

**THE VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 6
SUBMISSION TO TOWN OF CASTLE ROCK, COLORADO
REGARDING PROPOSED 2021 REFINANCING OF CERTAIN OUTSTANDING
BONDS**

1. The Town Council of the Town of Castle Rock, Colorado (the “**Town**”) approved the Second Amended and Restated Service Plan for The Villages at Castle Rock Metropolitan District No. 6 on April 27, 2004 (the “**Service Plan**”).

2. The Villages at Castle Rock Metropolitan District No. 6 (the “**District**”) previously issued its Limited Tax General Obligation Capital Appreciation Bonds, Series 2007, in the Original Principal Amount of \$22,647,881.60 (the “**Outstanding Senior Bonds**”), and certain subordinate obligations issued pursuant to that certain Capital Funding and Acquisition Agreement, dated December 27, 2007, in the original principal amount of \$1,592,000 (the “**Outstanding Subordinate Obligations**,” and together with the Outstanding Senior Bonds, the “**Outstanding Bonds**”).

3. Given the applicable interest and accretion rates of the Outstanding Bonds, the District anticipates that it will not be able to repay the Outstanding Bonds until 2063.

4. The District has an opportunity to potentially refinance certain of its Outstanding Bonds (the “**Proposed 2021 Refinancing**”) at lower interest rates, and the District anticipates that the result of the Proposed 2021 Refinancing will be that the debt issued in accordance with the Proposed 2021 Refinancing, together with any remaining Outstanding Bonds which are not refinanced, can be repaid many years earlier than the anticipated repayment of the Outstanding Bonds.

5. Section 11.02.110 of the Town Code provides that metropolitan districts must submit a proposed financing for the issuance or refinancing of debt, including certain information and documents related to the proposed debt, such as the interest rate, financing costs, the type of revenues pledged, the amount of the mill levy pledged, and the offering statement (the “**Proposed Debt Documents**”) to the Town for review and comment before issuing or refinancing the proposed debt, and that the submission must include a certification by the District that the proposed refinancing is authorized by and in compliance with the Service Plan.

6. Enclosed with this submission are the following Proposed Debt Documents:

- a. Second Supplemental Indenture of Trust by and between the District and U.S. Bank, National Association;
- b. Indenture of Trust (Senior) by and between the District and U.S. Bank, National Association;
- c. Indenture of Trust (Subordinate) by and between the District and U.S. Bank, National Association;

- d. Preliminary Limited Offering Memorandum relating to the refunding bonds;
- e. Documents relating to the revised Financial Plan; and
- f. Documents relating to the Verifiable Build-out Projections, including the Market Study and Home Appreciation Analysis.

7. The District hereby certifies to the Town that the Proposed 2021 Refinancing is authorized by and in compliance with the Service Plan.

DATED: May 10, 2021.

By: McGeady Becher P.C.
McGeady Becher P.C., as General Counsel
to The Villages at Castle Rock
Metropolitan District No. 6