be completed, failing which the Application shall be deemed terminated. In such event, Toll Southwest may submit a new Application to initiate the acceptance process anew. Within 30 days after the corrective work has been completed, the Engineer and Toll Southwest shall jointly inspect the Public Infrastructure that was found to be defective, and upon a determination by the District that the corrective work is

satisfactory, the District Engineer shall issue a new District Inspection Report for such Public Infrastructure.

d. The District and Toll Southwest agree and acknowledge that, in the event that the District Engineer determines that the District Public Infrastructure, was completed in a manner that makes direct inspection of such District Public Infrastructure by the District Engineer (and issuance of the District Inspection Report) impossible or infeasible, then Toll Southwest shall be required to obtain a Design Engineer's Certification to be issued to the District as a condition to acceptance.

3.4. **Application Review Procedures - Eligible Capital Services Costs.** Upon receipt of an Application for Acceptance of District Eligible Costs – Capital Services Costs using the form attached hereto as Exhibit C, the District shall promptly direct the District Accountant to review the invoices and other material presented to substantiate the District Eligible Costs and to issue an Accountant's Services Cost Certification. Toll Southwest shall have a reasonable opportunity to dispute the conclusions set forth in the Accountant's Services Cost Certification, and the Parties shall attempt to resolve any such dispute in good faith. In the event the Parties are not able to resolve such disputes within 30 days of the date of the Accountant's Services Cost Certification, the Parties shall submit the dispute to a Third-Party Accounting Firm, whose findings shall be binding on the Parties. In such event, the fees and expenses of the Third-Party Accounting Firm shall be split equally between the Parties.

3.5 **Documentary Requirements in Exhibit Schedules.** Toll Southwest acknowledges that the Exhibits contain additional documentary requirements that must be met, unless modified or waived by the District, as a condition to the adoption of any District Acceptance Resolution and agrees to satisfy same.

ARTICLE 4

DISTRICT ACCEPTANCE

4.1. **District Acceptance Resolution.** The Parties agree that no reimbursement shall be required under this Agreement unless and until the District has adopted a District Acceptance Resolution. Upon completion of the applicable Application Review Procedures described in Article III hereof, the District shall accept the District Eligible Costs and (if applicable) acquisition of the District Public Infrastructure within a reasonable time thereafter, not to exceed 60 days. Such acceptance shall be evidenced by the District adopting a District Acceptance Resolution and thereupon the District Eligible Costs so accepted shall become Certified District Eligible Costs. The District Acceptance Resolution shall declare the satisfaction of the requirements of this Agreement, subject to any waivers or modifications of specific requirements as the District may,

in its sole discretion, approve. The District Acceptance Resolution shall also address the means by which reimbursement is to occur, as contemplated in Section 5.1 hereof.

4.2 **Reimbursement Subject to Availability of Funds.** The obligation of the District to reimburse Toll Southwest following adoption of an Acceptance Resolution shall be subject to availability of funds, and as otherwise provided in Section 5.1 hereof.

ARTICLE 5

PAYMENT OF CERTIFIED DISTRICT ELIGIBLE COSTS

5.1. **Payment of Certified District Eligible Costs.** In connection with the adoption of a District Acceptance Resolution and satisfaction of any conditions to reimbursement as may be set forth therein, the District shall tender to Toll Southwest, or any other entity as directed by Toll Southwest, the amount of the Certified District Eligible Costs from the sources identified below in the following order of priority (unless otherwise agreed to by Toll Southwest):

a. First, from the proceeds of Bonds (whether available at the time of adoption of a District Acceptance Resolution or at any time thereafter), in which case, within three (3) business days of adoption of a District Acceptance Resolution, the District shall make a requisition in the amount of the Certified District Eligible Costs from any project fund held by the bond trustee (or such lesser amount as may then be available in the project fund), which requisition shall direct that the bond trustee make payment of the applicable amount directly to Toll Southwest. To the extent Bond proceeds are not available within three (3) business days of adoption of a District Acceptance Resolution, but subsequently become available upon a future Bond issuance, payment of Certified District Eligible Costs shall be made at closing, with such funds being issued directly to Toll Southwest.

b. Second, from such funds as the District determines, in its sole and absolute discretion, to be available; and/or

c. Third, through the issuance of one or more Reimbursement Obligations.

5.2 **Limitation on Payment Source for Dedicated Improvements Not Conditionally Accepted.** Notwithstanding the foregoing, and subject to the provisions of 3.1.d hereof, reimbursement for Dedicated Public Infrastructure in advance of conditional acceptance by the applicable governmental entity shall be limited to proceeds from the issuance of Bonds available at the time of adoption of an Acceptance Resolution with respect to such Public Infrastructure.

5.3. **Interest Prior to Issuance of Reimbursement Obligations.** With respect to Certified District Eligible Costs recognized prior to the issuance of any Reimbursement Obligation, simple interest with no compounding shall accrue on unpaid Certified District Eligible Costs at the MMD Interest Rate (the “**Interest Rate**”). Such interest shall accrue from the date of adoption of such District Acceptance Resolution to the earlier of the date Reimbursement

Obligation is issued to evidence the Certified District Eligible Costs, or the date of repayment in full of the applicable Certified District Eligible Costs.

5.4. **Issuance of Reimbursement Obligations.** Subject to any limitations or restrictions contained in any loan or bond documents or other multi-fiscal-year instruments, the Service Plan, the District's electoral authorization, and the conditions of this Section 5.4, upon request of Toll Southwest, the District hereby agrees to issue to or at the direction of Toll Southwest one or more Reimbursement Obligations to evidence any repayment obligation of the District then existing with respect to Certified District Eligible Costs, and interest accrued, under this Agreement. Such Reimbursement Obligations shall be payable solely from the sources identified in the Reimbursement Obligations, including, but not limited to, *ad valorem* property tax revenues of the District, and shall be secured by the District's pledge to apply such revenues as required thereunder, unless otherwise consented to by Toll Southwest. Such Reimbursement Obligations shall mature on a date or dates, subject to the limitation set forth herein, and bear interest at a market rate, to be determined at the time of issuance of such Reimbursement Obligations, subject to compliance with the provisions of Section 32-1-1101(7), C.R.S.

a. The issuance of any Reimbursement Obligations shall be subject to the availability of an exemption (if required) from the registration requirements of § 11-59-106, C.R.S., and shall be subject to such prior filings with the Colorado State Securities Commissioner as may be necessary to claim such exemption, in accordance with § 11-59-110, C.R.S., and any regulations promulgated thereunder.

b. In connection with the issuance of any such Reimbursement Obligation, the District shall make such filings as it may be deemed necessary to comply with the provisions of § 32-1-1604, C.R.S., as amended.

c. To the extent such Reimbursement Obligations may be issued as tax-exempt obligations, and upon the request of Toll Southwest, such obligations shall be issued with a tax-exempt opinion of nationally recognized bond counsel.

d. The District shall bear the costs of issuance of the Reimbursement Obligations.

e. The terms of this Agreement may be used to construe the intent of the Parties in connection with issuance of any Reimbursement Obligations and shall be read as nearly as possible to make the provisions of any Reimbursement Obligations and this Agreement fully effective. Should any irreconcilable conflict arise between the terms of this Agreement and the terms of any Reimbursement Obligations, the terms of such Reimbursement Obligations shall prevail.

ARTICLE 6

TERMINATION

6.1. **Termination of Obligation to Reimburse.**

a. Notwithstanding any provision in this Agreement to the contrary, this Agreement and the District's obligation to reimburse Toll Southwest for any and all Certified District Eligible Costs not converted to Reimbursement Obligations shall terminate automatically and be of no further force or effect upon the occurrence of: (i) Toll Southwest's voluntary dissolution, liquidation and winding up; (ii) administrative dissolution (or other legal process not initiated by Toll Southwest, dissolving Toll Southwest as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (iii) the initiation of bankruptcy, receivership or similar process or actions with regard to Toll Southwest (whether voluntary or involuntary). The termination of this Agreement and the District's reimbursement obligations set forth herein shall be absolute and binding upon Toll Southwest and its successors and assigns. Toll Southwest, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the District relating to or arising out of the District's reimbursement obligations under this Agreement, in the event that any of the occurrences described in this Section 6.1.a. occur.

b. Furthermore, this Agreement and the District's obligations under this Agreement to reimburse Toll Southwest shall terminate at the earlier of the repayment in full of the Certified District Eligible Costs or at the expiration of the Maximum Repayment Term. The Parties hereby agree and acknowledge that, upon the termination date set forth in the preceding sentence, any obligation of the District to reimburse Toll Southwest for amounts due and outstanding under this Agreement, including accrued interest, shall be forgiven in its entirety, generally and unconditionally released, waived, acquitted and forever discharged, and shall be deemed a contribution to the District by Toll Southwest and there shall be no further obligation of the District to pay or reimburse Toll Southwest with respect to such amounts. This limitation shall not apply to Reimbursement Obligations, which shall mature in accordance with their terms.

ARTICLE 7

MISCELLANEOUS

7.1. **Annual Appropriation/No Multiple Fiscal Year Financial Obligation.** The obligation to pay Certified District Eligible Costs due to Toll Southwest pursuant to this Agreement (except to the extent converted into Reimbursement Obligations) shall not constitute a debt or indebtedness of the District within the meaning of the Colorado Constitution, and the payment of such amounts shall be subject to annual appropriation by the District. The District shall consider such appropriations in good faith considering the benefits provided hereunder, at the time of adoption of its annual budget. Toll Southwest expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the District's Board and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. By acceptance of this Agreement, Toll Southwest agrees and consents to all of the limitations with respect of the payment of amounts due under this Agreement.

7.2. **Default/Remedies.** In the event of a breach or default of this Agreement by any Party, the non-defaulting Party, after having given notice to the other Party and a 30 day period to cure said breach or default, shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees, expert witness fees and court costs.

7.3. **Time Is of the Essence/Modification of Performance Dates.** Time is of the essence hereof; provided, however, that if the last day permitted or otherwise determined for the performance of any required act under this Agreement falls on a Saturday, Sunday, or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated. Notwithstanding the foregoing, any date specified for completion of any required act by either Party hereunder may be modified upon the mutual agreement of the Parties.

7.4. **Indemnification.** Toll Southwest hereby agrees to indemnify and save harmless the District from all claims and/or causes of action, including but not limited to mechanic's liens, arising out of the fraudulent misrepresentation or misstatement in connection with Toll Southwest's performance of its obligations hereunder.

7.5. **Notices.** All notices, demands and communications (collectively, "Notices") under this Agreement shall be delivered or sent, addressed to the address of the intended recipient set forth below or such other address as a Party may designate by notice pursuant to this Section, by: (a) first class, registered or certified mail, postage prepaid, return receipt requested, (b) nationally recognized overnight carrier, or (c) sent by confirmed facsimile transmission or email. Notices shall be deemed given either one business day after delivery to the overnight carrier, three days after being mailed as provided in clause (a) or (b) above, or upon confirmed delivery as provided in clause (c) above.

To the District: Piney Lake Trails Metropolitan District No. 1
c/o White Bear Ankele Tanaka & Waldron
2154 E. Commons Avenue, Suite 2000
Centennial, Colorado 80122
Attention: Megan Murphy
(303) 858-1800
mmurphy@wbapc.com

To Toll Southwest: Toll Southwest, LLC
250 Gibraltar Road
Horsham, Pennsylvania 19044
Attention: Reggie Carveth
(303) 708-0730 (phone)
rcarveth@tollbrothers.com

7.6. **Amendments.** This Agreement may only be amended or modified by a writing executed by the Parties.

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

7.8. **Governing Law/Venue.** This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located.

7.9. **No Assignment.** This Agreement may not be assigned by either Party and any attempt to do so shall be null and void.

7.10. **Authority.** By execution hereof, the District and Toll Southwest represent and warrant that their representative signing hereunder has full power and lawful authority to execute this Agreement and to bind the respective Party to the terms hereof.

7.11. **Entire Agreement.** This Agreement constitutes and represents the entire, integrated agreement between the Parties with respect to the matters set forth herein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral. This Agreement shall become effective upon the date set forth above.

7.12. **Inurement.** The terms of this Agreement shall be binding upon and inure to the benefit of the Parties as well as their respective successors.

7.13. **Legal Existence.** The District will maintain its legal identity and existence so long as any of the advanced amounts contemplated herein remain outstanding. The foregoing statement shall apply unless, by operation of law, another legal entity succeeds to the liabilities and rights of the District without materially adversely affecting Toll Southwest's privileges and rights under this Agreement.

7.14. **Governmental Immunity.** Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the District, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the District and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, et seq., C.R.S.

7.15. **Negotiated Provisions.** This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared

by counsel for one of the Parties, it being acknowledged that each Party has contributed substantially and materially to the preparation of this Agreement.

7.16. **Parties Interested /No Third-Party Beneficiaries.** Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the Parties any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties. Nothing contained in this Agreement shall give or allow any such claim or right of action by any other third parties. It is the express intention of the Parties that any person other than the Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

7.17. **Electronic Storage and Execution.** The Parties agree that the transactions described herein may be conducted and related documents may be signed and stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of electronically signed and stored documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. Without limiting the foregoing, the Parties agree that in the event that any individual or individuals who are authorized to execute or consent to this Agreement on behalf of the District or Toll Southwest are not able to be physically present to manually sign this Agreement or any amendments or consents thereto, that such individual or individuals are hereby authorized to execute the same electronically via an electronic signature. Any electronic signature so affixed to this Agreement or any amendments or consents thereto shall carry the full legal force and effect of any original, handwritten signature.

7.18. **Counterpart Execution.** This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument.

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

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

DISTRICT:

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado

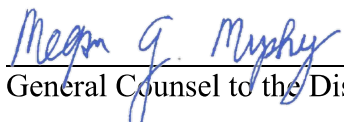
By: 
Jordan Honea (May 5, 2025 13:26 MDT)
Officer of the District

Attest:


By: Ian Nelson (May 5, 2025 14:44 MDT)
Secretary

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON


General Counsel to the District

TOLL SOUTHWEST:

TOLL SOUTHWEST, LLC, a Delaware limited liability company

By: 
Reggie Carveth (May 5, 2025 12:06 MDT)
Reggie Carveth
Printed Name
dp
Title

EXHIBIT A

Application for Acceptance of District Eligible Costs Dedicated Public Infrastructure

Applicant Name: _____

Applicant Address: _____

State: _____ **Zip:** _____ **Daytime Phone #:** _____

Alt. Phone / Cell: _____

Email: _____

Please complete the table below and attach the materials specified in Schedule 1 hereto:

Category	Entity that will own, operate, and/or maintain the Public Infrastructure	Final, preliminary or conditional acceptance by the applicable governmental entity (Yes/No)	Proposed District Eligible Costs
Street			
Parks and Recreation			
Water			
Sanitation/Storm Sewer			
Transportation			
Mosquito			
Safety Protection			
Fire Protection			
Television Relay and Translation			
Security			

By its signature below, the Applicant certifies that this Application for Acceptance of District Eligible Costs - Dedicated Public Infrastructure and all documents submitted in support of this application are true and correct, that the Applicant is authorized to sign this application, and that the costs submitted for reimbursement herein qualify as District Eligible Costs in accordance with the Infrastructure Acquisition and Reimbursement Agreement.

Signature: _____

Date: _____

Schedule 1

Documentary Requirements

In addition to the requirements set forth in Article III of this Agreement, the following additional documentary requirements apply in connection with the Application for Acceptance of District Eligible Costs – Dedicated Public Infrastructure, per Exhibit A:

Requirements Applicable to Public Infrastructure that has been finally accepted by the applicable governmental entity

1. Contracts and approved change orders;
2. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs;
3. A letter from the governmental entity to which the Public Infrastructure is being dedicated evidencing the governmental entity's final acceptance of such Public Infrastructure;
4. Such information as the District Engineer and District Accountant may determine is necessary in order for such entities to provide the certifications set forth in Section 3.2 of this Infrastructure Acquisition and Reimbursement Agreement.

Requirements Applicable to Public Infrastructure conditionally accepted by the applicable governmental entity

1. Contracts and approved change orders;
2. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs;
3. A letter from the governmental entity to which the Public Infrastructure is being dedicated evidencing the governmental entity's conditional acceptance of such Public Infrastructure;
4. Submission of a letter agreement in form and substance satisfactory to the District addressing: a) Toll Southwest's obligation to undertake all steps necessary to achieve final acceptance of the Public Infrastructure by the appropriate governmental entity, and b) to the extent not otherwise performed by the governmental entity having conditionally accepted such Public Infrastructure, Toll Southwest's obligation to maintain such Public Infrastructure until final acceptance thereof by the applicable governmental entity;
5. Such information as the District Engineer and District Accountant may determine is necessary in order for such entities to provide the certifications set forth in Section 3.2 of the Infrastructure Acquisition and Reimbursement Agreement.

Requirements for Public Infrastructure prior to conditional by the applicable governmental entity

An Application for Acceptance for Dedicated Public Infrastructure that has not received conditional acceptance from the applicable governmental entity shall only be permitted: a) if the District has proceeds available to fund the full amount thereof from the issuance of Bonds, and b) the District agrees to accept such Application.

For Public Infrastructure that is to be dedicated to another governmental entity in advance of conditional acceptance, Toll Southwest shall satisfy the following additional documentary requirements:

1. Construction Drawings.
2. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs, including lien waivers from any suppliers and subcontractors. In the alternative with respect to lien waivers, upon the request of Toll Southwest, and subject to the District's agreement thereto (in its sole discretion), Toll Southwest may provide an indemnification agreement in form and substance acceptable to the District (which may include provisions for security) whereby Toll Southwest agrees to indemnify the District for any mechanic or materialman's liens from suppliers and subcontractors;
3. A letter agreement in form and substance satisfactory to the District establishing:
a) Toll Southwest's obligation to undertake all steps necessary to achieve dedication to and final acceptance of the Public Infrastructure by the appropriate governmental entity and, b) Toll Southwest's obligation to maintain such Public Infrastructure until final acceptance thereof by the applicable governmental entity;
4. Evidence satisfactory to the District that any and all real property interests necessary for the use and occupancy of the Public Infrastructure have been granted either to the District or to the governmental entity accepting such Public Infrastructure; or, in the discretion of the District, assurances acceptable to the District that Toll Southwest will execute or cause to be executed such instruments as shall satisfy this requirement;
5. An executed Bill of Sale in form and substance acceptable to the District conveying the Public Infrastructure to the District, which Bill of Sale shall provide for its automatic termination upon final acceptance of the Public Infrastructure by the appropriate governmental entity.;
6. A license agreement or equivalent document from the jurisdiction to which the Public Infrastructure are to be dedicated, authorizing the District to enter onto public right-of-way to conduct any maintenance in the event Toll Southwest fails to do so.
7. Such information as the District Engineer and District Accountant may determine is necessary in order for such entities to provide the certifications set forth in Section 3.2 of the Infrastructure Acquisition and Reimbursement Agreement;

8. When ultimately produced, a complete set of digital record drawings of the Public Infrastructure which is certified by a professional engineer registered in the State of Colorado or a licensed land surveyor, showing accurate dimensions and location of all Public Infrastructure. Such drawings shall be in form and content reasonably acceptable to the District;

9. Any operation and maintenance manuals, if available, and otherwise a commitment to provide when available;

10. Evidence that any underground facilities are electronically locatable (if applicable);

11. Test results for improvements conforming to industry standards (compaction test results, concrete tickets, hardscape test results, cut-sheets, etc.) (if applicable);

12. Pressure test results for any irrigation system (if applicable).

The District may, in its sole discretion, retain up to 10% of the Certified District Eligible Costs otherwise being paid for Public Infrastructure that is being reimbursed in this fashion and may require security in such amount as the District may reasonable determine is necessary pending preliminary, conditional or final acceptance.

EXHIBIT B

Application for Acceptance of District Eligible Costs District Public Infrastructure

Applicant Name: _____

Applicant Address: _____

State: _____ **Zip:** _____ **Daytime Phone #:** _____

Alt. Phone / Cell: _____

Email: _____

Please complete the table below and attach the materials specified in Schedule 1 hereto:

Category	Public Infrastructure located within public property, easements or public ROW (please specify)	Proposed District Eligible Costs
Street		
Parks and Recreation		
Water		
Sanitation/Storm Sewer		
Transportation		
Mosquito		
Safety Protection		
Fire Protection		
Television Relay and Translation		
Security		

By its signature below, the Applicant certifies that this Application for Acceptance of District Eligible Costs - District Public Infrastructure by the District and all documents submitted in support of this application are true and correct, that the Applicant is authorized to sign this application, and that the costs submitted for reimbursement herein qualify as District Eligible Costs in accordance with the Infrastructure Acquisition and Reimbursement Agreement.

Signature: _____

Date: _____

Schedule 1

Documentary Requirements

In addition to the requirements set forth in Section 3.3 of this Agreement, the following additional documentary requirements apply in connection with the Application for Acceptance of District Eligible Costs – District Public Infrastructure, per Exhibit B:

1. Construction Drawings;
2. Contracts and approved change orders;
3. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs, including lien waivers from any suppliers and subcontractors. In the alternative with respect to lien waivers, upon the request of Toll Southwest, and subject to the District's agreement thereto (in its sole discretion), Toll Southwest may provide an indemnification agreement in form and substance acceptable to the District (which may include provisions for security) whereby Toll Southwest agrees to indemnify the District for any mechanic or materialman's liens from suppliers and subcontractors;
4. Evidence satisfactory to the District that any and all real property interests necessary to permit the District's use and occupancy of the Public Infrastructure have been granted, or, in the discretion of the District, assurances acceptable to the District that Toll Southwest will execute or cause to be executed such instruments as shall satisfy this requirement;
5. A complete set of digital record drawings of the Public Infrastructure which are certified by a professional engineer registered in the State of Colorado or a licensed land surveyor, showing accurate dimensions and location of all District Public Infrastructure. Such drawings shall be in form and content reasonably acceptable to the District;
6. Such information as the District Engineer and Districts Accountant may determine is necessary in order for such entities to provide the certifications set forth in Section 3.2 of the Agreement;
7. Assignment of any warranties or guaranties;
8. A Warranty Agreement, in form and substance acceptable to the District, providing that Toll Southwest will immediately correct or replace any Public Infrastructure that is defective to the reasonable satisfaction of the District at Toll Southwest's sole expense for a period of two years;
9. Any operation and maintenance manuals;
10. Evidence that any underground facilities are electronically locatable (if applicable);

11. Approved landscape plan and certification by a landscape architect or engineer that all landscape improvements were installed in accordance with the approved landscape plan(s) (if applicable);
12. Test results for improvements conforming to industry standards (compaction test results, concrete tickets, hardscape test results, cut-sheets, etc.) (if applicable);
13. Pressure test results for any irrigation system (if applicable);
14. Such information as the District may require in order to insure the Public Infrastructure;
15. An executed Bill of Sale for the Public Infrastructure in form and substance acceptable to the District;
16. If the District is to assume ownership of any real property, a title commitment and form of Special Warranty Deed, in a form acceptable to the District, conveying the real property free and clear of all liens, claims and other encumbrances, except matters of record acceptable to the District.

EXHIBIT C

Application for Acceptance of District Eligible Costs Capital Services Costs

Applicant Name: _____

Applicant Address: _____

State: _____ **Zip:** _____ **Daytime Phone #:** _____

Alt. Phone / Cell: _____

Email: _____

Description of the nature of the Eligible Service Costs and the relation to Public Infrastructure, as applicable: _____

Category	Proposed District Eligible Costs
Organizational Costs	
Street	
Parks and Recreation	
Water	
Sanitation/Storm Sewer	
Transportation	
Mosquito	
Safety Protection	
Fire Protection	
Television Relay and Translation	
Security	

By its signature below, the Applicant certifies that this Application for Acceptance of Eligible Service Costs and all documents submitted in support of this application are true and correct, that the Applicant is authorized to sign this application, and that the costs submitted for reimbursement herein qualify as District Eligible Costs in accordance with the Infrastructure Acquisition and Reimbursement Agreement.

Signature: _____

Date: _____

Schedule 1

Documentary Requirements

In addition to the requirements set forth in Section 3.4 of this Agreement, the following additional documentary requirements apply in connection with the Application for Acceptance of District Eligible Costs – Service Costs, per Exhibit C:

1. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs;
2. Such information as the District Accountant may determine is necessary in order for such entities to provide the certification set forth in Section 3.4 of the Infrastructure Acquisition and Reimbursement Agreement.

EXHIBIT B
OPEN SPACE AGREEMENT

**FIRST AMENDMENT TO THE
OPEN SPACE AGREEMENT**

**Piney Lake Trails
A Residential Community in Douglas County,
Colorado Approved under the**

PINEY LAKE TRAILS PLANNED DEVELOPMENT

THIS FIRST AMENDMENT TO THE OPEN SPACE AGREEMENT (“Amendment”) is made and entered into as of this 10th day of October, 2025, by and among TOLL SOUTHWEST LLC, a Delaware limited liability company authorized to do business in Colorado (“Developer”), PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1 (“District”), and the BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO (“County”). The Developer, the District, and the County are collectively referred to herein as the “Parties”.

RECITALS

WHEREAS, the Parties entered into a certain Open Space Agreement (“Agreement”) dated September 24, 2024; and

WHEREAS, the Parties desire to amend the Agreement to (i) clarify Section 2(a)(i) Principle Structures and Section 2(b) Permitted Uses within the Open Space Areas; (ii) update the name of the Parties and their respective contact information; and (iii) add Exhibit B Park Exhibit to the Agreement.

NOW, THEREFORE, the Parties hereto mutually agree as follows:

1. All references to “Piney Lake Trails Metropolitan District” in the Agreement shall mean “Piney Lakes Trails Metropolitan District No. 1.” All references to the “District” in the Agreement shall mean Piney Lake Trails Metropolitan District No. 1.
2. All references to “Developer” in the Agreement shall mean Toll Southwest LLC, a Delaware limited liability company which purchased the property identified in Exhibit A to the Agreement from Piney Lake Trails, LLC, a Colorado limited liability company pursuant to a Special Warranty Deed recorded with the Douglas County Clerk and Recorder on January 22, 2025 at Reception #2025002772.
3. Section 2(a)(i) is hereby amended to read:

Principle Structures. In addition to natural open space and trailhead and trail system; community picnic areas; landscaping and associated appurtenances; benches; playgrounds, gas fire feature, artwork, grills, and mail kiosk; community shade structures, including gazebos; observation areas, including viewing platforms; entry, monument, wayfinding, and informational signage; and water, sewer, stormwater, electric and gas utility infrastructure are permitted within the Open Space Areas, subject to the approval of a site improvement plan, location and extent, or other review in accordance with the Douglas County Zoning Resolution.

4. Section 2(b) is hereby amended to read:

Permitted Uses within the Open Space Areas. Agriculture (as defined in the Douglas County Zoning Resolution), walking/biking trails, equestrian trails, play equipment including but not limited to playgrounds. All trails within the Open Space Area may be used by the public for equestrian purposes and pedestrian/bicycle purposes; provided, however, the District may restrict the use of the trails from time to time as reasonably prudent for the management of this resource and for the protection and safety of the residents and users. Motorized vehicles, including cars, trucks, ATV's, off-road vehicles, motorcycles, dirt bikes and scooters, shall not be permitted on the trails at any time (with the exception of electric bikes and accessibility devices prescribed by the Americans with Disabilities Act if the District determines such uses are permissible and structurally practicable; and except for grooming and maintenance equipment, and except for vehicles necessary to conduct this maintenance, monitoring, law enforcement or as may from time to time facilitate agricultural farm implements. Trails are a "Use by Right" on all Open Space Areas).

5. Section 7 is hereby amended to read:

Notices. Notices shall be made as follows:

If to Developer:

Toll Southwest, LLC
Attn: Tim Westbrook
7100 E. Belleview Ave., Ste. 200
Greenwood Village, CO 80111
E-mail: twestbrook@tollbrothers.com

If to the District:

Piney Lakes Trails Metropolitan District No. 1
c/o WBA
Attn: Matt Fegan, Esq.
2154 E. Commons Ave., Ste. 2000
Centennial, CO 80122

E-mail: mfegan@wbapc.com

If to the County:

Douglas County
Open Space & Natural Resources
100 Third Street
Castle Rock, CO 80104
E-mail: openspace@douglas.co.us

Said notices shall be delivered personally during normal business hours to the appropriate office above, or by prepaid first-class U.S. mail or other method authorized in writing by the Parties. Mailed notices shall be deemed effective upon receipt or three (3) days after the date of mailing, whichever is earlier. The Parties may from time-to-time designate substitute addresses or persons where and to whom such notices are to be mailed or delivered, but such substitutions shall not be effective until actual receipt of written notification.

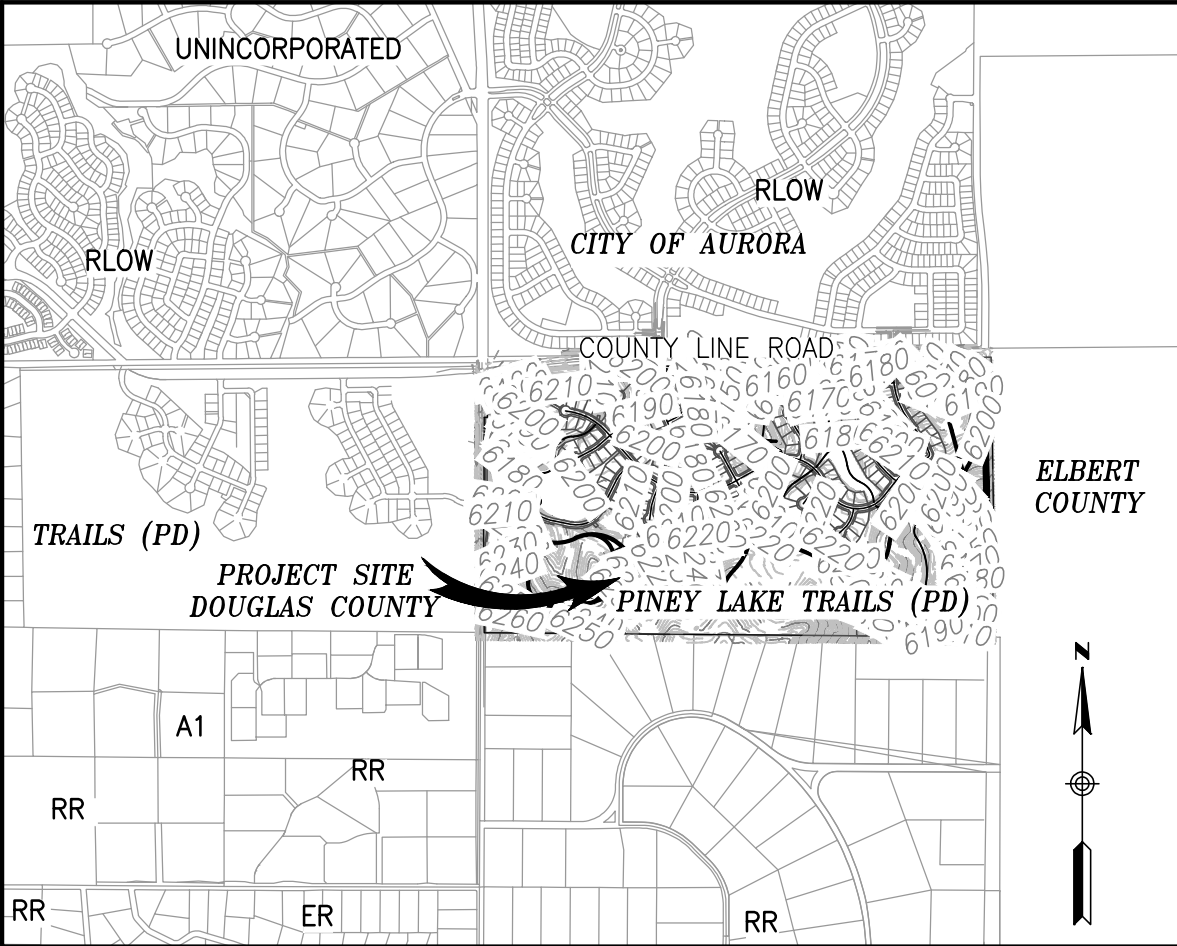
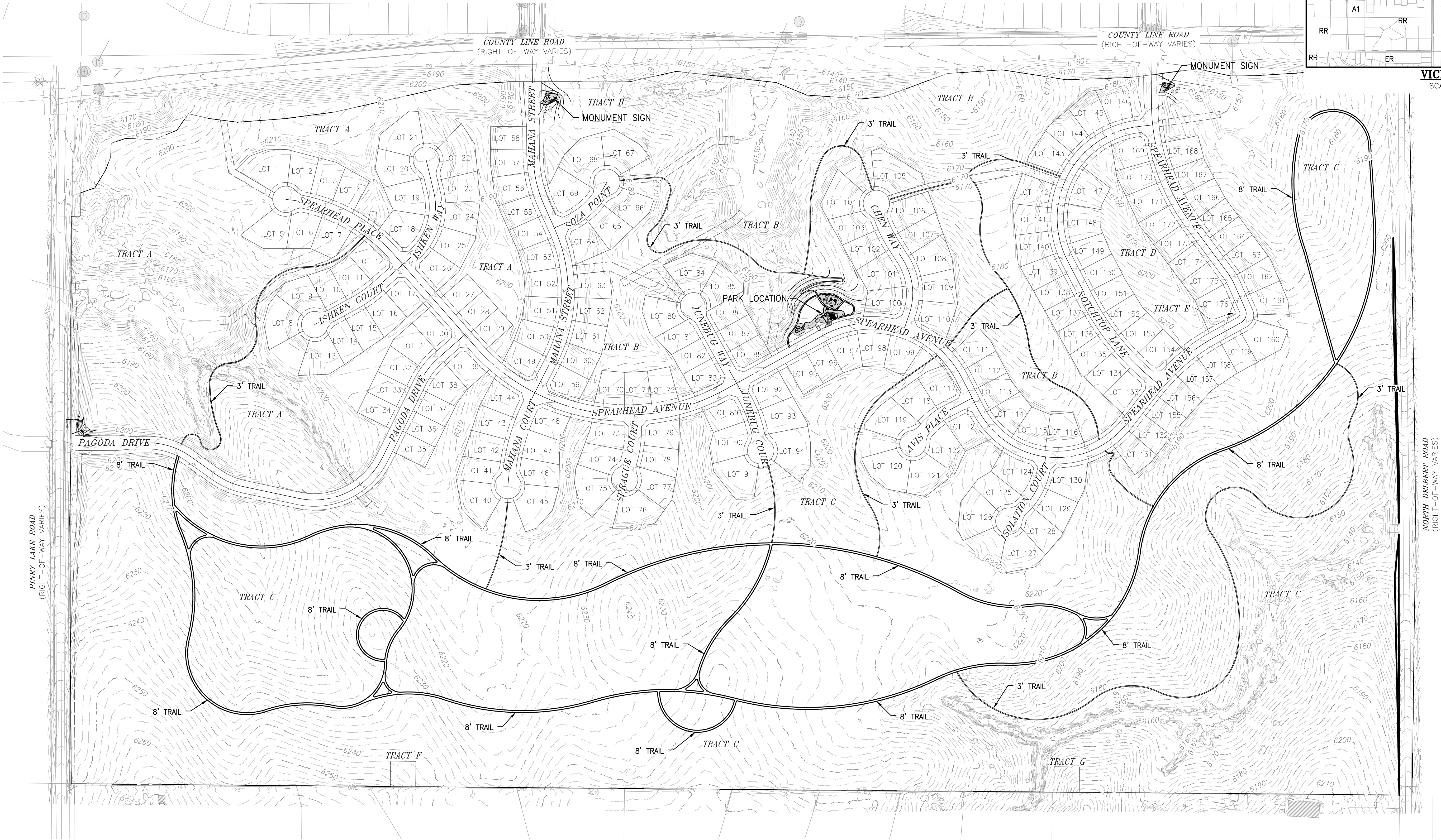
6. **Exhibit B** depicting the Principal Structures on the Property is attached hereto and incorporated herein by reference.
7. Other Terms and Conditions Remain. In the event of any inconsistencies between the Agreement and First Amendment, the terms of this First Amendment shall control. Except as expressly set forth in this First Amendment, the Agreement otherwise is unmodified and remains in full force and effect. Each reference in the Agreement to itself shall be deemed also to refer to this First Amendment.

(Remainder of Page Intentionally Blank)

LOCATION AND EXTENT EXHIBIT

PINEY TRAIL ESTATES

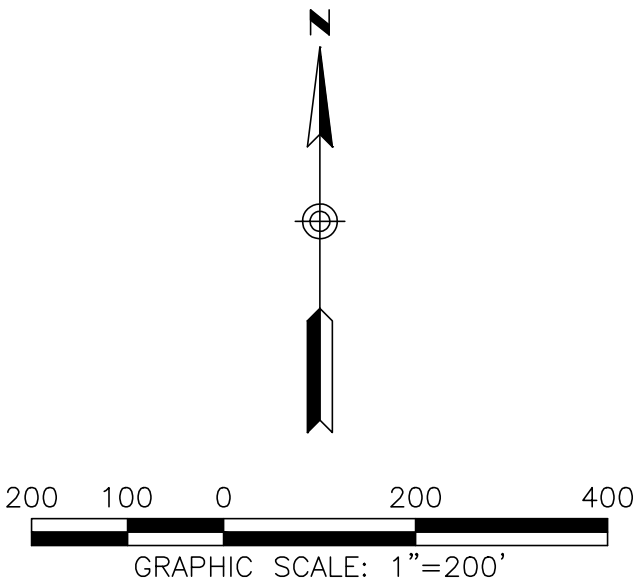
A PORTION OF LAND LOCATED IN SECTION 4, TOWNSHIP 6 SOUTH, RANGE 65 WEST
OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO



VICINITY MAP
SCALE: 1"=2000'

PINEY LAKE ROAD
(RIGHT-OF-WAY VARIES)

NORTH DELBERT ROAD
(RIGHT-OF-WAY VARIES)



LEGAL DESCRIPTION

THE NORTH HALF OF SECTION 4, TOWNSHIP 6 SOUTH, RANGE 65 WEST OF THE 6TH P.M., COUNTY OF DOUGLAS, STATE OF COLORADO, EXCEPT THEREFROM THOSE PORTIONS CONVEYED IN DEED RECORDED JUNE 23, 1997 IN BOOK 1441 AT PAGE 1439; RECORDED FEBRUARY 11, 1999 IN BOOK 1667 AT PAGE 1884 AND RECORDED JUNE 16, 2004 AT RECEPTION NO. 2004062517 AND RECORDED JUNE 24, 2019 AT RECEPTION NO. 2019036576.

CONTAINING 14,613,025 SQUARE FEET OR 335.469 ACRES, MORE OR LESS.

TRACT	PURPOSE	ACREAGE±	OWNERSHIP	MAINTENANCE
A	OPEN SPACE, UTILITIES, DRAINAGE	34.123	DISTRICT	DISTRICT/HOA
B	OPEN SPACE, UTILITIES, DRAINAGE	35.779	DISTRICT	DISTRICT/HOA
C	OPEN SPACE, UTILITIES, DRAINAGE	169.766	DISTRICT	DISTRICT/HOA
D	OPEN SPACE, UTILITIES, DRAINAGE	2.758	DISTRICT	DISTRICT/HOA
E	SIGHT TRIANGLE	0.049	DISTRICT	DISTRICT/HOA
F	DISTRICT DIRECTOR PARCEL, OPEN SPACE	0.230	PINEY LAKE TRAILS MD 1	DISTRICT/HOA
G	DISTRICT DIRECTOR PARCEL, OPEN SPACE	0.230	PINEY LAKE TRAILS MD 1	DISTRICT/HOA
LOTS	RESIDENTIAL	66.336	N/A	N/A
ROADS	PUBLIC RIGHT-OF-WAY	26.304	DOUGLAS COUNTY	DOUGLAS COUNTY

BENCHMARK NOTE:

THE PRIMARY BENCHMARK USED TO DETERMINE THE BASIS OF ELEVATIONS FOR THIS PLAN IS: EAST 1/4 CORNER SECTION 5 FOUND 3.25 ALUMINUM CAP PLS 17666, NAVD 88 ELEVATION=6255.27, APPROXIMATELY 2,750 FEET SOUTH OF SAMPSON GULCH AND PINEY LAKE ROAD.

ASSISTANT DIRECTOR OF DEVELOPMENT REVIEW

DATE

THESE CONSTRUCTION DRAWINGS HAVE BEEN REVIEWED BY DOUGLAS COUNTY FOR STREET AND DRAINAGE IMPROVEMENTS ONLY.

ENGINEERING DIVISION ACCEPTANCE BLOCK

PINEY TRAIL ESTATES

LOCATION AND EXTENT PLAN EXHIBIT

DOUGLAS COUNTY, CO

COVER SHEET

SEAL:

303-537-8020
rickengineering.com



RICK

8676 CONCORD CENTER DR #200
ENGLEWOOD, CO 80112

SAN DIEGO ORANGE RIVERSIDE SACRAMENTO SAN LUIS OBISPO
SANTA CLARITA PHOENIX TUCSON LAS VEGAS DENVER

PROJECT NO:

D02211B

DRAWN/DESIGNED BY:

KRA

CHECKED BY:

RF

08/26/2025

DATE:

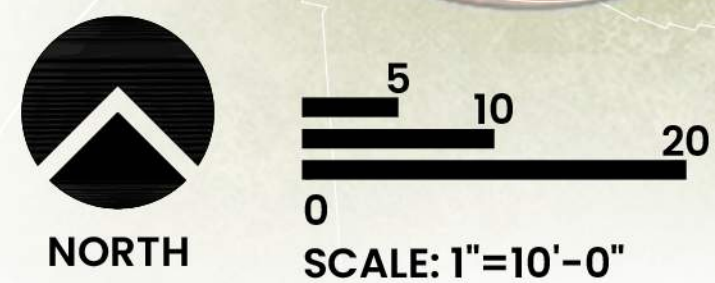
NO. BY DATE REVISION



DRAWING NO.

01

SHEET NO. 01



ENGINEERING DIVISION ACCEPTANCE BLOCK

DRAWING NO.
LS1.2
SHEET NO. 02

PROJECT NO:	D02211B	DRAWN/DESIGNED BY:	KRA
DATE:	08/26/2025	CHECKED BY:	RF

[illegible]

IN WITNESS WHEREOF, the County and the Consultant have executed this Contract as of the above date.

Toll Southwest, LLC

BY: [Signature]

Printed Name TIM WESTBROOK

Title: VICE PRESIDENT, LO

DATE: 10/6/2025

ATTEST: (if a corporation)

[Signature]
Title: Asst. Land Entitlement Mgr.

Signature of Notary Public Required:

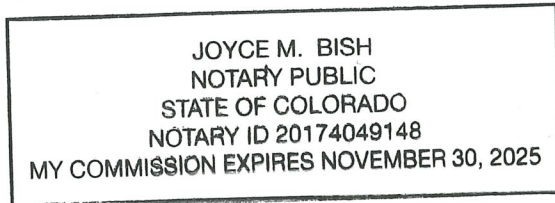
STATE OF Colorado)
)
COUNTY OF Arapahoe) ss.

The foregoing instrument was acknowledged before me this 6 day of Oct., 20 25, by Tim Westbrook.

Witness my hand and official seal

Joyce M Bish
Notary Public

My commission expires: Nov 30, 2025



INSTRUCTIONS

Print out this page and then attach the signed and notarized page to this attachment icon.

Signed by:

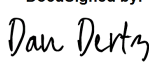
Jordan Honea

ACD4E741329E470...

Jordan Honea

Director

**BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS**

DocuSigned by:

BY: 3FDF402E196847B...

Dan Dertz

Director, Open Space and Natural Resources

DATE: 10/9/2025

APPROVED AS TO FISCAL CONTENT:

Signed by:

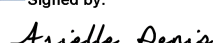
BY: C371FCD771FC4CD...

Christie Guthrie

Finance Director

DATE: 10/10/2025

APPROVED AS TO LEGAL FORM:

Signed by:

BY: E31A124B1829457...

Arielle Denis

Assistant County Attorney

DATE: 10/6/2025

EXHIBIT C
2026 BUDGET

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 4,631	\$ 2,405	\$ 9,464,766
REVENUES			
Property taxes	-	171,602	399,091
Specific ownership taxes	-	13,080	29,932
Interest Income	13,922	14,000	47,000
Other Revenue	-	-	21,719
Bond issuance proceeds	-	9,985,000	-
Total revenues	13,922	10,183,682	497,742
TRANSFERS IN	-	1,324,250	-
Total funds available	18,553	11,510,337	9,962,508
EXPENDITURES			
General Fund	16,148	140,715	100,000
Debt Service Fund	-	67,656	600,000
Capital Projects Fund	-	512,950	8,180,800
Total expenditures	16,148	721,321	8,880,800
TRANSFERS OUT	-	1,324,250	-
Total expenditures and transfers out requiring appropriation	16,148	2,045,571	8,880,800
ENDING FUND BALANCES	\$ 2,405	\$ 9,464,766	\$ 1,081,708
EMERGENCY RESERVE	\$ 500	\$ 5,600	\$ 3,800
AVAILABLE FOR OPERATIONS	1,905	41,772	68,149
SURPLUS FUND (\$1,566,000)	-	785,500	1,009,759
CAPITALIZED INTEREST	-	476,094	-
TOTAL RESERVE	\$ 2,405	\$ 1,308,966	\$ 1,081,708

See summary of significant assumptions.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
----------------	-------------------	----------------

ASSESSED VALUATION

Vacant land	\$ 2,355,700	\$ 2,355,700	\$ 5,305,790
Personal property	2,700	2,800	2,400
Certified Assessed Value	<u>\$ 2,358,400</u>	<u>\$ 2,358,500</u>	<u>\$ 5,308,190</u>

MILL LEVY

General	0.000	72.759	21.481
Debt Service	0.000	0.000	53.703
Total mill levy	<u>0.000</u>	<u>72.759</u>	<u>75.184</u>

PROPERTY TAXES

General	\$ -	\$ 171,602	\$ 114,025
Debt Service	-	-	285,066
Levied property taxes	<u>-</u>	<u>171,602</u>	<u>399,091</u>
Budgeted property taxes	<u>\$ -</u>	<u>\$ 171,602</u>	<u>\$ 399,091</u>

BUDGETED PROPERTY TAXES

General	\$ -	\$ 171,602	\$ 114,025
Debt Service	-	-	285,066
	<u>\$ -</u>	<u>\$ 171,602</u>	<u>\$ 399,091</u>

See summary of significant assumptions.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 4,631	\$ 2,405	\$ 47,372
REVENUES			
Property taxes	-	171,602	114,025
Specific ownership taxes	-	13,080	8,552
Interest Income	13,922	1,000	2,000
Total revenues	13,922	185,682	124,577
Total funds available	18,553	188,087	171,949
EXPENDITURES			
General and administrative			
Accounting	5,186	12,750	25,000
Auditing	-	-	8,000
County Treasurer's Fee	-	2,574	1,710
Dues and Membership	-	584	1,000
Insurance	580	4,292	5,000
District management	-	-	10,000
Legal	10,046	40,000	30,000
Miscellaneous	336	430	-
Banking fees	-	50	-
Election	-	12,000	-
Repay developer advance	-	68,035	-
Contingency	-	-	19,290
Total expenditures	16,148	140,715	100,000
Total expenditures and transfers out requiring appropriation	16,148	140,715	100,000
ENDING FUND BALANCES	\$ 2,405	\$ 47,372	\$ 71,949
EMERGENCY RESERVE	\$ 500	\$ 5,600	\$ 3,800
AVAILABLE FOR OPERATIONS	1,905	41,772	68,149
TOTAL RESERVE	\$ 2,405	\$ 47,372	\$ 71,949

See summary of significant assumptions.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 1,261,594
REVENUES			
Property taxes	-	-	285,066
Specific ownership taxes	-	-	21,380
Interest Income	-	5,000	20,000
Other Revenue	-	-	21,719
Total revenues	-	5,000	348,165
TRANSFERS IN			
Transfers from other funds	-	1,324,250	-
Total funds available	-	1,329,250	1,609,759
EXPENDITURES			
General and administrative			
County Treasurer's Fee	-	-	4,276
Paying agent fees	-	-	7,000
Contingency	-	-	21,719
Debt Service			
Bond interest	-	67,656	567,005
Total expenditures	-	67,656	600,000
Total expenditures and transfers out requiring appropriation	-	67,656	600,000
ENDING FUND BALANCES	\$ -	\$ 1,261,594	\$ 1,009,759
SURPLUS FUND (\$1,566,000)	\$ -	\$ 785,500	\$ 1,009,759
CAPITALIZED INTEREST	-	476,094	-
TOTAL RESERVE	\$ -	\$ 1,261,594	\$ 1,009,759

See summary of significant assumptions.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/27/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ 8,155,800
REVENUES			
Bond issuance proceeds	-	9,985,000	-
Interest Income	-	8,000	25,000
Total revenues	-	9,993,000	25,000
Total funds available	-	9,993,000	8,180,800
EXPENDITURES			
General and Administrative			
Accounting	-	-	5,000
Capital Projects			
Bond issue costs	-	512,950	-
Engineering	-	-	10,000
Capital outlay	-	-	8,165,800
Total expenditures	-	512,950	8,180,800
TRANSFERS OUT			
Transfers to other fund	-	1,324,250	-
Total expenditures and transfers out requiring appropriation	-	1,837,200	8,180,800
ENDING FUND BALANCES	\$ -	\$ 8,155,800	\$ -

See summary of significant assumptions.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

Piney Lake Trails Metropolitan District No. 1 ("the District"), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized in conjunction with Piney Lake Trails Metropolitan District No. 2 by order and decree of the District Court for Douglas County, Colorado on May 3, 2022, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under an Amended and Restated Service Plan approved by Douglas County on April 5, 2022. The District's service area is located in Douglas County.

The District was established to provide planning, acquisition, construction, installation and financing of public improvements, including water, storm sewer, sanitation and wastewater treatment, street improvements, traffic safety protection, parks and recreation, television relay and translation, mosquito control, covenant enforcement and design review, and security services.

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of \$22,000,000 for the above listed purposes. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation for purposes of providing public improvements to support development as it occurs within the District's service area.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1

2026 BUDGET

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues (Continued)

Property Taxes (Continued)

Pursuant to the Service Plan, the District is required to adjust its maximum Required Mill Levy for changes in the ratio of actual to assessed value of property within the District. As of December 31, 2026, the adjusted maximum mill levy for debt service is 53.703 mills. Required Mill Levy means an ad valorem mill levy imposed upon all taxable property of the District each year in a amount sufficient to pay the principal, premium if any, interest on the Bonds as the same become due and payable and to make up any deficiencies in the Surplus Fund.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

Category	Rate	Category	Rate
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		Oil & Gas Production	87.50%

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.50.% of the property taxes collected.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4.00%.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1

2026 BUDGET

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance and meeting expense.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.50% of property tax collections.

Capital Outlay

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the anticipated bond issuance.

Debt and Leases

On November 14, 2025, the District issued Limited Tax General Obligation Bonds Series 2025A and Subordinate Limited Tax General Obligation Bonds Series 2025B at \$9,365,000 and \$1,985,000 respectively.

Proceeds from the sale of the Senior Bonds will be used for the purposes of (a) paying or reimbursing a portion of the costs of acquiring, constructing and/or installing certain Public Improvements; (b) funding the Surplus Fund in the Minimum Surplus Amount; (c) funding capitalized interest for payment of a portion of the interest to accrue on the Senior Bonds; and (d) paying other costs in connection with the issuance of the Senior Bonds and the Subordinate Bonds.

Proceeds from the sale of the Subordinate Bonds will be used for the purpose of paying or reimbursing a portion of the costs of acquiring, constructing and/or installing certain Public Improvements.

The Senior Bonds bear interest at the rate of 5.875%, payable semiannually to the extent of Senior Pledged Revenue available on each June 1 and December 1 (each an "Interest Payment Date"), beginning on June 1, 2026. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2031. The Senior Bonds mature on December 1, 2055.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1

2026 BUDGET

SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases (Continued)

The Subordinate Bonds are anticipated to bear interest at the rate of 8.50% per annum payable annually on December 15, beginning December 15, 2025, only to the extent of Subordinate Pledged Revenue. The Subordinate Bonds are structured as cash flow bonds meaning that there are no regularly scheduled payments of principal or interest prior to their maturity date. The stated maturity date of the Subordinate Bonds is December 15, 2055.

To the extent principal of any Subordinate Bond is not paid when due, such principal shall remain outstanding, subject to the Subordinate Termination Date (defined below). To the extent interest on any Subordinate Bond is not paid when due, such interest shall compound annually on each December 15, at the rate then borne by the Subordinate Bond.

All of the Subordinate Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on October 15, 2065 (the "Subordinate Termination Date"), after the application of available Subordinate Pledged Revenue on such date, regardless of the amount of principal and interest paid prior to the Subordinate Termination Date.

The District has no debt, nor any operating or capital leases.

Reserves

Debt Service Reserves

The District maintains a Debt Service Reserve in the form of the Surplus Fund as required with the anticipated issuance of the Series 2025A Bonds.

Emergency Reserve

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

This information is an integral part of the accompanying budget.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 1
2026 BUDGET
SCHEDULE OF DEBT SERVICE TO MATURITY

\$9,365,000 Limited Tax General Obligation Bonds Series 2025 Interest 5.875% Dated November 14, 2025 Interest Payable June 1 and December 1 Principal Payable December 1			
Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2026	\$ -	\$ 567,005	\$ 567,005
2027	-	550,194	550,194
2028	-	550,194	550,194
2029	-	550,194	550,194
2030	-	550,194	550,194
2031	70,000	550,194	620,194
2032	110,000	546,081	656,081
2033	115,000	539,619	654,619
2034	140,000	532,863	672,863
2035	145,000	524,638	669,638
2036	170,000	516,119	686,119
2037	175,000	506,131	681,131
2038	200,000	495,850	695,850
2039	215,000	484,100	699,100
2040	240,000	471,469	711,469
2041	255,000	457,369	712,369
2042	285,000	442,388	727,388
2043	300,000	425,644	725,644
2044	335,000	408,019	743,019
2045	350,000	388,338	738,338
2046	390,000	367,775	757,775
2047	410,000	344,863	754,863
2048	450,000	320,775	770,775
2049	475,000	294,338	769,338
2050	520,000	266,431	786,431
2051	550,000	235,881	785,881
2052	600,000	203,569	803,569
2053	635,000	168,319	803,319
2054	685,000	131,013	816,013
2055	1,545,000	90,763	1,635,763
Total	<u>\$ 9,365,000</u>	<u>\$ 12,480,330</u>	<u>\$ 21,845,330</u>

See summary of significant assumptions.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 2

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2026

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 2
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/9/25

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
Total revenues	-	-	-
Total funds available	-	-	-
EXPENDITURES			
Total expenditures	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCES	\$ -	\$ -	\$ -

See summary of significant assumptions.

PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

12/9/25

ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
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ASSESSED VALUATION

Vacant land	\$ 2,355,700	\$ 2,355,700	\$ 5,305,790
Personal property	2,700	2,800	2,400
Certified Assessed Value	<u>\$ 2,358,400</u>	<u>\$ 2,358,500</u>	<u>\$ 5,308,190</u>

MILL LEVY

Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
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PROPERTY TAXES

Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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BUDGETED PROPERTY TAXES

General	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See summary of significant assumptions.

**PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 2
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Piney Lake Trails Metropolitan District No. 2 (“the District”), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized in conjunction with Piney Lake Trails Metropolitan District No. 1 by order and decree of the District Court for Douglas County, Colorado on May 3, 2022, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under an Amended and Restated Service Plan approved by Douglas County on April 5, 2022. The District’s service area is located in Douglas County.

The District was established to provide planning, acquisition, construction, installation and financing of public improvements, including water, storm sewer, sanitation and wastewater treatment, street improvements, traffic safety protection, parks and recreation, television relay and translation, mosquito control, covenant enforcement and design review, and security services.

Pursuant to the Service Plan, the District is permitted to issue bond indebtedness of \$22,000,000 for the above listed purposes. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation for purposes of providing public improvements to support development as it occurs within the District’s service area.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

No activity anticipated in 2026.

Expenditures

No activity anticipated in 2026.

Debt and Leases

The District has no debt, nor any operating or capital leases.

**PINEY LAKE TRAILS METROPOLITAN DISTRICT NO. 2
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserve

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

This information is an integral part of the accompanying budget.

EXHIBIT D
2025 DISTRICT NO. 1 AUDIT AND THE DISTRICT NO. 2 AUDIT EXEMPTION
APPLICATION

**An extension of audit was completed. The audit information will be supplied at a
later date.**

EXHIBIT E
DLG-32



COLORADO
Department of Local Affairs
Division of Local Government

FORM DLG-32
Notice of Special District Authorization
or Issuance of General Obligation
Indebtedness (CRS 32-1-1604)

Name of District:	Piney Lake Trails Metropolitan District No. 1
Principal Amount:	See Exhibit A attached hereto.
Average Interest Rate:	N/A
Name of Bond Issue:	N/A
Credit Enhancement:	N/A
Rating and Rating Agency:	N/A
Dated as of:	N/A
Final Maturity Date:	N/A
Name and Address of Underwriter:	N/A
Name and Address of Bond Counsel:	N/A
Name, Address & Phone of District Contact Person:	Megan J. Murphy, Esq. White Bear Ankele Tanaka & Waldron 2154 E Commons Ave., Suite 2000 Centennial, CO 80122 Phone: 303-858-1800

District is required to record with the **County Clerk and Recorder** within **30 days of Authorization or Issuance**. A copy should be sent to the **Division of Local Government**. (Rev. 5/24)

EXHIBIT A
Piney Lake Trails Metropolitan District No. 1
Debt Authorization at the May 6, 2025 Election

\$28,000,000 In-District Special Assessment Indebtedness Authorization

\$28,000,000 Street Improvement Indebtedness Authorization

\$28,000,000 Parks and Recreation Indebtedness Authorization

\$28,000,000 Water Indebtedness Authorization

\$28,000,000 Sanitation/Storm Sewer Indebtedness Authorization

\$28,000,000 Transportation Indebtedness Authorization

\$1,000,000 Mosquito Control Indebtedness Authorization

\$28,000,000 Fire Protection Indebtedness Authorization

\$1,000,000 Television Relay and Translation Indebtedness Authorization

\$1,000,000 Security Indebtedness Authorization

\$28,000,000 Operations and Maintenance Indebtedness Authorization

\$171,000,000 Refunding Indebtedness Authorization

\$28,000,000 District Intergovernmental Agreement Indebtedness Authorization

\$28,000,000 District Private Agreement Indebtedness Authorization



COLORADO
Department of Local Affairs
Division of Local Government

FORM DLG-32
Notice of Special District Authorization
or Issuance of General Obligation
Indebtedness (CRS 32-1-1604)

Name of District:	Piney Lake Trails Metropolitan District No. 2
Principal Amount:	See Exhibit A attached hereto.
Average Interest Rate:	N/A
Name of Bond Issue:	N/A
Credit Enhancement:	N/A
Rating and Rating Agency:	N/A
Dated as of:	N/A
Final Maturity Date:	N/A
Name and Address of Underwriter:	N/A
Name and Address of Bond Counsel:	N/A
Name, Address & Phone of District Contact Person:	Megan J. Murphy, Esq. White Bear Ankele Tanaka & Waldron 2154 E Commons Ave., Suite 2000 Centennial, CO 80122 Phone: 303-858-1800

District is required to record with the **County Clerk and Recorder** within **30 days of Authorization or Issuance**. A copy should be sent to the **Division of Local Government**.(Rev. 5/24)

EXHIBIT A
Piney Lake Trails Metropolitan District No. 2
Debt Authorization at the May 6, 2025 Election

\$28,000,000 In-District Special Assessment Indebtedness Authorization

\$28,000,000 Street Improvement Indebtedness Authorization

\$28,000,000 Parks and Recreation Indebtedness Authorization

\$28,000,000 Water Indebtedness Authorization

\$28,000,000 Sanitation/Storm Sewer Indebtedness Authorization

\$28,000,000 Transportation Indebtedness Authorization

\$1,000,000 Mosquito Control Indebtedness Authorization

\$28,000,000 Fire Protection Indebtedness Authorization

\$1,000,000 Television Relay and Translation Indebtedness Authorization

\$1,000,000 Security Indebtedness Authorization

\$28,000,000 Operations and Maintenance Indebtedness Authorization

\$171,000,000 Refunding Indebtedness Authorization

\$28,000,000 District Intergovernmental Agreement Indebtedness Authorization

\$28,000,000 District Private Agreement Indebtedness Authorization