

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Series 2019 Bonds is excluded from gross income pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Series 2019 Bonds (the "Tax Code"), and interest on the Series 2019 Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. Bond Counsel is further of the opinion that, under the laws of the State of Colorado in effect on the date of issuance of the Series 2019 Bonds, the Series 2019 Bonds and the transfer of and income therefrom are exempt from all taxation and assessments in the State of Colorado. See "TAX MATTERS" herein.

\$19,290,000
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
SPECIAL REVENUE BONDS
SERIES 2019

Dated: Date of Delivery

Due: December 1, 2051, as shown below

The Aerotropolis Regional Transportation Authority (the "Authority" or "Issuer") is issuing its Special Revenue Bonds, Series 2019 (the "Series 2019 Bonds") pursuant to an Indenture of Trust dated as of June 1, 2019 (the "Indenture"), between the Authority and BOKF, N.A., Denver, Colorado, as trustee. The Trustee will also act as Registrar and Paying Agent for the Series 2019 Bonds. The Series 2019 Bonds will be issued in book-entry-only form, and purchasers of the Series 2019 Bonds will not receive certificates evidencing their ownership interests in the Series 2019 Bonds. *Capitalized terms used on the cover page of this Limited Offering Memorandum are defined herein.*

The Series 2019 Bonds are special revenue obligations, secured and payable solely from and to the extent of the Pledged Revenue, generally consisting of (a) the Gross Revenue (consisting of the Required Mill Levy and the Establishing Agreement Revenue) minus the Operations and Maintenance Deduction, and (b) any other legally available moneys which the Authority determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue, including, without limitation, the capitalized interest deposited into the Bond Fund with the initial proceeds of the Bonds.

The Series 2019 Bonds are also secured by (a) the Reserve Fund, which will initially be funded with proceeds of the Series 2019 Bonds in the amount of \$1,257,000, and (b) the Surplus Fund (up to the Maximum Surplus Amount), which will not be funded as of the date of issuance of the Series 2019 Bonds, and will instead be funded with available Pledged Revenue, if any, in accordance with the terms of the Indenture. A portion of the interest on the Series 2019 Bonds through December 1, 2021 will also be funded with proceeds of the Series 2019 Bonds deposited into the Bond Fund.

Pursuant to the Indenture and subject to the limitations of the Act (defined herein), the Authority has pledged to levy an ad valorem mill levy upon all taxable property of the Authority in the amount of five (5) mills (as further defined herein, the "Required Mill Levy"). Pursuant to the Establishing Agreement (defined herein), Adams County (the "County"), the City of Aurora (the "City"), and the Aerotropolis Area Coordinating Metropolitan District (the "Coordinating Metro District"), have each covenanted, subject to annual appropriation, to remit certain special revenue to the Authority, as described herein.

The Series 2019 Bonds are being issued initially in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof, as fully registered bonds. Interest on the Series 2019 Bonds is payable semiannually on June 1 and December 1 each year, commencing December 1, 2019, at the rates set forth below. The Series 2019 Bonds are subject to optional redemption and mandatory sinking fund redemption as described herein.

Series 2019 Bonds Maturity Schedule

\$19,290,000 5.00% Term Bond due December 1, 2051 Price 101.546% CUSIP® No. 008051AA2*

Proceeds from the sale of the Series 2019 Bonds will be used to (a) finance a portion of the Project, (b) fund an initial deposit to the Reserve Fund, (c) pay a portion of the interest to accrue on the Series 2019 Bonds through December 1, 2021, and (d) pay the costs of issuing the Series 2019 Bonds.

REPAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2019 BONDS IS SPECULATIVE IN NATURE AND INVOLVES A HIGH DEGREE OF INVESTMENT RISK. EACH PROSPECTIVE INVESTOR IS ADVISED TO READ "RISK FACTORS" HEREIN FOR A DISCUSSION OF CERTAIN RISK FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SERIES 2019 BONDS.

THE SERIES 2019 BONDS ARE INITIALLY BEING OFFERED AND SOLD ONLY TO "FINANCIAL INSTITUTIONS AND INSTITUTIONAL INVESTORS" AS DEFINED HEREIN.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THE SERIES 2019 BONDS. POTENTIAL INVESTORS SHOULD READ THIS ENTIRE LIMITED OFFERING MEMORANDUM TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION AND SHOULD GIVE PARTICULAR ATTENTION TO THE SECTION ENTITLED "RISK FACTORS."

The Series 2019 Bonds are not obligations of the City, the County, the Coordinating Metro District, or the State of Colorado. None of the City, the County, or the Coordinating Metro District have participated in the preparation of, or approved, this Limited Offering Memorandum.

The Series 2019 Bonds are offered when, as, and if issued by the Authority, subject to prior sale, withdrawal or modification of the offer without notice and subject to the approval of legality by Sherman & Howard L.L.C., Denver, Colorado, as Bond Counsel, and certain other conditions. Greenberg Traurig, LLP, Denver, Colorado, has acted as counsel to the Underwriter. Certain matters will be passed upon by Spencer Fane LLP, Denver, Colorado, as General Counsel to the Authority. The Series 2019 Bonds are expected to be available for delivery through the facilities of DTC on or about June 26, 2019.

Citigroup

This Limited Offering Memorandum is dated June 12, 2019.

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USE OF INFORMATION IN THIS LIMITED OFFERING MEMORANDUM

This Limited Offering Memorandum, which includes the cover page and the appendices, does not constitute an offer to sell the Series 2019 Bonds in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction. No dealer, salesperson or other person has been authorized by the Authority or the Underwriter to give any information or to make any representations other than those contained herein, and if given or made, such information must not be relied upon as having been authorized by the Authority or the Underwriter.

The information contained in this Limited Offering Memorandum has been obtained from the Authority and from other sources believed to be reliable, but is not guaranteed as to accuracy or completeness. The Underwriter has provided the following sentence for inclusion in this Limited Offering Memorandum. The Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, its responsibilities under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information, and this Limited Offering Memorandum is not to be construed as the promise or guarantee of the Underwriter.

The order and placement of materials in this Limited Offering Memorandum, including the appendices, are not to be deemed a determination of relevance, materiality or importance, and this Limited Offering Memorandum, including the appendices, must be considered in its entirety. The captions and headings in this Limited Offering Memorandum are for convenience only and in no way define, limit, or describe the scope or intent, or affect the meaning or construction, of any provisions or sections of this Limited Offering Memorandum. The offering of the Series 2019 Bonds is made only by means of this entire Limited Offering Memorandum.

This Limited Offering Memorandum contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions, or that they will be realized. The information, estimates, and expressions of opinion contained in this Limited Offering Memorandum are subject to change without notice, and neither the delivery of this Limited Offering Memorandum nor any sale of the Series 2019 Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority, or in the information, estimates, or opinions set forth herein, since the date of this Limited Offering Memorandum. This Limited Offering Memorandum has been prepared only in connection with the original offering of the Series 2019 Bonds and may not be reproduced or used in whole or in part for any other purpose.

The Series 2019 Bonds have not been registered with the Securities and Exchange Commission due to certain exemptions contained in the Securities Act of 1933, as amended. In making an investment decision, investors must rely on their own examination of the Authority, the Series 2019 Bonds, and the terms of the offering, including the merits and risks involved. Neither the Securities and Exchange Commission nor any state securities regulatory authority has approved or disapproved of the Series 2019 Bonds or passed upon the adequacy or accuracy of this Limited Offering Memorandum.

THE PRICES AT WHICH THE SERIES 2019 BONDS ARE OFFERED TO THE PUBLIC BY THE UNDERWRITER (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE COVER PAGE HEREOF. IN ADDITION, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE SERIES 2019 BONDS, THE UNDERWRITER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE SERIES 2019 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

This Limited Offering Memorandum is being provided to prospective purchasers in electronic form only.

FORWARD-LOOKING STATEMENTS

This Limited Offering Memorandum, including, but not limited to, the Market Study and the Financial Forecast attached hereto as APPENDIX B and APPENDIX C, respectively, and the information contained under the headings entitled "INTRODUCTION," "RISK FACTORS," "REVENUES OF THE AUTHORITY," and "THE DEVELOPMENT AND DEVELOPER," contains statements relating to future results that may be considered "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Limited Offering Memorandum, the words "estimate," "anticipate," "forecast," "project," "intend," "propose," "plan," "expect," "assume" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statement. Inevitably, some assumptions used to develop the forward-looking statement will not be realized and unanticipated events and circumstances will occur. Therefore, it can be expected that there will be differences between forward-looking statements and actual results, and those differences may be material.

AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY

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David Gruber, Vice Chairperson
Nicole Johnston, Secretary
Steven O’Dorisio, Treasurer
Charles “Chaz” Tedesco, Director

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INTRODUCTION

This Limited Offering Memorandum is furnished in connection with the issuance by the Aerotropolis Regional Transportation Authority (the “**Authority**” or “**Issuer**”) of its \$19,290,000 Special Revenue Bonds, Series 2019 (the “**Series 2019 Bonds**”), pursuant to an Indenture of Trust (the “**Indenture**”) dated as of June 1, 2019, by and between the Authority and BOKF, N.A., as trustee (the “**Trustee**”). The offering of the Series 2019 Bonds is made only by way of this Limited Offering Memorandum, which supersedes any other information or materials used in connection with the offer or sale of the Series 2019 Bonds. This Limited Offering Memorandum speaks only as of its date, and the information contained herein is subject to change.

The information set forth in this Limited Offering Memorandum has been obtained from the Authority, the Developer (hereinafter defined), and other sources believed to be reliable but is not guaranteed as to accuracy or completeness. This Limited Offering Memorandum, including the appendices hereto, contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions, or that they will be realized. See “FORWARD-LOOKING STATEMENTS” following the cover page. Any capitalized terms not defined herein have the respective meanings set forth in APPENDIX A hereto, unless the context clearly indicates a contrary meaning.

The following introductory material is only a brief description of, and is qualified by, the more complete information contained throughout this Limited Offering Memorandum. A full review should be made of the entire Limited Offering Memorandum and the documents summarized or described herein.

Changes from the Preliminary Limited Offering Memorandum

This Limited Offering Memorandum contains certain information which was not available for inclusion in the Preliminary Limited Offering Memorandum dated May 24, 2019, including final principal amounts, maturity dates, interest rates, prices, redemption provisions, and other final terms of the Series 2019 Bonds dependent on such matters.

This Limited Offering Memorandum has also been updated to reflect the City’s approval of the Authority-City IGA (defined below) and the County’s approval of the Authority-County IGA (defined below).

The Authority

Formation and Governance. The Authority is a regional transportation authority created pursuant to the Regional Transportation Authority Law, Title 43, Article 4, Part 6, C.R.S., as amended (the “**Act**”). The Authority was formed pursuant to the Intergovernmental Agreement among the Board of County Commissioners of the County of Adams, the City of Aurora, and the Aerotropolis Area Coordinating Metropolitan District Establishing the Aerotropolis Regional Transportation Authority dated February 27, 2018 (as the same may be amended from time to time, the “**Establishing Agreement**”) by and among the Aerotropolis Area Coordinating Metropolitan District (the “**Coordinating Metro District**”), the City of Aurora (the “**City**”), and

Adams County, Colorado (the “County”). The Establishing Agreement is attached hereto as APPENDIX I.

Regional Transportation System. The purpose of the Authority is to construct, or cause to have constructed, a Regional Transportation System within or outside the boundaries of the Authority in furtherance of supporting the public interest and economic health of the region and to effectuate the goals of fostering and supporting economic development through the expansion and creation of transportation improvements, which purpose may be accomplished through, but not limited to the issuance of bonds. See “THE AUTHORITY AND THE REGIONAL TRANSPORTATION SYSTEM–Regional Transportation System.”

Description, Location, and Maps. The Authority encompasses approximately 3,146 acres of land located in the City, which is situated approximately two (2) miles south of Denver International Airport within the area generally bounded on the north by East 48th Avenue, on the east by Powhaton Road, on the south by East 26th Avenue, and on the west by the E-470 Highway. The Development (defined below) consists of most of the land located in Sections 19, 20, 21, 29, and 30, and a portion of the land located in Section 28, all in Township 3 South, Range 65 West, 6th Principal Meridian. See “REGIONAL MAP” and “DEVELOPMENT AERIAL PHOTOGRAPH.”

Certified Assessed Valuation. The 2018 aggregate certified assessed valuation (for collection in 2019) of property within the Authority is \$775,940. See “REVENUES OF THE AUTHORITY–Ad Valorem Property Tax Data.”

The Coordinating Metro District, the Other Metro Districts, the City, and the County

The Coordinating Metro District is a quasi-municipal corporation and a political subdivision of the State of Colorado (the “State”). The Coordinating Metro District operates in coordination with The Aurora Highlands Metropolitan District Nos. 1-3 (the “**Other Metro Districts**”). The Coordinating Metro District and the Other Metro Districts currently encompass approximately 1 acre in the aggregate within the boundaries of the Authority. Founded in 1891, the City is the third largest municipality in the State. The County is a body corporate and political subdivision of the State organized in 1902 and contains approximately 1,182 square miles.

The Development and the Developer

General. The “**Development**” is an approximately 3,146-acre mixed-use (mostly residential) development and is coterminous with the Authority. The Development is broadly divided in two parts, with residential and commercial development planned to occur within the 2,543-acre “**Aurora Highlands**” and office, industrial and energy development planned to occur within the 603-acre Aurora Technology and Energy Corridor (“**ATEC**”). In general, Aurora Highlands is located in Sections 19, 20, 29, and 30, and ATEC is located in Sections 21 and 28, all in Township 3 South, Range 65 West, 6th Principal Meridian. The Development is located approximately two (2) miles south of Denver International Airport.

The Developer. The Developer is Aurora Highlands, LLC, a Nevada limited liability company (the “**Developer**”). The Developer owns or controls all of the land comprising the

Development, except for approximately 628 acres which is currently under contract to be acquired by a third party from whom the Developer anticipates obtaining an option to acquire such land. See “THE DEVELOPMENT AND THE DEVELOPER–Acquisition; Encumbrances on Land–*Land Acquisition and Ownership Related Encumbrances.*” The Developer has completed certain land entitlements and platting and engineering activities and has commenced construction of certain public and private infrastructure improvements for the Development. Subject to the sales and contracts described herein, the Developer is continuing with the marketing, sale, and development of property within the Development. As of the date of this Limited Offering Memorandum, the Developer has invested more than \$40,000,000 in the Development.

The Homebuilders. Richmond American Homes (“**Richmond**”) has entered into a purchase and sale agreement with the Developer (as defined below, the “**Richmond PSA**”) to acquire approximately 66 acres from the Developer. As of the date of this Limited Offering Memorandum, Lennar Homes (“**Lennar**”) has not entered into a purchase and sale agreement with the Developer. However, Lennar is working with Richmond in the processing of two (2) contextual site plans (“**CSPs**”) within the Development. It is anticipated by the Developer that Richmond and Lennar will work jointly to apply for and process a third CSP within the Development. Collectively, Richmond, Lennar, and all other homebuilders which may in the future acquire an interest in land within the Development are referred to herein as the “**Homebuilders.**” The Developer reasonably expects that additional Homebuilders will acquire additional land, entitle the land for development of lots, and construct homes in the Development.

Planned/Anticipated Development. The Developer currently anticipates that the completion of the Development can reasonably occur in generally the manner reflected in the Market Study and as reflected in Tables VII and VIII below.

At full build out, the Development is anticipated to contain a total of approximately 7,539 homes, a total of approximately 4,010 multi-family for-sale and for-rent units, along with four schools, 120 acres of parks, 21 miles of trails, and 253 acres of open space. Traffic reports on file with the City in the approved FDP (defined below) also reflect, at full buildout, approximately 3,574,000 square feet of retail and commercial office space, and approximately 3,931,000 square feet of industrial space. Full buildout of the Development is not expected by the Developer to occur until at least 2040.

The planned and anticipated development described above is consistent with the Aurora Highlands Framework Development Plan (as the same may be amended from time to time, the “**FDP**”) submitted by the Developer and approved by the City.

Note that while commercial and industrial development are reasonably expected to occur within the Development, the level of such activities within the Development and resulting assessed valuation of taxable property resulting therefrom cannot be predicted. ***No portion of the current assessed valuation of the property within the boundaries of the Authority is attributable to commercial or industrial development. The Financial Forecast attached as Appendix C hereto does not take into account or project any future assessed valuation growth from commercial or industrial development within the boundaries of the Authority.***

The development of property in the Development is highly speculative, and there can be no guarantee by anyone that this property will be developed in the manner described above and in the Market Study, or at all. The projections in the Market Study are based only upon projected supply and demand (not provided by the Developer) using the methods described in the Market Study and upon the Developer’s current development expectations. See “RISK FACTORS–Risks Related to the Market Study and Financial Forecast,” “THE DEVELOPMENT AND THE DEVELOPER,” and the Market Study attached hereto as APPENDIX B.

Notwithstanding any of the foregoing, the actual use of property within the Development is subject to change within the parameters set forth in the FDP, as the same may be amended from time to time by the City. Furthermore, neither the Developer nor any other party is contractually obligated to pursue any of the Development as described herein, or at all.

The Series 2019 Bonds

General. The Series 2019 Bonds will be issued in the aggregate principal amount, will be dated and will mature as indicated on the cover of this Limited Offering Memorandum. For a complete description of the details of the Series 2019 Bonds, reference is made to the Indenture, copies of which are available from the Authority or the Underwriter prior to delivery of the Series 2019 Bonds. See “INTRODUCTION–Additional Information.”

The Series 2019 Bonds are authorized, issued, and secured by and in accordance with the Bond Resolution and the Indenture. No covenant, agreement, or other provision other than the Bond Resolution or the Indenture secures or is otherwise made by the Authority or the Trustee for the benefit of Owners of the Series 2019 Bonds.

THE SERIES 2019 BONDS DO NOT CONSTITUTE THE DEBT, INDEBTEDNESS OR MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE CITY, THE COUNTY, OR THE COORDINATING METRO DISTRICT. THE SERIES 2019 BONDS ARE SECURED SOLELY BY THE FUNDS ACTUALLY RECEIVED BY THE AUTHORITY (INCLUDING THOSE DERIVED FROM THE REQUIRED MILL LEVY), CREDITED TO THE INCOME FUND AND PLEDGED BY THE AUTHORITY AS SECURITY FOR THE SERIES 2019 BONDS. ANY AMOUNTS OF REVENUES THAT MAY BE AVAILABLE TO BE APPROPRIATED BY THE CITY, THE COUNTY, OR THE COORDINATING METRO DISTRICT FOR CREDIT TO THE INCOME FUND ARE SUBJECT IN ANY EVENT TO THE BUDGETARY COVENANT (DEFINED BELOW) UNTIL APPROPRIATED BY THE GOVERNING BODIES OF THE CITY, THE COUNTY, OR THE COORDINATING METRO DISTRICT IN THEIR SOLE DISCRETION.

Purpose. Proceeds from the sale of the Series 2019 Bonds will be used to (a) finance a portion of the Project, (b) fund an initial deposit to the Reserve Fund, (c) pay a portion of the interest to accrue on the Series 2019 Bonds through December 1 2021, and (d) pay the costs of issuing the Series 2019 Bonds. See “USE OF PROCEEDS AND DEBT SERVICE REQUIREMENTS–Application of Series 2019 Bond Proceeds.” The Project consists of the design and construction of a portion of the Regional Transportation System.

Authority for Issuance. The Series 2019 Bonds are issued in full conformity with the constitution and laws of the State, including the Act and Part 2 of Article 57 of Title 11, C.R.S. (the “**Supplemental Public Securities Act**”). The Series 2019 Bonds are also being issued pursuant to an authorizing resolution adopted by the Board on May 17, 2019 (the “**Bond Resolution**”), the Indenture, and the Authority’s authorizing election held on November 7, 2017 (the “**Election**”). The qualified electors of the Authority voting at the Election authorized a total of \$600,000,000 of indebtedness to finance the costs of designing, acquiring, constructing, relocating, installing, completing and otherwise providing regional transportation improvements and appurtenant facilities, equipment, land and easements and extensions and improvements to such facilities.

Security and Sources of Payment for the Series 2019 Bonds. The Series 2019 Bonds constitute special revenue obligations of the Authority payable solely from and to the extent of the Pledged Revenue described in “THE SERIES 2019 BONDS–Security for the Series 2019 Bonds,” which may or may not be sufficient to pay the principal of and interest on the Series 2019 Bonds. The Series 2019 Bonds constitute an irrevocable lien upon the Pledged Revenue, but not necessarily an exclusive lien on the Pledged Revenue as Additional Bonds may hereafter be issued with a parity or subordinate lien on the Pledged Revenue. The Series 2019 Bonds are additionally secured by the Reserve Fund and the Surplus Fund, as more particularly described herein. See “THE SERIES 2019 BONDS–Funds and Accounts.”

“**Pledged Revenue**” is defined in the Indenture as the following moneys, or as applicable, the moneys derived by the Authority from the following sources, net of any costs of collection, (a) the Gross Revenue minus the Operations and Maintenance Deduction, and (b) any other legally available moneys which the Authority determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue, including, without limitation, the capitalized interest deposited into the Bond Fund with the initial proceeds of the Series 2019 Bonds.

“**Gross Revenue**” is defined in the Indenture as the following moneys or, as applicable, the moneys derived by the Authority from the following sources, net of any costs of collection: (a) the Required Mill Levy; and (b) the Establishing Agreement Revenue. The Required Mill Levy and the Establishing Agreement Revenue are discussed in further detail under “THE SERIES 2019 BONDS–Security for the Series 2019 Bonds.”

In no event will the Owners of the Series 2019 Bonds or the Trustee be entitled to require the Authority to impose ad valorem property taxes at a rate in excess of the Required Mill Levy. In no event does the Required Mill Levy convert to an unlimited tax pledge.

Authorized Denominations. The Series 2019 Bonds are issued initially solely as fully registered bonds in denominations of \$100,000 and any integral multiple of \$5,000 in excess thereof (the “**Authorized Denominations**”); provided that (a) no individual Series 2019 Bond may be in an amount which exceeds the principal amount coming due on any maturity date, (b) in the event a Series 2019 Bond is partially redeemed and the unredeemed portion is less than \$100,000, such unredeemed portion of such Series 2019 Bond may be issued in the largest possible denomination less than \$100,000, in integral multiples of not less than \$5,000 each or any integral multiple thereof, and (c) the Authorized Denominations shall be reduced to \$5,000

or any integral multiple thereof on the date that an Authority Representative provides to the Trustee a copy of any Rating Letter. See also “–Book Entry-Only System” and “APPENDIX E–BOOK-ENTRY-ONLY SYSTEM.”

Interest Rates; Payment Provisions. The Series 2019 Bonds mature and bear interest as set forth on the cover page hereof (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Series 2019 Bonds is payable semiannually on June 1 and December 1 each year, commencing December 1, 2019. To the extent principal of any Series 2019 Bond is not paid when due, such principal shall remain Outstanding and shall continue to bear interest at the rate then borne by the Series 2019 Bond. To the extent interest on any Series 2019 Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Series 2019 Bond; provided, however, that notwithstanding anything herein to the contrary, the Authority shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Series 2019 Bonds, including all payments of principal, premium if any, and interest, and all Series 2019 Bonds will be deemed defeased and no longer Outstanding upon the payment by the Authority of such amount. Further information regarding the payment of principal and interest on the Series 2019 Bonds is described in “THE SERIES 2019 BONDS–Payment of Principal and Interest; Record Date” and “APPENDIX E–BOOK-ENTRY-ONLY SYSTEM.”

Prior Redemption. The Series 2019 Bonds are subject to redemption prior to maturity at the option of the Authority and are also subject to mandatory sinking fund redemption, all as more particularly described in “THE SERIES 2019 BONDS–Redemption.”

Book-Entry-Only System. The Series 2019 Bonds will be issued in fully registered form and will be registered initially in the name of “Cede & Co.” as nominee for The Depository Trust Company, New York, New York (“DTC”), a securities depository. Beneficial ownership interests in the Series 2019 Bonds may be acquired in Authorized Denominations through participants in the DTC system (the “Participants”). Such beneficial ownership interest will be recorded in the records of the Participants. Persons for which Participants acquire interests in the Series 2019 Bonds (the “Beneficial Owners”) will not receive certificates evidencing their interests in the Series 2019 Bonds. So long as DTC or its nominee is the registered owner of the Series 2019 Bonds, payments of principal, premium, if any, and interest on the Series 2019 Bonds, and notices and other communications made by or on behalf of the Authority pursuant to the Indenture, will be made to DTC or its nominee only. Disbursement of such payments, notices, and other communications by DTC to Participants, and by Participant to the Beneficial Owners, is the responsibility of DTC and the Participants pursuant to rules and procedures established by such entities. See “APPENDIX E–BOOK-ENTRY-ONLY SYSTEM” for a discussion of the operating procedures of the DTC system with respect to payments, registration, transfers, notices, and other matters.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE SERIES 2019 BONDS, REFERENCES IN THIS LIMITED OFFERING MEMORANDUM TO THE OWNERS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

None of the Authority, the Trustee or the Underwriter has any responsibility or obligation to any Beneficial Owner with respect to (a) the accuracy of any records maintained by DTC or any Participant, (b) the distribution by DTC or any Participant of any notice that is permitted or required to be given to the Owners of the Series 2019 Bonds under the Indenture, (c) the payment by DTC or any Participant of any amount received under the Indenture with respect to the Series 2019 Bonds, (d) any consent given or other action taken by DTC or its nominee as the Owner of the Series 2019 Bonds, or (e) any other related matter.

Market Study and Financial Forecast

The Authority retained Metrostudy, Denver, Colorado, to prepare an Aurora Highlands Market Study in the City of Aurora dated as of March 11, 2019 (the “**Market Study**”). The Market Study contains an assessment of the possible and recommended uses of land within the Development. The Market Study is attached hereto as APPENDIX B and should be read in its entirety by prospective purchasers of the Series 2019 Bonds.

The Authority retained Ehlers, Inc., Denver, Colorado, to prepare a Financial Forecast for the Proposed Series 2019 Special Revenue Bonds, dated as of May 24 2019 (the “**Financial Forecast**”). The Financial Forecast is attached hereto as APPENDIX C and should be read in its entirety by prospective purchasers of the Series 2019 Bonds.

Additional discussion of the Financial Forecast is contained under the caption entitled “RISK FACTORS–Risks Inherent in Market Study and Financial Forecast.”

Tax Status

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Series 2019 Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2018 Bonds (the “**Tax Code**”), and interest on the Series 2019 Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. See “TAX MATTERS–Federal Tax Matters.”

In the opinion of Bond Counsel, under laws of the State of Colorado in effect on the date of issuance of the Series 2019 Bonds, the Series 2019 Bonds and the transfer of and the income therefrom are exempt from all taxation and assessments in the State of Colorado. See “TAX MATTERS–State Tax Matters.”

Financial Statements

The financial information of the Authority is to be prepared in accordance with generally accepted accounting principles (“GAAP”) for governmental units as prescribed by the Governmental Accounting Standards Board. The Authority has had limited financial activity to date and an audit of its financials has not been prepared; however, the Authority expects to have its financials audited for each year in which the Series 2019 Bonds or any bonds refunding the Series 2019 Bonds remain outstanding.

Continuing Disclosure

The Series 2019 Bonds are exempt from the requirements of the Securities and Exchange Commission Rule 15c2-12 (17 CFR Part 240, § 240.15c2-12). The Authority and the Developer have, however, agreed to use their commercially reasonable best efforts to obtain and to provide certain information to the Trustee for public dissemination, all as more particularly provided in a Continuing Disclosure Agreement, a form of which is attached as APPENDIX G to this Limited Offering Memorandum. See also “MISCELLANEOUS–Continuing Disclosure.”

Investment Considerations and Risks

AN INVESTMENT IN THE SERIES 2019 BONDS INVOLVES SIGNIFICANT RISK. Prospective purchasers are urged to read this Limited Offering Memorandum in its entirety, giving particular attention to the matters discussed under “RISK FACTORS.”

Offering and Delivery Information

Each purchaser of the Series 2019 Bonds agrees and consents to all of the limitations in respect of the payment of the principal of and interest on the Series 2019 Bonds contained in the Indenture, in the Resolution, and in the Establishing Agreement.

The Series 2019 Bonds are offered when, as, and if issued by the Authority and accepted by the Underwriter, subject to prior sale, the approving legal opinion of Bond Counsel (the form of which is attached hereto as APPENDIX F), and certain other matters. It is expected that the Series 2019 Bonds will be available for delivery through the facilities of DTC on or about June 26, 2019.

Additional Information

ALL OF THE SUMMARIES OF THE STATUTES, RESOLUTIONS, INDENTURES, OPINIONS, CONTRACTS, AND AGREEMENTS DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM ARE SUBJECT TO THE ACTUAL PROVISIONS OF SUCH DOCUMENTS. The summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are either publicly available or available upon request and the payment of a reasonable copying, mailing, and handling charge from:

Aerotropolis Regional Transportation Authority
c/o CliftonLarsonAllen LLP.
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Attn: Manager
Telephone: (303) 779-5710

Citigroup Global Markets Inc.
Municipal Securities Division
388 Greenwich St., 8th Floor
New York, NY 10013
Phone: (212) 723-3946

Miscellaneous

This Limited Offering Memorandum is not to be construed as a contract or agreement between the Authority or the Underwriter and the Owners or Beneficial Owners of any of the Series 2019 Bonds.

The foregoing information is qualified in its entirety by reference to the detailed information contained in this Limited Offering Memorandum. Each prospective investor should read this Limited Offering Memorandum in its entirety.

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RISK FACTORS

THE SERIES 2019 BONDS ARE NOT APPROPRIATE FOR ALL INVESTORS. INVESTMENT IN THE SERIES 2019 BONDS IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. PROSPECTIVE INVESTORS IN THE SERIES 2019 BONDS SHOULD READ THIS ENTIRE LIMITED OFFERING MEMORANDUM AND CAREFULLY CONSIDER ALL POSSIBLE FACTORS WHICH MAY AFFECT THEIR INVESTMENT DECISION. THE FACTORS SET FORTH BELOW, AMONG OTHERS, MAY AFFECT THE SECURITY FOR THE SERIES 2019 BONDS. THE INFORMATION BELOW DOES NOT PURPORT TO BE A COMPREHENSIVE OR EXHAUSTIVE DISCUSSION OF ALL RISKS OR OTHER CONSIDERATIONS THAT MAY BE RELEVANT TO AN INVESTMENT IN THE SERIES 2019 BONDS. IN ADDITION, THE ORDER IN WHICH THE FOLLOWING INFORMATION IS PRESENTED IS NOT INTENDED TO REFLECT THE RELATIVE IMPORTANCE OF ANY SUCH CONSIDERATIONS. ADDITIONAL RISK FACTORS RELATING TO THE PURCHASE AND OWNERSHIP OF THE SERIES 2019 BONDS ARE DESCRIBED THROUGHOUT THIS LIMITED OFFERING MEMORANDUM, WHETHER OR NOT SPECIFICALLY DESIGNATED AS RISK FACTORS. FURTHERMORE, ADDITIONAL RISK FACTORS NOT PRESENTLY KNOWN, OR CURRENTLY BELIEVED TO BE IMMATERIAL, MAY ALSO MATERIALLY AND ADVERSELY AFFECT, AMONG OTHER THINGS, THE SOURCES OF PAYMENT OF AND SECURITY FOR THE SERIES 2019 BONDS. THERE CAN BE NO ASSURANCE THAT OTHER RISKS OR CONSIDERATIONS NOT DISCUSSED HEREIN ARE OR WILL NOT BECOME MATERIAL IN THE FUTURE.

EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT WITH ITS OWN LEGAL, TAX, AND FINANCIAL ADVISORS TO DETERMINE WHETHER AN INVESTMENT IN THE SERIES 2019 BONDS IS APPROPRIATE IN LIGHT OF ITS INDIVIDUAL LEGAL, TAX AND FINANCIAL SITUATION.

No Credit Rating; Risk of Investment

The Series 2019 Bonds do not have a credit rating from any source, and are not suitable investments for all investors. Each prospective purchaser is responsible for assessing the merits and risks of an investment in the Series 2019 Bonds and must be able to bear the economic risk of such investment in the Series 2019 Bonds.

Limited Offering; Restrictions on Purchase; Investor Suitability

Each initial purchaser of the Series 2019 Bonds must be a “financial institution or institutional investor” within the following meaning, whether acting for itself or others in a fiduciary capacity: (a) a depository institution; (b) an insurance company; (c) a separate account of an insurance company; (d) an investment company registered under the U.S. Investment Company Act of 1940; (e) a business development company as defined in the U.S. Investment Company Act of 1940; (f) any private business development company as defined in the U.S. Investment Company Act of 1940; (g) an employee pension, profit-sharing, or benefit plan if the plan has total assets in excess of five million dollars or its investment decisions are made by a named fiduciary, as defined in the U.S. Employee Retirement Income Security Act of 1974, that

is a broker-dealer registered under the U.S. Securities Exchange Act of 1934, an investment adviser registered or exempt from registration under the U.S. Investment Advisers Act of 1940, a depository institution, or an insurance company; (h) an entity, but not an individual, a substantial part of whose business activities consists of investing, purchasing, selling, or trading in securities of more than one issuer and not of its own issue and that has total assets in excess of five million dollars as of the end of its last fiscal year; and (i) a small business investment company licensed by the U.S. Small Business Administration under the U.S. Small Business Investment Act of 1958.

The foregoing standard is the minimum requirement for prospective initial purchasers of the Series 2019 Bonds. The satisfaction of such standard does not necessarily mean that the Series 2019 Bonds are a suitable investment for a prospective investor. Accordingly, each prospective investor is urged to consult with its own legal, tax and financial advisors to determine whether an investment in the Series 2019 Bonds is appropriate in light of its individual legal, tax and financial situation.

No Assurance of Secondary Market

No assurance can be given concerning the future existence of a secondary market for the Series 2019 Bonds, and prospective purchasers of the Series 2019 Bonds should therefore be prepared, if necessary, to hold the Series 2019 Bonds to maturity or prior redemption. Even if a secondary market exists, as with any marketable securities, there can be no assurance as to the price for which the Series 2019 Bonds may be sold. Such price may be lower than that paid by the initial purchaser of the Series 2019 Bonds, depending on the progress of the Development, existing real estate and financial market conditions and other factors. See also “—Restrictions on Transfer” below.

Restrictions on Transfer

By their acceptance of the Series 2019 Bonds, each Owner or Beneficial Owner acknowledges that the Series 2019 Bonds may be sold, transferred, or otherwise disposed of only in Authorized Denominations. See “THE SERIES 2019 BONDS—Authorized Denominations.”

Limited Security for the Series 2019 Bonds; No Mortgage; No Conversion of Series 2019 Bonds to Unlimited Tax Obligations

The Series 2019 Bonds are special revenue obligations of the Authority payable solely from the Pledged Revenue as described herein. The Series 2019 Bonds are not obligations of the Coordinating Metro District, City, the County, or the State. ***Payment of the principal of and interest on the Series 2019 Bonds is not secured by any deed of trust, mortgage or other lien on or security interest in any property within the Authority or assets of the Authority (other than the lien on Pledged Revenue) or the Developer.***

The security for the payment of the Series 2019 Bonds is dependent upon the generation of revenues derived from the Authority’s imposition of the Required Mill Levy under the Indenture, and from the Establishing Agreement Revenue. The Series 2019 Bonds also are secured by the Reserve Fund, which will initially be funded with proceeds of the Series 2019 Bonds, by net proceeds of the Series 2019 Bonds deposited in the Project Fund until such funds

are expended, and by the Surplus Fund (to the extent any moneys are deposited therein after the issuance of the Series 2019 Bonds).

The Authority's ability to retire the indebtedness created by the issuance of the Series 2019 Bonds is dependent, in part, upon development of an adequate tax base from which sufficient property tax revenue can be collected from the imposition of the Required Mill Levy, the County General Fund Property Tax, the County Road and Bridge Fund Tax, and the Coordinating Metro District Regional Mill Levy and from construction activity from which the City Use Tax and Transportation Impact Fee can be collected. See "—Risks Related to Property Tax Revenues" and "—Continued Development Not Assured" below. The Financial Forecast (included in APPENDIX C hereto) sets forth the anticipated payment of debt service on the Series 2019 Bonds, based on assumptions concerning growth in the Authority. See "—Risks Inherent in Market Study and Financial Forecast" below.

In the event that the revenue derived from the Required Mill Levy and the other components of the Pledged Revenue are insufficient to pay the scheduled principal of and/or interest on the Series 2019 Bonds when due, the unpaid principal will continue to bear interest, and the unpaid interest will compound as described in the Indenture. *During this period of accrual, so long as the Authority is imposing and collecting the revenue derived from the Required Mill Levy, and the Authority is otherwise enforcing its rights under the Establishing Agreement, the Authority-AACMD IGA, and the Distribution Agreements, the Authority will not be in default on the payment of such principal and interest under the Indenture, and the Owners will have no recourse against the Authority to require such payments (other than to continue to impose the Required Mill Levy and collect the revenue derived from such levy and to require the Authority to continue to collect the other components of the Pledged Revenue, to the extent permitted under the Establishing Agreement, and other applicable law).* In addition, the Authority will not be liable to Owners for unpaid principal and interest beyond the amount permitted by law, and all Series 2019 Bonds will be deemed defeased and no longer outstanding upon payment by the Authority of such amount.

The Series 2019 Bonds state that by accepting the Series 2019 Bonds, the owner thereof agrees and consents to all of the limitations in respect of the payment of the principal of and interest on the Series 2019 Bonds contained in the Indenture, in the Bond Resolution, and in the Establishing Agreement.

No Assurance of Funding Level of the Surplus Fund; Release from the Surplus Fund

The Series 2019 Bonds are payable, if necessary, from amounts on deposit in the Surplus Fund. The Surplus Fund is not required to be funded with proceeds of the Series 2019 Bonds, but rather is to be funded solely from the deposit of excess Pledged Revenue, if any, as provided in the Indenture, and except to the extent that Pledged Revenue is available under the Indenture, the Authority has no obligation to fund the Surplus Fund in any amount. There can be no assurance as to the amount that will be on deposit in the Surplus Fund at any particular time.

Further, on the Surplus Release Date (the date on which the Debt to Assessed Ratio of the Authority is 50% or less), all amounts on deposit in the Surplus Fund shall be transferred by the

Trustee to the Authority for application to any lawful purpose of the Authority. See “THE SERIES 2019 BONDS–Funds and Accounts–*The Surplus Fund.*”

Authority to Issue or Incur Additional Parity Obligations to the Series 2019 Bonds

The Authority may issue or incur additional obligations secured by the Pledged Revenue on parity with the lien thereon of the Series 2019 Bonds (“**Parity Bonds**”) without the consent of the Owners of the Series 2019 Bonds, subject to the satisfaction of certain conditions described in “THE SERIES 2019 BONDS–Additional Obligations.” The Authority’s issuance of Parity Bonds is also subject to the limitations of the Establishing Agreement and its electoral authorization. The issuance of Parity Bonds would potentially dilute the security available for the Series 2019 Bonds.

Continued Development Not Assured

General. The repayment of the Series 2019 Bonds is dependent upon an increase in the assessed valuation of property in the Development to provide a tax base from which ad valorem property tax revenues, including revenues derived from the imposition of the Required Mill Levy, the County General Fund Property Tax, the County Road and Bridge Fund Tax, and the Coordinating Metro District Regional Mill Levy are to be collected. Such increases are dependent upon development within the Authority, which in turn is dependent on (a) securing entitlements for development of the property, including but not limited to CSPs, Final Plats (defined below), infrastructure site plans, and other land use applications set forth more specifically in the City of Aurora’s code and ordinances, (b) obtaining a conditional letter of map revision to remove land from the floodway and floodplain, (c) vacating existing rights-of-way, (d) completing public infrastructure, such as but not limited to, water, sewer, and roads necessary to support such planned development, (e) receiving building permits, and (f) market demand, general economic and market conditions and a variety of other factors beyond the control of the Authority, the Developer and other owners of such property. Further, the repayment of the Series 2019 Bonds is also dependent upon construction activity occurring within the Development from which the City Use Tax and Transportation Impact Fee are generated.

Early Stage of Development. The property in the Authority is currently in an early stage of development. There can be no assurance that a greater tax base will ever be established. The Developer currently anticipates the completion of the Development can reasonably occur in generally the manner described in “THE DEVELOPMENT AND THE DEVELOPER” and reflected in the Market Study and the Financial Forecast. However, such estimates are merely projections based upon current plans of the Developer. ***As of the date of this Limited Offering Memorandum, no dwelling has been constructed or sold to a homeowner. The Developer’s plans for the Development are subject to change based upon many factors, including, without limitation, construction of critical infrastructure, market demands, the local and national economies, interest rates, costs of developing lots/units, home prices, construction costs, supply of construction materials and labor, and builder and buyer preferences.*** In order to achieve the full build-out of the Development as is currently anticipated to provide the assessed valuation required to repay the Series 2019 Bonds, the following events, among many others, must occur: (a) securing entitlements for development of the property, including but not limited to CSPs, Final Plats (defined below), infrastructure site plans, and other land use applications set forth

more specifically in the City of Aurora's code and ordinances, (b) obtaining a conditional letter of map revision to remove land from the floodway and floodplain, (c) vacating existing rights-of-way, (d) completing public infrastructure, such as but not limited to, water, sewer, and roads necessary to support such planned development, (e) receiving building permits, and (f) market demand, general economic and market conditions and a variety of other factors beyond the control of the Authority, the Developer and other owners of such property. ***There is no assurance, however, that all or any portion of the Development will be completed as currently planned or anticipated by the Developer or as projected in the Market Study, or at all. Neither the Developer nor any other property owners located in the Authority are obligated to further develop the property located in the Authority.***

Neither the Authority nor the Underwriter can make any representation regarding projected development plans in the Authority or the sufficiency of the Developer's or any other private party's financial resources to complete additional development.

Any obligation that may be entered into by potential tenants or purchasers of property being marketed by the Developer and the Homebuilders will be subject to certain conditions. Based upon the Market Study and projected build out schedule described herein, and certain other assumptions specified therein, the Financial Forecast included in APPENDIX C hereto provides certain forecasts of Pledged Revenue. *While the detailed descriptions of the planned development provided in this Limited Offering Memorandum reflect the current beliefs of the Developer as to the anticipated build out of the Development, based in part on the Developer's present understanding of the intended completion dates of third parties undertaking portions of such Development, no assurance can be given by anyone that the conditions to consummation of the development plans described herein will be satisfied or that build out will occur as presently planned by anyone within the presently anticipated timeframes or result in the presently anticipated property values. No third party has assessed the reasonableness of the development assumptions provided by the Developer. All development projections, including, without limitation, square footage and the valuation of property to be constructed in the Development, are dependent upon market activity, governmental regulations, timing of governmental approvals, general economic conditions, and other factors over which the Authority, the Developer, and other owners of property located within the Authority have no control. Furthermore, neither the Developer nor any other party is contractually obligated to pursue development as described herein, or at all. See "-Risks Inherent in Market Study and Financial Forecast," "THE DEVELOPMENT AND THE DEVELOPER," and APPENDIX C.*

Development must comply with the terms and conditions of the FDP, as the same may be amended from time to time, including the present planned and anticipated uses and densities. However, property within the Development will require City approval of Final Plats (defined below) and CSPs for its actual uses and the Federal Emergency Management Agency's ("FEMA") approval of a Conditional Letter of Map Revision and Letter of Map Revision (collectively, "**Map Revisions**"). The City's approval of Final Plats, CSPs, and related construction documents and FEMA's approval of Map Revisions to take certain land out of the floodway and floodplain is not assured. The substance and timing of submission of Final Plat applications and CSP applications, related construction documents, and approval of the Map Revisions is entirely subject to the discretion of the Developer, governmental agencies, and any other owners of property in the Development.

Public Infrastructure. The Coordinating Metro District has estimated the total cost of the Regional Transportation System necessary to serve the Development is approximately \$175,000,000, of which approximately \$1,500,000 has been spent as of the date of this Limited Offering Memorandum, and has estimated the total cost of Other Public Improvements necessary to serve the Development is approximately \$1,000,000,000, of which approximately \$7,700,000 has been spent as of the date of this Limited Offering Memorandum. Such estimates are based on present plans for the Development as described herein (which are subject to change) and present costs and, in some cases, include estimated costs for the Regional Transportation System and Other Public Improvements which have not yet been designed and engineered. The actual costs of the Regional Transportation System and Other Public Improvements may vary from such estimates and such variances may be material. No assurance is given that the costs of the Regional Transportation System and Other Public Improvements and private infrastructure necessary to serve the Development will not exceed such estimate. The costs of the Regional Transportation System and Other Public Improvements are subject to many factors not within the control of the Authority, the Developer, or other owners of property in the Development, including but not limited to, labor conditions, access to and cost of building supplies, energy costs, availability and costs of fuel, transportation costs and economic conditions generally. As a result, the actual costs of the Regional Transportation System and Other Public Improvements may vary from such estimate and such variance may be material.

The foregoing estimates by the Coordinating Metro District do not include the costs of vertical construction of any portion of the Development or the costs of remaining private infrastructure required to be completed by the Developer, consisting of certain dry utilities (including electrical power line, natural gas, and telecommunications) and earthwork for the Development.

The remaining costs of the Regional Transportation System are expected to be funded through future bond issuances by either the Authority, the Coordinating Metro District, and/or the Other Metro Districts. There can be no assurance that the such entities will continue to fund infrastructures costs or will have adequate finance resources to do so.

The Other Public Improvements generally include all or portions of roadways and associated traffic control devices, utilities (sanitary sewer), water connection, storm drainage improvements, and parks. Design and construction of a portion of the Other Public Improvements has commenced.

No proceeds from the Series 2019 Bonds will be used for the Other Public Improvements. The remaining costs of the Other Public Improvements are expected to be funded through future bond issuances by the Coordinating Metro District and/or the Other Metro Districts. No independent investigation has been made of the financial resources of the Developer, current Homebuilders, or any other owner of property in the Development.

There can be no assurance that the construction of the Regional Transportation System and Other Public Improvements required for the Development will occur in any particular time or manner or at all. If the public infrastructure necessary to fully support the Development is not completed as anticipated by the Developer and, as a result, build out of the Development is not completed in the time and manner reflected in the Financial Forecast, the assessed valuation

forecasted for the Authority therein will not be realized in the manner forecasted therein, which could have a material, adverse effect on the Authority's ability to repay the Series 2019 Bonds.

Certain components of the Regional Transportation System are subject to review and approval by the E-470 Public Highway Authority, the Colorado Department of Transportation, and the U.S. Department of Transportation, as applicable. *There can be no assurance that the E-470 Public Highway Authority, the Colorado Department of Transportation, the Regional Transportation District, or the U.S. Department of Transportation will approve the construction of any portion of the Regional Transportation System, as applicable.*

Other Factors Affecting Rate of Development. Many unpredictable factors could influence the actual rate of development within the Development, including competing developments, proximity of oil and gas operations, proximity to airports and space ports, prevailing interest rates, availability of development and construction funding, economic conditions generally, availability of property financing, availability of property insurance, construction costs, labor conditions and unemployment rates, access to and cost of building supplies, availability and costs of fuel, transportation costs, and severe weather and acts of God, among other things. See also “–Risks Related to Property Tax Revenue–Foreclosures,” “THE DEVELOPMENT AND THE DEVELOPER–Competition,” and “APPENDIX D–ECONOMIC AND DEMOGRAPHIC INFORMATION.”

Financial Condition of the Developer and the Homebuilders. There has been no independent investigation of and no representation is made in this Limited Offering Memorandum regarding the financial soundness of the Developer or of its managerial capability to develop and market its remaining property within the Development as planned. There has been no investigation of similar factors with regard to the current Homebuilders. Moreover, the financial circumstances of the Developer and the Homebuilders can change from time to time. Continued development within the Development is dependent upon the continued implementation by the Developer and the Homebuilders and additional developers of the development plans contemplated herein, as described above in “–Continued Development Not Assured–Early Stage of Development.” Furthermore, neither the Developer, the Homebuilders, nor any other owner of property in the Development is under a binding obligation to develop its property within the Development as described herein or at all, nor is there any restriction on the right of the Developer to sell any or all of its remaining property within the Development or the Developer or Homebuilders respective rights to withdraw completely from the Development.

In addition, there has been no independent investigation of and no representation is made in this Limited Offering Memorandum regarding the financial soundness of any other entities that may undertake or complete development or vertical construction within the Development, including, but not limited to, the Homebuilders, or of their respective capabilities to satisfy any contingencies to and otherwise carry out the acquisition, funding and construction of their planned respective portions of the Development as described herein.

Prospective investors are urged to make such investigation as deemed necessary concerning the financial soundness of the Developer, the Homebuilders, and other owners and potential owners of property within the Development and the ability of such entities to implement the intended plan of Development as described herein.

Risk of Limitations or Moratoriums. While the Development is not currently subject to any growth limitations or development moratoriums, there can be no assurance that the State, the County, the City, or by citizen initiative, the voters of the State, the County, or the City, will not approve limitations or moratoriums on residential growth within their respective boundaries, any such limitations or moratoriums could have the effect of delaying, limiting or halting development within the Authority.

It is possible that the Developer's vested property rights would not protect property within the Development from becoming subject to a generally-applied moratorium on growth. It is unknown at this time how such a moratorium would impact the ability of the Developer or the Homebuilders to obtain necessary approvals from the City, including the issuance of building permits.

Risks Inherent in Market Study and Financial Forecast

The Market Study set forth in APPENDIX B hereto contains certain projections regarding the possible uses of land within the Development, which are based on certain assumptions more particularly set forth therein. The Market Study provides an assessment of market values based on market conditions at the time of the Market Study, which conditions are comprised solely of those specifically identified in the Market Study. The Market Study does not address or evaluate many other factors which could impact whether the Development proceeds as contemplated therein, including the availability of funding, the receipt of government approvals, the completion of Other Public Improvements to serve the Development, and other matters described in “—Continued Development Not Assured” above. *The Market Study is dated March 11, 2019 and has not been further updated since the date upon which it was prepared. Conditions may have changed since that date which could impact the conclusions presented in the Market Study.*

The Financial Forecast (attached hereto as APPENDIX C) sets forth a projection of payment of debt service on the Series 2019 Bonds and an additional series of bonds that may be issued later in 2019 in a not-to-exceed par amount of \$15 million and based on assumed valuations for the Development. The Financial Forecast includes two scenarios, referred to herein as the “**Base Case Scenario**” and the “**Stress Scenario.**” The Stress Scenario is referred to in the Financial Forecast as “Alternative A.”

For purposes of the Base Case Scenario, the Financial Forecast assumes that (a) home absorptions will match those projected in the Market Study, (b) the average sale price of new construction residential property within the Development will appreciate at an annual rate of 3.0% through 2028 and at an annual rate of 2.0% thereafter, and (c) that constructed residential property will appreciate at a biennial rate of 4.0%. The Base Case Scenario projects that the Series 2019 Bonds will be paid by their maturity date.

For purposes of the Stress Scenario, the Financial Forecast assumes (a) that home absorption within the Development will occur at a rate which is 57% slower than the Base Case Scenario (for single family homes from 2020 to 2045, inclusive, and for multi-family homes from 2020 to 2034, inclusive), (b) the average sale price of new construction residential property within the Development will appreciate at an annual rate of 3.0% through 2028 and at an annual

rate of 2.0% thereafter, and (c) that constructed residential property will appreciate at a biennial rate of 4.0%. The Stress Case Scenario projects that the Series 2019 Bonds will be paid by their maturity date.

Actual rates of development will be affected by many factors. The Financial Forecast is also based, in part, on certain other important assumptions more particularly described in the Financial Forecast. While the Developer has stated that, based on the information available to it, the Developer believes the assumptions contained within the Financial Forecast relating to the rate of development to be reasonable, no assurance can be given that the actual rate of development and valuations will be as presented in the Financial Forecast.

The information presented in Market Study and the Financial Forecast attached hereto as APPENDIX B and APPENDIX C, respectively, are inherently subject to variations between the assumptions and actual results and those variations could be material. See “–Continued Development Not Assured,” “–Risks Related to Property Tax Revenue,” and “FORWARD-LOOKING STATEMENTS.”

The Market Study and the Financial Forecast attached hereto as APPENDIX B and APPENDIX C, respectively, are integral parts of this Limited Offering Memorandum. Investors are encouraged to read the entire Limited Offering Memorandum, including the Financial Forecast and Market Study, to obtain information essential to the making of an informed investment decision. None of the Underwriter, the Authority, or the Developer is responsible for the information contained or conclusions presented in the Financial Forecast or the Market Study; provided, however, that the Underwriter, the Authority, and the Developer have no reason to believe that such information or conclusions are inherently inaccurate or incomplete.

Risks Related to Property Tax Revenue

Generally. A portion of the security for the Series 2019 Bonds will be property taxes imposed by the Authority, the County, and the Coordinating Metro District. The level of property tax revenues generated by the Authority’s imposition of the Required Mill Levy, the County’s imposition of the County General Fund Tax and County Road and Bridge Fund Tax, and the Coordinating Metro District’s imposition of the Coordinating Metro District Regional Mill Levy depends upon the assessed valuation of the property within the Development and the ability of the Authority, the County, and the Coordinating Metro District to collect property taxes. The availability of such revenues is dependent upon the level of development that occurs in the Development (see “–Continued Development Not Assured”), and a variety of factors that are beyond the control of the Authority, the Developer, and any other owner of property in the Development, including, but not limited to, economic conditions in the City and the State, and changes in State law and federal law.

Statutory Expiration of Regional Transportation Authority Mill Levies. Pursuant to Section 43-4-605(j.5)(I), C.R.S., the Authority is not permitted to impose ad valorem taxes, including the Required Mill Levy, after December 31, 2028, unless such limitation is amended or repealed by the General Assembly. Such limitation applies to all regional transportation authorities in Colorado. Regional transportation authorities were first granted the power to impose a mill levy of up to five mills in 2009, with such power initially set to be repealed

January 1, 2019. In 2017, the General Assembly extended such power, amending the repeal date to January 1, 2029. Other than the Roaring Fork Transportation Authority (which imposed a mill levy in tax year 2018 for collection in 2019), the Authority is unaware of whether any other regional transportation authority in Colorado is currently imposing a mill levy. In the event that the Authority is no longer legally permitted to impose and collect the Required Mill Levy, an equivalent mill levy will be imposed and collected by the Coordinating Metro District and the Other Metro Districts pursuant to the Authority-AACMD IGA. See “THE AUTHORITY AND THE REGIONAL TRANSPORTATION SYSTEM—Agreements of the Authority—*Authority-AACMD IGA.*”

The boundaries of the Coordinating Metro District and the Other Metro Districts currently include a nominal percentage of the land included within the boundaries of the Authority and there can be no assurance that their boundaries will be expanded to match the boundaries of the Authority, if at all. See also “—Risks Related to Establishing Agreement Revenue; Annual Appropriation; Limited Geographic Area of Metro Districts.”

The Coordinating Metro District has not, as of the date of this Limited Offering Memorandum, entered into any intergovernmental agreement with any Other Metro District regarding the imposition, collection, or appropriation of the Coordinating Metro District Regional Mill Levy. There can be no assurance that any such agreement will ever exist. If no such agreement is ever entered into, and the Authority’s ability to impose the Required Mill Levy is repealed, the only substitute levy may be that of the Coordinating Metro District, which only includes a nominal amount of land. Consequently, unless such agreements are entered into, and the Coordinating Metro District and the Other Metro Districts are, in the aggregate, expanded to include an area equivalent to that of the Authority, there can be no assurance that the Coordinating Metro District Regional Mill Levy would ever produce an amount of revenue equal to or greater than the amount that would otherwise have been collected from the Required Mill Levy.

Risk of Reduction of County Mill Levies. A portion of the Establishing Agreement Revenue comes, subject to annual appropriation by the County, from the County’s imposition and collection of the County General Fund Property Tax and the County Road and Bridge Fund Tax. There is no guarantee that the County will continue to maintain such mill levies at their current or higher rates, and such mill levies may decrease. No assurance is given that such mill levies of the County will not be lowered in the future. See “THE SERIES 2019 BONDS—Security for the Series 2019 Bonds—*County General Fund Property Tax,*” “—*County Road and Bridge Fund Tax,*” “REVENUES OF THE AUTHORITY—Ad Valorem Property Taxes,” “FINANCIAL INFORMATION of the Authority—Revenue and Spending Limitations.”

Assessed Valuation Procedures and Factors; Market Value of Land. The assessed value of the property in the Authority is determined according to a procedure described under “AUTHORITY REVENUES—Ad Valorem Property Taxes.” Assessed valuations may be affected by a number of factors beyond the control of the Authority. For example, State law allows property owners to challenge the valuations of their property each year, and no assurance can be given that owners of property in the Development will not do so. In certain circumstances, property may be eligible for a reduction in or exemption from property taxes based on its ownership and use. Should the actions of property owners result in lower assessed

valuations of property in the Development, the security for the Series 2019 Bonds would be diminished, increasing the risk of nonpayment. Regardless of the actions of property owners, the values of property may be reduced if market prices decline due to economic factors. See also “—*Foreclosures.*”

In addition, the projected assessed value of property in the Development set forth in the Financial Forecast is based on certain assumptions as to the manner in which various properties will be assessed by the County Assessor. While these assumptions are based on information provided by the County Assessor, no assurance is given that any particular methodology presently used by the County Assessor to determine the actual value of property will continue to be used in the future. Any change in the methodology by which the actual value of property is determined could adversely affect the assessed value of property in the Development and the property taxes that may be generated thereby. See also “—*Risks Inherent in Market Study and Financial Forecast*” and APPENDIX B and APPENDIX C, respectively.

Regardless of the level at which property is assessed for tax purposes, the Authority’s ability to enforce and collect its respective property taxes is dependent upon the property subject to such taxes having sufficient fair market value to support the taxes which are imposed. No assurance can be given as to the future market values of property in the Development.

Taxpayer Concentration. The property within the Development is presently owned by a limited number of parties. There can be no guarantee that there will ever be more than a limited number of entities or persons owning such property. Therefore, the Authority may be dependent upon a limited number of taxpayers for timely payment of property taxes. Property taxes on land are not personal obligations of any property owner. No party has guaranteed the payment of the principal of or interest on the Series 2019 Bonds, and no financial information regarding the Developer or any other entity which may own or develop property within the Development has been made available to the Authority or the Underwriter for inclusion in this Limited Offering Memorandum. See also “—*Continued Development Not Assured—Financial Condition of the Developer and the Homebuilders.*”

Foreclosures. The Authority’s ability to collect property tax revenue for timely payment of the Series 2019 Bonds depends, among other things, upon development within the Development and the maintenance of an adequate tax base from which the Authority can collect sufficient property tax revenue from the imposition of the Required Mill Levy by the Authority. If property within the Authority comes into the possession of a lending institution as a result of a foreclosure, such property is likely to be resold in the market at a depressed price, resulting in a decrease in assessed valuation of the foreclosed property. In addition, a foreclosure may have an immediate and/or long-term effect of depressing property prices in the surrounding area. The number of foreclosed properties reentering the market at lower prices may result in a reduction of demand for new construction, including property within the Authority. Increased foreclosure rates could also cause lenders to tighten their lending practices and decrease their approvals of real estate loans, making it more difficult for potential buyers to finance land acquisitions and vertical construction. Such changes in lending practices could have an impact on the rate and price of land sales within the Development. See also “APPENDIX D—*Economic and Demographic Information.*”

Enforcement of Tax Collections by County. The duty to pay property taxes does not constitute a personal obligation of the property owners within the Development. Rather, the obligation to pay property taxes is tied to the specific properties taxed, and if timely payment is not made, the obligation constitutes a lien against the specific properties for which taxes are unpaid. To enforce property tax liens, the County Treasurer is obligated to cause the sale of tax liens upon the property that is subject to the delinquent taxes, as provided by law, and the revenue derived from such sales, if any, is applied to the delinquent taxes. The County Treasurer has the power to foreclose on and cause the sale of the property that is subject to the delinquent tax, after the period allowed for the property owner to redeem such taxes, as provided by law. Such redemption period is currently three years, during which a property owner may pay all taxes due and prevent such foreclosure. Foreclosure can be a time-consuming and expensive process and does not necessarily result in recovery of all amounts due and unpaid.

In addition, the ability of the County Treasurer to enforce tax liens could be delayed by bankruptcy laws and other laws affecting creditor's rights generally. During the pendency of any bankruptcy of any property owner, the parcels owned by such property owner could be sold only if the bankruptcy court approves the sale. There is no assurance that property taxes would be paid during the pendency of any bankruptcy nor is it possible to predict the timeliness of such payment.

Risks Related to City Use Tax on Construction Materials and Transportation Impact Fee

The City Use Tax is dependent on the level of construction activity occurring within the boundaries of the Authority. Similarly, the Transportation Impact Fee is dependent on the level of construction activity occurring within the boundaries of the Authority, but only as to residential construction.

Business Factors. The amount of City Use Tax and Transportation Impact Fees depends directly upon the amount of future construction activities within the Authority, in addition to a number of business, economic and administrative factors which are not within the control of the Authority, some of which are described below. Currently, there are no residential or commercial structures being constructed within the boundaries of the Authority. There is no guarantee that any construction will ever occur within the boundaries of the Authority. The mix of homes and businesses to be constructed, if at all, may be determined by the Developer and other property owners in the Authority through their leasing and sales activities.

Economic Factors. Construction generating revenues from the City Use Tax and Transportation Impact Fee are a function of consumer demand. Other factors that may impact consumer demand include national, regional and local economic conditions, levels of personal and disposable income, consumer confidence, consumer trends, unemployment rates and population growth, among others. Many of these factors are cyclical in nature, and thus the levels of construction can be expected to fluctuate in direct relation to economic cycles. *Neither the Authority nor the Developer are able to predict future economic conditions or the degree to which they will affect future construction or revenues from the City Use Tax or the Transportation Impact Fee.*

Other Risks. The availability of revenue from the City Use Tax and Transportation Impact Fee is further subject to the risks generally associated with the continued development. See also “–Continued Development Not Assured.” ***Additionally, the City’s pledge of the City Use Tax and Transportation Impact Fee is subject to annual appropriation by the City. There can be no assurance that the City will appropriate the City Use Tax and Transportation Impact Fee to the Authority in any given year, if at all.*** See “–Risks Related to Establishing Agreement Revenue; Annual Appropriation; Limited Geographic Area of Metro Districts.”

Risks Related to Establishing Agreement Revenue; Annual Appropriation; Limited Geographic Area of Metro Districts

The Establishing Agreement Revenue is limited to those revenues derived from each source within the boundaries of the Authority, and each of such revenues sources is subject to annual appropriation by the City, the County, and the Coordinating Metro District, as applicable.

There can be no assurance that the Coordinating Metro District, the City, and the County will each appropriate their respective portions of the Establishing Agreement Revenue to the Authority in any particular year, if at all.

The Coordinating Metro District and the Other Metro Districts currently contain only a nominal area of land. There can be no assurance that the Coordinating Metro District and the Other Metro Districts will ever contain more than a nominal amount of land.

Risks Related to Oil and Gas Operations within the Development

There are currently proposals by Burlington Resources Oil & Gas Company LP and ConocoPhillips Company (collectively, “COP”) to drill for oil and gas within the portion of the Development known as ATEC (pursuant to the FDP, the ATEC area may only be developed for energy, commercial, and industrial purposes). There are also current proposals by other companies to drill for oil and gas near the Development. The leases or other similar documents governing the proposed wells within the Development permit certain surface activity in ATEC in connection with the proposed wells, including, but not limited to drill sites, gathering pipelines, production sites and facilities, and access roads. The Surface Use Agreement does not permit oil and gas activities to occur in the Aurora Highlands portion of the Development.

Although the Developer has stated that such oil and gas operations have been incorporated into the plan for the Development such that all setback and other requirements for the construction of homes are expected to be met, there is no guarantee that such area will not pose potential risks to residents or property values within the Development. Risks related to oil and gas development include, but are not limited to, injury or damage to persons and/or property arising out of or resulting from the drilling, operation, and maintenance of an oil and/or gas well, noise associated with oil and gas well operations, explosion and fire, leakage of oil and/or gas, and disturbance from vehicles servicing the oil and gas wells. The existence of oil and gas activity in the Development and the surrounding area may adversely impact the development, marketability and assessed valuation of the property comprising the Development.

Pursuant to the Surface Use Agreement (defined and described under the caption “THE DEVELOPMENT AND THE DEVELOPER–Environmental Matters–Oil and Gas Operations”), until at least October 29, 2029 (such date may be extended for certain specified events identified in the Surface Use Agreement), the Developer may not consent to, and shall use its best efforts to oppose all attempts to include the OGOAs (defined below) within the boundaries of any metro district, including, but not limited to the Coordinating Metro District and the Other Metro Districts. Accordingly, while the Authority may impose the Required Mill Levy and the County may impose its property tax mill levies on property in ATEC, none of the Coordinating Metro District nor the Other Metro Districts will be able to impose a mill levy over such property until at least October 29, 2029, including the differential between the Authority’s mill levy and a five (5) mill levy subject to a Gallagher Adjustment.

Lack of Operating History; Reliance on the City, the County, and the Coordinating Metro District to Fund Operation and Maintenance Expenses

The Authority has had limited operations since being organized in 2018. The Establishing Agreement prevents the Authority from utilizing more than one percent (1%) of its gross revenues on operations and maintenance expenses. To the extent that one percent of gross revenues is insufficient to cover operations and maintenance expenses, the Authority will be reliant on contributions from the City, the County, and/or the Coordinating Metro District to fund its operation and maintenance expenses. There is no assurance that the City, the County, or the Coordinating Metro District will be willing and able to fund such expenses.

Directors’ Private Interests

Pursuant to State law, the respective directors of the Authority are required to disclose to both the Board and to the Colorado Secretary of State any potential conflicts of interest which are proposed or pending before the Board. The Authority is not aware of any potential or existing personal or private conflicts of interest of any member or alternate member of the Board relating to the issuance or delivery of the Series 2019 Bonds, except as has been disclosed by the members and alternate members of the Board in certificates filed with the Secretary of State and the Board. See “THE AUTHORITY AND THE REGIONAL TRANSPORTATION SYSTEM–Governing Board–*Conflicts of Interest.*”

Legal Constraints on Authority Operations

Various State laws and constitutional provisions govern the assessment and collection of ad valorem property taxes; impose limitations on revenues and spending of local governments in Colorado, including the Authority, the Coordinating Metro District, and the Other Metro Districts; and limit rates, fees and charges imposed by such entities. State laws, constitutional provisions and federal laws and regulations apply to the obligations created by the issuance of the Series 2019 Bonds. There can be no assurance that there will not be changes in interpretation of, or additions to, the applicable laws and provisions which would have a material adverse effect, directly or indirectly, on the affairs of the Authority, the Coordinating Metro District or the Other Metro Districts, and, as a result, the ability of the Authority to generate the revenues required to pay, and apply such revenues to the payment of, the Series 2019 Bonds.

Limitations on Remedies Available to Owners of the Series 2019 Bonds

No Acceleration; No Payment Default. The Indenture provides that acceleration of the Series 2019 Bonds is not an available remedy for an Event of Default under the Indenture. ***In addition, the Authority’s failure to pay principal and interest on the Series 2019 Bonds when due does not constitute an Event of Default under the Indenture so long as the Authority is otherwise in compliance with the covenants and other provisions relating to the Pledged Revenue.*** See “THE SERIES 2019 BONDS—Events of Default and Remedies” for a more detailed description of the events and occurrences that constitute an Event of Default under the Indenture.

Bankruptcy. The remedies available to the Owners of the Series 2019 Bonds upon the occurrence of an Event of Default are in many respects dependent upon judicial action, which is often subject to discretion and delay under existing constitutional law, statutory law, and judicial decisions, including specifically the federal Bankruptcy Code. The legal opinions to be delivered concurrently with delivery of the Series 2019 Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, and insolvency or other similar laws affecting the rights of creditors generally, now or hereafter in effect; to usual equity principles which may limit the specific enforcement under State law of certain remedies, including, but not limited to, specific performance; to the exercise by the United States of America of the powers delegated to it by the federal constitution; and to the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies, in the interest of serving an important public purpose.

Future Changes in Law

Various State laws, constitutional provisions and federal laws and regulations (including, but not limited to the Regional Transportation Authority Law) apply to the obligations created by the issuance of the Series 2019 Bonds, the Pledged Revenue, and various agreements described herein. There can be no assurance that there will not be any change in, interpretation of, or addition to the applicable laws, regulations and provisions which would have a material adverse effect, directly or indirectly, on the affairs of the Authority, the Developer, or the Pledged Revenue.

Risk of Internal Revenue Service Audit

The Internal Revenue Service (the “**Service**”) regularly audits tax-exempt bonds issued by governmental units, such as the Authority, for the purpose of determining whether the Service agrees (a) with the determination of bond counsel that interest on the Series 2019 Bonds is tax-exempt for federal income tax purposes or (b) that the Authority is in or remains in compliance with Service regulations and rulings applicable to governmental bonds such as the Series 2019 Bonds. The commencement of an audit of the Series 2019 Bonds could adversely affect the market value and liquidity of the Series 2019 Bonds, regardless of the final outcome. An adverse determination by the Service with respect to the tax-exempt status of interest on the Series 2019 Bonds could be expected to adversely impact the secondary market, if any, for the Series 2019 Bonds, and, if a secondary market exists, would also be expected to adversely impact the price at

which the Series 2019 Bonds can be sold. The Indenture does not provide for any adjustment to the interest rates borne by the Series 2019 Bonds in the event of a change in the tax-exempt status of the Series 2019 Bonds. Owners of the Series 2019 Bonds should note that, if the Service audits the Series 2019 Bonds, under current audit procedures the Service will treat the Authority as the taxpayer during the initial stage of the audit, and the owners of the Series 2019 Bonds will have limited rights to participate in such procedures. There can be no assurance that the Authority will have revenues available to contest an adverse determination by the Service. No transaction participant, including none of the Authority, the Underwriter or Bond Counsel, is obligated to pay or reimburse the owner of any Bond for audit or litigation costs in connection with any legal action, by the Service or otherwise, relating to the Series 2019 Bonds.

There can be no assurance that an audit by the Service of the Series 2019 Bonds will not be commenced. However, the Authority has no reason to believe that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable Service position, regulation or ruling. No rulings have been or will be sought from the Service with respect to any federal tax matters relating to the issuance, purchase, ownership, receipt or accrual of interest upon, or disposition of the Series 2019 Bonds. See also “TAX MATTERS” herein.

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USE OF PROCEEDS AND DEBT SERVICE REQUIREMENTS

Application of Series 2019 Bond Proceeds

General. Proceeds from the sale of the Series 2019 Bonds will be used to: (a) finance a portion of the Project, (b) fund an initial deposit to the Reserve Fund, (c) pay a portion of the interest to accrue on the Series 2019 Bonds through December 1, 2021, and (d) pay the costs of issuing the Series 2019 Bonds. The Project consists of the design and construction of a portion of the Regional Transportation System.

Sources and Uses of Proceeds. The sources and uses of the proceeds of the Series 2019 Bonds are as follows:

TABLE I

Sources and Uses of Proceeds

Sources:

Par Amount of the Series 2019 Bonds.....	\$19,290,000.00
Original Issue Premium	298,223.40
TOTAL.....	<u>\$19,588,223.40</u>

Uses:

Deposit to the Project Fund	\$15,348,842.25
Deposit to the Bond Fund (representing capitalized interest)	2,344,270.83
Deposit to the Reserve Fund.....	1,257,000.00
Underwriting Discount	289,350.00
Deposit to the Costs of Issuance Fund.....	348,760.32
TOTAL.....	<u>\$19,588,223.40</u>

Source: The Underwriter

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Debt Service Requirements

The following table sets forth the debt service requirements for the Series 2019 Bonds.

TABLE II

Series 2019 Bonds Debt Service Requirements

Year	Principal	Interest	Estimated Annual Total ⁽¹⁾
2019		\$415,270.83	\$415,270.83
2020		964,500.00	964,500.00
2021		964,500.00	964,500.00
2022	\$290,000.00	964,500.00	1,254,500.00
2023	305,000.00	950,000.00	1,255,000.00
2024	320,000.00	934,750.00	1,254,750.00
2025	335,000.00	918,750.00	1,253,750.00
2026	355,000.00	902,000.00	1,257,000.00
2027	370,000.00	884,250.00	1,254,250.00
2028	390,000.00	865,750.00	1,255,750.00
2029	410,000.00	846,250.00	1,256,250.00
2030	430,000.00	825,750.00	1,255,750.00
2031	450,000.00	804,250.00	1,254,250.00
2032	475,000.00	781,750.00	1,256,750.00
2033	495,000.00	758,000.00	1,253,000.00
2034	520,000.00	733,250.00	1,253,250.00
2035	545,000.00	707,250.00	1,252,250.00
2036	575,000.00	680,000.00	1,255,000.00
2037	605,000.00	651,250.00	1,256,250.00
2038	635,000.00	621,000.00	1,256,000.00
2039	665,000.00	589,250.00	1,254,250.00
2040	700,000.00	556,000.00	1,256,000.00
2041	735,000.00	521,000.00	1,256,000.00
2042	770,000.00	484,250.00	1,254,250.00
2043	810,000.00	445,750.00	1,255,750.00
2044	850,000.00	405,250.00	1,255,250.00
2045	890,000.00	362,750.00	1,252,750.00
2046	935,000.00	318,250.00	1,253,250.00
2047	985,000.00	271,500.00	1,256,500.00
2048	1,030,000.00	222,250.00	1,252,500.00
2049	1,085,000.00	170,750.00	1,252,750.00
2050	1,135,000.00	116,500.00	1,251,500.00
2051	1,195,000.00	59,750.00	1,254,750.00
TOTAL	\$19,290,000.00	\$20,696,270.83	\$39,986,270.83

(1) Assumes no redemptions, other than mandatory sinking fund redemptions, prior to maturity. Figures have been rounded and may differ from actual debt service payments.

Source: The Underwriter

THE SERIES 2019 BONDS

Description

General. The Series 2019 Bonds will be issued in the aggregate principal amount, will be dated and will mature as indicated on the cover page of this Limited Offering Memorandum. For a complete description of the details of the Series 2019 Bonds, reference is made to the Indenture, copies of which are available from the Authority or the Underwriter prior to delivery of the Series 2019 Bonds. See “INTRODUCTION–Additional Information.”

The Series 2019 Bonds are authorized, issued, and secured by and in accordance with the Bond Resolution and the Indenture. No covenant, agreement, or other provision other than the Bond Resolution or the Indenture secures or is otherwise made by the Authority or the Trustee for the benefit of Owners of the Series 2019 Bonds.

THE SERIES 2019 BONDS DO NOT CONSTITUTE THE DEBT, INDEBTEDNESS OR MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE CITY, THE COUNTY, OR THE COORDINATING METRO DISTRICT. THE SERIES 2019 BONDS ARE SECURED SOLELY BY THE FUNDS ACTUALLY RECEIVED BY THE AUTHORITY (INCLUDING THOSE DERIVED FROM THE REQUIRED MILL LEVY), CREDITED TO THE INCOME FUND AND PLEDGED BY THE AUTHORITY AS SECURITY FOR THE SERIES 2019 BONDS. ANY AMOUNTS OF REVENUES THAT MAY BE AVAILABLE TO BE APPROPRIATED BY THE CITY, THE COUNTY, OR THE COORDINATING METRO DISTRICT FOR CREDIT TO THE INCOME FUND ARE SUBJECT IN ANY EVENT TO THE BUDGETARY COVENANT (DEFINED BELOW) UNTIL APPROPRIATED BY THE GOVERNING BODIES OF THE CITY, THE COUNTY, OR THE COORDINATING METRO DISTRICT IN THEIR SOLE DISCRETION.

Authorization. The Series 2019 Bonds are issued under authority of the Constitution and laws of the State, particularly the Act and the Supplemental Act, and pursuant to the Bond Resolution and the Indenture. Authorization for the issuance of the Series 2019 Bonds has also been obtained from the Authority’s electorate as discussed in “DEBT STRUCTURE–Debt Restrictions of the Authority–Required Elections and Voter-Approved Borrowing Authority.”

Authorized Denominations

The Series 2019 Bonds are issued solely as fully registered certificates in the denomination of \$100,000, and any integral multiple of \$5,000 in excess thereof; provided that (a) no individual Series 2019 Bond may be in an amount which exceeds the principal amount coming due on any maturity date, (b) in the event a Series 2019 Bond is partially redeemed and the unredeemed portion is less than \$100,000, such unredeemed portion of such Series 2019 Bond may be issued in the largest possible denomination less than \$100,000, in integral multiples of not less than \$5,000 each or any integral multiple thereof, and (c) the Authorized Denominations shall be reduced to \$5,000 or any integral multiple thereof on the date that an Authority Representative provides to the Trustee a copy of any Rating Letter.

Payment of Principal and Interest; Record Date

The Series 2019 Bonds will bear interest at the rates set forth on the cover page hereof (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Series 2019 Bonds is payable semi-annually on June 1 and December 1, each year, commencing December 1, 2019.

The principal of and premium, if any, on the Series 2019 Bonds are payable in lawful money of the United States of America to the Owner of each Series 2019 Bond upon maturity or prior redemption and presentation at the principal office of the Trustee. The interest on any Series 2019 Bond is payable to the person in whose name such Series 2019 Bond is registered, at his address as it appears on the registration books maintained by or on behalf of the Authority by the Trustee, at the close of business on the Record Date, irrespective of any transfer or exchange of such Series 2019 Bond subsequent to such Record Date and prior to such interest payment date; provided that any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Owner thereof at the close of business on the Record Date and shall be payable to the person who is the Owner thereof at the close of business on a Special Record Date for the payment of any such unpaid interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the unpaid interest, and notice of the Special Record Date shall be given to the Owners of the Series 2019 Bonds not less than ten (10) days prior to the Special Record Date by first-class mail to each such Owner as shown on the registration books kept by the Trustee on a date selected by the Trustee. Such notice shall state the date of the Special Record Date and the date fixed for the payment of such unpaid interest.

Interest payments shall be paid by check or draft of the Trustee mailed on or before the interest payment date to the Owners. The Trustee may make payments of interest on any Series 2019 Bond by such alternative means as may be mutually agreed to between the Owner of such Series 2019 Bond and the Trustee; provided that the Authority shall not be required to make funds available to the Trustee prior to the dates on which such interest would otherwise be payable under the Indenture, nor to incur any expenses in connection with such alternative means of payment.

To the extent principal of any Series 2019 Bond is not paid when due, such principal shall remain Outstanding and shall continue to bear interest at the rate then borne by the Series 2019 Bond. To the extent interest on any Series 2019 Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Series 2019 Bond; provided, however, that notwithstanding anything herein to the contrary, the Authority shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Series 2019 Bonds, including all payments of principal, premium if any, and interest, and all Series 2019 Bonds will be deemed defeased and no longer Outstanding upon the payment by the Authority of such amount.

Payments for the principal of and interest on the Series 2019 Bonds will be made as described in “APPENDIX E—BOOK-ENTRY-ONLY SYSTEM.”

Redemption

Optional Redemption. The Series 2019 Bonds are subject to redemption prior to maturity, at the option of the Authority, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, on December 1, 2024, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2024, to November 30, 2025	2.00%
December 1, 2025, to November 30, 2026	1.00%
December 1, 2026, and thereafter	0.00%

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Mandatory Sinking Fund Redemption. The Series 2019 Bonds maturing December 1, 2051 also are subject to mandatory sinking fund redemption prior to the maturity date of such Series 2019 Bonds, in part, by lot, upon payment of par and accrued interest, without redemption premium, on December 1 in the years and amounts set forth below:

<u>Year of Redemption</u>	<u>Redemption Amount</u>
2022	\$290,000.00
2023	305,000.00
2024	320,000.00
2025	335,000.00
2026	355,000.00
2027	370,000.00
2028	390,000.00
2029	410,000.00
2030	430,000.00
2031	450,000.00
2032	475,000.00
2033	495,000.00
2034	520,000.00
2035	545,000.00
2036	575,000.00
2037	605,000.00
2038	635,000.00
2039	665,000.00
2040	700,000.00
2041	735,000.00
2042	770,000.00
2043	810,000.00
2044	850,000.00
2045	890,000.00
2046	935,000.00
2047	985,000.00
2048	1,030,000.00
2049	1,085,000.00
2050	1,135,000.00
2051*	1,195,000.00
	<u>\$19,290,000.00</u>

*Final maturity, not a sinking fund redemption

With respect to each maturity of the Series 2019 Bonds subject to mandatory sinking fund redemption, on or before forty-five (45) days prior to each sinking fund installment date for such maturity as set forth above, the Trustee shall select for redemption, by lot in such manner as the Trustee may determine, from the Outstanding Series 2019 Bonds of that maturity, a principal amount of such Series 2019 Bonds equal to the applicable sinking fund installment. The amount of the applicable sinking fund installment for any particular date and maturity may be reduced by

the principal amount of any Series 2019 Bonds of that maturity which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled and not theretofore applied as a credit against a sinking fund installment. Such reductions, if any, shall be applied in such year or years as may be determined by the Authority.

Redemption Procedure and Notice. If less than all of the Series 2019 Bonds within a maturity are to be redeemed on any prior redemption date, the Series 2019 Bonds to be redeemed shall be selected by lot prior to the date fixed for redemption, in such manner as the Trustee shall determine. The Series 2019 Bonds shall be redeemed only in integral multiples of \$5,000. In the event a Series 2019 Bond is of a denomination larger than \$5,000, a portion of such Series 2019 Bond may be redeemed, but only in the principal amount of \$5,000 or any integral multiple thereof. Such Series 2019 Bond shall be treated for the purpose of redemption as that number of Series 2019 Bonds which results from dividing the principal amount of such Series 2019 Bond by \$5,000. In the event a portion of any Series 2019 Bond is redeemed, the Trustee shall, without charge to the Owner of such Series 2019 Bond, authenticate and deliver a replacement Series 2019 Bond or Series 2019 Bonds for the unredeemed portion thereof.

In the event any of the Series 2019 Bonds or portions thereof are called for redemption as aforesaid, notice thereof identifying the Series 2019 Bonds or portions thereof to be redeemed will be given by the Trustee by mailing a copy of the redemption notice by first class mail (postage prepaid), not less than thirty (30) days prior to the date fixed for redemption, to the Owner of each Series 2019 Bond to be redeemed in whole or in part at the address shown on the registration books maintained by or on behalf of the Authority by the Trustee; provided that so long as the Series 2019 Bonds are held by DTC or any other Depository, such notice may be given by electronic means in lieu of mailed notice. Failure to give such notice by mailing to any Owner, or any defect therein, shall not affect the validity of any proceeding for the redemption of other Series 2019 Bonds as to which no such failure or defect exists. The redemption of the Series 2019 Bonds may be contingent or subject to such conditions as may be specified in the notice, and if funds for the redemption are not irrevocably deposited with the Trustee or otherwise placed in escrow and in trust prior to the giving of notice of redemption, the notice shall be specifically subject to the deposit of funds by the Authority. All Series 2019 Bonds so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

Book-Entry-Only System. The Trustee is required to send notice of redemption of the Series 2019 Bonds only to Cede & Co. (or subsequent nominee of DTC) as the Owner thereof. Receipt of such notice initiates DTC's standard call. In the event of a partial call, the Beneficial Ownership Interests to be redeemed will be determined in accordance with the rules and procedures of the DTC book-entry system as discussed in "APPENDIX E-BOOK-ENTRY-ONLY SYSTEM." Participants are responsible for notifying the Beneficial Owners of the redemption of their Beneficial Ownership Interests and for remitting the redemption price thereof to such Beneficial Owners. Any failure by DTC or Participants to notify a Beneficial Owner of any such notice of redemption and its content or effect will not affect the validity of the redemption of the Series 2019 Bonds properly called for redemption or any other action premised on that notice.

Security for the Series 2019 Bonds

The Series 2019 Bonds are special revenue obligations of the Authority secured and payable solely from the “Trust Estate” which includes (a) the Pledged Revenue, the Bond Fund, the Project Fund, the Reserve Fund, the Surplus Fund, and all other moneys, securities, revenues, receipts, and funds from time to time held by the Trustee under the terms of the Indenture, and a security interest therein, (b) all right, title, and interest of the Authority in and to the Establishing Agreement, the Authority-AACMD IGA, and the Distribution Agreements (See “THE AUTHORITY AND THE REGIONAL TRANSPORTATION SYSTEM—Agreements of the Authority”), and (c) all right, title, and interest of the Authority in any and all other property of every name and nature from time to time hereafter by delivery or by writing of any kind, given, granted, assigned, pledged, conveyed, mortgaged, or transferred by the Authority or by anyone on its behalf as and for additional security under the Indenture, and the Trustee is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture. The Series 2019 Bonds constitute an irrevocable and first lien upon the Trust Estate, but not necessarily an exclusive such lien.

“**Pledged Revenue**” is defined in the Indenture as the following moneys, or as applicable, the moneys derived by the Authority from the following sources, net of any costs of collection, (a) the Gross Revenue minus the Operations and Maintenance Deduction, and (b) any other legally available moneys which the Authority determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue, including, without limitation, the capitalized interest deposited into the Bond Fund with the initial proceeds of the Series 2019 Bonds.

“**Gross Revenue**” is defined in the Indenture as the following moneys or, as applicable, the moneys derived by the Authority from the following sources, net of any costs of collection: (a) the Required Mill Levy; and (b) the Establishing Agreement Revenue. The Required Mill Levy and the Establishing Agreement Revenue are discussed in further detail below.

The Series 2019 Bonds are not secured directly by any lien on property located within the Authority; rather they are secured by the Authority’s covenant to impose the Required Mill Levy, and by the other components of the Pledged Revenue. The Required Mill Levy creates a statutory tax lien which may be enforced to the extent that taxes are delinquent in a given year. See “RISK FACTORS—Limited Security for the Series 2019 Bonds; No Mortgage; No Conversion of Series 2019 Bonds to Unlimited Tax Obligations” and “—Risks Related to Property Tax Revenue.”

The Series 2019 Bonds are also secured by amounts on deposit in the Reserve Fund, which is required to be maintained at all times in the amount of the Required Reserve and will be funded upon the issuance of the Series 2019 Bonds from the proceeds thereof in the initial amount of \$1,257,000. Although created pursuant to the terms of the Indenture, the Reserve Fund is intended to be a common fund that secures the Series 2019 Bonds and any additional Parity Bonds issued pursuant to the Indenture that the Authority elects to secure with amounts on deposit in the Reserve Fund pursuant to the Indenture. See “THE SERIES 2019 BONDS—Funds and Accounts—*The Reserve Fund*” and “USE OF PROCEEDS AND DEBT SERVICE REQUIREMENTS.”

The Series 2019 Bonds are also secured by amounts on deposit in the Surplus Fund, if any. The Surplus Fund shall not be funded with proceeds of the Series 2019 Bonds, but shall be funded solely from the deposit of available Pledged Revenue, if any, as provided in the Indenture, up to the Maximum Surplus Amount. Although created pursuant to the terms of the Indenture, the Surplus Fund is intended to be a common fund that secures the Series 2019 Bonds and any additional Parity Bonds issued thereafter. See “THE SERIES 2019 BONDS—Funds and Accounts—*The Surplus Fund*.”

Additional Bonds will be issued pursuant to separate indentures from the Series 2019 Bonds, but the Indenture provides that (a) any series of additional Parity Bonds will be secured by a lien on the Pledged Revenue on a parity with the lien thereon of the Series 2019 Bonds and (b) any series of Subordinate Bonds will be secured by a lien on the Pledged Revenue subordinate to the lien thereon of the Series 2019 Bonds and any additional series of Parity Bonds. The Indenture further provides that, in order to assure the proper application of moneys constituting Pledged Revenue, on and after the date of issuance of any series of additional Parity Bonds or any Subordinate Bonds, the Authority shall transfer to the Trustee all moneys pledged to the payment of such Parity Bonds or Subordinate Bonds and any such moneys shall constitute part of the Trust Estate. Further, the Indenture requires that the Trustee for the Series 2019 Bonds and any series of additional Parity Bonds or any Subordinate Bonds be the same entity.

Definition of Required Mill Levy. The Indenture defines “Required Mill Levy” as:

(a) Subject to the Act and paragraph (b) below, an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the Authority each year in an amount equal to five (5) mills.

(b) Notwithstanding anything herein to the contrary, in no event may the Required Mill Levy be established at a mill levy which would cause the Authority to derive tax revenue in any year in excess of the maximum tax increases permitted by the Authority’s electoral authorization, and if the Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by the Authority’s electoral authorization, the Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded.

In no event will the Owners of the Series 2019 Bonds or the Trustee be entitled to require the Authority to impose ad valorem property taxes at a rate in excess of the Required Mill Levy. In no event does the Required Mill Levy convert to an unlimited tax pledge.

Covenant to Impose the Required Mill Levy. Pursuant to the Indenture, the Authority has covenanted to cause to be levied on all of the taxable property of the Authority, provided the Authority has the statutory and electoral authority to do so, and in addition to all other taxes, direct annual taxes in each of the years 2019 to 2050, inclusive, for collection in each of the years 2020 to 2051, inclusive, and in each year subsequent to 2050, to the extent necessary to make up any overdue payments on the Series 2019 Bonds, in the amount of the Required Mill Levy. For the avoidance of doubt, and as of the date of issuance of the Series 2019 Bonds, the Act presently repeals the Authority’s ability to impose the Required Mill Levy, effective

January 1, 2029. Nothing in the Indenture shall be construed to require the Authority to impose an ad valorem property tax levy in excess of the Required Mill Levy.

Revenues Payable Pursuant to the Establishing Agreement, Generally. Pursuant to the Establishing Agreement, the City, the County, and the Coordinating Metro District have each respectively agreed to remit the following components of the Establishing Agreement Revenue to the Authority, to the extent imposed, collected, and appropriated by each respective entity within the boundaries of the Authority, and in each case subject to the Budgetary Covenant and subsequent annual appropriation:

- (a) the City:
 - (i) 100% of the City Use Tax on Construction Materials (exclusive of the 0.25% use tax dedicated to increased staffing of the City police department and operation and maintenance of the City detention facility) (the “**City Use Tax**”); and
 - (ii) 100% of the City Transportation Impact Fee for Residential Development (the “**Transportation Impact Fee**”);
- (b) the County:
 - (i) 50% of the County General Fund Property Tax (the “**County General Fund Property Tax**”); and
 - (ii) 100% of the County Road and Bridge Fund Tax (the “**County Road and Bridge Fund Tax**”); and
- (c) the Coordinating Metro District:
 - (i) as modified pursuant to the Authority-AACMD IGA, has covenanted to impose, collect, and remit, and to require the Other Metro Districts to impose, collect, and remit 100% of a mill levy imposed on taxable property equal to the difference between 5 mills (Gallagher Adjusted) and the Required Mill Levy imposed by the Authority (as further described under the caption “–*Coordinating Metro District Regional Mill Levy*,” the “**Coordinating Metro District Regional Mill Levy**”).

The “**Budgetary Covenant**” is the covenant given in the Establishing Agreement by the City, the County, and the Coordinating Metro District, requiring the City Manager (as defined in the Establishing Agreement), the County Manager (as defined in the Establishing Agreement), or other office charged with responsibility for preparation of the budget to prepare and submit annually to their respective Governing Bodies (as defined in the Establishing Agreement) a request to include in the budget and appropriate the revenues generated by each of the Establishing Agreement Revenue sources for remittance to the Authority for the Regional Transportation System, provided that the decision whether to appropriate the funds annually as requested shall be within the sole discretion of the respective Governing Bodies.

City Use Tax on Construction Materials. Collection of the City Use Tax is administered by the City's Director of Finance pursuant to the provisions of the Aurora Code of Ordinances. The City Use Tax is collected via a declaration or return filed by the user of the tangible personal property. While the City Use Tax is collected from multiple sources, only that portion collected pursuant to Section 130-61 of the Aurora Code of Ordinances on purchases of construction materials to be used within the boundaries of the Authority are payable to the Authority by the City (subject to annual appropriation).

The City Use Tax is imposed on any contractor who shall build, construct, reconstruct, alter, expand, modify, or improve any building, dwelling, structure, or other improvement to real property covered by a building permit, within the boundaries of the Authority, and who shall purchase or otherwise acquire the construction materials and/or fixtures used therefor or any tangible personal property used therein from any source within or without the City.

Prior to the issuance of any building or public improvement permit the contractor, owner, or lessee is required to deposit with the City, an amount of tax computed on the basis of three and three-fourths percent (3.75%) of (a) 50 percent of the total estimated cost of the building, construction, reconstruction, alteration, expansion, modification, or improvement of the building, dwelling, or structure for which the building permit is issued or the improvement for which the public improvement permit is issued, or such other percentage as may be determined by the director of public works or such director's designee; or (b) 100 percent of the total estimated cost of construction materials and/or fixtures used in the building, construction, reconstruction, alteration, expansion, modification, or improvement of the building, dwelling, or structure for which the building permit is issued or the improvement for which the public improvement permit is issued. With respect to any deposit collected upon the issuance of a building permit, in no event shall the amount of City Use Tax to be deposited with the City be less than three and three-fourths percent (3.75%) of 50 percent of the permit fee determination assessment made by the chief building official pursuant to the Aurora Code of Ordinances.

Within ninety (90) days following the issuance of a final certificate of occupancy or the date of the final inspection by the City of the building, dwelling, or structure for which a building permit is issued, or the improvement for which a public improvement permit is issued, each contractor, owner, or lessee who has paid a City Use Tax deposit shall submit a project report to the City. Such report shall state the actual purchase price of any construction materials and fixtures used in the building, construction, reconstruction, alteration, expansion, modification, or improvement of such building, dwelling, structure, or improvement. At the time the report is submitted, the contractor, owner, or lessee shall remit any sales and use tax due and owing to the City in excess of the deposit. In any event, the contractor, owner, and lessee will be held jointly and severally responsible for the payment of such excess taxes.

The City Use Tax shall not be charged on any construction materials or fixtures that are used to build, construct, reconstruct, alter, expand, modify, or improve any building, dwelling, structure, or other improvement to real property, if the owner or lessee of such property who contracts for such improvement to be made is (a) the United States government, the State, and their respective departments, institutions and political subdivisions, in their governmental capacities only, (b) the City or any agency or department thereof; or (c) any charitable organization in the conduct of its regular charitable functions and activities.

There can be no assurance that the City will not reduce, increase, or otherwise modify the City Use Tax. Only that portion of the City Use Tax which is imposed upon and collected from property within the Authority is pledged, subject to annual appropriation by the City, to the Authority as Establishing Agreement Revenue.

City Transportation Impact Fee for Residential Development. The City collects a capital impact fee (the “**Capital Impact Fee**”) as a condition to the issuance of a building permit for any new dwelling in the City. The Capital Impact Fee is authorized pursuant to Section 146-412 of the Aurora Code of Ordinances. Only that portion of the Capital Impact Fee which is designated for transportation (the “**Transportation Impact Fee**”) is pledged by the City to the Authority under the Establishing Agreement, subject to annual appropriation. The Capital Impact Fee is assessed on a per unit basis as a condition to issuance of a building permit for any new dwelling in the City; provided, however, that the Capital Impact Fee may be waived for affordable housing or employee housing development.

As of January 1, 2009, the Transportation Impact Fee for single family (detached dwellings) was \$589.00 per unit, for single family, attached townhome, two-family home, and duplex dwellings was \$500.00 per unit, and for multi-family dwellings was \$413.00 per unit. The Transportation Impact Fee is adjusted for inflation on each January 1 based on the Colorado Construction Cost Index published by the Colorado Department of Transportation. The following table shows the historical Transportation Impact Fee imposed by the City.

TABLE III

Historical City Transportation Impact Fee

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Multifamily	\$403	\$404	\$409	\$402	\$431
Single Family Attached	485	486	492	484	518
Total Single Family Detached	572	574	581	571	612

Source: The City

There can be no assurance that the City will not reduce, increase, or otherwise modify the Transportation Impact Fee. Only that portion of the Transportation Impact Fee which is imposed upon and collected from property within the Authority is pledged, subject to annual appropriation by the City, to the Authority as Establishing Agreement Revenue.

County General Fund Property Tax. The County General Fund Property Tax is the ad valorem property tax imposed by the County for purposes of its general operations. Pursuant to the Establishing Agreement, the County has pledged, subject to annual appropriation, to pay to the Authority 50% of the revenues raised from the County General Fund Property Tax within the boundaries of the Authority. The following table shows the historical County General Fund Property Tax mill levies.

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TABLE IV

Historical County General Fund Property Tax Mill Levies

<u>Levy Year/Collection Year</u>	<u>2014/2015</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>	<u>2018/2019</u>
General Fund Mill Levy	22.869	22.869	22.869	22.555	22.555
General Fund Abatement Mill Levy	<u>0.263</u>	<u>0.038</u>	<u>0.276</u>	<u>0.150</u>	<u>0.085</u>
Total General Fund Mill Levy	23.132	22.907	23.145	22.705	22.640

Source: Adams County Budget & Performance Measurement Department

There can be no assurance that the County will not reduce the number of mills imposed for the County General Fund Property Tax. Only that portion of the County General Fund Property Tax which is imposed upon and collected from property within the Authority is pledged, subject to annual appropriation by the County, to the Authority as Establishing Agreement Revenue.

County Road and Bridge Fund Tax. The County Road and Bridge Fund Tax is the ad valorem property tax imposed by the County, pursuant to Sections 43-2-202 and 43-2-203, C.R.S., for purposes of its road and bridge operations. Pursuant to the Establishing Agreement, the County has pledged, subject to annual appropriation, to pay to the Authority 100% of the revenues raised from the County Road and Bridge Fund Tax within the boundaries of the Authority. **For tax levy years 2014-2018 (collection years 2015-2019), the County Road and Bridge Fund Tax was imposed at a level of 1.3 mills.**

There can be no assurance that the County will not reduce the number of mills imposed for the County Road and Bridge Fund Tax. Only that portion of the County Road and Bridge Fund Tax which is imposed upon and collected from property within the Authority is pledged, subject to annual appropriation by the County, to the Authority as Establishing Agreement Revenue.

Coordinating Metro District Regional Mill Levy. Pursuant to the Establishing Agreement, the Coordinating Metro District has pledged, subject to annual appropriation by the Coordinating Metro District, to impose an ad valorem property tax known as the “**Coordinating Metro District Regional Mill Levy**.” Specifically, the Coordinating Metro District Regional Mill Levy (defined in the Coordinating Metro District’s Service Plan as the “ARI Mill Levy”) is defined as the mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which shall be five (5) mills, plus Gallagher Adjustment, minus any ARTA Mill Levy (i.e., the Authority’s Required Mill Levy), for collection beginning for each district in the first year of collection a debt service mill levy by such district, and continuing in each year thereafter, as set forth in the Regional Intergovernmental Improvements Agreement.

Pursuant to the Authority-AACMD IGA, the Coordinating Metro District has agreed, generally, subject to annual appropriation, to impose the Coordinating Metro District Regional Mill Levy, and to require the Other Metro Districts to impose their respective ARI Mill Levies as

required by their respective service plans and to ultimately transfer the revenues derived therefrom to the Authority, beginning when required by their respective service plans and continuing each year thereafter for so long as the Authority has outstanding bonds. However, no such intergovernmental agreement has been executed between the Coordinating Metro District and any of the Other Metro Districts and there can be no assurance that any such agreement will ever exist.

Notwithstanding the foregoing, and in clarification of the Establishing Agreement, the Authority and the Coordinating Metro District have entered into the Authority-AACMD IGA that requires the Authority to levy the Required Mill Levy in each year that it is permitted by the Act and required by the Indenture to do so. Further, the Authority-AACMD IGA requires the Coordinating Metro District to impose its mill levy in an amount no less than the number of mills required to be imposed by its service plan in all such levy years as set forth in the Coordinating Metro District's service plan as such service plan exists on the date of execution of the Authority-AACMD IGA. The Coordinating Metro District's service plan defines the Coordinating Metro District's mill levy to mean a mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which shall be five (5) mills, plus Gallagher Adjustment, minus any ARTA Mill Levy (i.e., the Authority's Required Mill Levy), for collection beginning for the Coordinating Metro District in the first year of collection of a debt service mill levy by such district, and continuing in each year thereafter, as set forth in an intergovernmental agreement regarding regional improvements between the Coordinating Metro District and the City. Consequently, when read together, the Establishing Agreement and the Authority-AACMD IGA, require: (a) the Authority to impose its Required Mill Levy in each year that it is permitted by the Act and required by the Indenture to do so; and (b) the Coordinating Metro District to impose the levy required by its service plan (i.e., five (5) mills, plus a Gallagher Adjustment, less the amount of the Required Mill Levy) in all such levy years as set forth in the Coordinating Metro District's service plan. For so long as the Authority levies its Required Mill Levy, this process allows the Authority to receive, subject to the Budgetary Covenant, a nominal Gallagher Adjustment on the mill levy imposed by the Coordinating Metro District (which levy is only presently imposed on the approximately one (1) acre boundary of the Coordinating Metro District). If the Authority was ever not permitted by law to impose its Required Mill Levy, this process would require the Coordinating Metro District to impose its full five (5) mill levy, plus a Gallagher Adjustment, within the boundaries of the Coordinating Metro District which are within the boundaries of the Authority, and to require the Other Metro Districts to do the same pursuant to the District IGAs (defined below).

Because the Coordinating Metro District currently contains only approximately one (1) acre of land and because its boundaries may never be expanded, no material revenue is expected to ever be produced from any levy imposed by the Coordinating Metro District. Because the Other Metro Districts currently contain only approximately one (1) acre in the aggregate and because their respective boundaries may never be expanded, no material revenue may ever be produced from any levy imposed by the Other Metro Districts.

Funds and Accounts

Creation of Funds and Accounts. Under the Indenture, there are created and established the following funds and accounts, which shall be established with and maintained by the Trustee in accordance with the provisions of the Indenture: (a) the Project Fund; (b) the Bond Fund; (c) the Reserve Fund; and (d) the Surplus Fund. Separate bond funds will be established in connection with any series of Additional Bonds. The Reserve Fund is established under the Indenture, but is intended to be a common fund that secures the Series 2019 Bonds and any series of additional Parity Bonds that the Authority elects to secure with amounts on deposit in the Reserve Fund. The Surplus Fund is established under the Indenture, but is intended to be a common fund that secures the Series 2019 Bonds and any series of additional Parity Bonds hereafter issued.

Source of Payment of the Series 2019 Bonds. All of the Series 2019 Bonds, together with the interest thereon and any premium due in connection therewith, shall be payable solely from and to the extent of the Pledged Revenue, including all moneys and earnings thereon held in the funds and accounts created by the Indenture, and the Pledged Revenue is thereby pledged to the payment of the Series 2019 Bonds. The Bonds shall constitute an irrevocable lien upon the Pledged Revenue and the moneys and earnings thereon held in the fund and accounts created by the Indenture, but not necessarily an exclusive such lien as Additional Bonds may hereafter be issued with a parity or subordinate lien on the Pledged Revenue. Notwithstanding the foregoing, and for the avoidance of doubt, moneys on deposit in the Project Fund are pledged exclusively to the Series 2019 Bonds. Moneys in the Bond Fund are pledged exclusively to the Series 2019 Bonds but deposits to the Bond Fund are subject to the application of Pledged Revenue described below. Moneys in the Reserve Fund are pledged exclusively to the Series 2019 Bonds and any series of additional Reserve Fund Secured Parity Bonds thereafter issued. Prior to the Surplus Fund Release Date, moneys on deposit in the Surplus Fund are pledged exclusively to the payment of any Outstanding Parity Bonds.

Application of Pledged Revenue. Pursuant to the Indenture, the Authority shall transfer, or cause to be transferred, all amounts comprising Pledged Revenue from the Income Fund to the Trustee as soon as may be practicable after the receipt thereof. In addition, in order to assure the proper application of moneys constituting Pledged Revenue, on and after the date of issuance of any other Parity Bonds or Subordinate Bonds, the Authority shall also transfer to the Trustee all moneys pledged to the payment of such Parity Bonds or Subordinate Bonds and any such moneys shall constitute part of the Trust Estate.

The Trustee shall apply the Pledged Revenue and such other moneys in the following order of priority. For purposes of the following: (a) when credits to more than one fund, account, or purpose are required at any single priority level, such credits shall rank *pari passu* with each other, and (b) when credits are required to go to funds or accounts which are not held by the Trustee under the Indenture, the Trustee may rely upon the written instructions of the Authority with respect to the appropriate funds or accounts to which such credits are to be made.

FIRST: to the credit of the Bond Fund, the amounts required by the Indenture and described herein under the caption “–The Bond Fund,” and to the credit of any other similar fund or account established for the current payment of the principal of, premium if any, and interest

on any other Parity Bonds (i.e., a Surplus Fund Secured Parity Bond Fund), the amounts required by the documents pursuant to which such Parity Bonds are issued;

SECOND: to the credit of the Reserve Fund, the amounts required by the Indenture and described herein under the caption “–The Reserve Fund,” to secure the payment of the principal of, premium if any, and interest on the Series 2019 Bonds and any additional Reserve Fund Secured Parity Bonds;

THIRD: For so long as the Surplus Fund has not been terminated, to the credit of the Surplus Fund the amounts required by the Indenture and described herein under the caption “–The Surplus Fund;”

FOURTH: to the credit of any other fund or account established for the payment of the principal of, premium if any, and interest on Subordinate Bonds, including any sinking fund, reserve fund, or similar fund or account established therefor, the amounts required by the documents pursuant to which the Subordinate Bonds are issued; and

FIFTH: to the credit of any other fund or account as may be designated by the Authority, including the Capital Fund, to be used for any lawful purpose, any Pledged Revenue remaining after the payments and accumulations set forth above;

The Project Fund. So long as no Event of Default shall have occurred and be continuing under the Indenture, the Trustee will disburse funds from the Project Fund in accordance with requisitions in substantially the form attached to the Indenture, signed by the Authority Representative. The Trustee may rely conclusively upon any such requisition received and shall have no obligation to make an independent investigation in connection therewith.

Upon the receipt by the Trustee of a resolution of the Authority determining that all Project Costs have been paid, any balance remaining in the Project Fund shall be credited to the Bond Fund. In addition, upon the Trustee’s receipt of written notice of the Authority’s determination that the funds in the Project Fund exceed the amount necessary to pay all Project Costs, such excess amount shall be credited to the Bond Fund in the amounts determined by the Authority. The Project Fund shall terminate at such time as no further moneys remain therein.

Upon the occurrence and continuance of an Event of Default, the Trustee will cease disbursing moneys from the Project Fund, but instead shall apply such moneys in the manner provided by provisions of the Indenture, as described in “—Events of Default and Remedies—*Remedies upon Occurrence of Event of Default*” below.

The Bond Fund. Subject to the receipt of sufficient Pledged Revenue, there shall be credited to the Bond Fund each Bond Year an amount of Pledged Revenue which, when combined with other legally available moneys in the Bond Fund (not including moneys deposited thereto from other funds pursuant to the terms hereof), will be sufficient to pay the principal of, premium if any, and interest on the Series 2019 Bonds which has or will become due in the Bond Year in which the credit is made. The capitalized interest deposited into the Bond Fund pursuant to the Indenture shall be used, to the extent of available funds, exclusively to pay interest on the Series 2019 Bonds through December 1, 2021. The Trustee may create a subaccount within the Bond Fund to hold the capitalized interest.

Moneys in the Bond Fund (including any moneys transferred thereto from other funds pursuant to the terms hereof) shall be used by the Trustee solely to pay the principal of, premium if any, and interest on the Series 2019 Bonds, in the following order:

(a) First, to the payment of interest due in connection with the Series 2019 Bonds (including without limitation current interest, accrued but unpaid interest, and interest due as a result of compounding, if any); and

(b) Second, to the extent any moneys are remaining in the Bond Fund after the payment of such interest, to the payment of the principal of and premium, if any, on the Series 2019 Bonds, whether due at maturity or upon prior redemption.

In the event that available moneys in the Bond Fund (including any moneys transferred thereto from other funds pursuant to the terms hereof) are insufficient for the payment of the principal of, premium if any, and interest due on the Series 2019 Bonds on any due date, the Trustee shall apply such amounts on such due date as follows:

(a) First, the Trustee shall pay such amounts as are available, proportionally in accordance with the amount of interest due on each Series 2019 Bond; and

(b) Second, the Trustee shall apply any remaining amounts to the payment of the principal of and premium, if any, on as many Series 2019 Bonds as can be paid with such remaining amounts, such payments to be in increments of \$5,000 or any integral multiple thereof, plus any premium. Series 2019 Bonds or portions thereof to be redeemed pursuant to such partial payment shall be selected by lot from the Series 2019 Bonds the principal of which is due and owing on the due date.

The Reserve Fund. Subject to the receipt of sufficient Pledged Revenue, the Reserve Fund shall be maintained in the amount of the Required Reserve. Required Reserve is defined in the Indenture to mean:

(a) with respect to the Series 2019 Bonds, an amount equal to the least of (i) 10% of the “proceeds” (as defined in the Tax Code) of the Series 2019 Bonds; (ii) the maximum annual Debt Service of the Series 2019 Bonds; or (iii) 125% of the average annual Debt Service on the Series 2019 Bonds; and

(b) upon the issuance of any one or more series of additional Reserve Fund Secured Parity Bonds while the Series 2019 Bonds are Outstanding, an amount equal to the least of: (i) 10% of the “proceeds” (as defined in the Tax Code) of each series of Reserve Fund Secured Parity Bonds then Outstanding (including the Reserve Fund Secured Parity Bonds proposed to be issued); (ii) the combined maximum annual Debt Service on the Reserve Fund Secured Parity Bonds then Outstanding (including the Reserve Fund Secured Parity Bonds proposed to be issued); or (iii) 125% of the average annual Debt Service on the Reserve Fund Secured Parity Bonds then Outstanding (including the Reserve Fund Secured Parity Bonds proposed to be issued).

The Required Reserve shall may be recalculated on each interest payment date for the Series 2019 Bonds and any additional Reserve Fund Secured Parity Bonds, and shall also be

recalculated upon the issuance of any additional Reserve Fund Secured Parity Bonds or the refunding of any Reserve Fund Secured Parity Bonds. The Trustee shall advise the Authority of the amount of the Required Reserve promptly following each required recalculation thereof.

The Required Reserve is initially \$1,257,000.

Although created pursuant to the terms of the Indenture, the Reserve Fund is intended to be a common fund that secures, pursuant to the further terms set forth in the Indenture, the Series 2019 Bonds and any additional Reserve Fund Secured Parity Bonds issued pursuant to the Indenture. It is intended that amounts in the Surplus Fund (so long as it is in existence) are to be transferred to the Bond Fund and any Reserve Fund Secured Parity Bond Fund prior to any transfer of moneys from the Reserve Fund to the Bond Fund or any Reserve Fund Secured Parity Bond Fund.

Moneys in the Reserve Fund shall be used by the Trustee, if necessary, only to prevent a default in the payment of the principal of, premium if any, or interest on the Series 2019 Bonds and any series of additional Reserve Fund Secured Parity Bonds, and the Reserve Fund is pledged to the payment of the Series 2019 Bonds and such additional series of Reserve Fund Secured Parity Bonds. In the event the amounts credited to the Bond Fund and any Reserve Fund Secured Parity Bond Fund, together with amounts on deposit in the Surplus Fund, are insufficient to pay the principal of, premium if any, or interest on the Series 2019 Bonds and any series of additional Reserve Fund Secured Parity Bonds when due, the Trustee shall transfer from the Reserve Fund to the Bond Fund and each Reserve Fund Secured Parity Bond Fund an amount which, when combined with moneys in the Bond Fund and each Reserve Fund Secured Parity Bond Fund, together with amounts from the Surplus Fund, will be sufficient to make such payments when due. In the event that moneys in the Bond Fund, each Reserve Fund Secured Parity Bond Fund, the Surplus Fund, and the Reserve Fund are together insufficient to make such payments when due, the Trustee will nonetheless transfer all moneys in the Reserve Fund to the Bond Fund and each Reserve Fund Secured Parity Bond Fund, with the available moneys in the Reserve Fund being applied pro rata to the payment of amounts due on the Series 2019 Bonds on such additional series of Reserve Fund Secured Parity Bonds based upon the respective Outstanding principal amounts of the Series 2019 Bonds and each additional series of Reserve Fund Secured Parity Bonds. Moneys in the Surplus Fund shall be used for payment of the Series 2019 Bonds and any additional Parity Bonds prior to any use of moneys in the Reserve Fund.

Upon the issuance of any series of additional Parity Bonds, the Authority may elect, but is not required to elect, to secure such series of additional Parity Bonds with amounts on deposit in the Reserve Fund, such additional Parity Bonds to be Reserve Fund Secured Parity Bonds. The Required Reserve shall may be recalculated on each interest payment date for the Series 2019 Bonds and any additional Reserve Fund Secured Parity Bonds, and shall also be recalculated upon the issuance of any additional Reserve Fund Secured Parity Bonds or the refunding of any Reserve Fund Secured Parity Bonds. The Trustee shall advise the Authority of the amount of the Required Reserve promptly following each required recalculation thereof.

If at any time the Reserve Fund is less than the Required Reserve, the Trustee shall apply Pledged Revenue to the credit of the Reserve Fund in amounts sufficient to bring the amount credited to the Reserve Fund to the Required Reserve. Such deposits and payments shall be

made at the earliest practicable time, but in accordance with and subject to the limitations described under the caption “–Application of Pledged Revenue.” Nothing in the Indenture shall be construed as requiring the Authority to impose an ad valorem mill levy for the purpose of funding the Reserve Fund in excess of the Required Mill Levy. For such purposes, investments credited to the Reserve Fund shall be valued on the basis of their current market value, as reasonably determined by the Authority, which value shall be determined at least annually, and any deficiency resulting from such valuation shall be replenished as aforesaid. The amount credited to the Reserve Fund shall never exceed the amount of the Required Reserve.

Amounts on deposit in the Reserve Fund on the final maturity date of the Series 2019 Bonds or any additional series of Reserve Fund Secured Parity Bonds (or the optional redemption date of all of the Series 2019 Bonds or an entire series of Reserve Fund Secured Parity Bonds) may be applied to the payment of the Series 2019 Bonds or such additional series of Reserve Fund Secured Parity Bonds on such date if the amounts remaining in the Reserve Fund after such contribution is made will equal the Required Reserve for the Series 2019 Bonds and any additional series of Reserve Fund Secured Parity Bonds that remain Outstanding after such date.

The Surplus Fund. Subject to the receipt of sufficient Pledged Revenue, the Surplus Fund shall be maintained as provided in the Indenture in an amount up to the Maximum Surplus Amount until the Surplus Fund Release Date, after which the Surplus Fund shall be terminated and any moneys therein remitted to the Authority for application to any lawful purpose of the Authority. Maximum Surplus Amount is defined in the Indenture to mean an amount equal to 50% of the combined maximum annual Debt Service on all Parity Bonds then Outstanding, which is the maximum amount of the Surplus Fund. The Maximum Surplus Amount shall be recalculated by the Trustee on each interest payment date for the Bonds and any additional Parity Bonds, and shall also be recalculated upon the issuance of any additional Parity bonds or the refunding of any Parity Bonds. The Trustee shall advise the Authority of the amount of the Maximum Surplus Amount promptly following each required recalculation thereof. Surplus Fund release date is defined in the Indenture to mean the date upon which the Debt to Assessed Ratio is 50% or less, as set forth in a certificate of an Authority Representative delivered to the Trustee. Debt to Assessed Ratio is defined in the Indenture to mean, as of any date of calculation, the ratio derived by dividing the then-Outstanding aggregate principal amount of the Series 2019 Bonds and any additional Parity Bonds by the most recent Final Assessed Valuation of the Authority, which ratio calculation shall be set forth in a written certificate of the Authority Representative provided to the Trustee.

Although created pursuant to the terms of the Indenture, the Surplus Fund is intended to be a common fund that secures the Series 2019 Bonds and any additional Parity Bonds issued hereafter.

The Surplus Fund shall not be funded from the proceeds of any Parity Bonds (including the Series 2019 Bonds) but, subject to the receipt of sufficient Pledged Revenue, shall be funded in an amount up to the Maximum Surplus Amount from deposits of Pledged Revenue as described under the caption entitled “–Application of Pledged Revenue”, and except to the extent Pledged Revenue is available under such Section, the Authority has no obligation to fund the Surplus Fund in any amount. For such Section, investments credited to the Surplus Fund shall be

valued on the basis of their current market value, as reasonably determined by the Authority, which value shall be determined at least annually.

In the event the amounts credited to the Bond Fund and any Surplus Fund Secured Parity Bond Fund are insufficient to respectively pay the principal of, premium if any, or interest on the Series 2019 Bonds and any additional Parity Bonds when due, the Trustee shall transfer from the Surplus Fund to the Bond Fund and each respective Surplus Fund Secured Parity Bond Fund an amount which, when combined with moneys in the Bond Fund and each respective Surplus Fund Secured Parity Bond Fund, will be sufficient to make such payments when due; and in the event the amounts in the Bond Fund, each respective Surplus Fund Secured Parity Bond Fund, and the Surplus Fund are insufficient to pay all principal, premium if any, and interest on any due date, the Trustee shall nonetheless transfer all moneys in the Surplus Fund to the Bond Fund and each Surplus Fund Secured Parity Bond Fund, with the available moneys in the Surplus Fund being applied *pro rata* to the payment of amounts due on the Series 2019 Bonds and such additional Parity Bonds based upon the respective Outstanding principal amounts of each series of Parity Bonds. Amounts in the Surplus Fund (a) shall be used for payment of any Parity Bonds (including the Series 2019 Bonds) before any use of moneys in the Reserve Fund (to the extent such Parity Bonds constitute Reserve Fund Secured Parity Bonds), and (b) subject to the Indenture, shall not be used to redeem Parity Bonds (including the Series 2019 Bonds) being called pursuant to any optional redemption provisions of the Indenture or any other indenture or resolution authorizing the issuance of Parity Bonds.

Amounts on deposit in the Surplus Fund on the final maturity date of any series of Parity Bonds (or the optional redemption date of an entire series of Parity Bonds) may be applied to the payment of such Parity Bonds due on such date if the amounts remaining in the Surplus Fund after such contribution from the Surplus Fund is made will equal the Maximum Surplus Amount for any Parity Bonds that remain Outstanding after such date.

For the avoidance of doubt, for so long as it is in existence, the Surplus Fund shall secure all Outstanding Parity Bonds.

Investment of Funds. Except as provided hereafter for investments of the Reserve Fund and the Surplus Fund, the interest income derived from the investment and reinvestment of any moneys in any fund or account held by the Trustee under the Indenture shall be credited to the fund or account from which the moneys invested were derived.

With respect to the Reserve Fund, so long as the amount of the Reserve Fund is equal to the Required Reserve, all interest income from the investment or reinvestment of moneys credited to the Reserve Fund shall be credited *pro rata* to the Bond Fund and any similar bond fund or account established in connection with any series of additional Parity Bonds that the Authority has elected to secure with the Reserve Fund, based upon the respective Outstanding principal amounts of each series of secured Parity Bonds; provided that if the amount of the Reserve Fund is less than the Required Reserve, then such interest income shall be credited to the Reserve Fund.

With respect to the Surplus Fund, so long as the amount of the Surplus Fund is equal to the Maximum Surplus Amount, all moneys in excess thereof, including, without limitation,

interest income from the investment or reinvestment of moneys credited to the Surplus Fund shall be credited *pro rata* to the Bond Fund and each Surplus Fund Secured Parity Bond Fund, based upon the respective Outstanding principal amounts of each series of Parity Bonds; provided that if the amount of the Surplus Fund is less than the Maximum Surplus Amount, then such interest income shall be credited to the Surplus Fund.

Additional Obligations

No Superior Lien Bonds. Nothing in the Indenture permits the Authority to issue Additional Bonds, except as described below. Nothing in the Indenture shall affect or restrict the right of the Authority to issue or incur obligations which are not Additional Bonds under the Indenture; provided that notwithstanding the foregoing or anything herein to the contrary, the Authority shall not create, incur, assume, or suffer to exist any liens or encumbrances upon the ad valorem tax revenues of the Authority or the Pledged Revenue or any part thereof superior to the lien thereon of the Series 2019 Bonds. Additional Bonds shall be secured by a lien on the Pledged Revenue with the lien priority provided therefor in the Indenture and described below.

Parity Bonds. The Authority anticipates issuing additional bonds in 2019 (as additional Parity Bonds and/or Subordinate Bonds) in an aggregate principal amount not to exceed \$15,000,000.

(a) Pursuant to the Indenture, the Authority is permitted to issue Parity Bonds in addition to the Bonds in one or more series in an aggregate principal amount not to exceed \$15,000,000, less the aggregate principal amount of any Subordinate Bonds issued pursuant to the provisions of subsection (a) of “*Subordinate Bonds*” below, without the consent of any of the Consent Parties if each of the following conditions are met as of the date of issuance of such additional Parity Bonds:

(i) No Event of Default has occurred and is continuing, and no amounts of principal or interest on the Series 2019 Bonds or any other Parity Bonds are due but unpaid; provided that if such Event of Default or failure to pay principal or interest will be fully cured upon issuance of the additional Parity Bonds, this condition will be deemed to have been met.

(ii) The Reserve Fund for the Series 2019 Bonds and any Outstanding additional Reserve Fund Secured Parity Bonds is funded at the Required Reserve and, if the Authority elects to secure any series of additional Parity Bonds with the Reserve Fund, an amount sufficient to increase, if necessary, the amount on deposit in the Reserve Fund to the Required Reserve on the date of issuance of the additional Parity Bonds will be made upon the date of issuance of such series of additional Parity Bonds. For the avoidance of doubt, no additional Parity Bonds are required to be secured by the Reserve Fund and the determination of whether to secure any series of additional Parity Bonds with amounts on deposit in the Reserve Fund shall be made solely at the election of the Authority upon the issuance of such series of additional Parity Bonds.

(iii) The proposed Parity Bonds will be secured by the Surplus Fund.

(b) The Authority may issue Parity Bonds in addition to the Series 2019 Bonds and any additional Parity Bonds described under subsection (a) above without the consent of any of the Consent Parties if each of the following conditions are met as of the date of issuance of such additional Parity Bonds:

(i) No Event of Default has occurred and is continuing and no amounts of principal or interest on the Series 2019 Bonds or any other Parity Bonds are due but unpaid; provided that if such Event of Default or failure to pay principal or interest will be fully cured upon issuance of the additional Parity Bonds, this condition will be deemed to have been met.

(ii) The Reserve Fund for the Series 2019 Bonds and any Outstanding additional Reserve Fund Secured Parity Bonds is funded at the Required Reserve and, if the Authority elects to secure any series of additional Parity Bonds with the Reserve Fund, an amount sufficient to increase, if necessary, the amount on deposit in the Reserve Fund to the Required Reserve on the date of issuance of the additional Parity Bonds will be made upon the date of issuance of such series of additional Parity Bonds. For the avoidance of doubt, no additional Parity Bonds are required to be secured by the Reserve Fund and the determination of whether to secure any series of additional Parity Bonds with amounts on deposit in the Reserve Fund shall be made solely at the election of the Authority upon the issuance of such series of additional Parity Bonds.

(iii) Delivery by the Authority to the Trustee of the following:

(A) a certificate of an Authority Representative certifying that the amount of Pledged Revenue received by the Authority in the most recently concluded Fiscal Year equaled or exceeded 125% of the annual Debt Service due on the Series 2019 Bonds and any additional Parity Bonds then Outstanding (excluding, for the avoidance of doubt, the Parity Bonds proposed to be issued) in such Fiscal Year (for purposes of this sub-clause (A) only, amounts on deposit in the Capital Fund and the Surplus Fund on the date of issuance of any additional Parity Bonds may be treated as Pledged Revenue received by the Authority in the most recently concluded Fiscal Year); and

(B) a Revenue Study prepared in accordance with clause (iv) immediately below and setting forth the Projected Revenue for each Fiscal Year following the issuance of the proposed additional Parity Bonds through the final maturity of the proposed additional Parity Bonds, together with a certificate of an Authority Representative to the effect that, based on the Revenue Study, the amount of Pledged Revenue that will be available to the Authority during each of such future Fiscal Years is expected to equal or exceed 125% of the annual Debt Service for such Fiscal Year on the Outstanding Series 2019 Bonds, any additional Parity Bonds

then Outstanding, and the additional Parity Bonds proposed to be issued.

(iv) The Independent consultant preparing any Revenue Study is entitled to assume, when determining the amount of Projected Revenue available in each required future Fiscal Year, that the City, the County, and the Coordinating Metro District will appropriate and transfer their respective portions of the Establishing Agreement Revenue to the Authority in each required Fiscal Year so long as, at the time the Revenue Study is prepared, none of the City, the County, or the Coordinating Metro District has ever previously failed to appropriate and transfer all of its respective portion of the Establishing Agreement Revenue to the Authority. If any of the City, the County, or the Coordinating Metro District has ever failed to previously appropriate and transfer all of its respective portion of the Establishing Agreement Revenue to the Authority, then the Independent consultant preparing the Revenue Study must exclude from its calculation of Projected Revenue any Projected Revenue that would have been derived from the entity that previously failed to appropriate and transfer all of its respective portion of the Establishing Agreement Revenue to the Authority unless such entity has, for the last two full Fiscal Years prior to the preparation of the Revenue Study, appropriated and transferred all of its respective portion of the Establishing Agreement Revenue to the Authority.

A written certificate from the Chair or Vice Chair of the Authority stating that the conditions for issuance of the Parity Bonds set forth above are met shall conclusively determine the right of the Authority to authorize, issue, sell, and deliver Parity Bonds in accordance with the Indenture.

Refunding Bonds. The Authority may issue Permitted Refunding Bonds at such time or times and in such amounts as may be determined by the Authority in its absolute discretion.

A written certificate from the Chair or Vice Chair of the Authority stating that the conditions for issuance of the Permitted Refunding Bonds set forth above are met shall conclusively determine the right of the Authority to authorize, issue, sell, and deliver Permitted Refunding Bonds in accordance with the Indenture.

Subordinate Bonds. The Authority anticipates issuing additional bonds in 2019 (as additional Parity Bonds and/or Subordinate Bonds) in an aggregate principal amount not to exceed \$15,000,000.

(a) The Indenture permits the Authority to issue Subordinate Bonds in one or more series in an aggregate principal amount not to exceed \$15,000,000, less the aggregate principal amount of any Parity Bonds issued pursuant to the provisions of subsection (a) of “–Parity Bonds” above, without the consent of any of the Consent Parties if each of the following conditions are met as of the date of issuance of such Subordinate Bonds:

(i) No Event of Default has occurred and is continuing and no amounts of principal or interest on the Series 2019 Bonds or any other Parity Bonds are due but unpaid.

(ii) The Reserve Fund for the Series 2019 Bonds and any Outstanding additional Parity Bonds that the Authority has elected to secure with the Reserve Fund is funded at the Required Reserve.

(b) The Authority may issue Subordinate Bonds in addition to the Subordinate Bonds issued pursuant to subsection (a) described above without the consent of any of the Consent Parties if each of the following conditions are met as of the date of issuance of such Subordinate Bonds:

(i) No Event of Default has occurred and is continuing, and no amounts of principal or interest on the Series 2019 Bonds or any other Parity Bonds are due but unpaid.

(ii) The Reserve Fund for the Series 2019 Bonds and any Outstanding additional Parity Bonds that the Authority has elected to secure with the Reserve Fund is funded at the Required Reserve.

(iii) Delivery by the Authority to the Trustee of the following:

(A) a certificate of an Authority Representative certifying that the amount of Pledged Revenue received by the Authority in the most recently concluded Fiscal Year equaled or exceeded 125% of the annual Debt Service due on the Series 2019 Bonds and any additional Parity Bonds then Outstanding in such Fiscal Year (for purposes of this sub-clause (A) only, amounts on deposit in the Capital Fund and the Surplus Fund on the date of issuance of any Subordinate Bonds may be treated as Pledged Revenue received by the Authority in the most recently concluded Fiscal Year); and

(B) a Revenue Study prepared in accordance with clause (iv) below and setting forth the Projected Revenue for each Fiscal Year following the issuance of the proposed Subordinate Bonds through the final maturity of the proposed Subordinate Bonds, together with a certificate of an Authority Representative to the effect that, based on the Revenue Study, the amount of Pledged Revenue that will be available to the Authority during each of such future Fiscal Years is expected to be sufficient to fully retire the proposed Subordinate Bonds and any additional Subordinate Bonds then Outstanding in no more than 40 years from their date of issuance.

(iv) the Independent consultant preparing any Revenue Study is entitled to assume, when determining the amount of Projected Revenue available in each required future Fiscal Year, that the City, the County, and the Coordinating Metro District will appropriate and transfer their respective portions of the Establishing Agreement Revenue to the Authority in each required Fiscal Year so long as, at the time the Revenues Study is prepared, none of the City, the County, or the Coordinating Metro District has ever previously failed to appropriate and transfer all of its respective portion of the

Establishing Agreement Revenue to the Authority. If any of the City, the County, or the District has ever failed to previously appropriate and transfer all of its respective portion of the Establishing Agreement Revenue to the Authority, then the Independent consultant preparing the Revenue Study must exclude from its calculation of Projected Revenue any Projected Revenue that would have been derived from the entity that previously failed to appropriate and transfer all of its respective portion of the Establishing Agreement Revenue to the Authority unless such entity has, for the last two full Fiscal Years prior to the preparation of the Revenue Study, appropriated and transferred all of its respective portion of the Establishing Agreement Revenue to the Authority.

A written certificate from the Chair or Vice Chair of the Authority stating that the conditions for issuance of the Subordinate Bonds set forth above are met shall conclusively determine the right of the Authority to authorize, issue, sell, and deliver Subordinate Bonds in accordance with the Indenture.

Events of Default and Remedies

Due to the limited nature of the Pledged Revenue, the failure to pay the principal of or interest on the Series 2019 Bonds when due shall not, in and of itself, constitute an Event of Default under the Indenture. It is further acknowledged that all of the Establishing Agreement Revenue is subject to annual appropriation by the City, the County, and the Coordinating Metro District, respectively, and any failure of the City, the County, and the Coordinating Metro District to appropriate its respective portion of the Establishing Agreement Revenue and/or transfer the same to the Authority shall not, in and of itself, constitute an Event of Default under the Indenture provided the Authority is in compliance with its covenants set forth under subsections (f) and (g) described under “–Certain Indenture Provisions–Other Covenants” below.

Events of Default under the Indenture. The Indenture provides that the occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an “**Event of Default**” under the Indenture (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default under the Indenture except as provided below:

(a) Provided the Authority has the statutory and electoral authority to impose the Required Mill Levy, the Authority fails or refuses to impose the Required Mill Levy or to apply the Pledged Revenue as and when received as required by the Indenture; or

(b) The Authority defaults in the performance or observance of any of the covenants, agreements, or conditions on the part of the Authority in the Indenture or the Bond Resolution, other than as described in subsection (a) immediately above, and fails to remedy the same after notice thereof pursuant to the Indenture; or

(c) The Authority files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Series 2019 Bonds.

Remedies upon Occurrence of Event of Default. Upon the occurrence and continuance of an Event of Default under the Indenture, the Trustee shall have the following rights and remedies which may be pursued:

(a) *Receivership.* Upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners, the Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers of the Trust Estate, and of the revenues, income, product, and profits thereof pending such proceedings, subject however, to constitutional limitations inherent in the sovereignty of the Authority; but notwithstanding the appointment of any receiver or other custodian, the Trustee shall be entitled to the possession and control of any cash, securities, or other instruments at the time held by, or payable or deliverable under the provisions of the Indenture to, the Trustee.

(b) *Suit for Judgment.* The Trustee may proceed to protect and enforce its rights and the rights of the Owners under the Act, the Series 2019 Bonds, the Bond Resolution, the Indenture, and any provision of law by such suit, action, or special proceedings as the Trustee, being advised by Counsel, shall deem appropriate.

(c) *Mandamus or Other Suit.* The Trustee may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce all rights of the Owners.

No recovery of any judgment by the Trustee shall in any manner or to any extent affect the lien of the Indenture or any rights, powers, or remedies of the Trustee under the Indenture, or any lien, rights, powers, and remedies of the Owners of the Series 2019 Bonds, but such lien, rights, powers, and remedies of the Trustee and of the Owners shall continue unimpaired as before.

If any Event of Default under Event of Default (a) shall have occurred and if requested by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Series 2019 Bonds then Outstanding, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Owners; provided that the Trustee at its option shall be indemnified as provided in the Indenture.

Notwithstanding anything herein to the contrary, acceleration of the Series 2019 Bonds shall not be an available remedy for an Event of Default

Control of Proceedings. The Owners of a majority in aggregate principal amount of the Series 2019 Bonds then Outstanding shall have the right, at any time, to the extent permitted by law, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method, and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver, and any other proceedings hereunder; provided that such direction shall not be otherwise than in

accordance with the provisions hereof; and provided further that at its option the Trustee shall be indemnified as provided in the Indenture.

Limitations on Actions by Owners of the Series 2019 Bonds. No Owner of any Series 2019 Bond shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy thereunder, unless a default has occurred of which the Trustee has been notified as provided in the Indenture, or of which under the Indenture it is deemed to have notice, and unless such default shall have become an Event of Default and the Owners of not less than twenty-five percent (25%) in aggregate principal amount of Series 2019 Bonds then Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit, or proceedings in their own name, nor unless they have also offered to the Trustee indemnity as provided in the Indenture, nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name; and such notification, request, and offer of indemnity are declared in every case at the option of the Trustee to be conditions precedent to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture; it is intended that no one or more Owners of Series 2019 Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of the Indenture by his, her, its, or their action, or to enforce any right under the Indenture except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had, and maintained in the manner herein provided and for the equal benefit of the Owners of all Series 2019 Bonds then Outstanding.

Certain Indenture Provisions

The following is a description of certain provisions of the Indenture and is subject in all respects to the more specific provisions of the Indenture.

Tax Covenants. The Authority covenants in the Indenture for the benefit of the Owners that it will not take any action or omit to take any action with respect to the Series 2019 Bonds, any funds of the Authority, or any facilities financed with the proceeds of the Series 2019 Bonds, if such action or omission (a) would cause the interest on the Series 2019 Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (b) would cause interest on the Series 2019 Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code.

In the event that at any time the Authority is of the opinion that it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee or held by the Authority under the Indenture, the Authority shall so restrict or limit the yield on such investment or shall so instruct the Trustee in a detailed certificate, and the Trustee shall take such action as may be necessary in accordance with such instructions. The Authority specifically covenants to comply with the provisions and procedures of the Tax Certificate. The Authority further covenants to pay from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Tax Code and any temporary, proposed, or final Treasury Regulations as may be applied to the Series 2019 Bonds from time to time. Notwithstanding any

other provision of the Indenture to the contrary, the Authority shall be permitted to request the Trustee to transfer Pledged Revenue to the Authority from the Surplus Fund, first, the Reserve Fund, second, and the Bond Fund, third, from time to time to the extent necessary to comply with the rebate requirement of Section 148(f). Moneys transferred by the Trustee to the Authority to pay such rebate amounts pursuant to this paragraph are not subject to any lien created under the Indenture for the benefit of the Owners. This covenant shall survive the payment in full or the defeasance of the Series 2019 Bonds. The foregoing covenants shall remain in full force and effect until the date on which all obligations of the Authority in fulfilling such covenants under the Tax Code and Colorado law have been met, notwithstanding the payment in full or defeasance of the Series 2019 Bonds. See “TAX MATTERS.”

Other Covenants. In the Indenture, the Authority further irrevocably covenants and agrees with each and every Owner that so long as any of the Series 2019 Bonds remain Outstanding:

(a) The Authority shall not dissolve, merge, or otherwise alter its corporate structure in any manner or to any extent as might materially adversely affect the security provided for the payment of the Series 2019 Bonds, and will continue to operate and manage the Authority and its facilities in an efficient and economical manner in accordance with all applicable laws, rules, and regulations; provided, however, that the foregoing shall not prevent the Authority from dissolving pursuant to the provisions of the Act.

(b) At least once a year the Authority will cause an audit to be performed of the records relating to its revenues and expenditures, and the Authority shall use its best efforts to have such audit report completed no later than 210 days after the end of any calendar year. The foregoing covenant shall apply notwithstanding any state law audit exemptions that may exist. In addition, at least once a year in the time and manner provided by law, the Authority will cause a budget to be prepared and adopted. Copies of the budget and the audit will be filed and recorded in the places, time, and manner provided by law.

(c) The Authority will carry general liability, public officials liability, and such other forms of insurance on insurable Authority property upon the terms and conditions, and issued by recognized insurance companies, as in the judgment of the Authority would ordinarily be carried by entities having similar properties of equal value, such insurance being in such amounts as will protect the Authority and its operations.

(d) Each Authority official or other person having custody of any Authority funds or responsible for the handling of such funds, shall be bonded or insured against theft or defalcation at all times.

(e) In the event any ad valorem taxes are not paid when due, the Authority shall diligently cooperate with the appropriate county treasurer to enforce the lien of such unpaid taxes against the property for which the taxes are owed.

(f) The Authority covenants to use commercially reasonable efforts to enforce its rights and remedies under the Establishing Agreement, the Authority-AACMD IGA, and the Distribution Agreements to ensure, to the best of its commercially reasonable efforts, the timely receipt of all related Pledged Revenue expected to be received therefrom.

(g) The Authority covenants to not amend the Establishing Agreement in any manner that would have a materially adverse effect on the Authority's receipt of the Establishing Agreement Revenue.

(h) The Authority, at its own cost, covenants to pursue a Rating Letter from Fitch, Moody's, or S&P upon receipt by the Authority of a letter from a nationally recognized municipal underwriter or municipal financial advisor concluding that it is reasonable for the Authority to assume that either Fitch, Moody's or S&P will be able to provide a Rating Letter.

(i) In order to ensure the proper application of Pledged Revenue between the Series 2019 Bonds and any series of Additional Bonds hereafter issued, the Authority covenants to always employ the same indenture trustee with respect to any Outstanding Series 2019 Bonds and series of Additional Bonds.

Amendments or Supplements to the Indenture. The Indenture may be supplemented at any time and from time to time, without the consent of or notice to the Owners or Consent Parties, and the Authority and the Trustee may enter into such supplemental indentures, which supplemental indentures shall thereafter form a part of the Indenture, for any one or more of the following purposes:

(a) To cure any ambiguity, to cure, correct, or supplement any formal defect or omission or inconsistent provision contained in the Indenture, to make any provision necessary or desirable due to a change in law, to make any provisions with respect to matters arising under the Indenture, or to make any provisions for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners of the Series 2019 Bonds;

(b) To subject to the Indenture additional revenues, properties, or collateral;

(c) To grant or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Owners or the Trustee; and

(d) To qualify the Indenture under the Trust Indenture Act of 1939.

Except for supplemental indentures delivered pursuant to the Indenture, and subject to the provisions of this Article, the Consent Parties with respect to not less than a majority in aggregate principal amount of the Series 2019 Bonds then Outstanding shall have the right, from time to time, to consent to and approve the execution by the Authority and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the Authority for the purpose of modifying, altering, amending, adding to, or rescinding, in any

particular, any of the terms or provisions contained in the Indenture; provided, however, that without the consent of the Consent Parties with respect to all the Outstanding Series 2019 Bonds affected thereby, nothing herein contained shall permit, or be construed as permitting:

(a) a change in the terms of the maturity of any Outstanding Bond, in the principal amount of any Outstanding Bond, in the optional or mandatory redemption provisions applicable thereto, or the rate of interest thereon;

(b) an impairment of the right of the Owners to institute suit for the enforcement of any payment of the principal of or interest on the Series 2019 Bonds when due;

(c) a privilege or priority of any Bond or any interest payment over any other Bond or interest payment; or

(d) a reduction in the percentage in principal amount of the Outstanding Series 2019 Bonds, the consent of whose Owners or Consent Parties is required for any such supplemental indenture.

Upon the execution of any supplemental indenture pursuant to the provisions of the Indenture, the Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations under the Indenture of the Authority, the Trustee, and all Owners of Bonds then Outstanding shall thereafter be determined, exercised, and enforced under the Indenture, subject in all respects to such modifications and amendments.

If at any time the Authority shall request the Trustee to enter into such supplemental indenture for any of the purposes of the Indenture, the Trustee shall, upon being satisfactorily indemnified with respect to fees and expenses, cause written notice of the proposed execution of such supplemental indenture to be given to each Owner of a Series 2019 Bond at the address shown on the registration books of the Trustee, prior to the proposed date of execution and delivery of any such supplemental indenture. If the Consent Parties with respect to not less than the required percentage in aggregate principal amount of the Series 2019 Bonds then Outstanding at the time of the execution of any such supplemental indenture consent to the execution thereof, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof.

The Trustee is authorized to join with the Authority in the execution of any such supplemental indenture and to make further agreements and stipulations which may be contained therein; provided that, prior to the execution of any such supplemental indenture the Trustee and the Authority may require and shall be fully protected in relying upon an opinion of nationally recognized municipal bond Counsel experienced in matters arising under Section 103 of the Tax Code and acceptable to the Trustee and the Authority, to the effect that: (a) the supplement will not adversely affect the exclusion from gross income for federal income tax purposes, of the interest paid or to be paid on the Series 2019 Bonds; (b) the Authority is permitted by the provisions of the Indenture to enter into the supplement; and (c) the supplement is a valid and

binding obligation of the Authority, enforceable in accordance with its terms, subject to matters permitted by the Indenture.

Book-Entry-Only System. The Series 2019 Bonds will be issued in fully registered form and will be registered initially in the name of “Cede & Co.” as nominee for The Depository Trust Company, New York, New York (“DTC”), a securities depository. Beneficial ownership interests in the Series 2019 Bonds may be acquired in Authorized Denominations through participants in the DTC system (the “Participants”). Such beneficial ownership interest will be recorded in the records of the Participants. Persons for which Participants acquire interests in the Series 2019 Bonds (the “Beneficial Owners”) will not receive certificates evidencing their interests in the Series 2019 Bonds. So long as DTC or its nominee is the registered owner of the Series 2019 Bonds, payments of principal, premium, if any, and interest on the Series 2019 Bonds, as well as notices and other communications made by or on behalf of the Authority pursuant to the Indenture, will be made to DTC or its nominee only. Disbursement of such payments, notices, and other communications by DTC to Participants, and by Participant to the Beneficial Owners, is the responsibility of DTC and the Participants pursuant to rules and procedures established by such entities. See “APPENDIX E–BOOK-ENTRY-ONLY SYSTEM” for a discussion of the operating procedures of the DTC system with respect to payments, registration, transfers, notices, and other matters.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE SERIES 2019 BONDS, REFERENCES IN THIS LIMITED OFFERING MEMORANDUM TO THE OWNERS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

Neither the Authority nor the Trustee will have any responsibility or obligation to DTC’s Direct Participants or Indirect Participants (defined in APPENDIX E), or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, the Indirect Participants or the beneficial owners of the Series 2019 Bonds as further described in “APPENDIX E–BOOK-ENTRY-ONLY SYSTEM” to this Limited Offering Memorandum.

None of the Authority, the Trustee or the Underwriter has any responsibility or obligation to any Beneficial Owner with respect to (i) the accuracy of any records maintained by DTC or any DTC Participant, (ii) the distribution by DTC or any DTC Participant of any notice that is permitted or required to be given to the Owners of the Series 2019 Bonds under the Indenture, (iii) the payment by DTC or any DTC Participant of any amount received under the Indenture with respect to the Series 2019 Bonds, (iv) any consent given or other action taken by DTC or its nominee as the Owner of the Series 2019 Bonds or (v) any other related matter.

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THE AUTHORITY AND THE REGIONAL TRANSPORTATION SYSTEM

Organization and Description

Organization, Purpose, and Limitations. The Authority is a regional transportation authority created pursuant to the Regional Transportation Authority Law, Title 43, Article 4, Part 6, C.R.S. (the “Act”). The Authority was formed pursuant to the Intergovernmental Agreement among the Board of County Commissioners of the County of Adams, the City of Aurora, and the Aerotropolis Area Coordinating Metropolitan District Establishing the Aerotropolis Regional Transportation Authority dated February 27, 2018 (as the same may be amended from time to time, the “**Establishing Agreement**”) by and among the Coordinating Metro District, the City, and the County. The Authority contains approximately 3,146 acres within its boundaries.

The Establishing Agreement may be amended only with the consent of the Governing Bodies and the unanimous approval of the Board; provided, however, that the boundaries of the Authority may be amended by the Board in accordance with the Act; and provided further that, in no event shall property be excluded from the Authority boundaries while any bond, note, loan, indebtedness, interim certificate, contract, reimbursement agreement, financial commitment, debt, or other obligation of the Authority is outstanding.

The “**Capital Plan**” for the Authority is the detailed phasing plan and budget attached to the Establishing Agreement for the regional capital improvements to be funded by the Authority and incorporated into the Regional Transportation System, including the estimated costs associated with the planning, design, financing, permitting, construction, inspection, and acceptance for maintenance of such improvements. The Capital Plan may be modified, amended, or supplemented upon approval by the Governing Body of each member of the Authority and the unanimous vote of the Board. No bond, note, loan, indebtedness, interim certificate, contract, reimbursement agreement, financial commitment, debt, or other obligation of the Authority shall be issued unless there is a Capital Plan in effect at the time of such issuance.

Any public entity falling within the definition of “Member” with jurisdictional boundaries that overlap the boundaries of the Authority may request to become a member of the Authority. In no event shall an additional municipality, Title 32 District (i.e., a metropolitan district), or county become a party to the Establishing Agreement without the unanimous consent of the then existing Members. For purposes of the Establishing Agreement, “**Member**” means (a) the Coordinating Metro District, the City, and the County, (b) the State, if required by the Act, (c) any municipality, (d) any county, or (e) any Title 32 District that becomes a member of the Authority pursuant to the Establishing Agreement.

In no event may a party withdraw from the Establishing Agreement if such withdrawal (a) would result in fewer members than one (1) county, and one (1) municipality, two (2) municipalities, or two (2) counties, or (b) would be effective while any bond, note, loan, indebtedness, interim certificate, contract, reimbursement agreement, financial commitment, debt, or other obligation of the Authority remained Outstanding, or (c) would be effective prior to completion of construction of the Regional Transportation System as described in the then-

effective Capital Plan. In the absence of such circumstances, any Member of the Establishing Agreement may terminate its participation in the Authority by passage of a resolution by its Governing Body.

Pursuant to the Establishing Agreement, the Authority is to construct or cause to have constructed the Regional Transportation System (defined below). Pursuant to the Establishing Agreement, it is expected that the Authority will dedicate all portions of the Regional Transportation System to other governmental entities.

Except as limited by the Establishing Agreement, the Authority has all powers granted to it under the Act and Colorado law, including all powers necessary or incidental to or implied from the specific powers granted in the Establishing Agreement. If any portion of the Regional Transportation System alters the physical structure of or negatively impacts the safe operation of any state or local transportation improvement, the Authority, at the request of the jurisdiction governing the impacted transportation improvement, shall enter into an intergovernmental agreement concerning the applicable portion of the Regional Transportation System before commencing physical construction of that particular improvement to ensure coordinated transportation planning, efficient allocation of resources and the equitable sharing of costs. To avoid the duplication of effort, no mass transportation service shall be provided that is already provided by the Regional Transportation District without an intergovernmental agreement permitting such activity. To avoid negative impact to the E-470 Public Highway Authority and to ensure the safety of the traveling public, no portion of the Regional Transportation System shall be provided which is in any way connected to E-470 Public Highway without an intergovernmental agreement permitting such activity. In no event shall the Authority be authorized to impose motor vehicle registration fees or any tax without voter approval. Additionally, the Authority shall not impose a property tax within its boundaries for collection in any year in which the Coordinating Metro District is imposing and allocating to a special fund, for appropriation pursuant to the Budgetary Covenant (as defined in the Establishing Agreement) and payment to the Authority, an Aurora Regional Improvements Mill Levy (except as modified by the Authority-AACMD IGA). The Authority shall not use more than one percent of its gross revenues from sources identified in the Establishing Agreement to cover administrative and maintenance expenses. Further, the Authority shall not impose a sales tax, create an improvement district, or impose any fee, rate, toll, charge or tax which is not identified in the Establishing Agreement without unanimous consent of the Board.

Governing Board

The Board of Directors of the Authority is referred to herein as the “**Board.**” The Board is comprised of five (5) directors, unless and until the boundaries of the Authority are expanded to include additional municipalities, counties, or Title 32 Districts. Upon expansion of the boundaries of the Authority, the Board may be expanded to include additional directors representing the included territory. The Board of Directors shall initially be comprised of (a) two directors from the governing body of Adams County, (b) two directors from the governing body of the City of Aurora, and (c) one director from the Coordinating Metro District. Each director has an alternate who may serve in a director’s absence for all purposes, including, but not limited, to voting on resolutions or other action items. Directors and alternate directors serve

without compensation, but may be reimbursed for expenses incurred in serving in such capacities upon such terms and pursuant to such policies as may be established by the Board.

The Board holds regular meetings and special meetings as needed. Each director is entitled to one vote on all questions before the Board when a quorum is present. The following table identifies the current members of the Board, along with their appointing organization and office.

TABLE V

Authority Board of Directors

<u>Name</u>	<u>Appointing Organization</u>	<u>Office</u>
Matthew Hopper	Coordinating Metro District	Chairperson
David Gruber	City	Vice Chairperson
Nicole Johnston	City	Secretary
Steven O’Dorisio	County	Treasurer
Charles “Chaz” Tedesco	County	Director

Conflicts of Interest. The issuance of the Series 2019 Bonds and the application of proceeds therefrom, as well as other activities of the Authority, may involve conflicts of interest. By statute, a director must disqualify himself or herself from voting on any issue in which he or she has a conflict of interest unless he or she has disclosed such conflict of interest in a certificate filed with the Secretary of State and the Board at least 72 hours in advance of any meeting in which such conflict may arise. However, compliance with such statute does not provide absolute certainty that contracts between the Authority and persons related to its Directors will not be subject to defenses or challenged on the basis of alleged conflicts. It is expected that the members of the Board will comply with the statute by making advanced disclosure of their conflicts, and that they will not disqualify themselves from voting. The Authority is not aware of any potential or existing personal or private conflicts of interest of any member or alternate member of the Board relating to the issuance or delivery of the Series 2019 Bonds, except as has been disclosed by the members and alternate members of the Board in certificates filed with the Secretary of State and the Board. See “RISK FACTORS-Directors’ Private Interests.”

Administration and Management

The Board is responsible for the overall management and administration of the affairs of the Board. The Authority is not expected to have employees, and all administrative functions are expected to be furnished by contract with private entities. The Authority presently retains the following consultants: as manager, CliftonLarsonAllen LLP, Greenwood Village, Colorado; Spencer Fane LLP, Denver, Colorado, as general counsel; Marchetti & Weaver, LLC, Louisville, Colorado, as accountant, and Schedio Group, as cost certifying engineer.

Agreements of the Authority

The Act authorizes the Authority to enter into agreements and contracts affecting the affairs of the Authority. The Authority is not a party to any agreements which materially affect

its financial status or operations, except as described below. Copies of these agreements are available from the Authority as provided in “INTRODUCTION–Additional Information.” The Authority may enter into other material contracts from time to time.

Project Delivery IGA. The Authority and the Coordinating Metro District are parties to an Intergovernmental Agreement Regarding Project Management of the Design and Construction of the Aerotropolis Regional Transportation Authority Regional Transportation System dated May 22, 2019 (as the same may be amended from time to time, the “**Project Delivery IGA**”). The Project Delivery IGA provides, among other things, that Coordinating Metro District will be responsible for the design and construction of the Regional Transportation System, and that the Authority shall transfer funds, including a portion of the proceeds of the Series 2019 Bonds, to the Coordinating Metro District for the purpose of paying for the Authority’s portion of Regional Transportation System design and construction costs.

Project Maintenance IGA. The Authority and the Coordinating Metro District are parties to an Intergovernmental Agreement Regarding Interim Maintenance of Aerotropolis Regional Transportation Authority Regional Transportation System Improvements dated May 22, 2019 (as the same may be amended from time to time, the “**Project Maintenance IGA**”). The Project Maintenance IGA provides, among other things, that until such time as all portions of the Regional Transportation System have been accepted by another governmental entity, Coordinating Metro District will be responsible for the maintenance services (consisting of landscape maintenance, hardscape maintenance, and snow removal maintenance operations) of the Regional Transportation System, and that the Authority shall transfer funds to the Coordinating Metro District for the purpose of paying for such maintenance services.

Design Funding IGA. The Authority and the Coordinating Metro District are parties to a First Amended and Restated Intergovernmental Agreement for Project Funding and Reimbursement for Design and Construction of Phase I Improvements dated January 15, 2019 (as the same may be amended from time to time, the “**Design Funding IGA**”). The Design Funding IGA provides, among other things, that the Coordinating Metro District would fund the design and construction costs related to the first phase of the Regional Transportation System through June 30, 2019, in an amount not to exceed \$6,635,000, plus interest thereon (as a rate equal to 9%), subject to reimbursement by the Authority. Pursuant to the Design Funding IGA, the Authority is required to reimburse any outstanding amounts with proceeds of the Series 2019 Bonds, and the Design Funding IGA will automatically terminate upon full reimbursement.

Under the Design Funding IGA, as of the date of this Limited Offering Memorandum, the Authority owes the Coordinating Metro District approximately \$1,510,000 (principal only), of which all such amounts are expected to be paid from the proceeds of the Series 2019 Bonds.

Authority-AACMD IGA. The Authority and the City are parties to an Intergovernmental Agreement Regarding Imposition, Collection and Transfer of ARI Mill Levies dated May 22, 2019 (the “**Authority-AACMD IGA**”). The Authority-City IGA provides, among other things:

- (a) Notwithstanding the Authority’s agreement to impose the Required Mill Levy, the Coordinating Metro District will impose its respective ARI Mill Levy in an

amount no less than the number of mills required to be imposed by its service plan on all property within its boundaries in all such levy years as set forth in the Coordinating Metro District's service plan as such service plan exists on the date of execution of the Authority-AACMD IGA and transfer all revenues derived therefrom to the Authority; further, AACMD has agreed to enter into an intergovernmental agreement with each of the Other Metro Districts that includes a covenant by each such Other Metro District to impose its respective ARI Mill Levy in an amount no less than the number of mills required to be imposed by such Other Metro District's service plan on all property within its boundaries in all such levy years as set forth in its respective service plan as such service plan exists on the date of execution of the Authority-AACMD IGA (collectively, the "**District IGAs**"). The Coordinating Metro District further agreed that it will, in good faith, endeavor and use best commercial efforts to enter into agreements similar to the District IGAs with all metropolitan districts now existing or that may be later organized to serve the Development that are required by their service plan(s) to impose an ARI Mill Levy on any property located within the Authority's boundaries.

(b) For any year in which the Authority is not permitted by law or otherwise fails to impose the Required Mill Levy, the Coordinating Metro District agreed that it will impose, and will collect and transfer to the Authority, the ARI Mill Levies imposed by the Coordinating Metro District and each of the Other Metro Districts, as applicable, as follows:

- (i) The Coordinating Metro District will impose its ARI Mill Levy on all property within the Coordinating Metro District's boundaries as required by the Coordinating Metro District's service plan and shall, to the extent such revenue has been appropriated for remittance to Authority within such fiscal year in accordance with the Budgetary Covenant, transfer the revenues derived therefrom to the Authority within sixty (60) days of the Coordinating Metro District's receipt.
- (ii) Consistent with the provisions of the District IGAs, the Coordinating Metro District will require that each of the Other Metro Districts impose its respective ARI Mill Levy on all property within its respective boundaries as required by its respective service plan and transfer all revenues derived therefrom from property located within the Authority boundaries to the Coordinating Metro District; the Coordinating Metro District shall thereafter transfer all revenues it receives from the Other Metro Districts' ARI Mill Levies from property located within the Authority boundaries pursuant to the District IGAs, as applicable, to the Authority within sixty (60) days of the Coordinating Metro District's receipt.
- (iii) The Coordinating Metro District agreed that once its Coordinating Metro District Regional Mill Levy has been imposed consistent with the provisions of the Authority-AACMD IGA, the

Coordinating Metro District will continue to impose the Coordinating Metro District Regional Mill Levy and remit the funds derived therefrom to the Authority annually each year for so long as the Authority has outstanding bonds; further, the Coordinating Metro District agreed that it will similarly require each of the Other Metro Districts pursuant to the District IGAs, once each District's ARI Mill Levy has been imposed consistent with the Authority-AACMD IGA, to continue to impose the ARI Mill Levy and remit the funds derived therefrom to the Coordinating Metro District to be transferred to the Authority annually each year for so long as the Authority has outstanding bonds.

(c) The Authority and the Coordinating Metro District expressly agreed that that nothing in the Authority-AACMD IGA is intended to or shall be interpreted to modify the Coordinating Metro District's Budgetary Covenant as set forth in the Establishing Agreement, and, consistent with the provisions of the Establishing Agreement, the decision whether to appropriate funds as set forth in the Authority-AACMD IGA shall be within the sole discretion of the Coordinating Metro District's board of directors.

(d) Consistent with the Coordinating Metro District's service plan, the Coordinating Metro District agrees that it will, regardless whether the Authority imposes the Required Mill Levy or not, beginning in the first year it imposes a debt service mill levy and continuing in each year thereafter for so long as the Authority has outstanding bonds, impose an ARI Mill Levy equal to five (5) mills, plus any applicable Gallagher Adjustment (as defined in the Coordinating Metro District's service plan), minus any Required Mill Levy, and, to the extent such revenue has been appropriated for remittance to the Authority within such fiscal year in accordance with the Budgetary Covenant, transfer the revenues derived therefrom to the Authority within sixty (60) days of the Coordinating Metro District's receipt. Further, consistent with the provisions of the District IGAs, the Coordinating Metro District will require that each of the Other Metro Districts, pursuant to their respective service plans, beginning in the first year each of the Other Metro Districts imposes a debt service mill levy and continuing in each year thereafter for so long as the Authority has outstanding bonds, impose an ARI Mill Levy equal to five (5) mills, plus any applicable Gallagher Adjustment (as defined in each of the Other Metro Districts' respective service plan), minus any Required Mill Levy, and transfer the revenues derived therefrom to the Coordinating Metro District within sixty (60) days of each Other Metro Districts' receipt; the Coordinating Metro District shall thereafter transfer all revenues it receives from the Other Metro Districts' ARI Mill Levies from property located with the Authority boundaries pursuant to the District IGAs, as applicable, to ARTA within sixty (60) days of the Coordinating Metro District's receipt. The obligation of the Coordinating Metro District to remit such revenues shall be subject to the same Conditions Precedent set forth above.

(e) The intent of the Authority and the Coordinating Metro District in this section is to ensure that in the event there are changes in the method of calculating

assessed valuation or any constitutionally mandated tax credit, cut or abatement, to the extent possible, the actual tax revenues generated by the Required Mill Levy, and the ARI Mill Levies of the Coordinating Metro District and the Other Metro Districts, and available to the Authority are not diminished as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

(f) In the event of a material breach or default of the Authority-AACMD IGA by either the Authority or the Coordinating Metro District, the non-defaulting party shall be entitled to exercise all remedies available at law or in equity after the provision of thirty (30) days' prior written notice of the alleged breach or default of the other party. A material default under the Authority-AACMD IGA expressly includes, but is not limited to the failure of the Coordinating Metro District to enter into or enforce the District IGAs as set forth therein.

Authority-City IGA. The Authority and the City are parties to an Agreement Regarding Member Funding Transfers Pursuant to the Aerotropolis Regional Transportation Authority Establishment Agreement dated as of June 3, 2019 (the "**Authority-City IGA**"). The Authority-City IGA provides, among other things, that to the extent the City appropriates revenues for remittance to the Authority pursuant to the provisions of the Establishing Agreement, the City shall transfer such revenues to the Authority within 60 days of the City's actual receipt of the same.

Authority-County IGA. The Authority and the County are parties to an Agreement Regarding Member Funding Transfers Pursuant to the Aerotropolis Regional Transportation Authority Establishment Agreement dated as of May 28, 2019 (the "**Authority-County IGA**," and together with the Authority City-IGA, the "**Distribution Agreements**"). The Authority-County IGA provides, among other things, that to the extent the County appropriates revenues for remittance to the Authority pursuant to the provisions of the Establishing Agreement, the County shall transfer such revenues to the Authority within 60 days of the County Treasurer's actual receipt of the same.

Contribution Funding Agreement. The Authority, the City, the County, and the Coordinating Metro District are parties to an Aerotropolis Regional Transportation Authority Member Contribution Funding Agreement dated September 5, 2018 (the "**Contribution Funding Agreement**"). Pursuant to the Contribution Funding Agreement, the City, the County, and the Coordinating Metro District made a one-time funding contribution of \$350,000 each to the Authority. The Authority may use such funds in the full discretion of the Board for any and all purposes of the Authority consistent with the Establishing Agreement, and with no obligation to repay such amounts.

The Regional Transportation System

The purpose of the Authority is to construct or have constructed the Regional Transportation System within or outside the boundaries of the Authority. "**Regional Transportation System**" is defined in the Establishing Agreement as the public improvements provided in the following table, as the same may be modified, supplemented and finalized in the

Capital Plan or amended from time-to-time in accordance with the Establishing Agreement, and provided that nothing in the Establishing Agreement shall provide the Authority with any form of jurisdiction or authority over the E-470 Public Highway, including any real or personal property or equipment, or interest therein, that is appurtenant or related to any property, improvement, or system that transports or conveys people or goods or permits people or goods to be transported or conveyed within a region by any means or that is financed, constructed, operated, or maintained in connection with the financing, construction, operation, or maintenance of any such property, improvement, or system.

“Regional Transportation System” may also include such other highway, road, street, bus system, railroad, airport, gondola system, or mass transit system and any real or personal property or equipment, or interest therein, used in connection therewith hereafter approved by the Authority; any real or personal property or equipment, or interest therein, that is used to transport or convey gas, electricity, water, sewage, or information or that is used in connection with the transportation, conveyance, or provisions of any other utilities; and paving, grading, landscaping, curbs, gutters, culverts, sidewalks, bikeways, lighting, bridges, overpasses, underpasses, cross-roads, parkways, drainage facilities, mass transit lanes, park-and-ride facilities, toll collection facilities, service areas, and administrative or maintenance facilities.

If any portion of the Regional Transportation System alters the physical structure of or negatively impacts the safe operation of any state or local transportation improvement, the Authority, at the request of the jurisdiction governing the impacted transportation improvement, shall enter into an intergovernmental agreement concerning the applicable portion of the Regional Transportation System before commencing physical construction of that particular improvement to ensure coordinated transportation planning, efficient allocation of resources and the equitable sharing of costs. To avoid the duplication of effort, no mass transportation service shall be provided that is already provided by the Regional Transportation District without an intergovernmental agreement permitting such activity. To avoid negative impact to the E-470 Public Highway Authority and to ensure the safety of the travelling public, no portion of the Regional Transportation System shall be provided which is in any way connected to E-470 Public Highway without an intergovernmental agreement permitting such activity.

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The following table describes the various projects which are expected to make up the Regional Transportation System. Proceeds of the Series 2019 Bonds deposited in the Project Fund are expected to pay for a portion of certain of such projects.

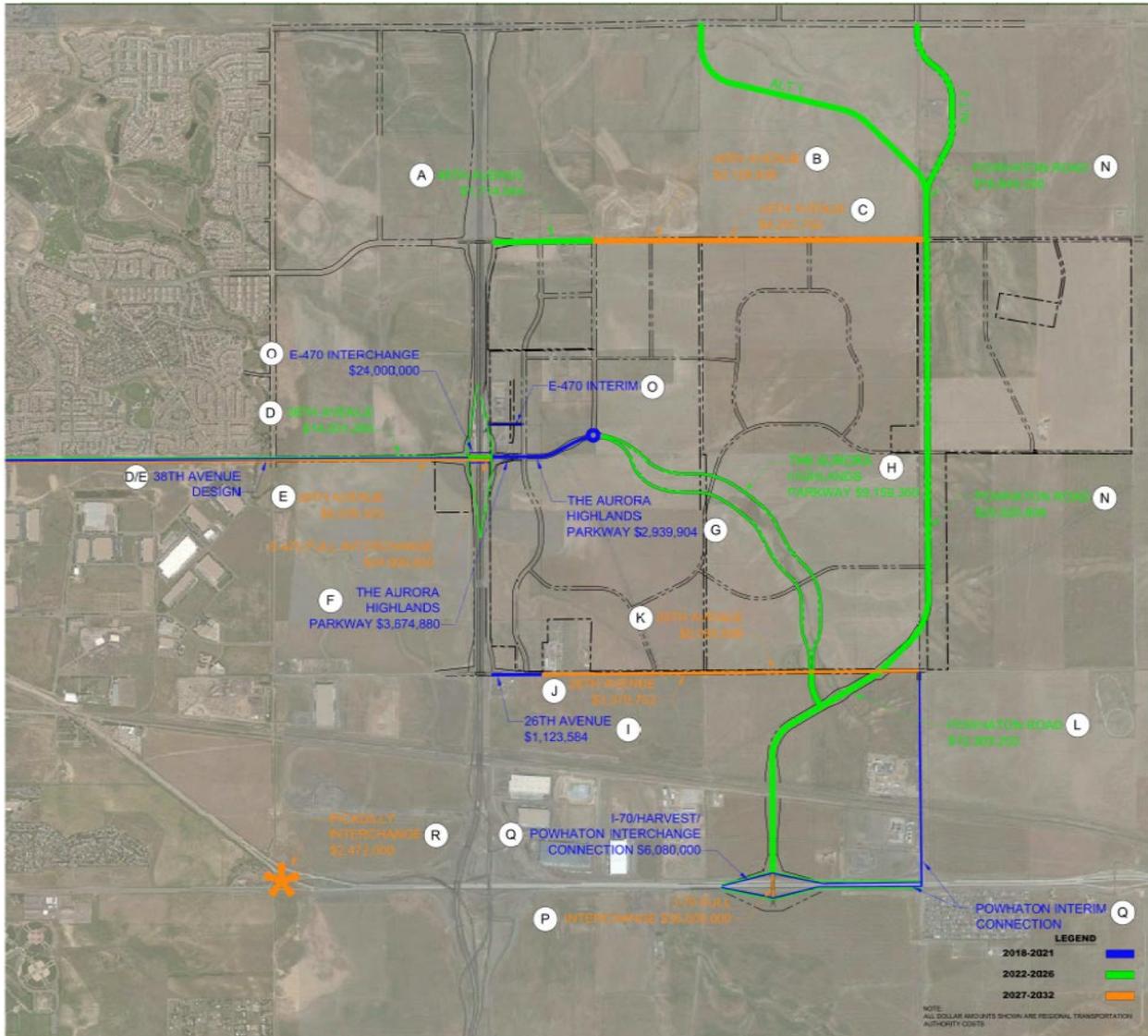
TABLE VI

Regional Transportation System

<u>Project Name</u>	<u>Project Description</u>
E-470/38 th /The Aurora Highlands Pkwy Interchange	Full interchange design and build of diamond interchange along with frontage roads to and from 48 th
I-70/Harvest/Powhaton Interchange	Full interchange design and build of diamond interchange at Harvest along with frontage roads to and from Powhaton in the interim.
38 th Avenue (E-470 to Himalaya)	Full section improvements - 4 lane arterial along with regional drainage crossings, traffic control and multimodal/bike boulevard.
Harvest/Powhaton Interconnect (I-70 to 56 th Avenue)	Full section improvements - 6 lane limited access principal arterial along with regional drainage crossings, traffic control and multimodal (pedestrian/bicycle) path and Union Pacific Railroad grade separation.
48 th Avenue (E-470 to Powhaton)	Full section improvements - 6 lane arterial along with regional drainage crossings, traffic control, multimodal (pedestrian/bicycle) path and E-470 overpass upgrade
26 th Avenue (E-470 to Powhaton)	Full section improvements - 4 lane arterial along with regional drainage crossings/conveyance and traffic control.
Gun Club / Aura Boulevard / Main Street (26 th to 56 th)	Full section improvements - 4 lane arterial along with regional drainage crossings/conveyance, traffic control and multimodal (pedestrian/bicycle) path.
The Aurora Highlands Parkway (Interconnect to 38 th /E-470 Interchange)	Full section improvements - 4 lane arterial separated by major drainageway along with regional drainage crossings/conveyance, traffic control and multimodal/bike boulevard. Only constructed with approval of the E-470 Board of Directors.
Picadilly Interchange	Full Interchange Design

Source: The Establishing Agreement

Map of the Regional Transportation System to be Constructed



**THE AURORA HIGHLANDS
 MAJOR ROADWAY PHASING**
 AUGUST 10, 2015
 SHEET 1 OF 1

The above map is a visual reflection of the projects which make up the Regional Transportation. *Notwithstanding any of the foregoing, the actual construction of the Regional Transportation System, including, but not limited to, scope, timing, phasing, and completion may be amended from time to time. There can be no assurance that the Regional Transportation System will be completed as described herein, or at all.*

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THE COORDINATING METRO DISTRICT, THE CITY, AND THE COUNTY

THE SERIES 2019 BONDS DO NOT CONSTITUTE THE DEBT, INDEBTEDNESS OR MULTIPLE FISCAL YEAR FINANCIAL OBLIGATION OF THE CITY, THE COUNTY, OR THE COORDINATING METRO DISTRICT. THE SERIES 2019 BONDS ARE SECURED SOLELY BY THE FUNDS ACTUALLY RECEIVED BY THE AUTHORITY (INCLUDING THOSE DERIVED FROM THE REQUIRED MILL LEVY), CREDITED TO THE INCOME FUND AND PLEDGED BY THE AUTHORITY AS SECURITY FOR THE SERIES 2019 BONDS. ANY AMOUNTS OF REVENUES THAT MAY BE AVAILABLE TO BE APPROPRIATED BY THE CITY, THE COUNTY, OR THE COORDINATING METRO DISTRICT FOR CREDIT TO THE INCOME FUND ARE SUBJECT IN ANY EVENT TO THE BUDGETARY COVENANT UNTIL APPROPRIATED BY THE GOVERNING BODIES OF THE CITY, THE COUNTY, OR THE COORDINATING METRO DISTRICT IN THEIR SOLE DISCRETION.

The Coordinating Metro District

Organization, Purpose, and Limitations. The Coordinating Metro District is a quasi-municipal corporation and a political subdivision of the State currently encompassing approximately 1 acre within the boundaries of the Authority. The Coordinating Metro District was created pursuant to the Special District Act in May 2006. The Service Plan authorizes the Coordinating Metro District to plan for, design, acquire, construct, install, relocate, redevelop, and finance the Other Public Improvements, within and without the Coordinating Metro District's boundaries, consisting of facilities for mosquito control, parks and recreation, safety protection, sanitation, solid waste disposal, streets, public transportation, and water.

The Coordinating Metro District operates in coordination with The Aurora Highlands Metropolitan District Nos. 1-3 (as previously defined, the "**Other Metro Districts**") for the purpose of financing, constructing, and operating the Other Public Improvements serving the Development. Currently, the Coordinating Metro District and the Other Metro Districts contain a nominal amount of land; provided, however, that the Coordinating Metro District anticipates that the Other Metro Districts will eventually encompass, collectively, boundaries that are coterminous with those of the Authority. *There can be no assurance that the Coordinating Metro District and the Other Metro Districts will ever contain more than a nominal amount of land.*

Governing Board. The Board of Directors of the Coordinating Metro District is referred to herein as the "**Coordinating Metro District Board.**" The Coordinating Metro District is governed by the Coordinating Metro District Board, which consists of five members. The members of the Coordinating Metro District Board must be electors of the Coordinating Metro District as defined by State law and are elected to alternating four-year terms of office at successive biennial elections. However, pursuant to H.B. 18-1039, metropolitan districts are required to move their biennial elections from even years to odd years beginning in 2023. Accordingly, the Coordinating Metro District Board terms commencing in 2020 and 2022 shall be for a term of three years, returning to four-year terms in 2023 and 2025. Vacancies on the Coordinating Metro District Board are filled by appointment of the remaining directors, the appointee to serve until the next regular election, at which time the vacancy is filled by election

for any remaining unexpired portion of the term. Pursuant to statute, with certain exceptions, no non-judicial elected official of any political subdivision of the State can serve more than two consecutive terms in office; however, such term limitation may be lengthened, shortened or eliminated pursuant to voter approval. Voters in the Coordinating Metro District have voted to waive the statutory term limits, and therefore the Coordinating Metro District Board is not subject to such limitations. The Board holds regular meetings and special meetings as needed. Each director is entitled to one vote on all questions before the Board when a quorum is present.

Administration and Management. The Coordinating Metro District Board is responsible for the overall management and administration of the affairs of the Coordinating Metro District Board. The Coordinating Metro District does not currently expect to have employees, and all administrative functions are expected to be furnished by contract with private entities. The Coordinating Metro District presently retains the following consultants: Special District Management Services, Inc., Lakewood, Colorado, as manager; McGeady Becher, P.C., Denver, Colorado, as general counsel; and CliftonLarsonAllen LLP, Greenwood Village, Colorado, as accountant.

Risk Management. The Coordinating Metro District protects against loss and liability by maintaining certain insurance coverages which the Board believes to be adequate. Currently, the Authority maintains insurance through the Colorado Special Districts Property and Liability Pool (“CSDPLP”). CSDPLP was established by the Special District Association of Colorado to provide special districts with general liability, auto/property liability, and public officials’ liability insurance coverage as an alternative to the traditional insurance market. CSDPLP also offers workers’ compensation insurance. The Coordinating Metro District’s current policy expires on January 1, 2020. However, there can be no assurance that the Coordinating Metro District will continue to maintain its current levels of coverage.

Revenue Sharing IGA. The Coordinating Metro District, First Creek Ranch Metropolitan District, Second Creek Ranch Metropolitan District, and Central Adams County Water & Sanitation District are parties to an Intergovernmental Agreement Regarding Sharing of Tax Revenue dated as of October 20, 2015 (the “**Revenue Sharing IGA**”). Pursuant to the Revenue Sharing IGA, First Creek Ranch Metropolitan District, Second Creek Ranch Metropolitan District, and Central Adams County Water & Sanitation District are to remit all of their respective tax revenues to the Coordinating Metro District for purposes of the Coordinating Metro District paying all of the operations, administrative, and capital infrastructure costs incurred by First Creek Ranch Metropolitan District, Second Creek Ranch Metropolitan District, and Central Adams County Water & Sanitation District.

TCM Costs IGA. The Coordinating Metro District, along with Green Valley Ranch East Metropolitan District Nos. 2-7, and Town Center Metropolitan District are parties to a Restated Agreement for Reimbursement Costs dated January 11, 2017 (as the same may be amended from time to time, the “**TCM Costs IGA**”). The TCM Costs IGA provides, among other things, that the Coordinating Metro District and Green Valley Ranch East Metropolitan District Nos. 2-5 are collectively responsible for reimbursing Town Center Metropolitan District for a portion of the costs of constructing certain street improvements, together with interest thereon (at a rate equal to 8%).

Under the TCM Costs IGA, as of the date of this Limited Offering Memorandum, the Coordinating Metro District (along with Green Valley Ranch East Metropolitan District Nos. 2-5) owes Town Center Metropolitan District approximately \$698,000 (including principal and interest).

Aurora IGA. The Coordinating Metro District and the City are parties to an Intergovernmental Agreement dated October 30, 2017 (as the same may be amended from time to time, the “**Aurora IGA**”). The Aurora IGA contains, among other things, many of the limitations provided in the Service Plan. The Aurora IGA also prevents the Coordinating Metro District from operating or maintaining most Other Public Improvements, unless the provisions of such operation and maintenance is pursuant to an intergovernmental agreement with the City.

Facilities Funding Agreement. The Coordinating Metro District and the Developer have entered into a First Amended and Restated Facilities Funding and Acquisition Agreement dated August 23, 2018 (as the same may be amended from time to time, the “**FFA**”). The FFA provides that, upon application of the Coordinating Metro District, the Developer may (a) construct Other Public Improvements and the Regional Transportation System within such Metro District on behalf of the Coordinating Metro District, subject to future acquisition and reimbursement by the Coordinating Metro District, or (b) may provide advances up to the amount of the certified construction related expenses (as more particularly described therein) to the Coordinating Metro District so that the Coordinating Metro District is able to construct Other Public Improvements and the Regional Transportation System. The Coordinating Metro District agreed to reimburse such advances, respectively, together with interest thereon (at a rate equal to 8% for the Other Public Improvements and at a rate of 9% for the Regional Transportation System), subject to annual appropriation and budget approval, bonds or other legally available revenue to repay such costs.

Under the FFA, as of April 30, 2019, the Coordinating Metro District owed the Developer approximately \$9,600,000 (including principal and interest).

Operations Funding Agreement. The Coordinating Metro District and the Developer have entered into several Operation Funding Agreements (collectively, as each may be amended from time to time, the “**OFA**”). The OFA provides that the Developer will advance funds to the Coordinating Metro District for the purpose of paying the operating expenses of the Coordinating Metro District until December 31, 2019. The Coordinating Metro District agreed to reimburse such advances, together with interest thereon (at a rate equal to 8%), subject to annual appropriation and budget approval, from legally available funds within any fiscal year and not otherwise required for operations, capital improvements, and debt service costs and expenses of the Coordinating Metro District. In the event that the Coordinating Metro District has not reimbursed the Developer for any advance under the OFA on or before December 31, 2059, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full. Since payment of such reimbursement obligation is subject to annual appropriation, they are subordinate to all bonded indebtedness of the Coordinating Metro District, whenever issued.

Status of Funding and Construction of Other Public Improvements. The purpose of the Coordinating Metro District is to finance, acquire, construct, complete, install, replace, and/or

operate and maintain public improvements consisting of certain water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping, and storm and wastewater management facilities and associated land acquisition and remediation within and without the boundaries of the Coordinating Metro District and its Service Area (the “**Other Public Improvements**”). The Coordinating Metro District may own and operate Other Public Improvements, and has undertaken direct responsibility to the Developer to reimburse allocated costs of Other Public Improvements to the extent funded by the Developer pursuant to the terms of the FFA. See “–*Facilities Funding Agreement*.” See also “THE DEVELOPMENT AND THE DEVELOPER–Status of Funding of Other Public Improvements Serving the Development.”

The City

Currently the third largest municipality in the State, the City was founded in 1891, as an unincorporated community, and was incorporated on May 5, 1903, as the Town of Fletcher. In 1907, the Fletcher Town Council changed the name to “Aurora.” The Council-Manager form of government was adopted by the City in 1954. In 1961, the City became a home rule city by adopting its own charter pursuant to Article XX of the Colorado Constitution. In 1993, the City Charter was amended to provide for a full-time Mayor. The City’s boundaries include portions of Arapahoe, Adams, and Douglas counties, covering an area of more than 154 square miles. Growth in the City is generally expanding to the northeast, east, and southeast into currently undeveloped areas. Located on the plains east of the Rocky Mountains, the City comprises the eastern portion of the Denver metropolitan area, affording its residents short drives to Denver International Airport and the area’s two major employment centers (downtown Denver and the Southeast Corridor).

The County

The County is a body corporate and politic and a political subdivision of the State organized in 1902. The County contains approximately 1,182 square miles, and is located in the northeastern Denver metropolitan area. The County includes the incorporated municipalities of Bennett, Brighton, Commerce City, Federal Heights, Northglenn, and Thornton, as well as portions of the cities of Arvada, Aurora, Lochbuie, and Westminster. The governing body of the County is the Board of County Commissioners consisting of five members each elected at large, from one of five geographical districts of relatively equal population as required by statute, for staggered four-year terms. The Board of County Commissioners serves as the legislative and policy-making body of the County government.

THE DEVELOPMENT AND THE DEVELOPER

The following information has been supplied by the Developer. Neither the Authority, the Authority's manager, the Authority's accountant, the authority's general counsel, Bond Counsel, the Underwriter's counsel, nor the Underwriter makes any representation regarding projected development plans within the Development, the financial soundness or the managerial ability of the Developer or any other owner or anticipated purchaser, of property within the Development to complete development in accordance with the plans described herein, nor the assessed valuation presently anticipated to be certified with respect to certain of such properties, and, other than the express representations of the Developer set forth herein, the Developer makes no representations. Without limiting the generality of the foregoing, no assurance of success is provided for the Development. The development of the property within the Development will be affected by factors such as governmental policies and approvals with respect to land development, construction costs, interest rates, competition from other developments, and other political, legal, and economic conditions. Further, while certain information is provided here with respect to existing and anticipated encumbrances of the property, in particular encumbrances recorded by other property owners and disclosed to the Developer, property within the Development may presently or in the future be subject to additional encumbrances as security for obligations of the Developer or other future property owners payable to various parties, the default of which could adversely affect development and construction activity. See "RISK FACTORS—Continued Development Not Assured."

The Developer

The Developer is Aurora Highlands, LLC, a Nevada limited liability company (as previously defined, the "**Developer**"), which is a single-purpose entity wholly-owned by Ferreira Family, LLC, a Nevada limited liability company. The Developer is managed by CGF Management, Inc., a Nevada corporation ("**CGF**"). The Developer has completed certain land entitlements, and platting and engineering activities, and commenced construction of certain public and private infrastructure improvements for the Development, as more particularly described herein. As of the date of this Limited Offering Memorandum, the Developer has invested more than \$40,000,000 in the Development.

Carlo G. Ferreira is the President of CGF. With over 20 years' experience in the real estate development industry, Mr. Ferreira has successfully planned, entitled, designed and constructed several residential and business communities. Since 1982, he has associated with Collins Brothers, a Las Vegas real estate development team, to oversee several developments including Warm Springs Crossing, a business park and Arroyo Mesa, a residential community, both located in Las Vegas. Mr. Ferreira has overseen the planning and development of several other projects throughout his career including Royal Crest Condos, a 330-unit condominium conversion, and Kanaka Rapids Ranch, a 600-acre residential estate community nestled along a mile and half of the Snake River in southern Idaho. In 1987, Mr. Ferreira assembled and entitled 42 separate parcels of land to create a 400-acre rail-served business park; this assemblage became the Shadow Creek Golf Course and Lone Mountain Mesa Business Park in North Las Vegas. More recently, Mr. Ferreira served as co-principal of the Shadow Creek Development Company, which oversaw the development of a 3,500-acre master plan community near Houston, Texas.

Homebuilders

The initial Homebuilders are anticipated to be Richmond American Homes (“**Richmond**”) and Lennar Homes (“**Lennar**”). As previously defined, “**Homebuilders**” includes Richmond, Lennar, and all other homebuilders which may in the future acquire land within the Development. *The following information regarding these two Homebuilders was obtained from their respective websites and/or most recent 10-K filings with the Securities and Exchange Commission, and, although believed to be reliable, such information has not been independently verified by the Authority, the Developer, the Homebuilders, or the Underwriter, and neither the Authority nor the Underwriter nor the Developer makes any representation or warranty regarding the accuracy or completeness thereof. See “RISK FACTORS” for a discussion of many of the primary development risks associated with the development of property in the Authority.*

Richmond American. Richmond is owned by M.D.C. Holdings, Inc. a public company traded on the New York Stock Exchange under the ticker symbol “MDC.” MDC has two primary operations, i.e., homebuilding and financial services. MDC’s homebuilding operations consist of wholly owned subsidiary companies that generally purchase finished lots or develop lots to the extent necessary for the construction and sale primarily of single family detached homes to first-time and first-time move-up homebuyers under the name “Richmond American Homes.” MDC’s homebuilding operations are comprised of various homebuilding divisions that it considers to be its operating segments. MDC builds homes in the West (includes operating segments located in Arizona, California, Nevada, Washington and Oregon), Mountain (includes operating segments located in Colorado and Utah), and East (includes operating segments located in the mid-Atlantic, which includes Virginia and Maryland, and Florida). MDC’s financial services operations primarily consist of HomeAmerican Mortgage Corporation, which originates mortgage loans primarily for MDC homebuyers, Allegiant Insurance Company, Inc., A Risk Retention Group, which provides insurance coverage primarily to MDC homebuilding subsidiaries on homes that have been delivered and most of MDC’s subcontractors for completed work on those delivered homes, StarAmerican Insurance Ltd., which is a re-insurer of Allegiant claims, American Home Insurance Agency, Inc., which offers third-party insurance products to MDC homebuyers, and American Home Title and Escrow Company, which provides title agency services to MDC homebuilding subsidiaries and MDC customers in certain states.

Lennar. Lennar is a national homebuilder that operates in various states with deliveries of 29,394 new homes in fiscal 2017. Lennar was founded as a local Miami homebuilder in 1954. Lennar completed its initial public offering in 1971 and listed its common stock on the New York Stock Exchange in 1972 trading under the ticker symbol of “LEN.” During the 1980s and 1990s, Lennar entered and expanded operations in a number of homebuilding markets, including California, Florida and Texas, through both organic growth and acquisitions, such as Pacific Greystone Corporation in 1997. In 1997, Lennar completed the spin-off of its then commercial real estate business, LNR Property Corporation. In 2000, Lennar acquired U.S. Home Corporation, which expanded its operations into New Jersey, Maryland, Virginia, Minnesota and Colorado and strengthened its position in other states. From 2002 through 2005, Lennar acquired several regional homebuilders, which brought it into new markets and strengthened its position in several existing markets. From 2010 through 2013, Lennar expanded its homebuilding operations into the Atlanta, Oregon, Seattle and Nashville markets.

In 2017 Lennar acquired WCI Communities, a luxury homebuilder in Florida. Through the 2018 acquisition of CalAtlantic Communities, Lennar increased its local market scale and additionally it allowed Lennar to enter the Salt Lake City and Indianapolis markets. Lennar offers residential mortgage loan products to buyers of its homes and others through its financial services subsidiary, Universal American Mortgage Company, LLC, which includes Universal American Mortgage Company, LLC, d/b/a Eagle Home Mortgage, from locations in most of the states in which it has homebuilding operations, as well as some other states. Lennar is currently focused on maintaining moderate growth in community count and homes sales, reducing selling, general and administrative expenses by using innovative strategies to reduce customer acquisition costs, as well as on its soft-pivot land strategy, shortening the average time between when Lennar acquires land and when Lennar expects to begin building homes on it.

Homebuilder Agreements and Activities

Each Homebuilder's acquisition of lots in the Development is anticipated to occur pursuant to a purchase and sale agreement.

The Developer and Richmond have entered into a Purchase and Sale Agreement with an effective date of March 26, 2019 (as the same may be amended from time to time, the "**Richmond PSA**"). Pursuant to the Richmond PSA, Richmond has agreed to acquire approximately 66 acres within the Development. The Developer anticipates that Richmond will build a total of approximately 116 duplexes and 223 detached single family homes on the 66 acres. It is anticipated that Richmond will take title to such property in three (3) phases.

As of the date of this Limited Offering Memorandum, Lennar has not entered into a purchase and sale agreement with the Developer to acquire property within the Development. However, Lennar is working with Richmond in the processing of two (2) CSPs within the Development. It is anticipated by the Developer that Richmond and Lennar will work jointly to apply for and process a third CSP within the Development. For further information about the CSPs, see "*Entitlements and Public Approvals-Contextual Site Plans*."

The Developer reasonably expects that additional Homebuilders will acquire additional land and construct homes in the Development.

There can be no assurance that any Homebuilders will complete their respective acquisitions of the lots described above. There can be no assurance that the Homebuilders will secure the land approvals to develop lots and build houses on each of the lots described above, or at all.

Development Overview

The "**Development**" is an approximately 3,146-acre mixed-use (mostly residential) development and is coterminous with the Authority. The Development is broadly divided in two parts, with residential and commercial development planned to occur within the 2,543-acre "**Aurora Highlands**" and office, industrial and energy development planned to occur within the 603-acre Aurora Technology and Energy Corridor ("**ATEC**"). The Development is located approximately two (2) miles south of Denver International Airport.

The Developer owns or controls all of the land comprising the Development, except for approximately 628 acres which is currently under contract to be acquired by a third party from whom the Developer anticipates obtaining an option to acquire such land. See “–Acquisition; Encumbrances on Land–*Land Acquisition and Ownership Related Encumbrances.*” The Developer has completed certain land entitlements, platting and engineering activities, as well as certain public and private infrastructure improvements for the Development. Subject to the sales and contracts described herein, the Developer is continuing with the marketing, sale, and development of property within the Development.

Planned/Anticipated Development. The Developer currently anticipates that the completion of the Development can reasonably occur in generally the manner reflected in the Market Study and as reflected in Tables VII and VIII below.

At full build out, the Development is anticipated to contain a total of approximately 7,539 homes, a total of approximately 4,010 multi-family for-sale and for-rent units, along with four schools, 120 acres of parks, 21 miles of trails, and 253 acres of open space. Traffic reports on file with the City in the approved FDP also reflect, at full buildout, approximately 3,574,000 square feet of retail and commercial office space, and approximately 3,931,000 square feet of industrial space. Full buildout of the Development is not expected by the Developer to occur until at least 2040.

The planned and anticipated development described above is consistent with the FDP submitted by the Developer and approved by the City. *No assurance is provided that the planned and anticipated described above will occur as described, or at all.*

Note that while commercial and industrial development are reasonably expected to occur within the Development, the level of such activities within the Development and resulting assessed valuation of taxable property resulting therefrom cannot be predicted. ***No portion of the current assessed valuation of the property within the boundaries of the Authority is attributable to commercial or industrial development. The Financial Forecast attached as Appendix C hereto does not take into account or project any future assessed valuation growth from commercial or industrial development within the boundaries of the Authority.***

The development of property in the Development is highly speculative, and there can be no guarantee by anyone that this property will be developed in the manner described above and in the Market Study, or at all. The projections in the Market Study are based only upon projected supply and demand (not provided by the Developer) using the methods described in the Market Study and upon the Developer’s current development expectations. See “RISK FACTORS–Risks Related to the Market Study and Financial Forecast” and the Market Study attached hereto as APPENDIX B.

Subject to the sales and contracts described herein, the Developer is continuing with the marketing, sale, and development of property within the Development.

Notwithstanding any of the foregoing, the actual use of property within the Development is subject to change within the parameters set forth in the FDP, as the same may be amended

from time to time by the City. Furthermore, neither the Developer nor any other party is contractually obligated to pursue any of the Development as described herein, or at all.

The table on the following page summarizes the anticipated residential absorption and the planned and anticipated development by classification of property.

TABLE VII

Summary of Anticipated Residential Absorption

<u>Product Type</u>	<u>Number of Units</u>										<u>Year Complete</u>	
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>Post-2028</u>		<u>Total</u>
Townhomes	28	82	82	80	84	84	84	84	35	--	645	2028
Motor court homes	--	--	--	30	43	45	30	--	--	--	148	2026
Duplexes	18	80	72	72	72	72	72	70	10	--	538	2028
Detached Townhomes	--	--	--	--	64	64	66	72	72	248	586	2032
Single Family Alley Load Homes	--	--	--	--	31	63	47	--	--	--	141	2026
Single Family Front Load Homes	96	263	364	364	364	323	304	304	304	2,795	5,481	2045
Total	142	425	518	548	658	651	603	530	421	3,043	7,539	2045
Multi-Family For Rent Units			150	300	300	300	300	300	300	2,060	4,010	TBD

Source: The Market Study

TABLE VIII

Summary of Planned and Anticipated Development by Classification

<u>Class</u>	<u>Acreage ⁽¹⁾</u>
Residential	1,607.0
Industrial	603.3
Commercial (Office, Retail, Mixed Use)	161.0
Total	2,371.3

The remaining acreage in the Development is anticipated to be used for public improvements

Source: The Market Study

Conceptual Parcel Map of Aurora Highlands



The above map is a conceptual reflection of the Developer's present anticipated plans for the Aurora Highlands portion of the Development. *Notwithstanding any of the foregoing, the actual use of property within the Development is subject to change within the parameters set forth in the FDP, as the same may be amended from time to time by the City Council. Furthermore, neither the Developer nor any other party is contractually obligated to pursue any of the Development as described herein, or at all.*

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Completion of the above-described planned and anticipated development is subject to the satisfaction of a variety of conditions including, but not limited to (a) securing entitlements for development of the property, including but not limited to CSPs, Final Plats (defined below), infrastructure site plans, and other land use applications set forth more specifically in the City of Aurora’s code and ordinances, (b) obtaining a conditional letter of map revision to remove land from the floodway and floodplain, (c) vacating existing rights-of-way, (d) completing public infrastructure, such as but not limited to, water, sewer, and roads necessary to support such planned development, (e) receiving building permits, and (f) market demand, general economic and market conditions and a variety of other factors beyond the control of the Authority, the Developer and other owners of such property. No assurance is given that any of the foregoing conditions will be satisfied in a timeframe necessary to achieve the projected development schedules set forth herein, or at all. *No assurance is given that the parties to any agreement concerning leasing, purchasing, financing, constructing or otherwise providing for any portion of the remaining planned development, or the infrastructure required therefor, will perform their respective obligations thereunder. Finally, no assurance is given that such development will be completed in the manner and the timeframes, or will result in the anticipated values, described above, in the Market Study, and in the Financial Forecast, or at all. See “RISK FACTORS–Continued Development Not Assured.”*

Entitlements and Public Approvals

Annexation, Zoning, Platting, and Entitlements. All of the land comprising the Development has been annexed into the City, except for land owned by the E-470 Authority or within a County right-of-way. The City has approved a Framework Development Plan (as previously defined, the “**FDP**”) for the Development and all of the land comprising the Development is zoned and entitled under the terms and conditions of the FDP, but remains subject to City approval of contextual site plans (as previously defined, “**CSPs**”) and final subdivision plats (“**Final Plats**”) for each specific development site.

Zoning within the Development includes the following classifications: E-470 Retail/Commercial, E-470 Medium Density Residential; NE Plains Medium Density Residential, E-470/Airport Corporate, and NE Plains I-70.

Contextual Site Plan and Final Plat Approvals; Associated Fees Anticipated Prior to Building Permit Issuance. The construction of improvements not already completed in the Development will require City approval of Final Plats, CSPs, and related construction documents. It is anticipated that in the process of seeking approval of Final Plats, CSPs, and construction documents, the applicable homebuilder or developer will be required to pay to the City a number of submittal and permitting fees, which fees are expected to vary based upon the size of the project. The amount of such fees is determined by the City in accordance with applicable City Codes and is subject to change. No assurance is given that the City will not increase, reduce, modify, or waive any fee applicable to any portion of the proposed Development. The Development must comply with the terms and conditions of the FDP, including the present planned uses and densities, unless and until amended. However, property within the Development will require City approval of Final Plats and CSPs for its actual uses. The City’s approval of Final Plats, CSPs, and related construction documents is not assured. The substance and timing of submission of future Final Plats, CSPs, and related construction

documents is entirely subject to the discretion of the Developer and any other owners of property in the Development. The review of Final Plats and CSPs plans for property within the Development is conducted by the City's director of planning, subject to limited exceptions identified in the Aurora Municipal Code. See "RISK FACTORS—Continued Development Not Assured."

Richmond and Lennar are working together to process two (2) CSPs. One CSP anticipates 58 lots for Richmond and 26 lots for Lennar. The second CSP anticipates 115 lots for Richmond and 128 lots for Lennar. It is anticipated by the Developer that Richmond and Lennar will work jointly to apply for and process a third CSP within the Development, which has yet to be filed with the City of Aurora for approval, which anticipates 166 lots for Richmond and 56 lots for Lennar. Administrative approval of the first CSP (providing for 58 lots for Richmond and 26 lots for Lennar) is expected to be received on May 29, 2019.

Governmental Services

Owners of property in the Development are provided a wide range of services by various entities other than the Authority, the Coordinating Metro District, and the Other Metro Districts. Customary municipal services will be provided by the City, including water, sanitary sewer, road maintenance, police protection, and fire protection. Private utilities, such as electricity, natural gas, local telephone, cable television and trash removal, are provided by various private entities.

The District is within the boundaries of the Adams-Arapahoe 28J School District, more commonly known as Aurora Public Schools, a predominately suburban school district that primarily serves residents of the City. The schools currently serving the District are Vista PEAK Exploratory P-8 School and Vista PEAK Preparatory High School (each located approximately three (3) miles from the District).

Acquisition; Encumbrances on Land

The following describes certain encumbrances presently existing on all or portions of the property comprising the Development, solely to the extent known by the Developer. Such property is also subject to various easements and rights of way of record which, to the extent of record only. The Developer plans to vacate certain rights of which are inconsistent with the development of the property as described herein. Property within the Development may be subjected to additional encumbrances as development progresses, including, but not limited to, liens securing financial obligations of the various developers or users of such property. No assurance is given that encumbrances will not be recorded against portions of the Development which impact the ability of the Development to be carried out as presently planned.

Land Acquisition and Ownership; Related Encumbrances. The Developer owns or controls all of the land comprising the Development, except for approximately 628 acres which is currently under contract to be acquired by a third party from whom the Developer anticipates obtaining an option to acquire such land.

The Developer and other entities that may own land in the Development, whether now or in the future, are not precluded from using any portion of such property as security for financial obligations in the future. While third party landowners within the Development may presently or

in the future encumber their respective properties with liens securing financial obligations, the Developer has no knowledge of any such present encumbrances.

Site Work for the Development. Limited construction of the Other Public Improvements and other infrastructure serving property within the Authority has begun.

Covenants, Conditions, and Restrictions. There are no covenants, conditions, and restrictions currently burdening the Development. However, the Developer anticipates that customary covenants, conditions, and restrictions will be recorded against all or portions of the Development in the future.

Development Agreements. There is currently a development agreement recorded against the Development, which benefits and burdens the property. The Developer anticipates that this development agreement will be amended from time to time in the future.

Homeowners' Association. There are currently no homeowners' associations in the Development. However, the Developer anticipates that one or more homeowners' associations may be established in the residential portions of the Development.

Other Encumbrances. Except as expressly stated herein, the Developer has no information with respect to any financial encumbrances that may have been recorded against property in the Development. Furthermore, property within the Development may be subjected to additional encumbrances as development progresses. No assurance is given that encumbrances will not be recorded against portions of the Development which impact the ability of the Development to be carried out as presently planned. The property is also subject to easements and rights of way of record, and the rights of severed mineral estates.

Environmental Matters

Environmental Site Assessment. A Phase I Environmental Site Assessment of the Development (the "ESA") was performed of the with the findings presented in a report dated October 25, 2018 by Ecological Resource Consultants, Inc., Boulder, Colorado. The Developer believes that the findings presented in the ESA do not preclude construction in the Development as contemplated in the FDP and the Market Study.

Geotechnical Evaluations. No third-party assessments relating to the potential of geotechnical conditions which would preclude construction in the Development were provided by the Developer.

Endangered Species. An endangered species survey (the "Species Survey") was performed in certain portions of the Development by Ecological Resource Consultants, Inc., Boulder, Colorado, with the findings presented in a Screening Report for Federal-State Listed Threatened and Endangered Species and General Wildlife dated October 25, 2018 (the "Species Report"). The Species Report indicated that the survey area is not within designated critical habitat of any federally listed species and that while the survey area is within the potential known range of certain protected species, no such species were observed during the Species Survey. The Developer believes that the findings presented in the Species Report do not preclude construction in the Development as contemplated in the FDP and the Market Study.

Floodplain and Wetland Matters. Portions of the Development are located within a floodplain. Development in accordance with the FDP and the Market Study requires approval of a Conditional Letter of Map Revision. There is a risk that the Map Revisions (defined above) will not be approved. An aquatic resource survey was performed in certain portions of the Development by Ecological Resource Consultants, Inc., Boulder, Colorado, with the findings presented in an Aquatic Resource Delineation Report dated October 25, 2018 (the “**Aquatic Report**”). The Aquatic Report did not identify any wetlands in the survey area.

Oil and Gas Operations. There are currently proposals by Burlington Resources Oil & Gas Company LP and ConocoPhillips Company (as previously defined, collectively, “**COP**”) to drill for oil and gas within the portion of the Development known as ATEC (pursuant to the FDP, the ATEC area may only be developed for energy, commercial, and industrial purposes). There are also current proposals by other companies to drill for oil and gas near the Development. The leases or other similar documents governing the proposed wells within the Development permit certain surface activity in the ATEC portion of the Development in connection with the proposed wells, including, but not limited to gathering pipelines, production sites and facilities, and access roads. Such well sites are expected to be screened. COP, and any other operator of oil and gas wells in the future are responsible for complying with all Colorado Oil and Gas Conservation Commission, State, County, and City rules, regulations, agreements, and requirements in connection with the oil and gas wells within and around the Development. See “**RISK FACTORS—Risks Related to Oil and Gas Operations within the Development.**”

COP, the Developer, and various entities comprising the owners of the oil and gas mineral estate underlying the Development lands entered into a Development Agreement dated October 29, 2018 (the “**Development Agreement**”), memorialized by a Memorandum of Development Agreement recorded at Reception No. 2018000088835 in the records of Adams County. The Development Agreement provides, among other things, that COP may not use the surface of any portion of the land comprising the Development for the purposes of exploring for and producing oil and gas, except for certain land in Section 21 and 28 identified in the Surface Use Agreement (defined below).

COP, the Developer, and GVR King Commercial LLC, a Colorado limited liability company, have entered into a Surface Use Agreement dated effective October 29, 2018 (the “**Surface Use Agreement**”) and recorded at Reception No. 2018000088826 in the records of Adams County. The Surface Use Agreement identifies six (6) oil and gas operations areas (the “**OGOAs**”) located in ATEC and allows for the location of necessary equipment in such locations and access thereto, subject to the limitations thereof. Pursuant to the Surface Use Agreement, COP agrees to limit the location of production facilities within the Development to the identified OGOAs, and agrees not to expand the size or scope of use of the OGOAs. The Surface Use Agreement grants COP the right to continue to operate and maintain existing wells, to expand existing wells, to drill additional wells in the OGOAs subject to the foregoing limitations, and to drill directional wells that drain the oil and gas located under the Development. Pursuant to the Surface Use Agreement, COP is granted continued access to certain property within the ATEC portion of the Development as necessary to conduct operations, as well as continued use of flowlines, pipelines, and pipeline easements.

The Developer also is prohibited from objecting in any forum to the use by COP of the surface of the subject property in the ATEC portion of the Development consistent with the Surface Use Agreement and the Development Agreement, and COP agreed not to oppose any zoning, rezoning, plat or replat of any portion of the Development to the extent such request is consistent with the Surface Use Agreement.

Pursuant to the Surface Use Agreement, until at least October 29, 2029 (such date may be extended for certain specified events identified in the Surface Use Agreement), the Developer may not consent to, and shall use its best efforts to oppose all attempts to include the OGOAs within the boundaries of any metro district, including, but not limited to the Coordinating Metro District and the Other Metro Districts. ***Accordingly, while the Authority may impose the Required Mill Levy and the County may impose its property tax mill levies on property in ATEC, none of the Coordinating Metro District nor the Other Metro Districts will be able to impose a mill levy over such property until at least October 29, 2029, including the differential between the Authority's mill levy and a five (5) mill levy subject to a Gallagher Adjustment.***

Note that while oil and gas activities are reasonably expected to occur within the Development, the level of such activities within the Development and resulting assessed valuation of taxable property resulting therefrom cannot be predicted. ***No portion of the current assessed valuation of the property within the boundaries of the Authority is attributable to oil and gas production. The Financial Forecast attached as Appendix C hereto does not take into account or project any future assessed valuation growth from oil and gas production within the boundaries of the Authority.***

Other Property Assessments. The foregoing describes assessments conducted on behalf of the Developer with respect to the property comprising the Development. It is possible that, either before or after the sale of property in the Development, potential purchasers may obtain geotechnical and other studies and/or assessments of the property for the purpose of identifying conditions of the subject property that may impact development and for making recommendations for the appropriate course of particular development activities. However, no such reports (if any) have been made available to the Authority, the Coordinating Metro District, or the Developer.

Development Tax Incentives

The following is a brief discussion of certain state and federal tax incentives which could encourage the sale or lease of land within the Development and the vertical construction of commercial improvements within the Development.

Colorado Enterprise Zone. Certain activities within the Development may qualify for state and local tax incentives that are available within Enterprise Zones. These incentives may include, among others, investment tax credits, new employee tax credits, research and development tax credits, commercial vehicle investment tax credits.

An investment in the Series 2019 Bonds is not eligible for any Colorado Enterprise Zone incentives.

Qualified Opportunity Zone. Certain activities within the Development may qualify for federal tax incentives under the Qualified Opportunity Zone (“**QOZ**”) program created pursuant to the Tax Cuts and Jobs Act. The QOZ program provides eligible investors with the possibility of deferral on current capital gains, a step-up in tax basis, and an exemption for certain capital gains on their investment.

An investment in the Series 2019 Bonds is not an eligible QOZ investment.

New Markets Tax Credits. Certain activities within the Development may qualify for federal tax incentives under the New Markets Tax Credit program. The New Markets Tax Credit program permits individual and corporate investors to receive a tax credit against their federal income tax in exchange for making equity investments in specialized financial intermediaries called Community Development Entities. The credit totals 39 percent of the original amount invested and is claimed over a period of seven (7) years.

An investment in the Series 2019 Bonds is not eligible for New Markets Tax Credits.

Marketing and Advertising

Marketing of the Development is being undertaken by the Developer and is expected to include customary marketing tools, including social media, print advertising, sign advertising, and an individual website (<https://theaurorahighlands.com/>).

Competition

The Development will compete with a number of active projects and future developments, in and around the Development and the metro area, some of which are more particularly described in the Market Study attached as APPENDIX B.

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REVENUES OF THE AUTHORITY

Authority to Raise Revenue

General. The Authority is authorized by the Establishing Agreement to levy and collect limited ad valorem property taxes on and against all taxable property within the boundaries of the Authority, and to enter into contracts and agreements concerning the affairs of the Authority, subject to any limitations of the Establishing Agreement from time to time. The eligible electors of the Authority have voted to allow the Authority to collect, retain, and spend all revenues received in excess of certain state law limitations, as more particularly described in “-Constitutional Amendment Limiting Taxes and Spending” below.

The costs of the Authority’s operations, maintenance, and administrative costs are to be paid from up to one percent (1%) of the Authority’s gross revenues.

Security for the Series 2019 Bonds. The Series 2019 Bonds are payable from, among other sources, revenues resulting from ad valorem property taxes required to be levied against all property subject to taxation by the Authority at a rate equal to the Required Mill Levy, as well as the Establishing Agreement Revenue. See “THE SERIES 2019 BONDS–Security for the Series 2019 Bonds–*Definition of Required Mill Levy.*” All portions of the Establishing Agreement Revenue are subject to annual appropriation by the City, the County, or the Coordinating Metro District, as applicable.

Ad Valorem Property Taxes

General. The Authority has the power, subject to constitutional and statutory guidelines, to certify a mill levy for collection of ad valorem taxes against all taxable property within the Authority. Similarly, other governmental entities have the power, subject to constitutional and statutory guidelines, to certify a levy for collection of ad valorem taxes against all taxable property within the boundaries of the applicable taxing entity. Property taxes are uniformly levied against the assessed valuation of all taxable property of the applicable taxing entity. The property subject to taxation, the assessment of such property, and the property tax procedure and collections are discussed below. *References herein to the procedures applicable to the assessment of taxable property within the Authority, imposition of taxes by the Authority and collection of Authority property taxes are similarly applicable to the taxable property and property taxes of other taxing entities.*

Statutory Expiration of Regional Transportation Authority Mill Levies. Pursuant to Section 43-4-605(j.5)(I), C.R.S., the Authority is not permitted to impose ad valorem taxes, including the Required Mill Levy, after December 31, 2028, unless such limitation is amended or repealed by the General Assembly. Such limitation applies to all regional transportation authorities in Colorado. Regional transportation authorities were first granted the power to impose a mill levy of up to five mills in 2009, with such power initially set to be repealed January 1, 2019. In 2017, the General Assembly extended such power, amending the repeal date to January 1, 2029. Other than the Roaring Fork Transportation Authority (which imposed a mill levy in tax year 2018 for collection in 2019), the Authority is unaware of whether any other regional transportation authority in Colorado is currently imposing a mill levy. In the event that

the Authority is no longer legally permitted to impose and collect the Required Mill Levy, an equivalent mill levy will be imposed and collected by the Coordinating Metro District and the Other Metro Districts pursuant to the Authority-AACMD IGA. The boundaries of the Coordinating Metro District and the Other Metro Districts currently include a small percentage of the land included within the boundaries of the Authority and there can be no assurance that their boundaries will be expanded to match the boundaries of the Authority, if at all. See also “RISK FACTORS–Statutory Expiration of Regional Transportation Authority Mill Levies” and “–Risks Related to Establishing Agreement Revenue; Annual Appropriation; Limited Geographic Area of Metro Districts.”

Property Subject to Taxation. Both real and personal property located within the boundaries of a governmental entity, unless exempt, are subject to taxation by such governmental entity. Property taxes are uniformly levied against the assessed valuation of all property to taxation by such governmental entity. The State Board of Equalization supervises the administration of all laws concerning the valuation and assessment of taxable property and the levying of property taxes.

Assessment of Property. Taxable property is first appraised by the County Assessor to determine its statutory “actual” value. This amount is then multiplied by the appropriate assessment percentage to determine each property’s assessed value. The mill levy of each taxing entity is then multiplied by this assessed value to determine the amount of property tax levied upon such property by such taxing entity. Each of these steps in the taxation process is explained in more detail below.

Determination of Statutory “Actual” Value. The County Assessor annually conducts appraisals in order to determine, on the basis of statutorily specified approaches, the statutory “actual” value of all taxable property within the County based upon its condition on June 30. Most property is valued using a market approach, a cost approach, or an income approach.

The statutory actual value of a property is not intended to represent its current market value, but, with certain exceptions, is determined by the County Assessor utilizing a “level of value” ascertained for each two-year reassessment cycle from manuals and associated data published by the State Property Tax Administrator for the statutorily-defined period preceding the assessment date. Real property is reappraised by the County Assessor’s office every odd numbered year. The statutory actual value is based on the “level of value” for the period one and one-half years immediately prior to the July 1 preceding the beginning of the two-year reassessment cycle (adjusted to the final day of the data-gathering period). For example, values for levy year 2018 / collection year 2019 are based on an analysis by the County Assessor of sales and other information for the period January 1, 2015 to June 30, 2016.

The following table sets forth the State Property Appraisal System for property tax levy years 2015 through 2019:

TABLE IX

State Property Appraisal System

Collection Year	Levy Year	Value Calculated As Of	Based on the Market Period
2016	2015	June 30, 2014	Jan. 1, 2013 to June 30, 2014
2017	2016	June 30, 2014	Jan. 1, 2013 to June 30, 2014
2018	2017	June 30, 2016	Jan. 1, 2015 to June 30, 2016
2019	2018	June 30, 2016	Jan. 1, 2015 to June 30, 2016
2020	2019	June 30, 2018	Jan. 1, 2017 to June 30, 2018
2021	2020	June 30, 2018	Jan. 1, 2017 to June 30, 2018

If there were insufficient sales during the stated market period to accurately determine the level of value, the County Assessor may also consider market sales from the 18-month period preceding the market period.

Agricultural property, exclusive of building improvements thereon, is valued by considering the earning or productive capacity of such lands during a reasonable period of time, capitalized at a statutory rate. Oil and gas leaseholds and lands, producing mines and other lands producing nonmetallic minerals are valued based on production levels rather than by the base year method. Public utilities are valued by the State property tax administrator based upon the value of the utility’s tangible property and intangibles (subject to certain statutory adjustments), gross and net operating revenues and the average market value of its outstanding securities during the prior calendar year.

Determination of Assessed Value. Assessed valuation, which represents the value upon which ad valorem taxes are levied, is calculated by the Assessor as a percentage of statutory actual value. The percentage used to calculate assessed valuation differs depending upon the classification of each property.

To avoid extraordinary increases in residential real property taxes when the base year level of value is changed, the State constitution requires the Colorado General Assembly to adjust the assessment rate of residential property for year in which a change in the base year level of value occurs. This adjustment is constitutionally mandated to maintain the same percentage of the aggregate statewide valuation for assessment attributable to residential property which existed in the previous year (although, notwithstanding the foregoing, TABOR prohibits any valuation for assessment ratio increase for a property class without prior voter approval). Pursuant to the adjustment process described above, the residential assessment rate is adjusted every two years. The residential assessment rate was 7.96% for levy years 2003-2016 and was 7.20% for levy years 2017-2018. For levy years 2019-2020, the residential assessment rate will be 7.15%. In December 2018, the Colorado Legislative Council (the research division of the Colorado General Assembly) projected a further decline for levy year 2021. However,

those projections are only estimates and are subject to change as a result of numerous economic factors.

All non-residential taxable property, with certain specified exceptions is assessed at 29% of statutory actual value. Producing oil and gas property is generally assessed at 87.5% of statutory actual value which is based upon the selling price of the oil and gas.

Statewide Review. The Colorado General Assembly is required to cause a valuation for assessment study to be conducted each year in order to ascertain whether or not county assessors statewide have complied with constitutional and statutory provisions in determining statutory actual values and assessed valuations for that year. The final study, including findings and conclusions, must be submitted to the Colorado General Assembly and the State Board of Equalization by September 15th of the year in which the study is conducted. Subsequently, the Board of Equalization may order a county to conduct reappraisals and revaluations during the following property tax levy year. Accordingly, the assessed valuation of the Authority may be subject to modification following any such annual assessment study.

Exemptions.

Homestead/Disabled Veterans Property Tax Exemptions. The Colorado Constitution provides property tax exemptions for qualifying senior citizens (adopted in 2000) and for disabled veterans (adopted in 2006). The senior citizens provisions that the exemption is equal to 50% of the first \$200,000 of actual value of residential real property that is owner-occupied in the owner or his or her spouse is 65 years of age or older and has occupied such residence for at least 10 years. The Colorado General Assembly has suspended the senior citizen exemption in several years. The disabled veterans provisions provides the same exemption to homeowners who have served on active duty in the U.S. Armed Forces and who are rated 100% permanently disabled by the federal government due to a service-connected disability. The State is required to reimburse all local governments for the reduction in property tax revenue resulting from these exemptions; therefore, it is not expected that these exemptions will result in the loss of any property tax revenue to the Authority. There is no assurance, however, that the State reimbursement will be received in a time period which is sufficient to replace the reduced property tax revenue.

Governmental and Exempt Entities. Certain types of property are also exempt from ad valorem property taxes. Exempt property generally includes property of the United States of America; property of the State and its political subdivisions; public libraries; public school property; charitable property; religious property; non-profit cemeteries, irrigation ditches, canals and flumes; household furnishings; personal effects; intangible personal property; inventories of merchandise and materials and supplies which are held for consumption by a business or are held primarily for sale; livestock; agricultural and livestock products; and agricultural equipment which is used on the farm or ranch in the production of agricultural products.

Potential for Creation of Other Tax Increment Entity. Various Colorado statutes allow the formation of tax increment entities, such as urban renewal authorities and downtown development authorities in areas designated by the governing bodies of municipalities as blighted or downtown areas. With respect to property included in the boundaries of such districts (or

within any urban renewal authority redevelopment area or downtown development authority created in the future and subject to a renewal plan), the assessed valuation of such property that is taxable does not change from the amount existing in the year prior to the adoption of the plan (except that it adjusts in the reassessment years). Any increase above the “base” amount is paid to the applicable authority. While there is currently an urban renewal authority established by the City (known as the Aurora Urban Renewal Authority), the Authority is unaware of any plans to include the property within the Authority’s boundaries in any tax increment entity.

Pursuant to an Intergovernmental Agreement between Adams County and the City of Aurora Regarding Non-Use of Urban Renewal Adjacent to the Aerotropolis Regional Transportation Authority, the City has agreed to not establish any urban renewal area within one (1) mile of the Authority’s boundaries without the County’s written consent.

Taxation Procedure. The assessed valuation and statutory “actual” valuation of taxable property within the Authority is required to be certified by the County Assessor to the Authority no later than August 25 each year. Such value is subject to recertification by the county assessor prior to December 10. The Board then determines a rate of levy which, when levied upon such certified assessed valuation, and together with other legally available revenues, will raise the amount required annually by the Authority for its general fund and bond fund to defray its expenditures during the ensuing fiscal year. In determining the rate of levy, the Board must take into consideration the limitations on certain increases in property tax revenues. The Board must certify the Authority’s levy to the board of county commissioners no later than December 15.

Upon receipt of the tax levy certification of the Authority and other taxing entities within the County, the Board of County Commissioners’ levies against the assessed valuation of all taxable property within the County the applicable property taxes. No later than December 22nd of each year, the Board of County Commissioners is required to certify to the County Assessor the levy for all taxing entities within the county. If such certification is not made, it is the duty of the County Assessor to extend the levies of the previous year. Further revisions to the assessed valuation of property may occur prior to the final step in the taxing procedure, which is the delivery by the County Assessor of the tax list and warrant to the County Treasurer.

Protests, Appeals, Abatements and Refunds. Property owners are notified of the valuation of their land or improvements, or taxable personal property and certain other information related to the amount of property taxes levied, in accordance with statutory deadlines. Property owners are given the opportunity to object to increases in the statutory actual value of such property, and may petition for a hearing thereon before the County Board of Equalization. Upon the conclusion of such hearings, the County Assessor is required to complete the assessment roll of all taxable property and, no later than August 25th each year, prepare an abstract of assessment therefrom. The abstract of assessment and certain other required information is reviewed by the State Property Tax Administrator prior to October 15th of each year and, if necessary, the State Board of Equalization orders the County Assessor to correct assessments. The valuation of property is subject to further review during various stages of the assessment process at the request of the property owner, by the State Board of Assessment Appeals, the State courts or by arbitrators appointed by the board of county commissioners. On the report of an erroneous assessment, an abatement or refund must be authorized by the board of county commissioners; however, in no case will an abatement or refund of taxes be made unless

a petition for abatement or refund is filed within two years after January 1 of the year in which the taxes were levied. Refunds or abatements of taxes are prorated among all taxing entities which levied a tax against the property.

Property Tax Collections; Tax Liens; Tax Sale. Property taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2018 will be collected in 2019. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (not later than the last day of April) or in two equal installments (not later than the last day of February and June 15th) without interest or penalty. Interest accrues on unpaid first installments at the rate of 1% per month from March 1st until the date of payment unless the whole amount is paid by April 30th. If the second installment is not paid by June 15th, the unpaid installment will bear interest at the rate of 1% per month from June 16th until the date of payment. Notwithstanding the foregoing, if the full amount of taxes is to be paid in a single payment after the last day of April and is not so paid, the unpaid taxes will bear penalty interest at the rate of 1% per month accruing from the first day of May until the date of payment. The County Treasurer collects current and delinquent property taxes, as well as any interest or penalty, and after deducting a statutory fee for such collection, remits the balance to the taxing entity on a monthly basis.

All taxes levied on property, together with interest thereon and penalties for default, as well as all other costs of collection, constitute a perpetual lien on and against the property taxed from January 1st of the property tax levy year until paid. Such lien is on parity with the tax liens of other general taxes. It is the County Treasurer's duty to enforce the collection of delinquent real property taxes by tax sale of the tax lien on such realty. Delinquent personal property taxes are enforceable by distraint, seizure and sale of the taxpayer's personal property. Tax sales of tax liens on realty are held on or before the second Monday in December of the collection year, preceded by a notice of delinquency to the taxpayer and a minimum of four weeks of public notice of the impending public sale. Sales of personal property may be held at any time after October 1st of the collection year following notice of delinquency and public notice of sale.

Tax liens may not necessarily be bid on and sold, and the proceeds of tax liens sold may not necessarily be sufficient to produce the amount required with respect to property taxes levied by the taxing entity and property taxes levied by overlapping taxing authorities, as well as any interest or costs due thereon. If a tax lien is not sold, the County Treasurer removes the property from the tax rolls and delinquent taxes are payable when the property is sold or redeemed. When any real property has been stricken off to the County and there has been no subsequent purchase, the taxes on such property may be determined to be uncollectible after a period of six years from the date of becoming delinquent and they may be canceled by the County after that time.

Ad Valorem Property Tax Data

Assessed Valuation and Statutory "Actual" Value. The following table shows the actual and assessed valuation of property within the Authority by classification.

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TABLE X

Valuation of Property within the Authority by Classification– 2018

	<u>Assessed Valuation</u>	<u>“Actual” Valuation</u>
Vacant	\$51,790	\$178,586
Residential	62,120	862,777
Commercial	--	--
Agricultural	144,050	496,724
Natural Resources	--	--
Oil & Gas	--	--
State Assessed	30,780	106,137
Personal Property	487,200	1,680,000
Total	<u>\$775,940</u>	<u>\$3,324,224</u>

Source: County Assessor

No independent investigation has been made and no representation is made herein as to the financial condition of the above described property owners or that such property owners will continue to maintain their status as major taxpayers in the Authority.

Overlapping Mill Levies Affecting Owners Within the Development. In addition to the Authority’s ad valorem property tax levies, owners of property within the Development are obligated to pay property taxes to other taxing entities in which their property is located. The following table sets forth sample mill levies that may be imposed on certain properties within the Development and is not intended to portray the mills levied against all properties within the Development.

TABLE XI

Sample Mill Levies Affecting Property Owners within the Development – 2018

<u>Taxing Entity ⁽¹⁾</u>	<u>Mill Levy ⁽²⁾</u>
City of Aurora	8.605
Adams County	26.864
Adams-Arapahoe 28J School District – Aurora Public Schools	82.014
Rangeview Library District.....	3.666
Fire District 11	17.000
Urban Drainage South Platte	0.094
Urban Drainage and Flood Control.....	0.726
Total Overlapping Sample Mill Levy	138.969
The Authority.....	5.000
Total Sample Mill Levy	<u>143.969</u>

(1) The Regional Transportation District also overlaps the Development, but does not assess a mill levy.

(2) One mill equals 1/10 of one percent. Mill levies certified in 2018 result in the collection of taxes in 2019.

Source: Adams County Assessor’s Office.

FINANCIAL INFORMATION OF THE AUTHORITY

The following sets forth information concerning the financial policies and procedures applicable to the Authority.

Accounting Policies and Financial Statements

The accounting policies of the Authority conform to generally accepted accounting principles as applicable to governments. The accounts of the Authority are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Such funds are segregated for the purpose of accounting for the operation of specific activities or attaining certain objectives. The Authority currently plans to maintain three governmental funds: the General Fund, the Debt Service Fund and the Capital Projects Fund. The General Fund is the main operating fund of the Authority and is used to account for all financial resources not accounted for in another fund. The Debt Service Fund is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt. The Capital Projects Fund is used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities or other assets. The financial information of the Authority will be prepared in accordance with generally accepted accounting principles (“GAAP”) for governmental units as prescribed by the Governmental Accounting Standards Board.

The Authority has had limited financial activity to date and an audit of its financials has not been prepared; however, the Authority expects to have its financials audited for each year in which the Series 2019 Bonds or any bonds refunding the Series 2019 Bonds remain outstanding.

Budget and Appropriation Procedure; Limited Financial Information Available

Generally. The Authority’s budgets are prepared on a calendar year basis as required by Article 1 of Section 29, C.R.S. Each budget must present a complete financial plan for the Authority, setting forth all estimated expenditures, revenues, and other financing sources for the ensuing budget year, together with the corresponding figures for the previous fiscal year.

On or before October 15 of each year, the Authority’s budget officer must submit a proposed budget to the Board for the next fiscal year. Thereupon notice must be published stating, among other things, that the proposed budget is open for inspection by the public and that interested electors of the Authority may file or register any objection to the budget and a public hearing on the proposed budget must be held prior to its adoption.

Before the beginning of the fiscal year, the Board must enact an appropriation resolution which corresponds with such budget. The income of the Authority must be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting the expenditures authorized by the appropriation resolution. The Authority’s expenditures may not exceed the amounts appropriated, except in the case of an emergency or a contingency which was not reasonably foreseeable. Under such circumstances, the Board may authorize the expenditure of funds in excess of the budget by a resolution adopted by a majority vote of the Board following proper notice. If the Authority receives revenues which were unanticipated or unassured at the time of adoption of the budget, the Board may authorize the expenditure thereof

by adopting a supplemental budget and appropriation resolution after proper notice and a hearing thereon. The transfer of budgeted and appropriated moneys within a fund or between funds may be accomplished only in accordance with State law.

2019 Budget. The Board timely adopted the 2019 budget and appropriation resolution of the Authority pursuant to the above described procedure, and filed the same with the State Department of Local Affairs. Set forth and attached hereto as APPENDIX H is the 2019 budget for the Authority. As the Authority has had limited operations, limited financial statements are available.

Deposit and Investment of Funds

State statutes set forth requirements for the deposit of funds of the Authority in eligible depositories and for the collateralization of such deposited funds. The Authority also may invest available funds in accordance with applicable State statutes. The investment of the proceeds of the Series 2019 Bonds also is subject to the provisions of the Tax Code and the Indenture. See “TAX MATTERS.”

Risk Management

The Authority protects against loss and liability by maintaining certain insurance coverages which the Board believes to be adequate. Currently, the Authority maintains insurance through the Colorado Special Districts Property and Liability Pool (“CSDPLP”). CSDPLP was established by the Special District Association of Colorado to provide special districts with general liability, auto/property liability, and public officials’ liability insurance coverage as an alternative to the traditional insurance market. CSDPLP also offers workers’ compensation insurance. The Authority’s current policy expires on January 1, 2020. However, there can be no assurance that the Authority will continue to maintain its current levels of coverage.

Revenue and Spending Limitations

The rate of mill levy is determined each year through the preparation of the budget and by taking into consideration all sources of revenue, costs of construction, expenses of operating the Authority, and the debt service requirements of outstanding bonds and other obligations. Pursuant to the provisions of Section 20 of Article X of the Colorado Constitution, the Authority is subject to tax revenue limitations as described below, but have received voter approval to waive such limitations.

TABOR. Article X, Section 20 to the Colorado Constitution, referred to therein as the Taxpayer’s Bill of Rights (“TABOR”), applies to the State and any local governments, including the Authority (but excluding government-owned enterprises as defined in TABOR), and among other things contains restrictions regarding taxes, spending, revenue increases and borrowing. The applicable limitations established pursuant to TABOR may be exceeded with prior voter approval.

With certain exceptions, TABOR requires the Authority to obtain voter approval prior to the imposition of any new tax, tax rate increase, mill levy above that for the prior year, assessed

valuation ratio increase, extension of an expiring tax or a tax policy change directly causing a net revenue gain to such governmental entity. Exceptions to this requirement include tax increases required to meet debt service requirements on general obligation debt outstanding at the time TABOR was adopted or general obligation debt subsequently issued to refinance such outstanding bonds. Exceptions are also provided for tax increases imposed when annual district revenue is less than annual payments on general obligation bonds, pensions and final court judgments, and emergency taxes.

Prior voter approval also is required for the creation of any multiple fiscal year direct or indirect debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years, except for refinancing at a lower interest rate or adding new employees to existing pension plans. As discussed in “THE SERIES 2019 BONDS–Description–*Authorization*,” authorization for the issuance of the Series 2019 Bonds was obtained from the Authority’s electorate at the Election. See also “DEBT STRUCTURE.”

Unless otherwise approved by the voters, TABOR also limits the annual percentage increases in both property tax revenue and local government “fiscal year spending,” with certain adjustments, to inflation (defined as the Denver-Boulder consumer price index) in the prior calendar year plus “local growth.” Local growth is defined as the net percentage change in actual value of all real property in a governmental entity from construction of improvements and additions to taxable real property less destruction of improvements and deletions to taxable real property. Fiscal year spending includes all Authority expenditures and reserve increases of such governmental entity and excludes reserve transfers or expenditures, refunds made in the current or next fiscal year, gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, damage awards and property sales.

At the Election the qualified electors of the Authority authorized, among other things, an increase in the Authority’s ad valorem property taxes of \$500,000 in 2019 (and by whatever amounts are raised in each subsequent fiscal year) by the imposition of ad valorem property taxes levied in any year at a rate not to exceed five (5) mills and an increase in the Authority’s sales taxes of \$500,000 in 2018 (and by whatever amounts are raised in each subsequent fiscal year) by the imposition of a sales tax at the rate of 1%, with the revenue from such taxes and investment income thereon to constitute voter-approved revenue changes and be collected and spent by the Authority each year without regard to any spending, revenue-raising or other limitation contained within TABOR or Section 29-1-301, C.R.S. (see “–*Property Tax Revenue Limitations*” below).

Any revenue collected in excess of the limit on spending and property tax revenue is required to be refunded during the next fiscal year. A governmental entity may use any reasonable method for refunds and refunds need not be proportional when prior payments are impracticable to identify or return. Debt service changes, reductions, refunds and voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, any base calculation.

TABOR requires the Authority to establish emergency reserves that must equal at least 3% of fiscal year spending (as defined in TABOR) excluding bonded debt service; however, the

Authority may not use their respective emergency reserves to compensate for economic conditions, revenue shortfalls or salary or fringe benefit increases.

Many of the provisions of TABOR are ambiguous and have and will continue to require judicial interpretation. There have been numerous lawsuits regarding TABOR. Other litigation regarding TABOR may be filed in the future, and questions may be raised in such litigation that bear upon the operations and financial condition of governmental entities such as the Authority.

Property Tax Revenue Limitations. Subject in all cases to compliance with TABOR, Title 29, Article 1, Part 3, C.R.S., provides, subject to certain exceptions, that a governmental entity may not impose a property tax levy or levies that will generate revenue that exceeds the amount received in the preceding year plus 5.5% plus the amount of revenue abated or refunded by such governmental entity by August 1 of the current year less the amount of revenue received by such governmental entity by August 1 of the current year as taxes paid on any taxable property that had previously been omitted from the assessment roll of any year. A governmental entity is permitted to request authority from its electorate to impose a levy in excess of the 5.5% limit, subject to compliance with TABOR. The Authority has submitted such a question to and received approval thereof from its electorate at the Election as discussed in “*TABOR*” above.

Other. A governmental entity may not levy any property tax for purposes that are exempt from the 5.5% limit in an amount that is greater than the amount of revenues required to be raised for such purposes during any year as specified by the provisions of any contract entered into by such governmental entity or any schedule of payments established for the payment of any obligation incurred by such governmental entity. Where bonds, contractual obligations or capital expenditures have been approved but actual revenues required for such purposes are not known at the time the levy is set, a governmental entity may base its levy on the estimated revenues that are so required for one year only and in subsequent years the levy is to be based on the actual revenues that are so required.

At the Election, voters of the Authority approved election questions allowing the Authority to collect, retain and spend the full amount of all taxes authorized by law to be imposed, collected or received by the Authority during 2018 and each fiscal year thereafter, such amounts to constitute a voter-approved revenue change and be collected, retained, and spent by the Authority without regard to any spending or revenue-raising, or other limitation in Article X, Section 20 of the Colorado Constitution.

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DEBT STRUCTURE

The following is a discussion of the Authority's authority to incur general obligation indebtedness and other financial obligations and the amount of such obligations presently outstanding.

Debt Restrictions of the Authority

Required Elections and Voter-Approved Borrowing Authority. Various State constitutional and statutory provisions require voter approval prior to the incurrence of general obligation indebtedness by the Authority. Among such provisions, TABOR requires that, except for refinancing bonded debt at a lower interest rate, the Authority must have voter approval in advance for the creation of any multiple fiscal year direct or indirect district debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years. See "THE SERIES 2019 BONDS—Description—Authorization" and "FINANCIAL INFORMATION OF THE AUTHORITY—Revenue and Spending Limits—TABOR."

At the Election, the qualified electors of the Authority voting at the Election approved a total of \$600,000,000 in indebtedness to finance the costs of designing, acquiring, constructing, relocating, installing, completing and otherwise providing regional transportation improvements and appurtenant facilities, equipment, land and easements and extensions and improvements to such facilities.

Establishing Agreement Debt Limit. Pursuant to the Establishing Agreement, bonds of the Authority shall be authorized, issued and sold in the manner provided in C.R.S. § 43-4-609, as supplemented by the Supplemental Public Securities Act, Title 57, Article I, Part 2, C.R.S., provided that (a) the issuance of bonds shall require the unanimous vote of the Board; (b) the bonds, including any refundings thereof, shall mature in not more than 40 years from the date of original issuance of such bonds; (c) the bonds shall clearly and conspicuously state on their face that they do not represent the debt, indebtedness or multiple fiscal year financial obligation of the Members; that they are secured solely by the funds actually received by the Authority, credited to the Income Fund (as defined in the Establishing Agreement) and pledged by the Authority as security for the bonds, and that any amounts of revenues that may be available to be appropriated by the Members of the Authority for credit to the Income Fund are subject in any event to the Budgetary Covenant (as defined in the Establishing Agreement) until appropriated by the Governing Bodies of the Members in their sole discretion. Prior to the issuance of each series of bonds, the Board shall receive and unanimously approve a plan of finance. The plan of finance shall at a minimum include (i) the debt service schedule for Outstanding Series 2019 Bonds, (ii) the projected dates of issuance, interest rates and amortization schedule for future Bonds, (iii) development absorption projections, (iv) projected administrative and operational costs of the Authority, (v) the projected costs of constructing the improvements described in the Establishing Agreement to be financed by such series of bonds and bonds to be issued in the future, and (vi) evidence that the outstanding bonds and future bonds can be repaid in full from the sources identified in the Establishing Agreement and such other revenues which are available or reasonably expected to be available to the Authority.

Limited and General Obligation Debt

Outstanding and Authorized but Unissued Debt. Upon issuance, the Series 2019 Bonds will constitute the only outstanding obligations of the Authority. As a result, upon the issuance of the Series 2019 Bonds, the Authority will have approximately \$580,710,000 in authorized, but unissued, limited obligation indebtedness.

Estimated Overlapping General Obligation Debt. Certain public entities whose boundaries may be entirely within, coterminous with, or only partially within the Authority are also authorized to incur general obligation debt, and to the extent that properties within the Authority are also within such overlapping public entities such properties will be liable for an allocable portion of such debt. For purposes of this Limited Offering Memorandum, the percentage of each entity’s outstanding debt chargeable to property owners in the Development is calculated by comparing the assessed valuation of the portion overlapping the Authority, in the aggregate, to the total assessed valuation of the overlapping entity. To the extent the Authority’s aggregate assessed valuation changes disproportionately with the assessed valuation of overlapping entities, the percentage of general obligation debt for which property owners in the Authority are responsible will also change.

The following tables set forth the estimated overlapping general obligation debt chargeable to properties within the Authority as of the date of this Limited Offering Memorandum. The Authority is not financially or legally obligated with regard to any of the indebtedness shown on the immediately following tables. Although the Authority has attempted to obtain accurate information as to the outstanding debt of the entities which overlap the Authority, it does not warrant its completeness or accuracy as there is no central reporting entity which is responsible for compiling this information.

TABLE XII

Estimated Overlapping General Obligation Debt

Overlapping Entity ⁽¹⁾	Outstanding General Obligation Debt	Estimated Amount Allocable to Properties in the Authority⁽³⁾	
		Percent	Amount
Adams-Arapahoe 28J School District – Aurora Public Schools ⁽²⁾	\$458,500,000	0.319%	\$1,463,763

(1) Other public entities overlap the Authority, but currently have no general obligation debt outstanding.

(2) As of June 30, 2018. Aurora Public Schools reports its outstanding debt as of the close of its fiscal year. The 2018 assessed valuation for Aurora Public Schools in Adams County is \$946,229,670 and in Arapahoe County is \$1,694,515,149, for an aggregate assessed valuation of \$2,640,744,819.

(3) The percentage of an overlapping entity’s outstanding debt chargeable to properties in the Authority is calculated by comparing the current gross assessed valuation (i.e., not reduced by amounts attributable to a tax increment district) of the overlapping property to the total current gross assessed valuation of the overlapping entity. Such percentage is subject to fluctuation in accordance with future changes in assessed valuations.

Sources: Adams County Assessor’s Office and overlapping entities

Debt Ratios. Set forth in the following table are projected bonded debt ratios for the Authority, following the issuance of the Series 2019 Bonds.

TABLE XIII

Selected Debt Ratios Following the Issuance of the Series 2019 Bonds

The Series 2019 Bonds	\$19,290,000
Estimated overlapping debt ⁽¹⁾	\$1,463,763
Authority’s 2018 aggregate certified assessed valuation ⁽³⁾	\$775,940
Authority’s 2018 aggregate statutory actual value ⁽²⁾	\$3,324,224
Ratio of the Authority’s debt to 2018 certified assessed valuation	2,486.0%
Ratio of the Authority’s debt to 2018 statutory actual value.....	580.3%
Ratio of the Authority’s and overlapping debt to 2018 certified assessed valuation	2,674.7%
Ratio of the Authority’s and overlapping debt to 2018 statutory actual value..	624.3%

(1) See “*Estimated Overlapping General Obligation Debt*” above.

(2) See “REVENUES OF THE AUTHORITY–Ad Valorem Property Tax Data.”

Other Financial Obligations. The Authority also has the authority to issue obligations payable from the net revenue of the Authority’s revenue producing facilities, if any; to enter into obligations which do not extend beyond the current fiscal year; and to incur certain other obligations, none of which constitute indebtedness for purposes of Article XI, Section 6 of the Colorado Constitution but may require prior voter approval in accordance with TABOR. See “THE AUTHORITY–Agreements of the Authority.”

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LEGAL MATTERS

Legal matters relating to the issuance of the Series 2019 Bonds, as well as the treatment of interest on the Series 2019 Bonds for purposes of federal and State income taxation, are subject to the approving legal opinion of Sherman & Howard L.L.C., Denver, Colorado, as Bond Counsel. Such opinion, the form of which is attached hereto as APPENDIX F, will be dated as of and delivered at closing. Certain legal matters pertaining to the organization and operation of the Authority will be passed upon by its general counsel, Spencer Fane LLP, Denver, Colorado. Legal fees to Bond Counsel and Underwriter's counsel are contingent upon the sale and delivery of the Series 2019 Bonds, and the Authority expects to pay Bond Counsel's and Underwriter's counsel's fees from proceeds of the Series 2019 Bonds.

The legal opinions to be delivered concurrently with the delivery of the Series 2019 Bonds express the professional judgment of the attorneys rendering the opinions as to legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Sovereign Immunity

The Colorado Governmental Immunity Act, Title 24, Article 10, Part 1, C.R.S. (the "**Immunity Act**"), provides that, with certain specified exceptions, sovereign immunity acts as a bar to any action against a public entity, such as the Authority, for injuries which lie in tort or could lie in tort.

The Immunity Act provides that sovereign immunity is waived by a public entity for injuries occurring as a result of certain specified actions or conditions, including: the operation of a non-emergency motor vehicle, owned or leased by the public entity; the operation of any public hospital, correctional facility or jail; a dangerous condition of any public building; certain dangerous conditions of a public highway, road or street; and the operation and maintenance of any public water facility, gas facility, sanitation facility, electrical facility, power facility or swimming facility by such public entity. In such instances, the public entity may be liable for injuries arising from an act or omission of the public entity, or an act or omission of its public employees, which occur during the performance of their duties and within the scope of their employment. The maximum amounts that may be recovered under the Immunity Act, whether from one or more public entities and public employees, are as follows: (a) for any injury to one person in any single occurrence, the sum of \$350,000 for claims accruing before January 1, 2018, or the sum of \$387,000 for claims accruing on or after January 1, 2018, and before January 1, 2022; (b) for an injury to two or more persons in any single occurrence, the sum of \$990,000 for claims accruing before January 1, 2018, except in such instance, no person may recover in excess of \$350,000; or the sum of \$1,093,000 for claims accruing on or after January 1, 2018, and before January 1, 2022, except in such instance, no person may recover in excess of \$387,000. These amounts are adjusted every four years pursuant to a formula based on the Denver-Boulder-Greeley Consumer Price Index, with the next adjustment expected to occur on or about January 1, 2022.

The board of the Authority, by resolution, may increase any maximum amount that may be recovered from the Authority for certain types of injuries. However, the Authority may not be held liable either directly or by indemnification for punitive or exemplary damages unless the Authority voluntarily pays such damages in accordance with State law. The Authority has not acted to increase the damage limitations in the Immunity Act.

The Authority may be subject to civil liability and may not be able to claim sovereign immunity for actions founded upon various federal laws. Examples of such civil liability include, but are not limited to, suits filed pursuant to 42 U.S.C. Section 1983 alleging the deprivation of federal constitutional or statutory rights of an individual. In addition, the Authority may be enjoined from engaging in anti-competitive practices which violate the antitrust laws. However, the Immunity Act provides that it applies to any action brought against a public entity or a public employee in any Colorado State court having jurisdiction over any claim brought pursuant to any federal law, if such action lies in tort or could lie in tort.

No Pending and Threatened Litigation Involving the Authority

In connection with the issuance of the Series 2019 Bonds, general counsel to the Authority is expected to render an opinion stating that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, which has been served on the Authority or, to the knowledge of the Authority's general counsel, threatened, which in any way questions the powers of the Authority to issue the Series 2019 Bonds or to execute and delivery the "**Bond Documents**" to which the Authority is a party (including the Indenture and the Continuing Disclosure Agreement) or to perform its obligations thereunder, or the validity of any proceeding taken by the Authority in connection with the issuance of the Series 2019 Bonds, or wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by the Bond Documents, or which, in any way, could adversely affect the validity or enforceability of the Bond Documents.

In addition, it is anticipated that, in connection with the issuance of the Series 2019 Bonds, the Authority will execute a certificate stating that there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body which has been served on the Authority, to the knowledge of the Authority, threatened against or affecting the Authority: (a) to restrain or enjoin the Authority's participation in, or in any way contesting the existence of the Authority or the powers of the Authority with respect to, the consummation of the transactions contemplated by the Bond Documents, including but not limited to the validity of the Election or the authority of the Authority to impose and collect ad valorem property taxes, or (b) which, if successful, would materially and adversely affect the financial condition or operations of the Authority, or the Authority's power to perform its obligations under the Bond Documents, or the Authority's power to issue and deliver the Series 2019 Bonds.

Police Power

The obligations of the Authority are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including bankruptcy.

TAX MATTERS

Federal Tax Matters

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the Series 2019 Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Tax Code, and interest on the Series 2019 Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code.

The Tax Code imposes several requirements which must be met with respect to the Series 2019 Bonds in order for the interest thereon to be excluded from gross income and alternative minimum taxable income. Certain of these requirements must be met on a continuous basis throughout the term of the Series 2019 Bonds. These requirements include: (a) limitations as to the use of proceeds of the Series 2019 Bonds; (b) limitations on the extent to which proceeds of the Series 2019 Bonds may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires all investment earnings on the proceeds of the Series 2019 Bonds above the yield on the Series 2019 Bonds to be paid to the United States Treasury. The Authority will covenant and represent in the Indenture that: it will not take any action or omit to take any action with respect to the Series 2019 Bonds, any funds of the Authority, or any facilities financed with the proceeds of the Series 2019 Bonds, if such action or omission (y) would cause the interest on the Series 2019 Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (z) would cause interest on the Series 2019 Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. Bond Counsel's opinion as to the exclusion of interest on the Series 2019 Bonds from gross income and alternative minimum taxable income is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the Authority to comply with these requirements could cause the interest on the Series 2019 Bonds to be included in gross income, alternative minimum taxable income or both from the date of issuance. Bond Counsel's opinion also is rendered in reliance upon certifications of the Authority and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the Series 2019 Bonds. Owners of the Series 2019 Bonds should be aware that the ownership of tax-exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations doing business in the United States and certain "subchapter S" corporations may result in adverse federal and state tax consequences. Under Section 3406 of the Tax Code, backup withholding may be imposed on payments on the Series 2019 Bonds made to any owner who fails to provide certain required information, including an accurate taxpayer identification number, to certain persons required to collect such information pursuant to the Tax Code. Backup withholding may also be applied if the owner underreports "reportable payments" (including interest and dividends) as defined in Section 3406, or fails to provide a certificate that the owner is not subject to backup withholding in circumstances where such a certificate is required by the Tax Code. All of the Series 2019

Bonds were sold at a premium, representing a difference between the original offering price of those Series 2019 Bonds and the principal amount thereof payable at maturity. Under certain circumstances, an initial owner of such bonds (if any) may realize a taxable gain upon their disposition, even though such bonds are sold or redeemed for an amount equal to the owner's acquisition cost. Bond Counsel's opinion relates only to the exclusion of interest on the Series 2019 Bonds from gross income and alternative minimum taxable income as described above and will state that no opinion is expressed regarding other federal tax consequences arising from the receipt or accrual of interest on or ownership of the Series 2019 Bonds. Owners of the Series 2019 Bonds should consult their own tax advisors as to the applicability of these consequences.

The opinions expressed by Bond Counsel are based on existing law as of the delivery date of the Series 2019 Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to pending or proposed legislation. Amendments to the federal or state tax laws may be pending now or could be proposed in the future that, if enacted into law, could adversely affect the value of the Series 2019 Bonds, the exclusion of interest on the Series 2019 Bonds from gross income or alternative minimum taxable income or both from the date of issuance of the Series 2019 Bonds or any other date, the tax value of that exclusion for different classes of taxpayers from time to time, or that could result in other adverse tax consequences. In addition, future court actions or regulatory decisions could affect the tax treatment or market value of the Series 2019 Bonds. Owners of the Series 2019 Bonds are advised to consult with their own tax advisors with respect to such matters.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the Series 2019 Bonds. If an audit is commenced, the market value of the Series 2019 Bonds may be adversely affected. Under current audit procedures the Service will treat the Authority as the taxpayer and the Series 2019 Bond owners may have no right to participate in such procedures. The Authority has covenanted in the Bond Resolution not to take any action that would cause the interest on the Series 2019 Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income for the owners thereof for federal income tax purposes. None of the Authority, the Financial Advisors, the Initial Purchaser, Bond Counsel or Special Counsel is responsible for paying or reimbursing any Series 2019 holder with respect to any audit or litigation costs relating to the Series 2019 Bonds.

State Tax Matters

In the opinion of Bond Counsel, under laws in effect on the date of issuance of the Series 2019 Bonds, the Series 2019 Bonds and the transfer of and the income therefrom are exempt from all taxation and assessments in the State of Colorado.

MISCELLANEOUS

No Credit Rating

No credit rating has been applied for with respect to the Series 2019 Bonds. The Authority, at its own costs, covenants in the Indenture to pursue a Rating Letter for the Series 2019 Bonds upon receipt by the Authority of a letter from a nationally recognized municipal underwriter or a nationally recognized municipal financial advisor concluding that it is reasonable for the Authority to assume that a Rating Letter for the Series 2019 Bonds is likely.

Registration of Bonds

Registration or qualification of the offer and sale of the Series 2019 Bonds (as distinguished from registration of the ownership of the Series 2019 Bonds) is not required under the federal Securities Act of 1933, as amended, the Colorado Securities Act, as amended, or the Colorado Municipal Bond Supervision Act, as amended, pursuant to exemptions from registration provided in such acts. THE AUTHORITY ASSUMES NO RESPONSIBILITY FOR QUALIFICATION OR REGISTRATION OF THE SERIES 2019 BONDS FOR SALE UNDER THE SECURITIES LAWS OF ANY JURISDICTION IN WHICH THE SERIES 2019 BONDS MAY BE SOLD, ASSIGNED, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED.

Continuing Disclosure

The Series 2019 Bonds are exempt from the requirements of the Securities and Exchange Commission Rule 15c2-12 (17 CFR Part 240, § 240.15c2-12). The Authority and the Developer have, however, agreed to use their commercially reasonable best efforts to obtain and to provide certain information to the Trustee for dissemination to the public, as more particularly provided in the Continuing Disclosure Agreement, a form of which is attached as APPENDIX G to this Limited Offering Memorandum. A failure by the Authority to comply with the requirements of the Continuing Disclosure Agreement will not constitute an Event of Default under the Indenture (although Bond owners will have any available remedy at law or in equity). The Authority has not previously entered into a continuing disclosure agreement for purposes of Rule 15c2-12.

Interest of Certain Persons Named in this Limited Offering Memorandum

The fees to be paid to the Municipal Advisor, Bond Counsel, and Underwriter's Counsel are contingent upon the sale and delivery of the Series 2019 Bonds.

Municipal Advisor

Ehlers, Inc., Denver, Colorado (the "**Municipal Advisor**"), is employed as a municipal advisor to the Authority in connection with the issuance of the Series 2019 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information in this Limited Offering Memorandum.

Underwriting

The Series 2019 Bonds are being sold by the Authority to the Underwriter, pursuant to a purchase contract. See “USE OF PROCEEDS AND DEBT SERVICE REQUIREMENTS.” Expenses associated with the issuance of the Series 2019 Bonds are being paid by the Authority from proceeds of the issue. The right of the Underwriter to receive compensation in connection with this issue is contingent upon the actual sale and delivery of the Series 2019 Bonds.

The Underwriter has initially offered the Series 2019 Bonds at the prices set forth on the cover page of this Limited Offering Memorandum, plus accrued interest from the date of the Series 2019 Bonds. Such price may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other investment banking firms in offering the Series 2019 Bonds.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates may in the future perform various investment banking services for the Authority and its affiliates for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Authority.

Additional Information

Copies of statutes, resolutions, opinions, contracts, agreements, financial and statistical data, and other related reports and documents described in this Limited Offering Memorandum are either publicly available or available upon request and the payment of a reasonable copying, mailing, and handling charge from the sources noted in the “INTRODUCTION” hereto.

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Limited Offering Memorandum Certification

The preparation of this Limited Offering Memorandum and its distribution have been authorized by the Board. This Limited Offering Memorandum is hereby duly approved by the Board as of the date on the cover page hereof. This Limited Offering Memorandum is not to be construed as an agreement or contract between the Authority and the purchasers or owners of any Bond.

AEROTROPOLIS REGIONAL
TRANSPORTATION AUTHORITY

By /s/ Matthew Hopper

Chairperson

APPENDIX A

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SELECTED DEFINITIONS

“**Act**” means the Regional Transportation Authority Law, Title 43, Article 4, Part 6, C.R.S., as amended.

“**Additional Bonds**” means (a) all obligations of the Authority for borrowed money and reimbursement obligations, (b) all obligations of the Authority constituting a lien or encumbrance upon any part of the Pledged Revenue, (c) all obligations of the Authority evidenced by bonds, debentures, notes, or other similar instruments, (d) all obligations of the Authority to pay the deferred purchase price of property or services, (e) all obligations of the Authority as lessee under capital leases, and (f) all obligations of others guaranteed by the Authority; provided that notwithstanding the foregoing, the term “Additional Bonds” does not include:

(i) obligations the repayment of which is contingent upon the Authority’s annual determination to appropriate moneys therefor, other than capital leases as set forth in (e) above, which obligations do not constitute a multiple-fiscal year financial obligation and do not obligate the Authority to impose any tax, fee, or other governmental charge;

(ii) obligations which are payable solely from the proceeds of additional Authority obligations, when and if issued;

(iii) obligations payable solely from periodic, recurring service charges imposed by the Authority for the use of any Authority facility or service, which obligations do not constitute a debt or indebtedness of the Authority or an obligation required to be approved at an election under Colorado law;

(iv) obligations to reimburse any person in respect of surety bonds, financial guaranties, letters of credit, or similar credit enhancements so long as (A) such surety bonds, financial guaranties, letters of credit, or similar credit enhancements are issued as security for any Parity Bonds or Subordinate Bonds, and (B) such reimbursement obligations are payable from the same or fewer revenue sources, with the same or a subordinate lien priority, as the obligations secured by the surety bonds, financial guaranties, letters of credit, or similar credit enhancements; and

(v) any operating leases, payroll obligations, accounts payable, or taxes incurred or payable in the ordinary course of business of the Authority.

“**Authority**” means the Aerotropolis Regional Transportation Authority, a body corporate and politic duly organized and existing under the laws of the State of Colorado, including, specifically, the Act.

“**Authority-AACMD IGA**” means the Intergovernmental Agreement Regarding Imposition, Collection and Transfer of ARI Mill Levies dated May 22, 2019, by and between the Authority and the Coordinating Metro District.

“Authority-City IGA” means the Agreement Regarding Member Funding Transfers Pursuant to the Aerotropolis Regional Transportation Authority Establishment Agreement dated June 3, 2019, by and between the Authority and the City.

“Authority-County IGA” means the Agreement Regarding Member Funding Transfers Pursuant to the Aerotropolis Regional Transportation Authority Establishment Agreement dated May 28, 2019, by and between the Authority and the County.

“Authority Representative” means the person or persons at the time designated to act on behalf of the Authority by the Bond Resolution or as designated by written certificate furnished to the Trustee containing the specimen signatures of such person or persons and signed on behalf of the Authority by its Chair or Vice Chair and attested by its Secretary, and any alternate or alternates designated as such therein.

“Authorized Denominations” means initially, the amount of \$100,000 or any integral multiple of \$5,000 in excess thereof, provided that:

(a) no individual Series 2019 Bond may be in an amount which exceeds the principal amount coming due on any maturity date;

(b) in the event a Series 2019 Bond is partially redeemed and the unredeemed portion is less than \$100,000, such unredeemed portion of such Series 2019 Bond may be issued in the largest possible denomination of less than \$100,000, in integral multiples of not less than \$5,000 each or any integral multiple thereof; and

(c) the Authorized Denominations shall be reduced to \$5,000 or any integral multiple thereof on the date that an Authority Representative provides to the Trustee a copy of any Rating Letter.

“Balloon Debt” means 25% or more of the original principal amount of any Parity Bond that is required to mature during any consecutive twelve-month period, if such maturing principal amount is not required to be amortized below such percentage by mandatory sinking fund redemption or prepayment prior to such twelve-month period.

“Beneficial Owner” means any person for which a Participant acquires an interest in the Series 2019 Bonds.

“Board” means the Board of Directors of the Authority.

“Bond Fund” means the “Aerotropolis Regional Transportation Authority Special Revenue Bonds, Series 2019, Bond Fund”, established by the provisions of the Indenture for the purpose of paying the principal of, premium if any, and interest on the Series 2019 Bonds.

“Bond Resolution” means the resolution authorizing the issuance of the Series 2019 Bonds and the execution of the Indenture, certified by the Secretary or an Assistant Secretary of the Authority to have been duly adopted by the Authority and to be in full force and effect on the date of such certification, including any amendments or supplements made thereto.

“Bond Year” means the period commencing December 2 of any calendar year and ending December 1 of the following calendar year.

“Budgetary Covenant” means the covenant given in the Establishing Agreement by the City, the County, and the Coordinating Metro District, requiring the City Manager (as defined in the Establishing Agreement), the County Manager (as defined in the Establishing Agreement), or other office charged with responsibility for preparation of the budget to prepare and submit annually to their respective Governing Bodies (as defined in the Establishing Agreement) a request to include in the budget and appropriate the revenues generated by each of the Establishing Agreement Revenue sources for remittance to the Authority for the Regional Transportation System, provided that the decision whether to appropriate the funds annually as requested shall be within the sole discretion of the respective Governing Bodies.

“Capital Fund” means the Aerotropolis Regional Transportation Authority Capital Fund to be established and held by the Authority for use in making payments to Construct (as defined in the Establishing Agreement), or to have Constructed (as defined in the Establishing Agreement), a portion of the Regional Transportation System (as defined in the Establishing Agreement), or, at the Authority’s sole discretion, to pay Debt Service on the Series 2019 Bonds or Additional Bonds. For the avoidance of doubt, the Capital Fund is not pledged to the payment of the Series 2019 Bonds or any Additional Bonds by amounts therein may be used at the Authority’s sole discretion to pay Debt Service on the Series 2019 Bonds or any Additional Bonds.

“Capital Plan” means the detailed phasing plan and budget attached to the Establishing Agreement for the regional capital improvements to be funded by the Authority and incorporated into the Regional Transportation System, including the estimated costs associated with the planning, design, financing, permitting, construction, inspection, and acceptance for maintenance of such improvements.

“Cede” means Cede & Co., the nominee of DTC as record owner of the Series 2019 Bonds, or any successor nominee of DTC with respect to the Series 2019 Bonds.

“City” means the City of Aurora, Colorado, a political subdivision duly organized and existing under the laws of the State of Colorado.

“Code” means the Internal Revenue Code of 1986, as amended and in effect as of the date of issuance of the Series 2019 Bonds.

“Consent Party” means the Owner of a Series 2019 Bond or, if such Series 2019 Bond is held in the name of Cede, the Participant (as determined by a list provided by DTC) with respect to such Series 2019 Bond. The Authority may at its option determine whether the Owner or the Participant is the Consent Party with respect to any particular amendment or other matter under the Indenture.

“Coordinating Metro District” means the Aerotropolis Area Coordinating Metropolitan District.

“**Counsel**” means a person, or firm of which such a person is a member, authorized in any state to practice law.

“**County**” means the County of Adams, Colorado, a political subdivision duly organized and existing under the laws of the State of Colorado.

“**County General Fund Property Tax**” means the ad valorem property tax imposed by the County for purposes of its general operations.

“**County Road and Bridge Fund Tax**” means the ad valorem property tax imposed by the County, pursuant to Sections 43-2-202 and 43-2-203, C.R.S., for purposes of its road and bridge operations.

“**C.R.S.**” means the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

“**Debt Service**” means, with respect to any Outstanding Series 2019 Bonds and Additional Bonds, means the amount of payments required to be made for principal of and interest on such Series 2019 Bonds and Additional Bonds, including mandatory sinking fund redemptions to be made by the Authority, scheduled to come due within a specified calculation period, computed as follows:

(a) in determining the amount of principal to be funded in each calculation period, payment shall (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) to be assumed to be made on Outstanding Series 2019 Bonds and Additional Bonds in accordance with any amortization schedule established by the Indenture or the indenture or other instrument setting forth the terms of any Additional Bonds, as applicable; provided, however, in determining the amount of principal to be funded in each calculation period for that portion of any Parity Bond constituting Balloon Debt, payment shall be assumed to be made on such Balloon Debt on a level debt service basis (assuming interest on the Balloon Debt at the fixed rate applicable thereto or, if such Balloon Debt bears interest at a variable rate, as described in subsection (c) below) over a period of thirty (30) years less the number of years between the date of issuance of the Parity Bond that includes the Balloon Debt and the maturity date of the Balloon Debt (for the avoidance of doubt, the amortization of any portion of any Parity Bond constituting Balloon Debt will begin on the maturity date of such Balloon Debt and continue into the Fiscal Years following the maturity date of such Balloon Debt, and no portion of such Balloon Debt is intended to be amortized into any Fiscal Year occurring prior to the maturity date of such Balloon Debt);

(b) in determining the amount of interest to be funded in each calculation period described in subsection (a), and unless subsection (c) below applies, interest payable at a fixed rate shall be assumed to be made at such fixed rate and on the required funding dates; and

(c) interest due and payable on any Additional Bonds that bear interest at a variable rate (whether or not an interest rate swap or similar arrangement applies to such

Additional Bonds), shall be calculated at the maximum rate permitted to be borne by such Additional Bonds as provided in the related indenture or other instrument authorizing the issuance of such Additional Bonds.

“Debt to Assessed Ratio” means, as of any date of calculation, the ratio derived by dividing the then-Outstanding aggregate principal amount of the Series 2019 Bonds and any additional Parity Bonds by the most recent Final Assessed Valuation of the Authority, which ratio calculation shall be set forth in a written certificate of the Authority Representative provided to the Trustee.

“Depository” means any securities depository as the Authority may provide and appoint, in accordance with the guidelines of the Securities and Exchange Commission, which shall act as securities depository for the Series 2019 Bonds.

“Developer” means Aurora Highlands, LLC, a Nevada limited liability company, and its successors.

“Distribution Agreements” means, collectively, the Authority-City IGA and the Authority-County IGA.

“DTC” means the Depository Trust Company, New York, New York, and its successors and assigns.

“Election” means election of the qualified electors of the Authority held on November 7, 2017.

“Establishing Agreement” means the “Intergovernmental Agreement among the Board of County Commissioners of the County of Adams, the City of Aurora, and the Aerotropolis Area Coordinating Metropolitan District Establishing the Aerotropolis Regional Transportation Authority,” dated February 27, 2018, by and among the County, the City and the Coordinating Metro District.

“Establishing Agreement Revenue” means the revenue received by the Authority from the City, the County, and the Coordinating Metro District pursuant to the Establishing Agreement (generally consisting of the City Use Tax on Construction Materials, the City Transportation Impact Fee for Residential Development, the County General Fund Property Tax, the County Road and Bridge Fund Tax, and the Coordinating Metro District Regional Mill Levy), as the same is remitted from time to time to the Authority pursuant to the Establishing Agreement, the Authority-AACMD IGA, and/or the Distribution Agreements.

“Event of Default” means any one or more of the events set forth in the Indenture.

“Federal Securities” means direct obligations of (including obligations issued or held in book entry form on the books of), or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

“Final Assessed Valuation” means the final certified assessed valuation of all taxable property of the Authority, as calculated and recorded by the appropriate county assessor on or

about December 10 of each year, or on such other date as may be established by law for the annual final certification of assessed valuation.

“**Fiscal Year**” means the period commencing on January 1 of each calendar year and ending on December 31 of the same calendar year.

“**Fitch**” means Fitch Ratings, Inc.

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

“**Governing Body**” means, when used with respect to a member of the Authority, the city council, the board of commissioners, or the board of directors, as appropriate, of such member.

“**Gross Revenue**” means the following moneys or as applicable, the moneys derived by the Authority from the following sources, net of any costs of collection:

- (a) the Required Mill Levy; and
- (b) the Establishing Agreement Revenue.

“**Income Fund**” means the “Aerotropolis Regional Transportation Authority Income Fund” described in the Establishing Agreement.

“**Indenture**” means the Indenture of Trust dated as of June 1, 2019, by and between the Authority and the Trustee, as amended or supplemented at the time in question.

“**Independent**” means, with respect to any Person, one who is not and does not have a partner, director, officer, member, or substantial stockholder (each a “controlling person”) who is a member of the Board, a member of the City Council of the City, a member of the Board of County Commissioners of the County, a member of the Board of Directors of the Coordinating Metro District, a principal of the Developer, or an officer or employee of the Authority, the City, the County, the Coordinating Metro District, or the Developer.

“**Letter of Representations**” means the letter of representations from the Authority to DTC to induce DTC to accept the Series 2019 Bonds as eligible for deposit at DTC.

“**Maximum Surplus Amount**” means an amount equal to 50% of the combined maximum annual Debt Service on all Parity Bonds then Outstanding, which is the maximum amount of the Surplus Fund. The Maximum Surplus Amount shall be recalculated by the

Trustee on each interest payment date for the Bonds and any additional Parity Bonds, and shall also be recalculated upon the issuance of any additional Parity Bonds or the refunding of any Parity Bonds. The Trustee shall advise the Authority of the amount of the Maximum Surplus Amount promptly following each required recalculation thereof.

“**Moody’s**” means Moody’s Investors Service, Inc.

“**Operations and Maintenance Deduction**” means an amount equal to one percent (1%) of all Gross Revenue received by the Authority, which moneys are reserved to the Authority for use in paying any administrative, operating, and maintenance expenses of the Authority.

“**Other Public Improvements**” means certain water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping, and storm and wastewater management facilities and associated land acquisition and remediation within and without the boundaries of the Coordinating Metro District.

“**Outstanding**” or “**Outstanding Bonds**” means as of any particular time, all Series 2019 Bonds and Additional Bonds which have been duly authenticated and delivered by the Trustee under the Indenture or the indenture or other instrument authorizing the issuance of such Additional Bonds, as applicable, except:

(a) Series 2019 Bonds or Additional Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation because of payment at maturity or prior redemption pursuant to the Indenture or the indenture or other instrument authorizing the issuance of such Additional Bonds, as applicable;

(b) Series 2019 Bonds or Additional Bonds for the payment or redemption of which moneys or Federal Securities in an amount sufficient (as determined pursuant to the Indenture or any similar provision in any indenture or other instrument authorizing the issuance of such Additional Bonds, as applicable) shall have been theretofore deposited with the Trustee, or Series 2019 Bonds or Additional Bonds for the payment or redemption of which moneys or Federal Securities in an amount sufficient (as determined pursuant to the Indenture or any similar provision in any indenture or other instrument authorizing the issuance of such Additional Bonds, as applicable) shall have been placed in escrow and in trust; and

(c) Series 2019 Bonds in lieu of which other Series 2019 Bonds have been authenticated and delivered pursuant to the Indenture or any similar provision in any indenture or other instrument authorizing the issuance of such Additional Bonds, as applicable.

“**Owner(s)**” or “**Owner(s) of Bonds**” means the registered owner(s) of any Series 2019 Bond(s) as shown on the registration books maintained by the Trustee.

“**Parity Bonds**” means the Series 2019 Bonds and any Additional Bonds (including Permitted Refunding Bonds) having a lien upon the Pledged Revenue or any part thereof on a parity with the lien thereon of the Series 2019 Bonds, and superior to the lien of the Subordinate

Bonds, payable in whole or in part from moneys described in FIRST through THIRD under the caption “THE SERIES 2019 BONDS–Fund and Accounts–*Application of Pledged Revenue.*” For purposes of this definition, Additional Bonds having a lien upon the Authority’s ad valorem tax revenues shall be considered obligations having a lien upon the Pledged Revenue or any part thereof. Any Parity Bonds hereafter issued may be issued pursuant to such resolutions, indentures, or other documents as may be determined by the Authority.

“**Participants**” means any broker-dealer, bank, or other financial institution from time to time for which DTC or another Depository holds the Series 2019 Bonds.

“**Permitted Investments**” means any investment or deposit the Authority is permitted to make under Section 24-75-601.1, C.R.S., as amended.

“**Permitted Refunding Bonds**” means Parity Bonds issued for refunding or refinancing purposes, so long as each of the following conditions are met:

(a) Such refunding obligations are issued solely for the purpose of paying the costs of refunding all or any part of any obligation of the Authority which constitutes a lien upon the Pledged Revenue or any part thereof, which costs may include amounts sufficient to pay all expenses in connection with such refunding or refinancing, to fund reserve funds, sinking funds, and similar funds, and to pay the costs of letters of credit, credit facilities, interest rate exchange agreements, bond insurance, or other financial products pertaining to such refunding or refinancing.

(b) Such refunding obligations do not increase the Authority’s scheduled Debt Service in any year from that which appertained prior to the issuance of such refunding obligations. For purposes of the foregoing, obligations issued for refunding purposes which have any scheduled payment dates in any year which is after the maturity of the obligations being refunded shall be deemed to increase the Authority’s debt service in any year.

(c) Such refunding obligations are payable on the same day or days of the calendar year as the Series 2019 Bonds, and are not subject to acceleration.

(d) The remedies for defaults under such refunding obligations are substantially the same as the remedies applicable to the Series 2019 Bonds.

(e) The conditions set forth in the Indenture, as applicable, have been met, as set forth in a written certificate of the Chair or Vice Chair of the Authority.

“**Person**” means any individual, firm, partnership, company, association, joint stock company, trust, body politic, political subdivision, or any unincorporated organization or any trustee, receiver, assignee, or other similar representative thereof.

“**Pledged Revenue**” means:

(a) the Gross Revenue, net of the Operations and Maintenance Deduction; and

(b) any other legally available moneys which the Authority determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue, including, without limitation, the capitalized interest deposited into the Bond Fund with the initial proceeds of the Series 2019 Bonds.

“**Project**” means a portion of the costs to design and construct the Regional Transportation System.

“**Project Costs**” means the Authority’s costs properly attributable to the Project or any part thereof to the extent such costs are permitted by the Establishing Agreement and the Act, including without limitation:

(a) the costs of labor and materials, of machinery, furnishings, and equipment, and of the restoration of property damaged or destroyed in connection with construction work;

(b) the costs of insurance premiums, indemnity and fidelity bonds, financing charges, bank fees, taxes, or other municipal or governmental charges lawfully levied or assessed;

(c) the costs of surveys, appraisals, plans, designs, specifications, and estimates;

(d) the costs, fees, and expenses of printers, engineers, architects, financial consultants, legal advisors, or other agents or employees;

(e) the costs of publishing, reproducing, posting, mailing, or recording documents;

(f) the costs of contingencies or reserves;

(g) the costs of issuing the Series 2019 Bonds;

(h) the costs of amending the Indenture, the Bond Resolution, or any other instrument relating to the Series 2019 Bonds or the Project;

(i) the costs of repaying any short-term financing, construction loans, and other temporary loans, and of the incidental expenses incurred in connection with such loans;

(j) the costs of acquiring any property, rights, easements, licenses, privileges, agreements, and franchises;

(k) the costs of demolition, removal, and relocation; and

(l) all other lawful costs as determined by the Board.

“Project Fund” means the “Aerotropolis Regional Transportation Authority Special Revenue Bonds, Series 2019, Project Fund”, established by the provisions of the Indenture for the purpose of paying the Project Costs.

“Projected Revenue” means the Pledged Revenue projected to be received by the Authority in each Fiscal Year required by the Indenture, as shown in the Revenue Study required by the Indenture.

“Rating Letter” means a letter from Moody’s evidencing a Moody’s rating on the Series 2019 Bonds of at least “Baa3,” a letter from S&P evidencing an S&P rating on the Series 2019 Bonds of at least “BBB-,” or a letter from Fitch evidencing a Fitch rating on the Series 2019 Bonds of at least “BBB-.”

“Record Date” means the fifteenth (15th) day of the calendar month next preceding each interest payment date.

“Required Mill Levy” means:

(a) Subject to the Act and paragraph (b) below, an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the Authority each year in an amount equal to five (5) mills.

(b) Notwithstanding anything in the Indenture to the contrary, in no event may the Required Mill Levy be established at a mill levy which would cause the Authority to derive tax revenue in any year in excess of the maximum tax increases permitted by the Authority’s electoral authorization, and if the Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by the Authority’s electoral authorization, the Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded.

“Required Reserve” means:

(a) with respect to the Series 2019 Bonds, an amount equal to the least of (i) 10% of the “proceeds” (as defined in the Tax Code) of the Series 2019 Bonds; (ii) the maximum annual Debt Service of the Series 2019 Bonds; or (iii) 125% of the average annual Debt Service on the Series 2019 Bonds; and

(b) upon the issuance of any one or more series of additional Reserve Fund Secured Parity Bonds while the Series 2019 Bonds are Outstanding, an amount equal to the least of: (i) 10% of the “proceeds” (as defined in the Tax Code) of each series of Reserve Fund Secured Parity Bonds then Outstanding (including the Reserve Fund Secured Parity Bonds proposed to be issued); (ii) the combined maximum annual Debt Service on the Reserve Fund Secured Parity Bonds then Outstanding (including the Reserve Fund Secured Parity Bonds proposed to be issued); or (iii) 125% of the average annual Debt Service on the Reserve Fund Secured Parity Bonds then Outstanding (including the Reserve Fund Secured Parity Bonds proposed to be issued).

The Required Reserve shall may be recalculated on each interest payment date for the Series 2019 Bonds and any additional Reserve Fund Secured Parity Bonds, and shall also be recalculated upon the issuance of any additional Reserve Fund Secured Parity Bonds or the refunding of any Reserve Fund Secured Parity Bonds. The Trustee shall advise the Authority of the amount of the Required Reserve promptly following each required recalculation thereof.

“Reserve Fund” means a special fund of the Authority designated as the “Aerotropolis Regional Transportation Authority Special Revenue Bonds, Parity Reserve Fund”, created by the provisions of the Indenture for the purpose of paying, if necessary, the principal of, premium if any, and interest on the Series 2019 Bonds and, at the election of the Authority, any additional Parity Bonds.

“Reserve Fund Secured Parity Bonds” means the Series 2019 Bonds and any additional Parity Bonds that the Authority hereafter elects to secure with amounts on deposit in the Reserve Fund.

“Reserve Fund Secured Parity Bond Fund” means the bond fund established in connection with the issuance of any additional series of Reserve Fund Secured Parity Bonds.

“Revenue Study” means a written report from an Independent consultant selected by the Authority with experience in forecasting property tax revenues and other revenues generally available to quasi-municipal corporations and political subdivisions of the State, setting forth the amount of Projected Revenue.

“S&P” means S&P Global Ratings.

“Series 2019 Bonds” means the Special Revenue Bonds, Series 2019, in the aggregate principal amount of \$19,290,000, issued by the Authority pursuant to the Indenture and the Bond Resolution.

“Special Record Date” means the record date for determining Bond ownership for purposes of paying unpaid interest, as such date may be determined pursuant to the Indenture.

“State” means the State of Colorado.

“Subordinate Bonds” means Additional Bonds having a lien upon the Pledged Revenue or any part thereof junior and subordinate to the lien thereon of the Series 2019 Bonds, payable in whole or in part from moneys described in FOURTH under the caption “THE SERIES 2019 BONDS—Fund and Accounts—*Application of Pledged Revenue*,” and not from moneys described in FIRST through THIRD of such Section. For purposes of this definition, Additional Bonds having a lien upon the Authority’s ad valorem tax revenues shall be considered obligations having a lien upon the Pledged Revenue or any part thereof. Any Subordinate Bonds hereafter issued may be issued pursuant to such resolutions, indentures, or other documents as may be determined by the Authority.

“Supplemental Act” means the “Supplemental Public Securities Act”, being Title 11, Article 57, Part 2, C.R.S.

“Surplus Fund” means the “Aerotropolis Regional Transportation Authority Special Revenue Bonds, Parity Surplus Fund”, created by the provisions of the Indenture.

“Surplus Fund Release Date” means the date upon which the Debt to Assessed Ratio is 50% or less, as set forth in a certificate of an Authority Representative delivered to the Trustee.

“Surplus Fund Secured Parity Bond Fund” means the bond fund established in connection with the issuance of any additional series of Parity Bonds. To the extent such additional series of Parity Bonds also constitutes a series of Reserve Fund Secured Parity Bonds, the Surplus Fund Secured Parity Bond Fund and the Reserve Fund Secured Parity Bond Fund established in connection with such additional series of Parity Bonds shall refer to the same bond fund.

“Tax Certificate” means that certificate to be signed by the Authority relating to the requirements of Sections 103 and 141-150 of the Tax Code.

“Trust Estate” means (a) the Pledged Revenue, the Bond Fund, the Project Fund, the Reserve Fund, the Surplus Fund, and all other moneys, securities, revenues, receipts, and funds from time to time held by the Trustee under the terms of the Indenture, and a security interest therein, (b) all right, title, and interest of the Authority in and to the Establishing Agreement, and (c) all right, title, and interest of the Authority in any and all other property of every name and nature from time to time hereafter by delivery or by writing of any kind, given, granted, assigned, pledged, conveyed, mortgaged, or transferred by the Authority or by anyone on its behalf as and for additional security under the Indenture, and the Trustee is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture.

“Trustee” means BOKF, N.A., in Denver, Colorado, or any successor Trustee, appointed, qualified, and acting as trustee, paying agent, and bond registrar under the provisions of the Indenture.

“Underwriter” means Citigroup Global Markets Inc.

APPENDIX B
-
MARKET STUDY

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AURORA HIGHLANDS MARKET STUDY
IN THE CITY OF AURORA

ADAMS COUNTY, COLORADO

Prepared for:

AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY

First Quarter 2019

Metrostudy | A Hanley Wood company

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Centennial, CO 80112

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March 11, 2019

Mr. Bob Blodgett
Aerotropolis Regional Transportation Authority
c/o CliftonLarsonAllen, LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, Colorado 80111

RE: Aurora Highlands Market Study

Mr. Blodgett:

Metrostudy is pleased to present this market analysis and absorption forecast for The Aurora Highlands. We have evaluated the Denver Market area as well as the competitive area around the community, and rendered our conclusions in the following report. This report was conducted by Rob Bookhout, Senior Market Analyst, and Bridget Berry, Consultant, with participation from Tom Hayden, National Director of Consulting, and John Covert, Regional Director of Colorado. Metrostudy has been engaged in analyzing residential market conditions since 1975 with its proprietary lot-by-lot survey, and locally within the state of Colorado since 2001.

Please contact us at your convenience with any comments or questions regarding this report, or any other matter relevant to your real estate market research needs.

Respectfully Submitted,

Metrostudy

metrostudy

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Executive Summary

The purpose of this report is to provide The Aurora Highlands community with an overview of the Denver Market economy and the competitive market area surrounding the subject property, the future planned Aurora Highlands community within the City of Aurora, in Adams County, Colorado. The Aurora Highlands's anticipated 7,539 for-sale homes and 4,010 for-rent apartments are the focus of this study.

Metrostudy analyzed the competitive position of The Aurora Highlands as it relates to other communities in the competitive Eastern Denver/DIA Corridor area. We have compiled data on the Denver Market economy, including demographics for Greater Denver and the Aurora Highlands CMA. We have collected and reviewed historical data for both new and resale single-family detached housing and attached paired, and townhome units, and have conducted field research in the competitive market area. Utilizing these data and research, Metrostudy has provided its conclusions about the marketability, pricing, competitive positioning and absorption levels that should be achievable within the development of Aurora Highlands.

Socioeconomic Overview

With the recent preliminary employment figures by the Colorado Department of Labor and Employment, the state remains one of the strongest economies in the country. The majority of the strong employment occurred in the Denver Market. Initial reports show Denver employers added 36,500 jobs to their payrolls over the twelve months ended with December 2018, posting the 102nd consecutive month of growth. The average annual growth rate was 2.2%, up from the 2.1% recorded twelve months earlier, as growth over the past year has continued at an accelerated rate. The Denver Market reports a positive net 213,000 jobs over the past five years and continues to extend its best run of job growth since 2000. Unemployment in the Denver Region has reached a rate of 3.7%, below the state (3.8%) and the national level of 3.9%. Adams County, where Aurora Highlands is located, has an unemployment rate of 4.1%, falling in the top half of counties in the Denver metropolitan region.

Denver's population continues to grow with current estimates expecting the area to surpass the 3.57 million mark by 2023. Household formations are expected to rise 7.1% over the next five years (2018 to 2023). Estimates indicate the CMA population will rise at an annual rate of 1.5%, approaching 392,502 residents by 2023.

A 1.5% annual household growth rate is forecasted, projecting the number of households to reach approximately 134,510 by 2023. Households in the CMA are slightly younger and less wealthy than the Denver Market overall, with a median age of 33.2 (Denver Market = 36.5) years and median household income of \$64,682 (Denver Market = \$75,008).

Within the Aurora Highlands CMA, the greatest percentage increases were forecast in the age group between 65-74 years old. In terms of households within the CMA, the largest gains were forecast for the \$150,000+ income range (3,865 households over the next five years).

For-Sale New Housing Market Overview

Denver's robust job market has certainly improved consumer confidence, which has translated into an increased interest in home purchases. Despite some challenges in a recovering market such as home price increases, interest rate hikes, and tight supplies of inventory, housing activity continues trending in a positive direction. At 9,510 single-family detached annual starts through the end of 4Q18, the Denver Market reported a production gain of 3% compared to a year earlier, and a 3% increase compared to two years ago. Annual detached closings rose over the last four quarters to 9,551 homes closed, up 10% since 4Q17 (13% since 4Q16). The detached market saw a decrease of 2% of its vacant developed lots over the last four quarters (12,955), still above the pace of production, but dropping months-of-supply from 17.3 one year ago to 16.3 through 4Q18. As home prices continue to escalate within single-family detached portions of the market, attached housing is on the rise. Specifically, townhome and duplexes, as condominium development remains mostly dormant. Attached annual starts reached 4,210 homes at the end of 4Q18, up 13% over the last four quarters. Annual closings rose 42% to 3,498 homes but vacant developed lots fell slightly (-12%), as months-of-supply fell from 15.3 months in 4Q17 to a 12.0-month supply in 4Q18.

The Denver Market's new housing activity has continued to expand since the Great Recession, but has yet to attain its previous peak of 21,724 new for-sale home starts in 2005. This is mainly due to a construction labor shortage acting as a restraint on the market's growth. This labor shortage has not only affected new home construction, but land development as well. Despite the labor shortages, Metrostudy anticipates starts to continue expanding as builders shift their product mix to smaller homes that are attainable to more buyers. The strongest damper on new housing activity will likely be rising interest rates, whether by disqualifying on-the-edge buyers or discouraging current homeowners enjoying the benefits of their ultralow mortgage rates from moving. After a relative lull in 2018, we anticipate lot deliveries to increase in 2019 with several new large-scale master plans coming out of the ground, including The Canyons, Painted Prairie, Harmony and Sky Ranch.

Metrostudy forecasts a 6% increase in home starts in 2019 over 2018, estimating approximately 9,950 single-family detached (68%) and about 4,600 multi-family attached (32%) home starts. Preliminary forecasts for 2020 suggest an additional 5% increase in home starts. Metrostudy projects a 12% increase in home closings in 2019 over 2018, estimating approximately 10,500 single-family detached and 4,000 single-family attached home closings. Preliminary forecasts for 2020 suggest an additional 8% increase in home closings.

With the push for affordability from Denver to the west, the Aurora Highlands CMA continues to emerge as a competitive, high-demand, growing submarket within the Denver Market. The CMA offers value-driven communities where new housing production surpassed historic levels not seen since 4Q06. With continued buyer demand, annual starts for single-family detached homes rose to 1,682 starts, a 3% increase over 4Q17 and a 24% increase over 4Q16. Annual detached closings in the CMA also trended positive, with 1,738 homes closed over the past year, a 25% increase from 4Q17 and a 30% increase over 4Q16. With multiple projects in the CMA just coming to market, detached VDL in the CMA has increased by 69% in the past year to 2,167 lots. The 2,570 annual lots delivered is well above the production pace and reflects a 73% increase in lot deliveries from 4Q17, bringing the months of supply up to 15.5 from 9.4 months one year ago.

Attached annual starts in the CMA rose to 829, a 30% increase over 4Q17 and a 161% increase over 4Q16. Annual attached closings have also risen in the past year, with 698 closings in 4Q18, up 63% over 4Q17 and 163% over 4Q16. The rise in both annual starts and annual closings can

be attributed to several active attached projects in the CMA, including Denver Connection and Stapleton North. VDL for attached product reported 821 lots in 4Q18, a drop of 311 lots or 28% from 4Q17. The 518 annual attached lots delivered is a 34% decrease from one year ago, and with the increase in attached starts, the VDL months of supply saw a decrease to 11.9 months from 21.4 months in 4Q17.

As of 4Q18, the CMA's share of the Denver Market's total closings was 18.7%, up from 2017's year-end total of 16.2%. This increase in the capture rate is above the CMA's ten-year average of 16.5%. 2019 is forecasted to end the year at 18.0%, down from its historical peak of 21.7% in 2014, but above both the five-year and ten-year historical averages (17.2% and 16.4%, respectively). Metrostudy believes the CMA will maintain a capture rate between 18.0% – 25.5% from 2019 to 2023, as the Denver Market experiences increased single-family detached and attached product closings, especially within the Subject Property's sub-market.

Denver Market and Aurora Highlands CMA Closing Forecasts													
	2016	2017	2018	2019F	2020F	2021F	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Market	10,696	11,176	13,049	14,547	15,676	15,676	15,218	15,881	17,316	18,932	20,034	21,212	22,473
CMA	1,599	1,814	2,436	2,625	3,111	3,485	3,888	3,978	4,303	4,346	4,304	4,271	4,511
CMA %	15%	16%	19%	18%	20%	22%	26%	25%	25%	23%	21%	20%	20%

Note: For additional information, please refer to Exhibits 5 & 6.

Aurora Highlands has the following positive features that should strengthen its position in the CMA and overall Market:

- Access to both Interstate 70 and E-470 offer direct access to major attractions and employment centers throughout the Central and Eastern Denver Market, while 56th Avenue provides an alternative east/west route into Northfield and the northern portion of Stapleton. Access to Denver International Airport to the north, as well the DIA employment corridor along Pena Boulevard and Interstate 70, is direct and easy, providing future residents nonstop routes to employment in this growing employment corridor.
- The Subject Property is located 15-20 minutes from the Anschutz Medical Campus, one of the largest employers within the region. Buckley USAF Base is also located within a 15-20 minute drive from the property. Based on a field survey of the area, many of the homebuyers in active communities within the CMA are employed by the above employers and/or Denver International Airport.
- The Aurora Highlands land plan includes retail, office and medical office developments, which will be introduced as the community creates a base to support these uses. These amenities will provide quick access to everyday retail, dining and entertainment options, as well as an employment center.
- The Aurora Highlands development will be home to a recreation center, offering residents access to indoor pool and water park, climbing wall, basketball/sport courts and fitness center.
- Future residents will have access to the community's 20 miles of walking/biking trails, 12 neighborhood parks and additional pocket parks. Central within the community is a planned 100-acre Highlands Creek Park, which will run through the heart of the development and offer public art installations, dog park, zip line and performance plaza.

- The highest population growth and demand within the CMA is expected to continue to be within The Aurora Highlands primary target consumer group: a mix of entry-level, first move-up young, growing and maturing families, as well as a mix of young couples, and move-down empty nesters.

Some potential challenges for the project are:

- Competition levels within the Aurora Highlands CMA are high and are expected to grow significantly over the next decade. Large master plans, including Green Valley Ranch East, Harmony, Painted Prairie and Sky Ranch are all slated to begin closing homes within the next two years. These four communities alone account for over 20,000 home sites and will directly compete with The Aurora Highlands. A map of the area's future developments can be found in the Exhibits section of this market study (See Exhibit 67).
- The Aurora Highlands community will fall under the jurisdiction of Aurora Public Schools. The schools servicing the community (until those within the community open) all earn a "Below Average" rating from GreatSchools.org, noting that students who attended schools in this district measure below the Colorado state average for college and career readiness. This may deter family buyers from considering The Aurora Highlands, as most families with children consider school district quality when purchasing a home.
- Currently, the most direct access to the Subject Property is via a toll road (E-470). Homebuyers, especially those price conscious first-time buyers attracted to the area, may be weary of relying on a toll road as the best route to access employment and entertainment. Additionally, potential buyers who have a family member who must commute west may be deterred in the short term by the I-70 realignment and expansion project. While beneficial in the long run, the project could pose some commute challenges for those traveling east/west to Downtown Denver and other places of employment
- The community is located less than five miles from the Denver International Airport, and is therefore located within an International Air Zone District. Residents in these areas are warned that their property may be "subject to noise, vibration, exhaust, air and vehicular traffic and other conditions associated with the operation of this international airport."
- Although the community is expected to contain 1.3 million square feet of retail development at build out, the first wave of residents in the community will need to travel to the Green Valley Ranch area for everyday amenities, including grocery stores and gas stations.
- The Denver Metro area builders remained challenged with labor shortages. While The Aurora Highlands should perform well, home construction will need to keep pace with sales.

Based on the assumed future product offerings outlined within this study and trends in the surrounding CMA, Metrostudy believes The Aurora Highlands has the potential to absorb up to 658 homes during its peak year, with an average annual absorption of about 544 homes between 2022 and 2028, when all most product lines are active. This translates to an approximate average of 35.0 to 54.0 homes per month. This rate is based upon the projected growth of the Denver Market and upon forecasted levels of home production in the Market, the Aurora Highlands CMA capture rate of the Market, estimated market entry for the primary competition, and the Subject Property's capture rate within the CMA.

Subject Property Absorption Projection Summary (Home Closings)													
	2016	2017	2018	2019F	2020F	2021F	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Aurora Highlands - Subject Property	0	0	0	0	142	425	518	548	658	651	603	530	421
Aurora Highlands Mkt Share CMA%	0%	0%	0%	0%	5%	12%	13%	14%	15%	15%	14%	12%	9%

Note: For additional information, please refer to Exhibits 9, 10, & 12.

Metrostudy believes Aurora Highlands has the potential, as positioned, to capture between 9% and 15% of CMA closings during its primary selling years of 2021 to 2028, by offering a healthy mix of product types, appealing to a variety of homebuyers. This estimated CMA capture rate is in-line with historical capture rates of other comparatively sized new home communities within the CMA during their prime.

Additional information utilized in this analysis and our conclusions for the Aurora Highlands community are included within the context of the report beginning on the next page and the Exhibit Package at the end of this analysis.

Introduction

The Aurora Highlands is a future-planned community anticipated to include 7,539 for-sale homes and 4,010 for-rent apartments, on approximately 3,100 acres at completion. The Aurora Highlands is planned to be developed into ten residential villages, each with its own distinctive characteristics. The community is located in the eastern portion of the Denver Market in one of the fastest growing areas for new housing today, with close proximity to Interstate 70 and the E-470 Highway. It offers excellent access to the Denver International Airport employment corridor. Specifically, the site is located east of the E-470 highway, west of Powhatan Road, north of 26th Avenue and south of 56th Avenue, within the City of Aurora, in Adams County. The community falls under the jurisdiction of the Adams-Arapahoe 28J / Aurora Public School District.

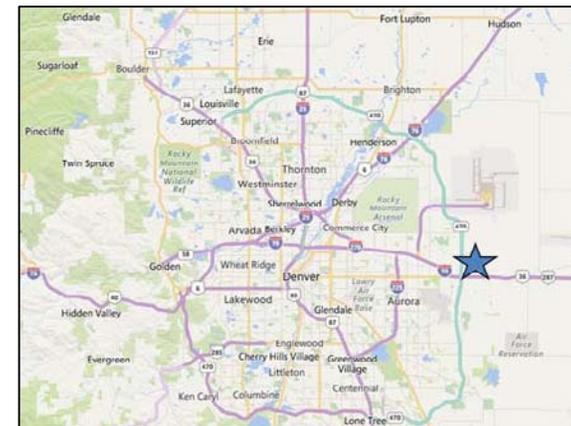
For local conveniences, Aurora Highlands is located within a few miles from retail, grocery, gas, dining, entertainment, and other basic consumer needs. The community will be home to retail, office and recreational amenities, but the first wave of buyers will need to travel to reach these services. Green Valley Ranch Shopping Center is 3.5 miles west of the project, or a 12-minute drive; GVR Shopping Center is home to a King Soopers Grocery, Walgreen’s drug store & pharmacy, restaurants, service amenities and gas station. Additionally, the Subject Property is located 3.8 miles east of a Walmart Supercenter (at the intersection of Tower Road & I-70). For recreation, Green Valley Ranch Golf Club and Springhill Golf Course are within five miles. The Subject Property will contain twelve onsite parks, including Highlands Creek Park, which will span 100 acres and feature art installations, recreational equipment and performance plazas. Coors Field, the Pepsi Center and Mile High Stadium are all around a 30-40 minute drive during non-peak hours.

Vista Peak Exploratory Middle & High School are located 7.0 miles to the south; Vista Peak Elementary School is also located 7.0 miles to the south of the Subject Property.

Major employment centers are within a reasonable commute, off corridors that include Interstate 70 (2.1 miles south), E-470 (west adjacent to the Subject Property), and East 56th Avenue (1.5 miles to the north). Denver International Airport is located 4.6 miles north via Jackson Gap Road and Pena Boulevard. With these transit routes, nearly all locations within Central and Eastern Denver, Aurora and Centennial are within a 30-minute drive. Arvada, Lakewood, Littleton, Parker and Castle Rock are within 45-60 minutes.

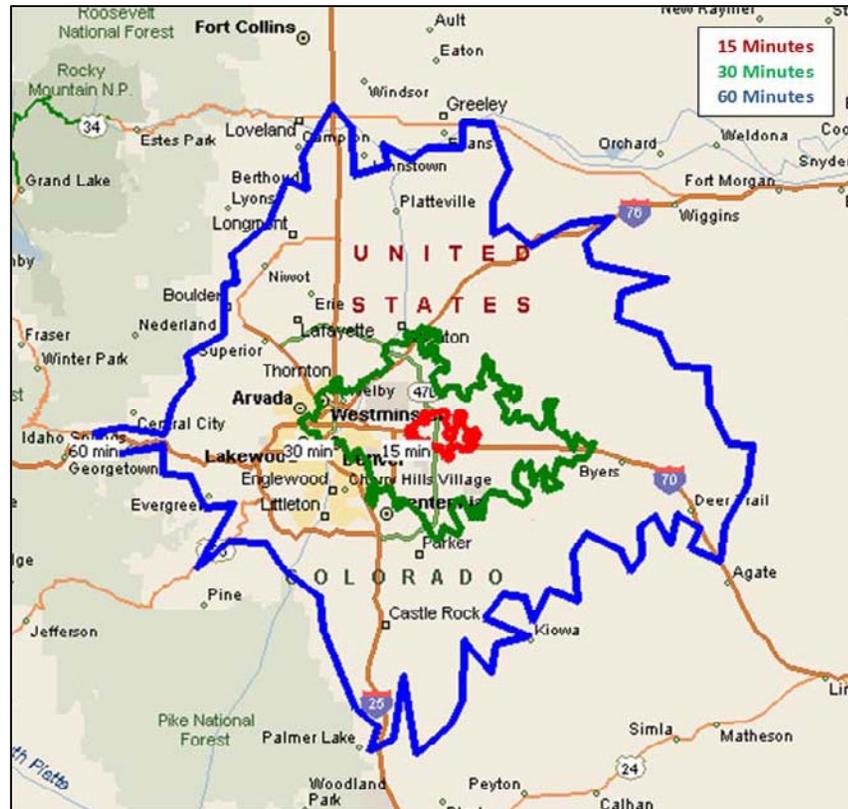
With these traffic routes, nearly all locations within central and eastern Denver (Downtown Denver eastward to Aurora), are within about a 30-minute drive (minus high traffic volume time periods).

Exhibit 1 : *Location Site of Subject Property*



As jobs are added within the Denver Market and around The Aurora Highlands CMA over the next five to ten years, rooftops will follow (55,550 future single-family and 27,575 attached homes). Given the high availability of developable land for future housing, continued push for “affordable” housing with demand from Denver employees, and growing established buyer/resident acceptance of the area, it is likely that the surrounding east Denver Market will continue to evolve as a regional center.

Exhibit 2 : *Site Drive-time Analysis Map*



At the end of the narrative of the report, an Exhibit Package has been included. Here, additional exhibits and information utilized to analyze the market and determine conclusions are provided.

Methodology

The Denver Market and Aurora Highlands competitive market area were analyzed by evaluating historical trends in housing supply, demographics, employment, and household formation to determine economic expansion trends and associated levels of housing demand. Further, to supplement the data indicating increasing demand from surrounding areas into the broader Denver Market area, we reviewed nearby major employment centers and known workforce commuting patterns.

The Metrostudy housing survey monitors the supply of detached and attached homes on a quarterly basis. Our survey tracks all condominium, townhome, duplex and single-family construction activity in the 11-county Colorado Front Range. The survey allows us to accurately track the size of the total market, as well as supply and demand within the sub-markets. Further, it helps us establish the depth of the market and the scope of the competition. In this study, Metrostudy supplemented the quarterly data with extensive fieldwork specifically needed to analyze the Aurora Highlands competitive market area within the Denver Market. Please note figures provided by the Client and homebuilder(s) within the community may sometimes vary slightly based on timing of the lot survey and methodologies used in defining homes closed.

Definitions

- **Annual Starts:** The number of homes started during the last four quarters. A “start” occurs when a slab or foundation is initiated.
- **Annual Closings:** The number of homes closed during the last four quarters. A “closing” occurs when a home is moved into and occupied. Metrostudy tracks move-ins, as they are a better indicator of demand than deed deliveries.
- **Square Footage:** All measures of a home size are in terms of air-conditioned space.
- **Models:** Must be fully finished, furnished and decorated.
- **Finished Vacant:** Construction is complete, the site is clean, but there is no evidence of occupancy.
- **Finished Vacant Months of Supply:** F/V months of supply is calculated by dividing the number of F/V homes by the current annual closings pace; and then multiplying by twelve to yield months.
- **Vacant Developed Lots:** Also referred to as “VDL” and “Finished Lots”; a lot on a recorded plat with streets and utilities in place, ready for construction of a new home.
- **Vacant Developed Lots Months of Supply:** VDL months-of-supply is calculated by dividing the number of VDL by the current annual starts pace; and then multiplying by twelve to yield months.
- **Future Lots:** Lots that are in the entitlement process, platted, and under development, but not yet fully developed.

Exhibit 3 : *Denver Market Map*

- Denver Market:** Defined as the Denver MSA, or Metropolitan Statistical Area, including all of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson counties. The most western portion of Elbert and southwest Weld counties were also included when discussing the housing market and demographics.

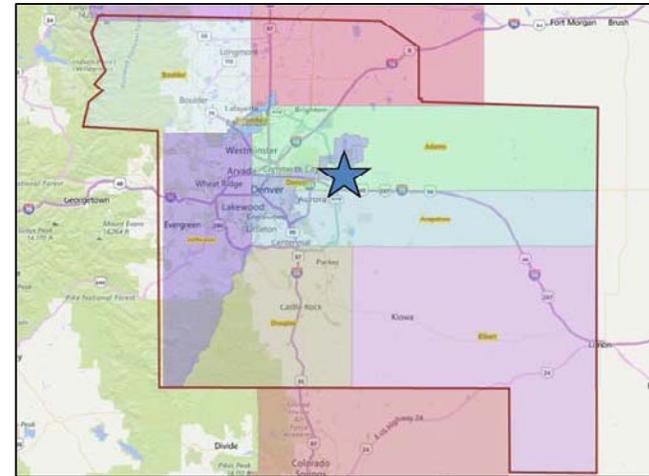
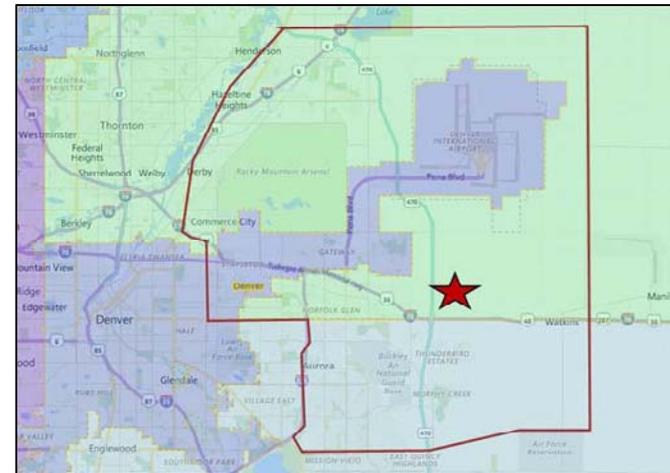


Exhibit 4 : *Aurora Highlands CMA Map*

- Aurora Highlands CMA:** The Competitive Market Area ("CMA") has been defined to encompass an area that includes a representative portion of the competitive new housing market in the eastern Denver market. The polygon is focused on new housing development in Adams, Arapahoe and the northeastern portion of Denver County. The north border follows East 132nd Avenue to Imboden Road to the west; the south border generally follows Hampden Avenue, meeting Interstate 225 to the east; the east boundary generally follows Interstate 225 until Colfax Avenue, then turns north to generally follow Interstate 270 before crossing east of Interstate 76 and following Brighton Road until it intersects with E-470. The CMA boundary takes into account the location of projects comparable to the proposed subject property site, as well as other considerations such as drive time, infrastructure, and socioeconomic indicators.



Housing Market Statistics and Analysis

At the peak in 2005, homebuilders started over 21,700 homes in the Denver Market. The low point for housing starts came in 2009 at the end of the Great Recession when builders started fewer than 3,100 homes, an 86% decline from the peak. Since then, home starts have continued to trend upwards. In 2017, homebuilders started 12,900 homes, 75% of which were single-family detached homes. Through 4Q18, 9,510 single-family detached and 4,200 attached homes were started year-to-date. New home closings within the Denver Market also peaked in 2005 at 20,200 homes closed, with the low point coming in 2009 when homebuilders only closed 3,100 homes. In 2017, homebuilders closed 11,179 homes (78% were single-family detached). Through 4Q18, Metrostudy has noted 9,551 single-family detached and 3,498 attached home closings year-to-date.

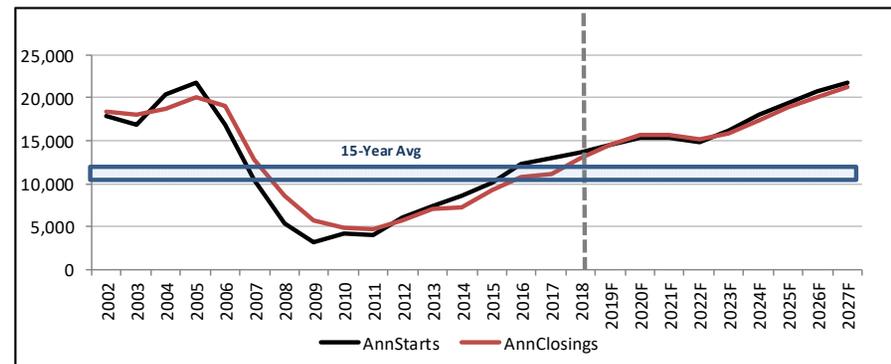
Denver Market's economy remains strong and is supporting a vibrant new housing market at the present time; short on supply and high on demand:

- Employer's added 36,500 jobs to their payrolls in the 12 months ended with December 2018, a 2.2% annual growth rate. This brings Denver's employment base above 1.7 million.
- The Denver region's unemployment rate stands at 3.7% as of December 2018, below the state average of 3.8% and the national rate of 3.9%.
- In-migration remains strong with a net increase of 12,865 residents added in 2015/16 (most recent available figures).
- Denver's population continues to grow. It is expected to reach nearly 3.57 million residents by 2023.
- Multi-family rental vacancies were 5.8% in 4Q18, down from 6.8% in 4Q17 and up from 5.5% last quarter. There were 3,876 rental additions in 4Q18, aiding the small rate increase in vacancy from the previous quarter.
- Resale supplies remain tight. The number of resale listings increased 44% year-over-year to 5,577 listings in December. Total resale activity (sales) increased slightly (0.9%) year-to-date through December compared to one year prior.
- At \$430,000 through December 2018, the Denver median resale price for single-family detached product was up 3.6% over the 2017 price (\$415,000); attached product saw median prices rise 4.6% over the past year from \$285,000 to \$298,225.
- Homebuilders have closed 1,870 more homes (single-family and attached) over the past 12 months than during the previous 12 months.
- New jobs in the Denver Metro have been announced by the Denver Economic Development Council, led by growth by major employers VF Corp., Polaris Alpha, Funding Circle, Epsilon, Google, and Facebook.

Market challenges include:

- Shortages of trade labor are increasing production timelines.
- Rapid price increases over the past two years may suppress purchases and move unsure potential buyers back onto the sidelines.
- Potential mortgage rate increases, even if only marginally higher, may soften buyer traffic and contract activity.
- Household income growth has not kept pace with rising home prices, raising affordability concerns.

Exhibit 5 : *Projected Denver Market Total Starts & Closings Forecast*



- Limited finished lot supplies with a slow replenishment of new lots underway.
- Rising costs for homebuilders associated with land and development costs, building materials, municipal fees and vendors.
- Due to recent strong growth in various municipal jurisdictions, several are considering growth moratoriums, restricting the number of housing permits issued each year.

Despite these headwinds, Metrostudy expects the Denver Market to increase home starts through 2019. While positive influences for housing production include tight inventory for resale and new home markets, price appreciation, positive in-migration, positive employment growth and declining unemployment, they are countered by restraining influences led by limited finished lot supply, increased delivery timelines, and the floor-joist issue. Denver is poised to follow up last year's increase of 6% annual new home starts with an expected increase of another 6% in 2019, as activity will continue to grow, although at a slower pace than the Market has seen over the past few years. **At more than 14,500 annual starts (all housing) in 2019, this would move the Denver Market back to 65% of its previous peak.** Forecasts for starts would be higher if not for the constrained lot supply, rapidly rising land and home prices, material cost escalation, serious labor shortages and likely increases in mortgage rates. Metrostudy anticipates a pent-up response in 2019, as supply levels rise.

Looking ahead:

- Metrostudy forecasts a 6% increase in home starts in 2019 over 2018, estimating approximately 9,250 single-family detached (66%) and about 4,550 multi-family attached (34%) home starts. Preliminary forecasts for 2020 suggest an additional 8% increase in home starts.
- Metrostudy projects a 9% increase in home closings in 2019 over 2018, estimating approximately 8,700 single-family detached and 3,400 multi-family attached home closings. Preliminary forecasts for 2020 suggest an additional 8% increase in home closings.
- As low unemployment and steady job growth persist, in-migration into the state and market are expected to remain strong in 2019, which will continue to drive household formations.
- With such strong apartment growth over the last five years, there is strong pent-up demand for entry level and first-time homes, however, builders are challenged to deliver product at a cost to meet demand from this buyer segment.
- While the for-rent apartment market may start to show signs of overbuilding, the continued impact of construction defect legislation will keep for-sale condominium development at historic lows. The legislative pathway has been improved in 2017 (e.g. HB 1279, Vallagio case), but given the length of time to bring condominiums to market, the impact of the rulings has yet to be felt.
- New home and resale prices are at all-time highs. Rising prices are suppressing purchasing power. Buyers are now recalibrating choices such as location, product type, and/or delaying a purchase altogether.
- Demand for attached housing options will continue to expand as the bulk of single-family homes continue to move upwards into the \$500,000s.
- The Denver market will continue trending toward smaller homes. 2016-2018 has experienced -5% decline in average finished square footage.
- 2020 will see a slight increase in SFD activity due to the number of large MPC that will be active, including Sky Ranch, Harmony, Painted Prairie, The Aurora Highlands, all of which will start with more affordable product.
- The new home market may be approaching a pricing ceiling as the delta between new home prices and resales continues to widen, and affordability barriers, particularly for the first-time buyer continue to rise. Wages have increased 19% over the last five years compared to the cost of housing which has increased 38% during the same period.
- While the average sales price is expected to plateau, price per square foot is going to continue to rise, with great emphasis on higher density lots and smaller home sizes.

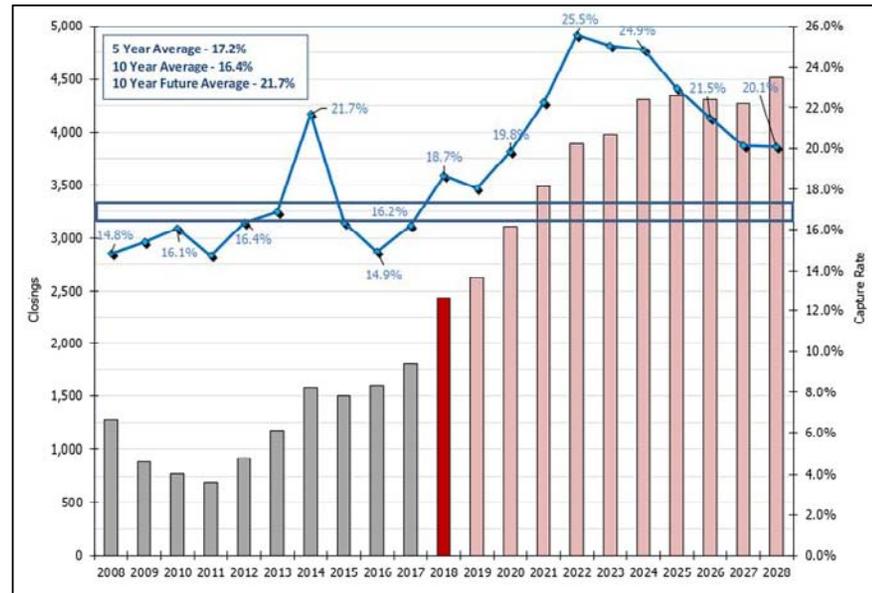
Competitive Market Analysis

In reviewing the most competitive master planned communities and subdivisions within the Aurora Highlands CMA, Metrostudy coupled data obtained from its quarterly survey database with field research, wherein the various developments and site locations were inspected, and sales agents and developers were interviewed.

Since the beginning of the decade, the Aurora Highlands CMA has grown, increasing its significance within the Denver Market as land development opportunities emerged in the DIA Corridor and prices grew quickly in the City of Denver and Southeast Aurora submarkets to the east and south.

- At its previous peak in 2005, the CMA started 4,688 homes and captured 22.0% of market-wide starts. Annual closings also peaked in 2003 at 4,356 homes, with a 21.3% share of Denver Market activity.
- Beginning in late 2006, the overall market and the CMA began their precipitous decline due to the nation's Great Recession. The Market experienced a drastic 77% decline in closings from 2005 to 2011 and the CMA experienced a decline of 83% from 2005 to 2011.
- In terms of new home closings, the Denver Market began its recovery in 2011 and the CMA began its recovery in 2012. Due to the slower growth, the CMA decreased its share of the Market to 16.3% at the end of 2012.
- Since 2012, and as the Denver Market continued its expansion, the CMA has been able to maintain a 14% to 22% share of the overall Market's new home closings.
- CMA lot deliveries have come in at their highest levels since 2006 over the past year and have exceeded the starts pace for eight of nine quarters. 4Q18's 3,088 annual lot deliveries exceeded the five-year (1,803 lot deliveries) and ten-year (1,116 lot deliveries) averages in the CMA.
- Annual home starts (all housing) in the CMA accounted for 17.5% of market-wide starts as of the end of 2017, while annual closings were 16.2% of Market-wide closings. Annual starts in the CMA accounted for 18.3% through 4Q18, while annual closings accounted for 18.7% of Market-wide closings.

Exhibit 6 : *Aurora Highlands CMA Closing Forecast & Market Capture (All Housing)*



- With the CMA's increase in starts over the past few years, and several new large-scale projects coming to market, the number of VDL has increased by 23.9% over the past four quarters, from 2,411 to 2,988 home-sites. With the recent increase in lot deliveries and VDL, the months-of-supply also increased from 12.8 months in 4Q17 to 14.3 months as of 4Q18.

On the previous page (to the above right) is an illustration of the CMA's projected maturation process. Actual annual closings within the CMA are noted from 2008 through 2018 in the grey columns. The solid blue-line represents the CMA's capture of all annual closings within the Denver Market, peaking at 21.7% in 2014. A housing forecast for 2019 through 2028 is provided, identified by the red columns. More discussion of these figures is offered in the following pages concentrating on the CMA's Housing and Lot Supply Build-out model (Exhibit 9), but here we will briefly discuss what is included within this graph. The forecasted annual closings totals are derived from the Denver Market housing forecasts (as represented in Exhibit 5).

Metrostudy believes that as the Denver Market continues towards a healthy level of new housing activity, the Aurora Highlands District CMA will experience an increased level of market capture in that activity, exceeding levels achieved during the previous peak. This result is given the economic trends outlined within this analysis and existing supply constraints from the south and west portions of the Denver market that will push demand and new product into less established submarkets in the eastern areas.

Through both the down cycle and the early recovery, the Aurora Highlands remained a competitive area in the Denver Market. More recently, over the last five years the CMA has continued to grow its share of the overall market by attracting homebuyers with attainably priced housing projects. It also has a long history of supporting competition. While developments Belle Creek, Green Valley Ranch, Stapleton and Traditions are nearing build-out, newer communities including Green Valley Ranch East, Painted Prairie, Harmony and Sky Ranch are poised to compete over what Metrostudy expects to be increased demand from potential homebuyers in the area, who are seeking an affordable alternative to projects in Denver and metro area submarkets to the west and south. The history of the CMA has demonstrated that there is room for multiple communities at various price points and amenity tiers to be actively selling at a high volume.

Exhibit 7 : Selected CMA Communities Historical Closings Trends & Peak

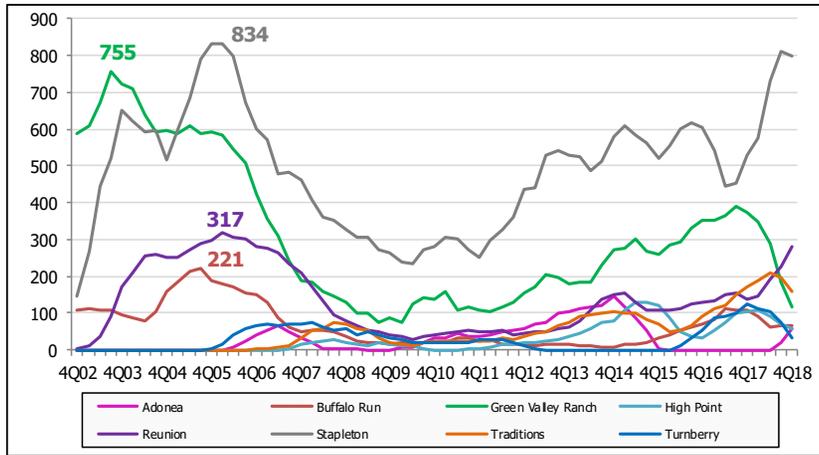
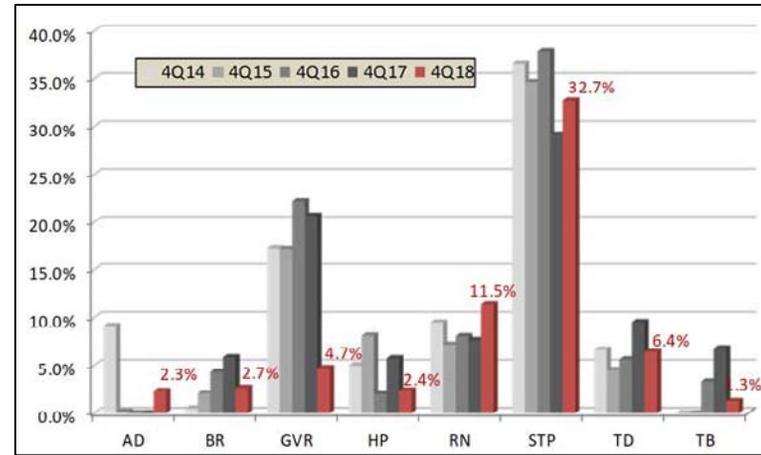


Exhibit 8 : Selected Communities Historical Closings Capture of CMA



Below these leading master planned communities, there will be a handful of communities that compete for the remaining CMA share of home closings. The most obvious question and salient point in this market study is how much room will there be for the Aurora Highlands community to assert its position near the top of this group of new home communities and gain market share in the CMA. In this next broad market growth cycle, which we believe Denver, is in the midst of, CMA shares will be smaller for each community than they were during the boom years last decade. Metrostudy believes the Aurora Highlands CMA has the capacity to grow substantially. **There will be more lots available in the short term, than any time in recent history.** With increasing population, lower price points than those found within areas just to the west in Denver County, and several direct lines of access to regional employment centers throughout the Denver Market, the CMA is a desirable location for growth. **This will fuel growth and increase market share between the CMA and Denver Market, but also increase the competitiveness of the CMA.**

Competitive Lot Breakdown

While it is imperative to review conditions within the Aurora Highlands competitive market by price range, in a historical context of volume, it is equally important to evaluate the lot supply, based on The Aurora Highlands most relevant competition. Many of the future communities within the CMA have not yet determined prices or market entry dates, and therefore do not appear within the statistics previously reviewed.

Currently, **there are 2,988 vacant developed lots and an estimated 27,267 future lots (attached and detached) in actively building communities.** Future projects currently moving through the development process will likely enter the market in the next few years, pending timely approvals and development financing. Those larger scale communities that are likely to enter the market include Adams Crossing, Green Valley Ranch East, Horizon Uptown, Painted Prairie and Prosper will increase the overall competitiveness of the CMA and could possibly decrease the market share potential of all communities, especially the ones with locational disadvantages. Still, without these future communities, the result

would be a supply gap between potential and actual market share for the CMA. For example, if one or more of the future projects noted on the next page do not start when Metrostudy expects them to, the CMA could lose market share unless active projects are able to deliver additional lots and support demand. In other words, the numerous uncertainties and risks developers' face securing entitlements and financing make it possible for Aurora Highlands to capture greater market share.

We have projected a build-out of active CMA communities' remaining lots, as well as estimated future projects' lots. This build-out model helps to identify when demand for lots and new home options in this growing corridor will no longer be met within the CMA – the most opportune moment for market entry or increased capture. This is a comprehensive list of all lots in this CMA, featuring the larger communities while grouping together the smaller, less impactful communities. Again, projected absorptions for the remainder of 2019 through 2028 are based on the current number of unoccupied homes within each community per the Metrostudy lot-by-lot survey. Attached multi-family units, including townhomes, paired/duplexes, and condominiums, as well as single-family detached homes, are reflected within this model.

In our model, we have listed the competitive communities with their current housing trends, build-out percentage (highlighted in blue), historical absorption and projected future absorption based on projected growth in the CMA, product segmentation, location strength analysis, and their overall anticipated position within the CMA housing market segment.

Twelve future planned communities are represented within the model. All reasonable efforts have been made to determine the conceptual plans of these future communities, but many of these communities, even those with well-executed plans, could face potential delays of one kind or another, changes in product segmentation, and other variables that could affect their market entry timeline. It is important to remember these are mostly conceptual and undefined future communities, while seeking a more macro view of the future lot supply within the Aurora Highlands CMA.

In red at the exhibit's bottom, we have listed the CMA communities' combined annual closings, as well as their combined historical and projected closing totals, representing the CMA totals based on these community absorptions, and further tracking the forecasted CMA capture rate of closings within the overall Denver Market. This was conducted in coordination with Metrostudy's Denver housing forecast, also represented in red. Some of these capture rates fall short of the possible 21.0% to 24.0% capture rate gains under a more optimistic forecast. This forecast is defined within the Unmet Demand Potential Model (Exhibit 10). Also in red, the Denver Market actual and projected annual closings are provided.

Exhibit 9 : CMA Projected Build-Out Model

CMA Selected MPCs	Total New Housing					Built-Out %	Actual Closings											Projected Closings											
	Ann St	Ann Cl	Hm Inv	VDL Inv	Future		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ¹	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Beyond	
	0%	0%	0%	0%	28%		0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	14%	12%	13%	14%	15%	14%	12%	9%	---	
Aurora Highlands	0	0	0	0	7,539	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	142	425	518	548	658	651	603	530	421	3,043	
Adonea	160	57	103	289	127	49.4%	2	0	31	37	58	104	144	2	0	0	57	100	100	100	100	80	39						
Belle Creek	44	50	25	60	0	85.2%	11	3	0	8	16	17	4	4	0	0	50	60	25										
Buffalo Highlands	110	83	57	25	908	7.7%	0	0	0	0	0	0	0	0	0	0	83	125	125	150	175	150	150	115					
Buffalo Run	84	65	52	260	260	67.2%	38	16	20	25	16	15	8	31	69	106	65	80	100	100	100	100	100	92					
Denver Connection/Avion	345	235	230	229	0	33.9%	0	0	0	0	0	0	0	0	0	0	235	250	209										
Eastpoint	32	0	32	252	192	0.0%	0	0	0	0	0	0	0	0	0	0	0	75	125	125	115	36							
First Creek Village	301	269	99	4	0	72.9%	0	0	0	0	0	0	0	0	0	8	269	103											
Green Valley Ranch	157	115	140	241	366	89.5%	127	88	138	108	155	178	272	258	354	375	115	150	180	180	150	87							
Harmony	0	0	0	187	2,821	0.0%	0	0	0	0	0	0	0	0	0	0	0	50	135	145	175	200	250	250	275	275	300	953	
High Point	21	58	2	1	1,068	32.0%	18	16	0	4	19	36	79	122	32	104	58	85	110	125	150	150	150	100	51				
Murphy Creek	5	30	0	0	2,163	35.5%	19	21	3	0	0	0	0	24	8	46	30	30	50	80	100	150	180	180	200	225	225	818	
Reunion	253	279	124	156	12,275	15.7%	79	42	42	47	45	62	150	108	129	139	279	275	275	300	300	300	325	325	350	350	350	9,405	
Sky Ranch	0	0	0	10	4,294	0.0%	0	0	0	0	0	0	0	0	0	0	0	50	100	150	200	200	250	250	300	300	300	2,204	
Stapleton	690	797	356	408	1,308	79.8%	327	262	282	252	437	528	578	521	605	529	797	700	600	400	300	72							
Traditions	66	157	28	39	0	92.8%	68	21	22	22	36	73	105	68	90	173	157	67											
Turnberry	24	31	22	248	845	30.3%	57	30	19	26	10	0	0	0	53	123	31	90	125	150	150	175	175	175	75				
Village at Southgate	32	5	27	117	300	1.1%	0	0	0	0	0	163	239	365	259	211	5	50	75	80	80	80	79						
Other (Combined) ⁴	187	205	169	462	340	93.9%	531	386	223	158	128	163	239	365	259	211	205	185	150	150	125	125	100	80	56				
Active Summary	2,511	2,436	1,466	2,988	27,267	54.4%	1,277	885	780	687	920	1,176	1,579	1,503	1,599	1,814	2,436	2,525	2,626	2,660	2,738	2,453	2,418	2,176	1,939	1,706	1,596	16,423	
310 West	0	0	0	0	1,496	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	50	100	150	150	150	150	150	150	446	
Adams Crossing	0	0	0	0	3,250	0.0%	0	0	0	0	0	0	0	0	0	0	0	75	100										
Avelon	0	0	0	0	1,100	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	50										
Buckley Crossing	0	0	0	0	808	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	40	50	75	75	100	100	100	468		
Eastern Hills	0	0	0	0	1,740	0.0%	0	0	0	0	0	0	25	0	0	0	25	80	100	100	100	150	150	150	150	150	1,285		
Green Valley Ranch East	0	0	0	0	9,780	0.0%	0	0	0	0	0	0	0	0	0	0	50	250	300	325	350	350	350	375	400	450	5,580		
Horizon Uptown	0	0	0	0	3,530	0.0%	0	0	0	0	0	0	0	0	0	0	80	150	200	250	250	250	250	250	250	250	250	2,350	
Painted Prairie	0	0	0	0	2,992	0.0%	0	0	0	0	0	0	0	0	0	0	75	100	125	125	150	175	200	200	225	225	1,617		
Prosper	0	0	0	0	8,599	0.0%	0	0	0	0	0	0	0	0	0	0	50	80	100	100	125	125	150	150	150	150	150	7,519	
Sagebrush Farms	0	0	0	0	1,101	0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	196	
Second Creek Farm	0	0	0	0	1,665	0.0%	0	0	0	0	0	0	0	0	0	0	80	150	145	140	140	140	140	140	140	140	140	450	
Windler Homestead	0	0	0	0	1,450	0.0%	0	0	0	0	0	0	0	0	0	0	50	50	50	50	50	50	50	50	50	50	75	1,075	
Other (Combined) ⁴	0	0	0	0	6,144	0.0%	0	0	0	0	0	0	0	0	0	0	50	80	100	125	150	200	250	300	350	350	4,189		
Future Summary	0	0	0	0	51,594	0.0%	0	0	0	0	0	0	0	0	0	0	0	100	485	825	1,150	1,525	1,885	2,170	2,365	2,565	2,915	28,470	
CMA Totals:	1,277	885	780	687	920	1.176	1,579	1,503	1,599	1,814	2,436	2,625	3,111	3,485	3,888	3,978	4,303	4,346	4,304	4,271	4,511	NA							
Denver Market:	8,609	5,746	4,859	4,652	5,619	6,962	7,288	9,188	10,696	11,176	13,049	14,547	15,676	15,676	15,218	15,881	17,316	18,932	20,034	21,212	22,473	NA							
CMA Capture of Market:	14.8%	15.4%	16.1%	14.8%	16.4%	16.9%	21.7%	16.4%	14.9%	16.2%	18.7%	18.0%	19.8%	22.2%	25.5%	25.0%	24.9%	23.0%	21.5%	20.1%	20.1%	NA							

Notes:

- ¹ Future lot counts are based on currently known breakdowns of lots already identified within the Competitive Market Area. This figure may increase as additional parcels are realized in some communities.
- ² 2018 forecast is based on preliminary fourth quarter 2018 numbers.
- ³ Information including total lots, closing pace and market entry time frames are estimated for all future communities based on information collected from developers and planners. Some of these future communities may have additional lot counts and sizes as several have not yet been platted. There may be additional future communities currently unknown at this time that enter the market during this time period; some of the communities listed may ultimately not enter the market. Actual lot counts and product type may prove different than information collected at this time.
- ⁴ Other (Combined) represent the combined total of remaining CMA subdivisions identified at this time, both within Active and Future segments.

Obviously, this model tracks a moving target and requires amending over time as existing and future competition evolves. The most notable observation from this model is that the odds of a drop-off in the number of potential CMA closings, and the failure to match already established CMA capture rates of the Denver Market could occur, should either new lot deliveries within active communities or new communities not enter the market in the next few years. Additionally:

- There were 15.5 months of VDL for detached homes in the Aurora Highlands CMA through 4Q18 (11.9 months of VDL for attached homes). This compares with the current market-wide level of 16.3 months for detached homes (12.0 months for attached homes). Within the CMA, annual lot deliveries (all homes), has been above the number of annual starts level for eight of the past nine quarters, with lot deliveries exceeding 3,000 annual deliveries, a number not achieved since 1Q06.
- The Aurora Highlands CMA has a ten-year historical Denver Market closings capture rate of 16.4%, and a five-year average of 17.2% (for all new housing types). Given the strong job growth in the employment centers, especially in Denver and the DIA Corridor, the CMA will

achieve capture rates above both the ten-year and the five-year average looking ahead, as long as residential developments are able to move through the entitlement process to keep lot supplies up.

- Competition within the Aurora Highlands CMA is significant. This is especially true on the single-family product side, with active communities including Adonea, Buffalo Highlands, Denver Connection, Green Valley Ranch, Harmony, High Point, Reunion, Stapleton, Sky Ranch and Turnberry. Many of these communities include, or are planned to include, both attached and detached product offerings.
- On the horizon, several large-scale communities are in the planning stages that will garner interest when they come to market. These include Adams Crossing, Green Valley Ranch East, Horizon Uptown, Painted Prairie, and Prosper. Combined, these future communities total over 28,550 home sites.

Further, if some of these new or emerging communities fail to gain traction, the build-out model shows the potential of how The Aurora Highlands could perform. Given the challenges many developers face in trying to secure lending, and with limited resources, trying to move land through the development process efficiently, timelines can be extremely fluid.

Demand Analysis

While a specific demand analysis was not within the scope of this study, we have provided the basis for some discussion of demand within the Aurora Highlands CMA, with our forecast of annual closings in the Denver Market (Exhibit 5), the Aurora Highlands CMA (Exhibit 6), and the build-out model (Exhibit 9).

The assessment of housing demand and market capture is an iterative process with numerous ever-changing variables to consider. We have approached demand using our projected new home closings forecast within the Denver Market. We accounted for demand based on a review of all active and future lots within the CMA, and all the variables previously discussed to generate a supply-based CMA capture rate (as noted within the build-out model). From there, we reviewed the ratio of currently active to future planned lots, the transition of communities to build-out, and plausible timelines for new communities. We then reviewed the trends of positive employment and the demographic outlook in the area, in addition to housing supply availability, and projected a CMA capture rate that is expected to range from 18.0% to 25.5%. Finally, we subtract out the projected build-out model within the CMA's total closings pace and the forecasted Subject Property's absorption to quantify potential "unmet demand".

The resulting model is featured on the next page:

Exhibit 10 : Demand Analysis Model

	Aurora Highlands CMA															
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	Actual					Forecast										
Total Denver Mkt Closings Projections ¹	6,962	7,288	9,188	10,696	11,176	13,049	14,547	15,676	15,676	15,218	15,881	17,316	18,932	20,034	21,212	22,473
Total CMA Capture ²	1,176 16.9%	1,579 21.7%	1,503 16.4%	1,599 14.9%	1,814 16.2%	2,436 18.7%	2,625 18.0%	3,111 19.8%	3,485 22.2%	3,888 25.5%	3,978 25.0%	4,303 24.9%	4,346 23.0%	4,304 21.5%	4,271 20.1%	4,511 20.1%
Active Community Capture ³	1,176 100%	1,579 100%	1,503 100%	1,599 100%	1,814 100%	2,436 100%	2,525 96%	2,626 84%	2,660 76%	2,738 70%	2,453 62%	2,418 56%	2,176 50%	1,939 45%	1,706 40%	1,596 35%
Future Community Capture ⁴	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	100 4%	485 16%	825 24%	1,150 30%	1,525 38%	1,885 44%	2,170 50%	2,365 55%	2,565 60%	2,915 65%
Aurora Highlands Closings ⁵	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	142 5%	425 12%	518 13%	548 14%	658 15%	651 15%	603 14%	530 12%	421 9%
Potential Unmet Demand⁶																
CMA @ 21% Capture	NA	NA	NA	NA	NA	304	430	181	-193	-692	-643	-667	-370	-97	184	208
CMA @ 24% Capture	NA	NA	NA	NA	NA	696	866	651	277	-236	-167	-147	198	504	820	882

Notes:

¹ Annual closings for 2013 to 2018 are based on Metrostudy 4Q18 data for the Aurora Highlands CMA. Future annual closings between 2019 through 2027 are forecasted by Metrostudy. This level of sales can only be achieved if the housing market fundamentals continue to improve and homebuilders offer appropriately priced product in locations with price ranges in demand by the homebuying public.

² Includes all annual closings within the Aurora Highlands CMA per Metrostudy. Market share percentages between 2013 and 2018 are actual capture rates, at an average of 17.4%. Future closings within this segment were forecasted based on estimated capture rates that follow established start production and closing trends which are consistent with those listed in previous exhibits.

³ The combined total of all currently active selling communities' related closings within the CMA. 2013 through 2018 figures are actual capture counts, therefore equal 100%. Future closings with this segment were forecasting based on historical and anticipated absorption of these same communities within the CMA up until their completion.

⁴ The combined total of all currently future planned communities and their closings within the CMA. Years 2013 through 2018 will not have any activity since these communities are yet to enter the market. Future closings within this segment were forecasted based on estimated market entry for each community and anticipated absorption given what is currently known about each potential community. As with any future plans, all estimates are subject to change. Given today's current housing development environment, it is very possible that some of these communities may never be fully realized, may enter the market at another time than projected, and/or that additional communities currently unknown may enter the market over the next ten years.

⁵ Based on the absorption analysis for the subject property, Aurora Highlands, as shown within the build-out model.

⁶ Metrostudy believes the expected rise in demand for new housing in the Denver Market towards a healthy equilibrium of start production and home closings, the continued increases in expected job growth within the CMA, and the lack of supply in some of the areas to the north and east, will fuel continued advances in the CMA's overall market capture rate of single family detached housing within the Denver Market. Metrostudy projects the CMA has the potential to experience growth in sales likely to trend with the larger Denver market while not increasing the CMA market percentage share. Initially those communities with lots will benefit from the unmet demand based on total closings of all known product in the area within the build-out model, including Aurora Highlands' projected absorption. These units of unmet demand could possibly be captured by other homebuilders in other active CMA communities, as well as additional future planned communities not yet announced.

This demand analysis is consistent with historical trending and current projected growth within the Aurora Highlands CMA. While we believe that these figures represent a realistic view of the market based on our experience, these types of demand models are best served as points of discussion. Should population and household growth in the CMA exceed forecasted growth (with an unexpected arrival of major employment for example), or should migration patterns prove a catalyst for even greater overall growth, these figures may be conservative. By contrast, should growth fall behind forecasted estimates, due to a slowdown in local employment growth or if the national economy slows, these figures may prove optimistic. Several factors not fully concluded within this demand analysis are the anticipated delays and market timing for future communities, as well as future lot delivery paces at Green Valley Ranch, Harmony, Stapleton, Sky Ranch and Reunion and the effect any sustained increase in market capture by the resale market. These unmet demand units, specifically as multiple communities reach completion between now and 2020, will shift demand to new and remaining CMA communities.

Conclusions

The Aurora Highlands should further support residential growth within a quickly evolving CMA in the Eastern Denver Market. As prices continue to rise throughout the Denver Metro, this emerging submarket and communities that emphasize affordability will see continued growth. Of the roughly 220,000 future lots in Denver Metro, about 70,000 are in the E-470/I-70/DIA corridor (about 30%), which should enable this Eastern Submarket the capacity to support Denver Metro Area's long-term population growth.

The Subject Property will benefit from strong planning, and a well-established land plan, which currently includes various land uses and amenities to service to future residents. In order to ensure success, the developers of the Subject Property should invest in the proposed amenities, features and benefits of the current land plan, to distinguish the community from the immense amount of competition emerging in the immediate area. Retail development should follow the first phase of resident move-ins, as the first homebuyers will need to commute to Green Valley Ranch for everyday amenities, such as groceries and gas. The area surrounding the community at the time of this market study does not have a population to support retail development upon the community's groundbreaking. Office and Medical Office development within the community will provide employment opportunities and additional daytime population to support the retail services within The Aurora Highlands. These uses should wait until a solid residential population is established within the immediate area, as there is little demand for these types of uses in the immediate area in today's market (competition west of the development will remain strong for the next decade, with projects such as First Aurora Commerce Center, Majestic Commerce Center and the commercial parcels of High Point currently under construction).

Homebuyers should be attracted to the ample indoor and outdoor recreational and entertainment amenities to be offered, including a community recreation center and 100-acre community park. The conceptual recreation center will be home to lap and leisure pools, ice rink/basketball court, climbing wall and fitness center. Highlands Creek Park will run through the center of the development and will include open space, trails, public art installations, zip line, fitness challenge course and performance plazas/amphitheaters. These types of amenities will help The Aurora Highlands differentiate itself from the substantial amount of competition that is coming to market in the area immediately surrounding the project.

The following projects are expected to close homes prior to The Aurora Highlands market entry, translating to an extremely competitive landscape: Green Valley Ranch East (9,617 units), Harmony (3,008 units), Painted Prairie (3,076 units) and Sky Ranch (4,034 units). Other large projects in the area with projected home closings starting in the same year, or just after The Aurora Highlands, include Horizon Uptown (3,530 units) and Prosper (8,999 units). Additionally, the site will face significant competition from the remaining phases of active communities, including Reunion, Green Valley Ranch, High Point, and to a lesser degree, Stapleton. Increased competition will result in lower capture rates among all of these communities, when compared to historical capture rates achieved by similar sized communities within the Metro Area.

Historical capture rates for master planned communities in the Denver Market are illustrated on the next page. **With the exception of Stapleton, one of the country's best-known infill projects, no single community has closed more than 600 homes in the past decade.** Since Metrostudy began tracking the Denver housing market in 2001, only one community has closed over 1,000 homes, Highlands Ranch in 2004, capturing 6% of all closings within the Denver Market. As the Denver residential market continues to evolve and expand into new areas to the east, north, and continues to blur the boundary with the Colorado Springs Market to the south, **it is unlikely that one single community will be able to capture closings at the pace seen by masterplans prior to the Great Recession.**

After one of the longest economic expansion cycles in history, Metrostudy is forecasting a market slowdown in 2021-2022 due to national influences such as monetary policy and trade policy, as well as other macro-economic factors. While specific timelines are difficult to estimate, The Aurora Highlands could be launching the community in the midst of a slowing national and/or local economy. However, the project’s market share in the CMA should stay high if they are able to draw in buyers with attainably prices homes and ample amenities. Illustrating this is the demand model (Exhibit 10), which shows that there could be some additional capture rate if other projects do not perform.

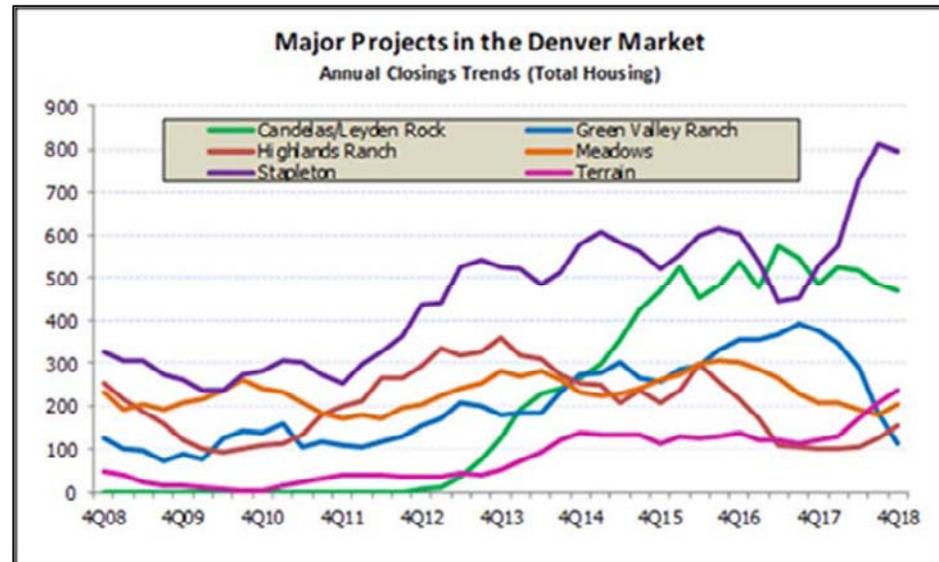
By proceeding with the current proposed land plan, product mix and amenities, the Subject Property should be able to draw a diverse mix of homebuyers who are attracted to the large-scale offerings the community can provide its residents. Homebuyers in the CMA tend to be more price sensitive than those elsewhere in the Denver

Market, so keeping pricing competitive will ensure homes within the community are within the reach of the deepest buyer pool, and will prevent neighboring communities from stealing market share with lower priced offerings. **Metrostudy believes the Aurora Highlands should develop a strong presence in the both the CMA and Denver Market and will perform well through completion.**

Absorption

Based on this review of the competitive market area, a projected build-out and demand analysis, product mix and other information provided by the Client regarding the subject property, Metrostudy has provided an absorption schedule forecast of the lots within The Aurora Highlands (set forth in Exhibit 12 below), which we believe is reasonable and supported within this report.

Exhibit 11 : **Leading Master Planned Communities in the Denver Market – Total Housing Closing Trends**



Price Positioning in the Competitive Market

Metrostudy has evaluated the CMA in terms of price positioning, absorption levels, and market share. The recommendations and conclusions of Metrostudy with respect to projected pricing in the Aurora Highlands area are based on present competition and market conditions, and are set forth in Exhibit 12. We have utilized plan and price information from active projects in the Aurora Highlands CMA to competitively position the Subject Property among its peers. Pricing for future releases may need adjustment according to market swings between now and the close of the project, or at the time of any review for existing pricing (a real possibility given evolving competitive conditions and rates of price appreciation). **Over the past year, competitive communities within the CMA have reported an average 3.1% increase in base price across all product lines (2.3% for attached housing and 3.4% for detached housing).**

Based on the foregoing, the Product Pricing Program within Exhibit 13 represents base pricing for the conceptual product lines within The Aurora Highlands at the time of this study. Estimated floor plan base prices and sizes were used across all products and matched against competitive communities' base prices. To calculate average closing price, lot premiums were estimated, based on field data collected from interviews with sales agents. Premiums varied based on the product line offered and consumer targeted. Lot premiums are typically charged based on orientation, size, topography, and the quality of open space and views behind the home-site. Options/upgrades were also estimated from field interviews with the sales agent & actively selling competition and positioned in increasing fashion among the product line. For details per product line on both premiums and options/upgrades, please refer to the Aurora Highlands Pricing Program in Exhibit 13.

Overall, Metrostudy believes The Aurora Highlands competitive area will continue to evolve. The expansive amount of development on the commercial, residential and retail projects in the immediate area should draw buyers who are looking for amenities and close proximity to employment. Affordability will continue to push employees from the west and south into CMA towns including Aurora, Brighton, Eastern Denver (Green Valley Ranch) and Commerce City. With the expansive planned recreation and office/retail amenities, as well as easy access to transportation corridors, The Aurora Highlands will perform well. The community should attract a mix of first time buyers, professional couple, maturing family, and empty-nester buyers who are looking for the access to employment, retail amenities, community parks & entertainment and regional transportation routes at an attainable price.

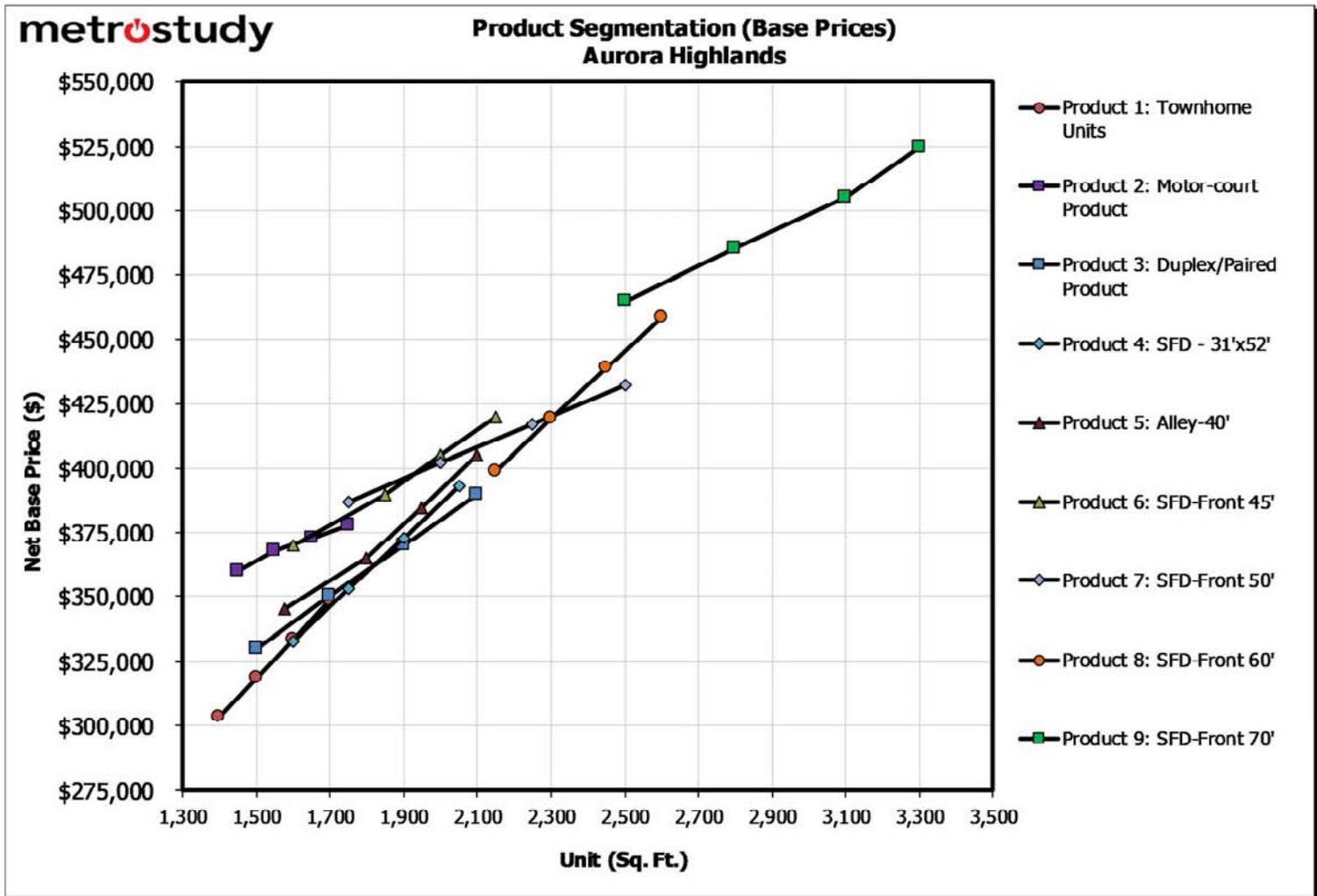
Exhibit 13 : The Aurora Highlands Home Pricing Program

Product	Plan	(Sq. Ft.)	Net Price (\$)	\$/Sq. Ft.	Lot Premium	Opt/Upgrade	Est. Close Price
Product 1: Townhome Units	A	1,400	\$303,500	\$216.79	1.0%	7.0%	\$327,992
	B	1,500	\$318,500	\$212.33	1.0%	7.0%	\$344,203
	C	1,600	\$333,500	\$208.44	1.0%	7.5%	\$362,098
	D	1,700	\$348,500	\$205.00	1.0%	7.5%	\$378,384
		1,550	\$326,000	\$210.32	1.0%	7.3%	\$353,169
Product 2: Motor-court Product	E	1,450	\$360,000	\$248.28	1.0%	5.0%	\$381,780
	F	1,550	\$368,000	\$237.42	1.0%	5.5%	\$392,122
	G	1,650	\$373,000	\$226.06	2.0%	5.5%	\$401,385
	H	1,750	\$378,000	\$216.00	2.0%	6.0%	\$408,694
		1,600	\$369,750	\$231.09	1.5%	5.5%	\$395,995
Product 3: Duplex/ Paired Product	I	1,500	\$330,000	\$220.00	1.5%	5.0%	\$351,698
	J	1,700	\$350,000	\$205.88	1.5%	5.0%	\$373,013
	K	1,900	\$370,000	\$194.74	2.0%	5.0%	\$396,270
	L	2,100	\$390,000	\$185.71	2.0%	5.0%	\$417,690
		1,800	\$360,000	\$200.00	1.8%	5.0%	\$384,668
Product 4: SFD - 31'x52'	M	1,600	\$333,000	\$208.13	2.0%	6.0%	\$360,040
	N	1,750	\$353,000	\$201.71	2.0%	6.5%	\$383,464
	O	1,900	\$373,000	\$196.32	2.0%	6.5%	\$405,190
	P	2,050	\$393,000	\$191.71	2.0%	7.0%	\$428,920
		1,825	\$363,000	\$198.90	2.0%	6.5%	\$394,403
Product 5: Alley- 40'	Q	1,575	\$345,000	\$219.05	2.0%	6.0%	\$373,014
	R	1,800	\$365,000	\$202.78	2.5%	6.0%	\$396,573
	S	1,950	\$385,000	\$197.44	2.5%	6.0%	\$418,303
	T	2,100	\$405,000	\$192.86	3.0%	6.0%	\$442,179
		1,856	\$375,000	\$202.02	2.5%	6.0%	\$407,517

Product	Plan	(Sq. Ft.)	Net Price (\$)	\$/Sq. Ft.	Lot Premium	Opt/Upgrade	Est. Close Price
Product 6: SFD- Front 45'	Q	1,600	\$370,000	\$231.25	3.0%	5.0%	\$400,155
	R	1,850	\$390,000	\$210.81	3.0%	5.5%	\$423,794
	S	2,000	\$405,000	\$202.50	3.0%	5.5%	\$440,093
	T	2,150	\$420,000	\$195.35	3.0%	6.0%	\$458,556
		1,900	\$396,250	\$208.55	3.0%	5.5%	\$430,649
Product 7: SFD- Front 50'	U	1,750	\$387,000	\$221.14	3.0%	5.0%	\$418,541
	V	2,000	\$402,000	\$201.00	3.0%	5.0%	\$434,763
	W	2,250	\$417,000	\$185.33	3.5%	6.0%	\$457,491
	X	2,500	\$432,000	\$172.80	4.0%	6.0%	\$476,237
		2,125	\$409,500	\$192.71	3.4%	5.5%	\$446,758
Product 8: SFD- Front 60'	U	2,150	\$399,000	\$185.58	4.0%	6.0%	\$439,858
	V	2,300	\$419,000	\$182.17	4.0%	6.0%	\$461,906
	W	2,450	\$439,000	\$179.18	4.0%	6.0%	\$483,954
	X	2,600	\$459,000	\$176.54	4.0%	6.0%	\$506,002
		2,375	\$429,000	\$180.63	4.0%	6.0%	\$472,930
Product 9: SFD- Front 70'	Y	2,500	\$465,000	\$186.00	5.0%	6.0%	\$517,545
	Z	2,800	\$485,000	\$173.21	5.0%	6.0%	\$539,805
	AA	3,100	\$505,000	\$162.90	5.0%	6.0%	\$562,065
	BB	3,300	\$525,000	\$159.09	5.0%	6.0%	\$584,325
		2,925	\$495,000	\$169.23	5.0%	6.0%	\$550,935

- Product prices and plan information for the Subject Property is based on all currently available information regarding the Subject Property, as provided by the Client. Additional assumptions and estimates have been included based on an analysis within the competitive market to determine the most likely additional product information.
- All information is based on current market conditions. Pricing at the Subject Property's release may need adjustment. Metrostudy estimates a 3% annual increase on base pricing in the CMA over the next few years as tight lot supplies and lot pricing levels off, easing pressure on home prices.
- Lot Premiums are estimated between 1.0% and 5.0% and an Option/Upgrade package is approximated between 5.0% and 7.5%.

Exhibit 14 : The Aurora Highlands Product Segmentation Pricing



For Rent Market Assessment

Metrostudy also reviewed opportunities for 4,010 market rate (conceptual) rental units within the Aurora Highlands community, anticipated to deliver its first units in 2022. Below is a projected total market value of recommended apartment units in today's market. The apartment units are positioned against select (and fully assessed) for-rent competitors in the area, both as rental units on a unit size per monthly rental rate, and against the most recent total market value assessments for each community. Findings are based on current market conditions, and the competitive market will need to be monitored and reviewed by the time units are entering the marketplace. An average unit assessed value estimate has been based on today's market at \$190,000, factoring in competitive positioning in terms of competition age, location, and other known community characteristics as outlined below.

Exhibit 15 : For-Rent Total Market Value Assessment

		Year Built	Units	Occ % ⁴	TMV ³	Per Unit
Subject Property¹	First move-in	2022	4,010	90.0%	\$761,900,000	\$190,000
Aurora Highlands	Construction finish	TBD				
Selected Competitive Apartments²						
21 Fitzsimons	Aurora	2008	600	95.0%	\$62,609,793	\$104,350
Arterra Place	Aurora	2014	200	95.0%	\$47,168,000	\$235,840
Aspen Ridge	Aurora	2003	468	94.6%	\$77,762,880	\$166,160
Aster Conservatory Green	Denver	2013	352	94.3%	\$63,458,330	\$180,279
Bristol Village	Aurora	2003	240	92.0%	\$43,134,360	\$179,727
Gateway Park	Denver	2000	328	n/a	\$67,524,640	\$205,868
Griffis Fitzsimons South	Aurora	2008	288	94.5%	\$56,189,952	\$195,104
Grove at Stapleton	Denver	2015	150	85.0%	\$40,501,660	\$270,011
Lakecrest at Gateway Park	Denver	2001	440	70.9%	\$96,747,360	\$219,880
Park Hill 4000	Denver	2014	216	94.6%	\$42,391,060	\$196,255
Strata	Denver	2017	336	92.0%	\$55,532,930	\$165,277
Westridge	Aurora	2001	297	95.9%	\$35,376,000	\$119,111
Competitive Averages		2008	---	91.3%	\$57,366,414	\$186,488

¹ Subject Property for-rent apartment unit plan and valuation information is based on all currently available information regarding the Subject Property, as provided by the Client and/or the developer. Where necessary, additional assumptions and estimates have been included based on an analysis within the competitive market to determine the most likely additional product information. Given the conceptual level of information at this time and that this unit count includes multiple locations within the overall master plan development, as more details come to fruition, valuations should be re-evaluated.

² Selected competitive apartments were determined based on the most relevant within the competitive market area and/or that provide other similarities to offer conclusions regarding the positioning of the Subject Property (e.g. location, amenities, sizes, rental market positionings).

³ The Total Market Value Assessment ("TMV") is based on the most recently available assessments of each property. Valuations at the Subject Property's release may require adjustment dependent on specific apartment community development details and timing of each development's market entry.

⁴ The projected occupancy rate is based on the completion of construction for all units. This is currently conceptually anticipated for 2034, with the community planned to be fully stabilized shortly thereafter. Taxes on apartment units will be collected regardless of their occupancy status.

Exhibit Package

metro**study**

Economic Overview

Employment and Job Growth

Exhibit 17 : Denver-Boulder, CO Employment by Industry Sector

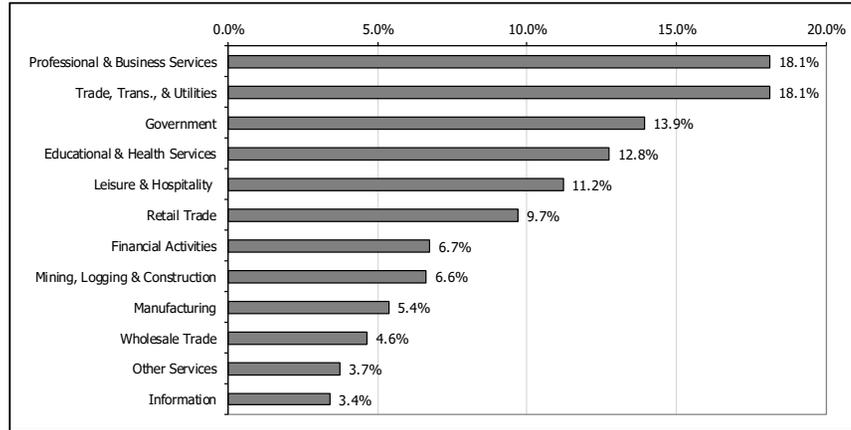
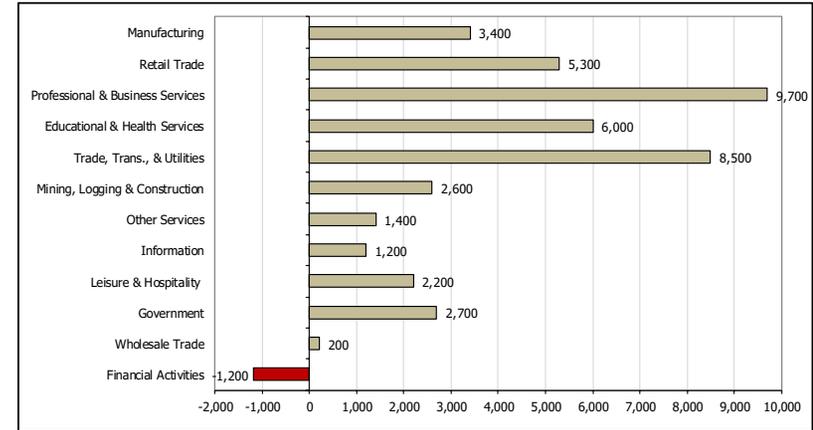


Exhibit 18 : Denver-Boulder, CO Employment Growth Year-Over-Year



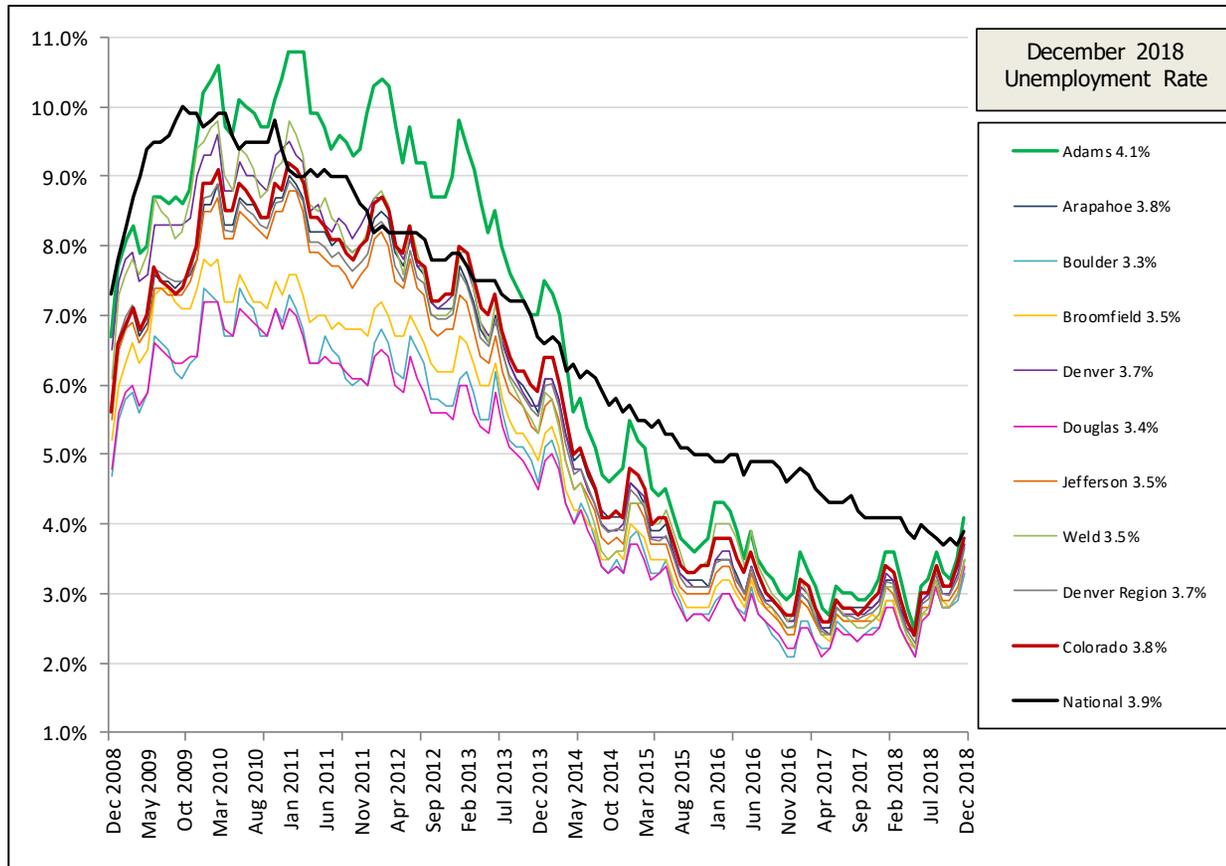
Ranked by Current Industry Sector One-Year Growth

Sector	Dec 2018	Dec 2017	Net Jobs			Capture %	YOY %
			1-Yr	3-Yr	5-Yr		
Manufacturing	91,800	88,400	3,400	5,400	10,300	5.4%	3.8%
Retail Trade	166,000	160,700	5,300	5,400	13,200	9.7%	3.3%
Professional & Business Services	310,600	300,900	9,700	22,000	40,800	18.1%	3.2%
Educational & Health Services	218,400	212,400	6,000	13,000	31,300	12.8%	2.8%
Trade, Trans., & Utilities	310,500	302,000	8,500	16,600	33,200	18.1%	2.8%
Mining, Logging & Construction	113,500	110,900	2,600	12,900	24,500	6.6%	2.3%
Other Services	64,000	62,600	1,400	4,300	7,600	3.7%	2.2%
Information	58,200	57,000	1,200	4,000	5,100	3.4%	2.1%
Leisure & Hospitality	191,800	189,600	2,200	15,900	31,500	11.2%	1.2%
Government	238,600	235,900	2,700	6,900	17,900	13.9%	1.1%
Wholesale Trade	79,500	79,300	200	2,700	8,000	4.6%	0.3%
Financial Activities	115,400	116,600	-1,200	3,600	10,800	6.7%	-1.0%
Total Non-Farm	1,712,800	1,676,300	36,500	104,600	213,000	100.0%	2.2%

To further break down the economic characters of the area, below is a historical look at select county unemployment rates, as well as the Denver region, the state, and national rates. As some rates begin to fall, there are some additional factors to consider when reviewing unemployment rate trends. These include fewer people looking for work and demographic shifts as workers who delayed retirement during the recession now begin to leave the workforce, leaving job openings to fill.

Adams County (green-colored line), where Aurora Highlands is located, currently reports one of the highest unemployment rates in the Denver Market at 4.1%. This rate is above the region (3.7%), and the state level (3.8%), and well below the national rate (3.9%)

Exhibit 19 : *Regional Unemployment Rate Trends by County*



Demographic Overview
Population and Households

Exhibit 20 : *Denver Market Total Population*

Denver Market	Total Population		
	2010 Census	2018 Estimate	2023 Projection
Population	2,885,205	3,335,663	3,572,611
Total Numerical Change	---	450,458	236,948
Total Percent Change	---	15.6%	7.1%
Annual Number Change	---	56,307	47,390
Annual Percent Change	---	1.8%	1.4%
Households	1,137,201	1,311,338	1,403,388
Total Numerical Change	---	174,137	92,050
Total Percent Change	---	15.3%	7.0%
Annual Number Change	---	21,767	18,410
Annual Percent Change	---	1.8%	1.4%
Average Household Size	2.5	2.5	2.5

Source: Metrostudy/Neustar/U.S. Census Bureau

Exhibit 21 : *Aurora Highlands MD CMA Total Population*

Aurora Highlands CMA	Total Population		
	2010 Census	2018 Estimate	2023 Projection
Population	302,635	364,644	392,502
Total Numerical Change	---	62,009	27,858
Total Percent Change	---	20.5%	7.6%
Annual Number Change	---	7,751	5,572
Annual Percent Change	---	2.4%	1.5%
Households	102,924	125,031	134,510
Total Numerical Change	---	22,107	9,479
Total Percent Change	---	21.5%	7.6%
Annual Number Change	---	2,763	1,896
Annual Percent Change	---	2.5%	1.5%
Average Household Size	2.9	2.9	2.9
CMA % of Market			
Population	10.5%	10.9%	11.0%
Households	9.1%	9.5%	9.6%

Source: Metrostudy/Neustar/U.S. Census Bureau

Age Distribution

Exhibit 22 : Market Age Distribution

Denver Market						
Age Group	2010 Census		2018 Estimate		2023 Projection	
	Total	%	Total	%	Total	%
0-24	978,724	33.9%	1,046,159	31.4%	1,109,958	31.1%
25-34	437,284	15.2%	544,336	16.3%	501,269	14.0%
35-44	425,876	14.8%	478,786	14.4%	526,231	14.7%
45-54	425,354	14.7%	440,827	13.2%	469,514	13.1%
55-64	329,774	11.4%	404,142	12.1%	423,955	11.9%
65-74	162,362	5.6%	263,059	7.9%	321,537	9.0%
75-84	88,904	3.1%	111,045	3.3%	158,680	4.4%
85+	36,927	1.3%	47,309	1.4%	61,466	1.7%
	2,885,205	100.0%	3,335,663	100.0%	3,572,611	100.0%
Annual Change						
0-24	-	-	8,429	0.8%	12,760	1.2%
25-34	-	-	13,382	2.8%	-8,613	-1.6%
35-44	-	-	6,614	1.5%	9,489	1.9%
45-54	-	-	1,934	0.4%	5,737	1.3%
55-64	-	-	9,296	2.6%	3,963	1.0%
65-74	-	-	12,587	6.2%	11,696	4.1%
75-84	-	-	2,768	2.8%	9,527	7.4%
85+	-	-	1,298	3.1%	2,831	5.4%
Median Age	35.6		36.5		38.2	

Source: Metrostudy/Neustar/U.S. Census Bureau

Exhibit 23 : CMA Age Distribution

Aurora Highlands CMA						
Age Group	2010 Census		2018 Estimate		2023 Projection	
	Total	%	Total	%	Total	%
0-24	118,488	39.2%	128,990	35.4%	136,208	34.7%
25-34	52,433	17.3%	65,188	17.9%	58,581	14.9%
35-44	46,281	15.3%	56,571	15.5%	62,140	15.8%
45-54	37,167	12.3%	45,216	12.4%	51,530	13.1%
55-64	26,721	8.8%	35,508	9.7%	39,816	10.1%
65-74	12,534	4.1%	21,098	5.8%	26,950	6.9%
75-84	6,485	2.1%	8,501	2.3%	12,477	3.2%
85+	2,524	0.8%	3,572	1.0%	4,801	1.2%
	302,635	100.0%	364,644	100.0%	392,502	100.0%
Annual Change						
0-24	-	-	1,313	1.1%	1,444	1.1%
25-34	-	-	1,594	2.8%	-1,321	-2.1%
35-44	-	-	1,286	2.5%	1,114	1.9%
45-54	-	-	1,006	2.5%	1,263	2.6%
55-64	-	-	1,098	3.6%	862	2.3%
65-74	-	-	1,071	6.7%	1,170	5.0%
75-84	-	-	252	3.4%	795	8.0%
85+	-	-	131	4.4%	246	6.1%
Median Age	31.3		33.2		35.2	

Source: Metrostudy/Neustar/U.S. Census Bureau

Household Income

Exhibit 24 : *Market Household Income*

Denver Market						
Annual Household Inc.	2010 Census		2018 Estimate		2023 Projection	
	Total HH	%	Total HH	%	Total HH	%
Under \$25,000	229,215	20.2%	182,109	13.9%	188,640	13.4%
\$25,000-\$34,000	107,905	9.5%	96,163	7.3%	99,957	7.1%
\$35,000-\$49,000	150,075	13.2%	146,384	11.2%	153,750	11.0%
\$50,000-\$74,000	203,883	17.9%	230,953	17.6%	245,245	17.5%
\$75,000-\$99,000	150,665	13.2%	187,714	14.3%	201,218	14.3%
\$100,000-\$149,000	168,793	14.8%	229,320	17.5%	248,542	17.7%
\$150,000+	126,664	11.1%	238,695	18.2%	266,035	19.0%
	1,137,201	100.0%	1,311,338	100.0%	1,403,388	100.0%
Average Household Inc.	\$78,948		\$98,677		\$100,629	
Median Household Inc.	\$59,592		\$75,008		\$76,752	

Source: Metrostudy/Neustar/U.S. Census Bureau

Exhibit 25 : *CMA Household Income*

Aurora Highlands CMA						
Annual Household Inc.	2010 Census		2018 Estimate		2023 Projection	
	Total HH	%	Total HH	%	Total HH	%
Under \$25,000	23,309	22.6%	18,338	14.7%	18,916	14.1%
\$25,000-\$34,000	11,448	11.1%	11,098	8.9%	11,622	8.6%
\$35,000-\$49,000	17,008	16.5%	16,888	13.5%	17,720	13.2%
\$50,000-\$74,000	21,770	21.2%	25,923	20.7%	27,618	20.5%
\$75,000-\$99,000	13,103	12.7%	20,700	16.6%	22,685	16.9%
\$100,000-\$149,000	11,441	11.1%	19,738	15.8%	21,833	16.2%
\$150,000+	4,845	4.7%	12,347	9.9%	14,117	10.5%
	102,924	100.0%	125,031	100.0%	134,510	100.0%
Average Household Inc.	\$61,630		\$80,189		\$82,157	
Median Household Inc.	\$49,714		\$64,682		\$66,450	

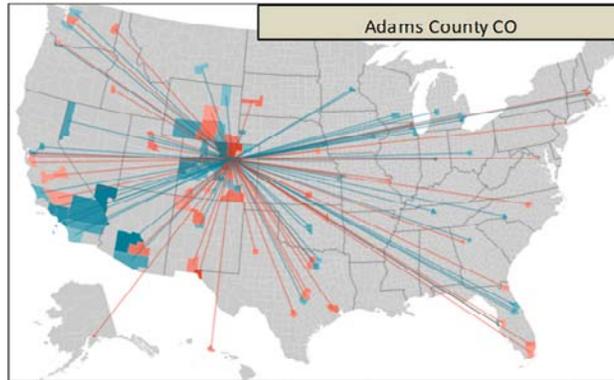
Source: Metrostudy/Neustar/U.S. Census Bureau

In and Out Migration Trends

The following tables represent in-migration patterns within Adams & Denver Counties, as determined through exemptions claimed in tax returns filed with the Internal Revenue Service between 2015 and 2016, the most recent available data set. These tables reflect (1) patterns of in-migration; or those residents who filed somewhere else in 2015 and then within Adams & Denver County in 2016; (2) patterns of out-migration; those residents who filed within Adams & Denver County in 2015 and somewhere else in 2016. IRS migration data tend to under-represent the poor and elderly, as well as the very wealthy, and has other weaknesses, but these data are the most comprehensive that exist.

Exhibit 26 : *In-Migration Trends into Adams County, County-to-County & Historical Migration Trends*

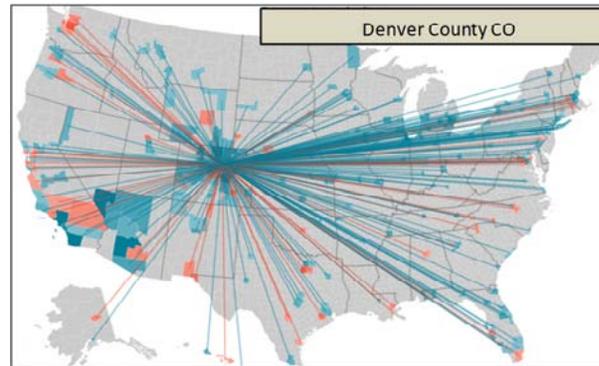
Adams County Migration Patterns 2015-2016				
	In		Out	
Denver	4,404	20.6%	Denver	3,224 16.7%
Jefferson	3,670	17.2%	Jefferson	3,026 15.6%
Arapahoe	2,810	13.1%	Arapahoe	2,620 13.5%
Broomfield	1,071	5.0%	Weld	1,640 8.5%
Weld	1,014	4.7%	Broomfield	978 5.1%
Boulder	881	4.1%	Boulder	703 3.6%
Larimer	381	1.8%	Larimer	381 2.0%
Douglas	324	1.5%	Douglas	367 1.9%
El Paso	293	1.4%	El Paso	344 1.8%
Maricopa AZ	177	0.8%	Maricopa AZ	270 1.4%
Los Angeles CA	176	0.8%	Pueblo	117 0.6%
Clark NV	118	0.6%	Clark NV	111 0.6%
Total	21,393		Total	19,345
Net Migration:		2,048		



Years	In	Out	Net
04-05	16,079	14,291	1,788
05-06	16,187	14,389	1,798
06-07	15,808	14,345	1,463
07-08	17,104	15,375	1,729
08-09	17,432	14,873	2,559
09-10	16,579	14,982	1,597
10-11	16,077	14,978	1,099
11-12	18,494	16,394	2,100
12-13	20,134	17,913	2,221
13-14	19,334	17,466	1,868
14-15	15,576	13,717	1,859
15-16	21,393	19,345	2,048

Exhibit 27 : In-Migration Trends into Denver County, County-to-County & Historical Migration Trends

Denver County Migration Patterns 2015-2016					
In			Out		
Arapahoe	8,223	19.4%	Arapahoe	9,537	24.8%
Jefferson	4,954	11.7%	Jefferson	6,573	17.1%
Adams	3,224	7.6%	Adams	4,404	11.5%
Boulder	1,496	3.5%	Douglas	1,652	4.3%
Douglas	1,457	3.4%	Boulder	880	2.3%
Cook IL	928	2.2%	El Paso	583	1.5%
El Paso	758	1.8%	Larimer	465	1.2%
Larimer	584	1.4%	Los Angeles CA	414	1.1%
Los Angeles CA	513	1.2%	Maricopa AZ	399	1.0%
Maricopa AZ	479	1.1%	Weld	367	1.0%
Broomfield	394	0.9%	Broomfield	350	0.9%
Harris TX	338	0.8%	King WA	312	0.8%
Total	42,388		Total	38,421	
Net Migration:		3,967			

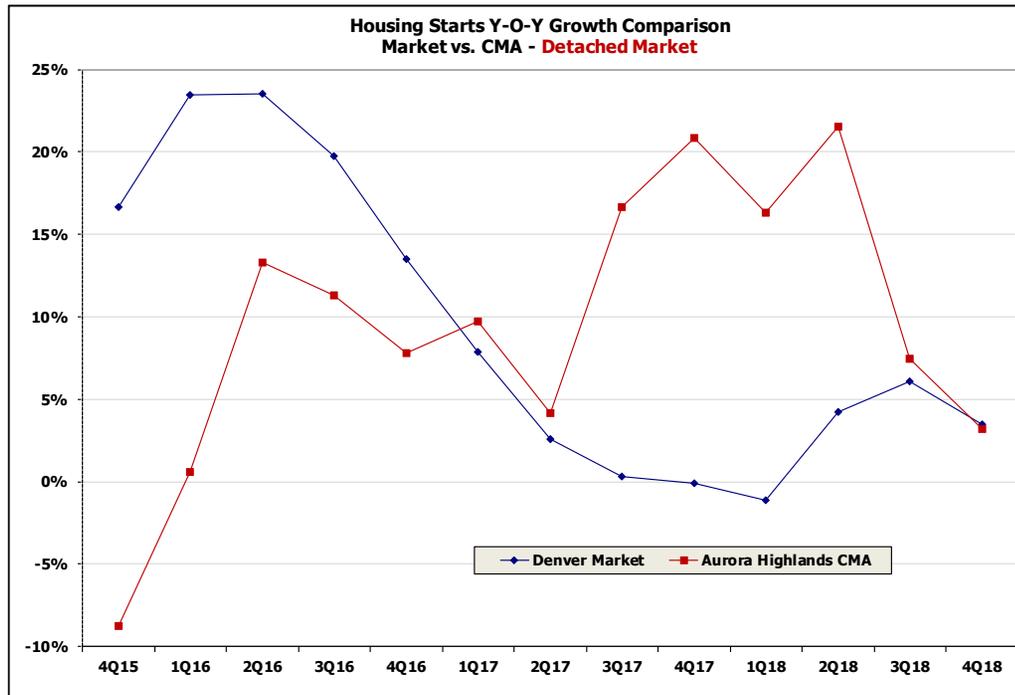


Years	In	Out	Net
04-05	27,111	27,379	-268
05-06	28,290	26,812	1,478
06-07	28,536	26,034	2,502
07-08	31,603	27,727	3,876
08-09	32,555	27,930	4,625
09-10	32,567	27,570	4,997
10-11	33,276	27,375	5,901
11-12	35,581	32,566	3,015
12-13	37,486	34,724	2,762
13-14	38,064	32,914	5,150
14-15	30,695	25,499	5,196
15-16	42,388	38,421	3,967

Housing Market Overview

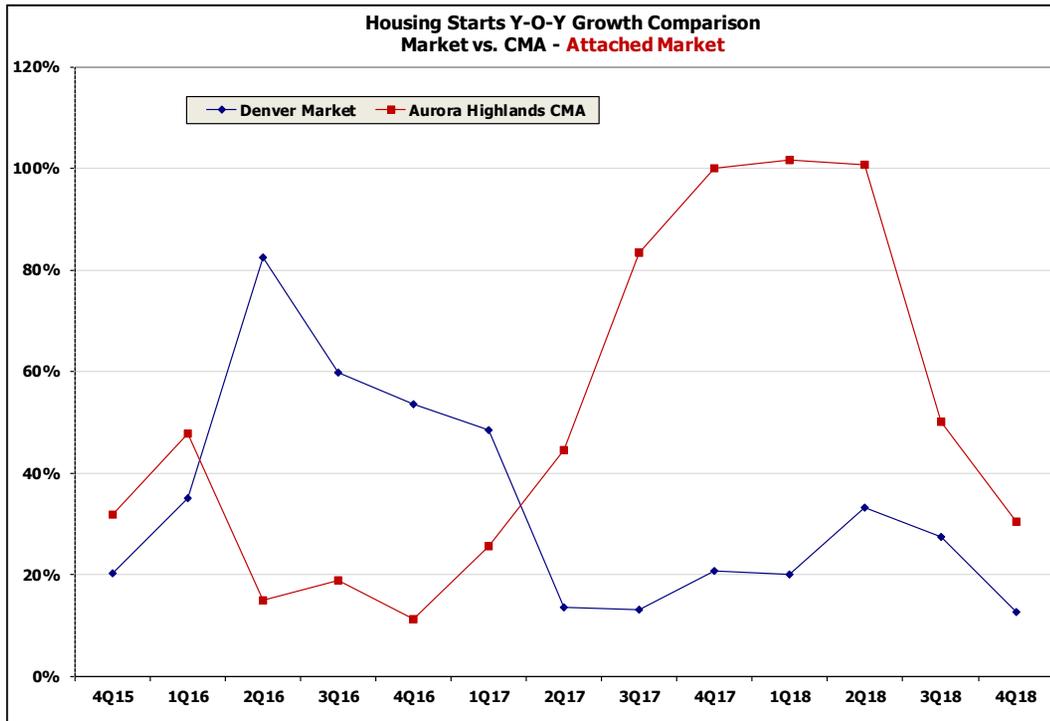
New Home Production

Exhibit 28 : *Housing Starts Activity – Detached Market*



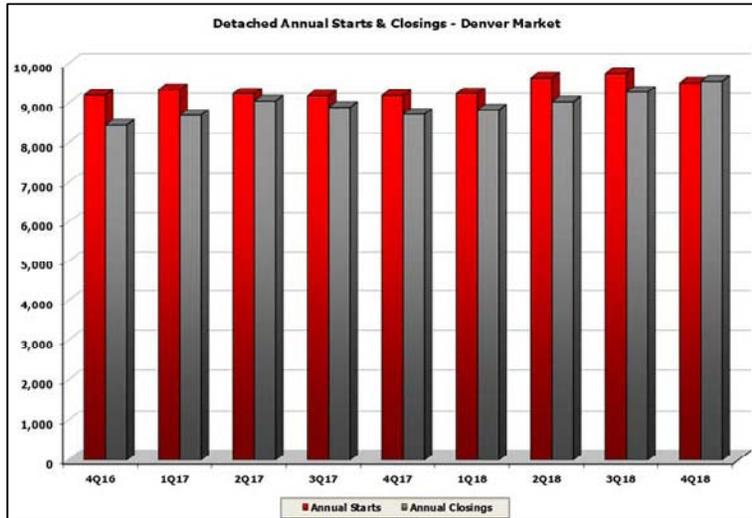
Quarter	Denver Market		Aurora Highlands CMA	
	Ann Starts	% YOY Growth	Ann Starts	% YOY Growth
4Q14	6,946	*	1,371	*
1Q15	7,015	*	1,291	*
2Q15	7,290	*	1,209	*
3Q15	7,636	*	1,212	*
4Q15	8,105	16.7%	1,251	-8.8%
1Q16	8,663	23.5%	1,299	0.6%
2Q16	9,005	23.5%	1,370	13.3%
3Q16	9,147	19.8%	1,349	11.3%
4Q16	9,200	13.5%	1,349	7.8%
1Q17	9,343	7.8%	1,425	9.7%
2Q17	9,235	2.6%	1,427	4.2%
3Q17	9,177	0.3%	1,574	16.7%
4Q17	9,191	-0.1%	1,630	20.8%
1Q18	9,239	-1.1%	1,658	16.4%
2Q18	9,627	4.2%	1,734	21.5%
3Q18	9,734	6.1%	1,691	7.4%
4Q18	9,510	3.5%	1,682	3.2%
Hist. Avg.	8,710	9.3%	1,442	9.6%

Exhibit 29 : Housing Starts Activity – Attached Market



Quarter	Denver Market		Aurora Highlands CMA	
	Ann Starts	% YOY Growth	Ann Starts	% YOY Growth
4Q14	1,678	*	217	*
1Q15	1,663	*	199	*
2Q15	1,534	*	240	*
3Q15	1,843	*	254	*
4Q15	2,017	20.2%	286	31.8%
1Q16	2,245	35.0%	294	47.7%
2Q16	2,799	82.5%	276	15.0%
3Q16	2,944	59.7%	302	18.9%
4Q16	3,095	53.4%	318	11.2%
1Q17	3,334	48.5%	369	25.5%
2Q17	3,176	13.5%	399	44.6%
3Q17	3,326	13.0%	554	83.4%
4Q17	3,736	20.7%	636	100.0%
1Q18	3,999	19.9%	744	101.6%
2Q18	4,228	33.1%	801	100.8%
3Q18	4,236	27.4%	831	50.0%
4Q18	4,210	12.7%	829	30.3%
Hist. Avg.	2,945	33.8%	444	50.8%

Exhibit 30 : *New Housing Starts and Closings Activity Comparison (Detached)*



Denver Market - Detached					
Quarter	Annual Starts		Annual Closings		St - Cl
4Q16	9,200	13.5%	8,453	14.9%	747
1Q17	9,343	7.8%	8,694	13.4%	649
2Q17	9,235	2.6%	9,050	18.4%	185
3Q17	9,177	0.3%	8,895	9.7%	282
4Q17	9,191	-0.1%	8,719	3.1%	472
1Q18	9,239	-1.1%	8,831	1.6%	408
2Q18	9,627	4.2%	9,033	-0.2%	594
3Q18	9,734	6.1%	9,278	4.3%	456
4Q18	9,510	3.5%	9,551	9.5%	-41
9-Qtr Avg	9,362	4.1%	8,945	8.3%	417

Aurora Highlands CMA - Detached					
Quarter	Annual Starts		Annual Closings		St - Cl
4Q16	1,349	7.8%	1,334	4.8%	15
1Q17	1,425	9.7%	1,328	3.3%	97
2Q17	1,427	4.2%	1,311	3.3%	116
3Q17	1,574	16.7%	1,360	3.2%	214
4Q17	1,630	20.8%	1,386	3.9%	244
1Q18	1,658	16.4%	1,435	8.1%	223
2Q18	1,734	21.5%	1,595	21.7%	139
3Q18	1,691	7.4%	1,694	24.6%	-3
4Q18	1,682	3.2%	1,738	25.4%	-56
9-Qtr Avg	1,574	12.0%	1,465	10.9%	110

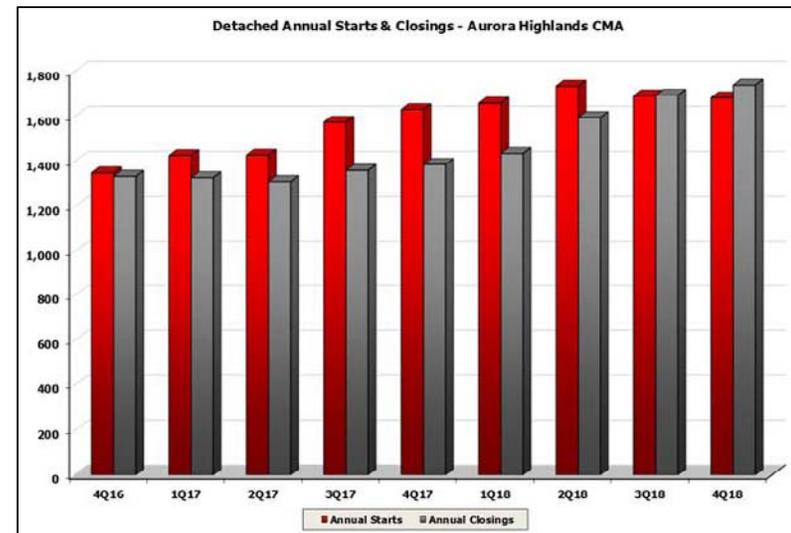
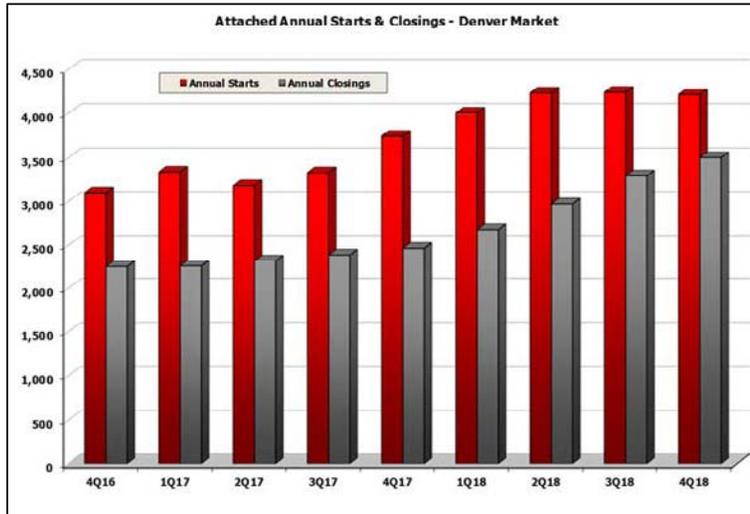
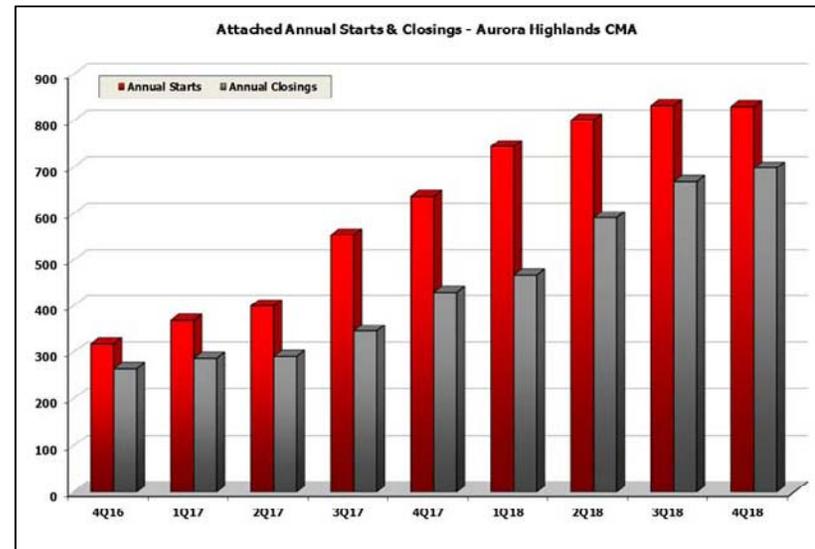


Exhibit 31 : New Housing Starts and Closings Activity Comparison (Attached)



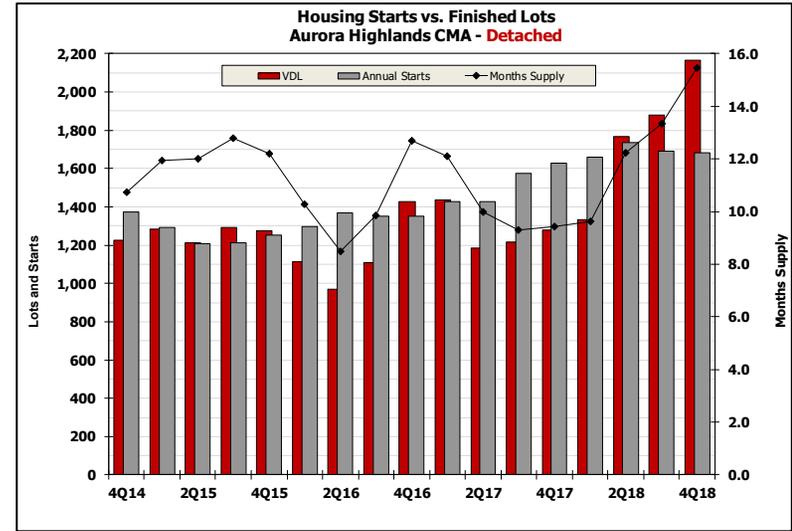
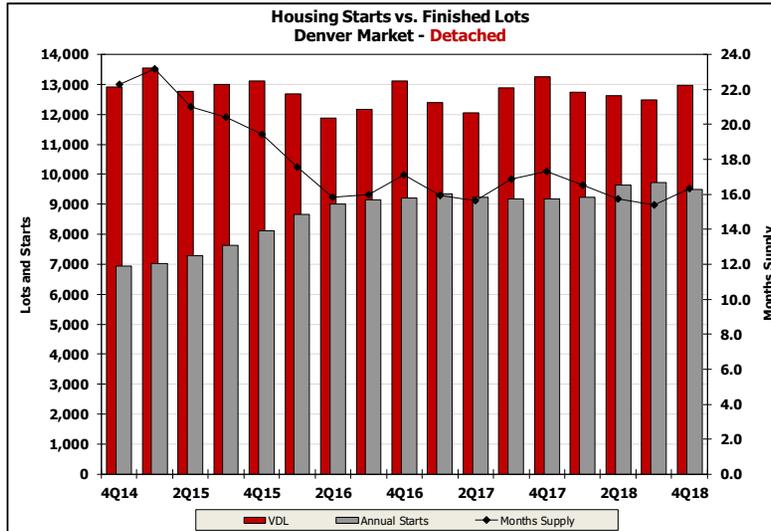
Denver Market - Attached					
Quarter	Annual Starts		Annual Closings		St - Cl
4Q16	3,095	53.4%	2,244	23.3%	851
1Q17	3,334	48.5%	2,251	12.3%	1,083
2Q17	3,176	13.5%	2,317	7.9%	859
3Q17	3,326	13.0%	2,385	7.2%	941
4Q17	3,736	20.7%	2,460	9.6%	1,276
1Q18	3,999	19.9%	2,675	18.8%	1,324
2Q18	4,228	33.1%	2,967	28.1%	1,261
3Q18	4,236	27.4%	3,290	37.9%	946
4Q18	4,210	12.7%	3,498	42.2%	712
9-Qtr Avg	3,704	26.9%	2,676	20.8%	1,028

Aurora Highlands CMA - Attached					
Quarter	Annual Starts		Annual Closings		St - Cl
4Q16	318	11.2%	265	15.2%	53
1Q17	369	25.5%	286	14.9%	83
2Q17	399	44.6%	290	7.8%	109
3Q17	554	83.4%	345	31.7%	209
4Q17	636	100.0%	428	61.5%	208
1Q18	744	101.6%	468	63.6%	276
2Q18	801	100.8%	591	103.8%	210
3Q18	831	50.0%	669	93.9%	162
4Q18	829	30.3%	698	63.1%	131
9-Qtr Avg	609	60.8%	449	50.6%	160



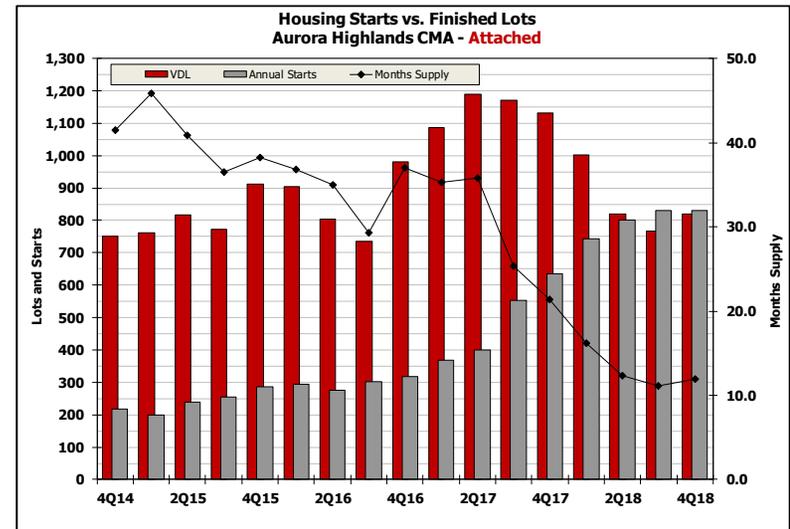
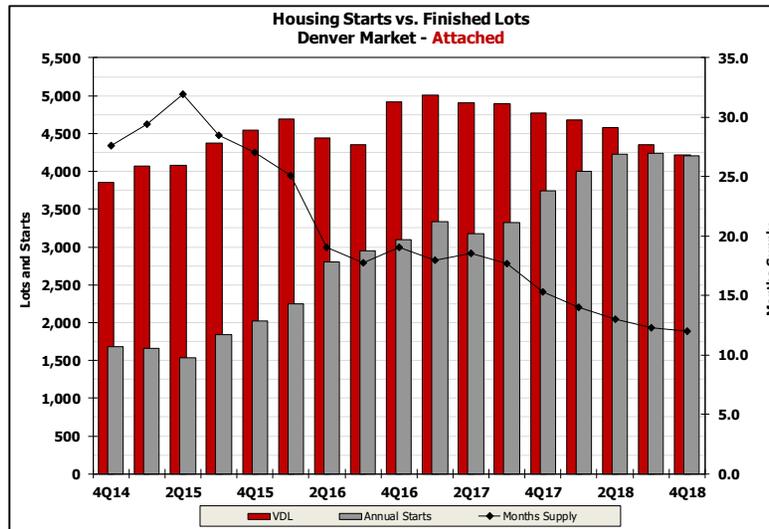
Lot Supply

Exhibit 32 : Vacant Developed Lots and Months of Supply – Detached



Quarter	Denver Market - Detached			Aurora Highlands CMA - Detached		
	VDL	Annual Starts	Months Supply	VDL	Annual Starts	Months Supply
4Q15	13,127	8,105	19.4	1,273	1,251	12.2
4Q16	13,115	9,200	17.1	1,427	1,349	12.7
4Q17	13,253	9,191	17.3	1,279	1,630	9.4
4Q18	12,955	9,510	16.3	2,167	1,682	15.5
Hist. Avg	12,738	8,710	17.6	1,363	1,442	11.3

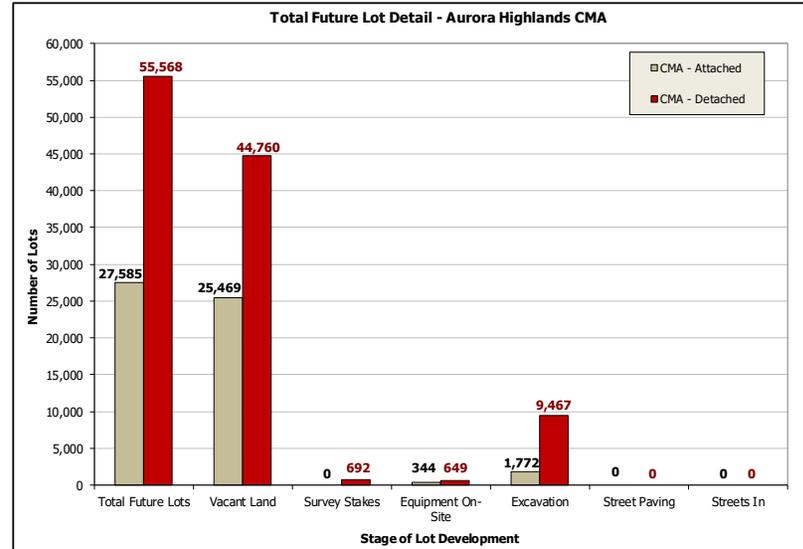
Exhibit 33 : Vacant Developed Lots and Months of Supply – Attached



Quarter	Denver Market - Attached			Aurora Highlands CMA - Attached		
	VDL	Annual Starts	Months Supply	VDL	Annual Starts	Months Supply
4Q15	4,541	2,017	27.0	912	286	38.3
4Q16	4,918	3,095	19.1	980	318	37.0
4Q17	4,765	3,736	15.3	1,132	636	21.4
4Q18	4,218	4,210	12.0	821	829	11.9
Hist. Avg	4,514	2,945	18.4	907	444	24.5

Future Lot Supply

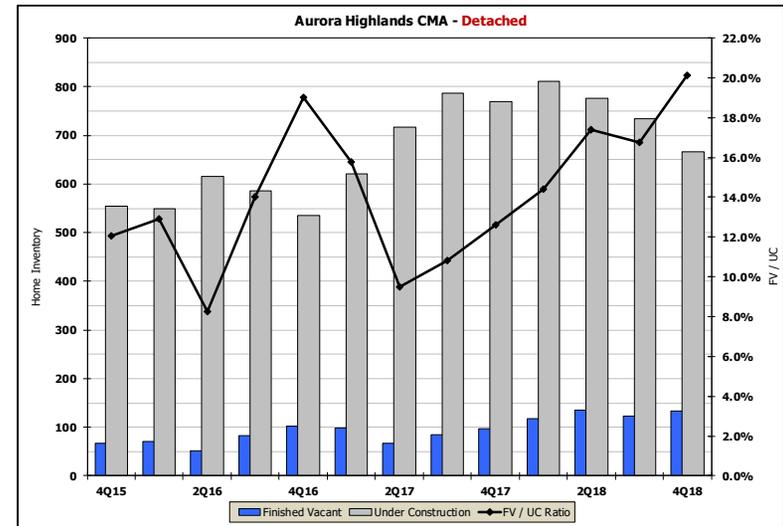
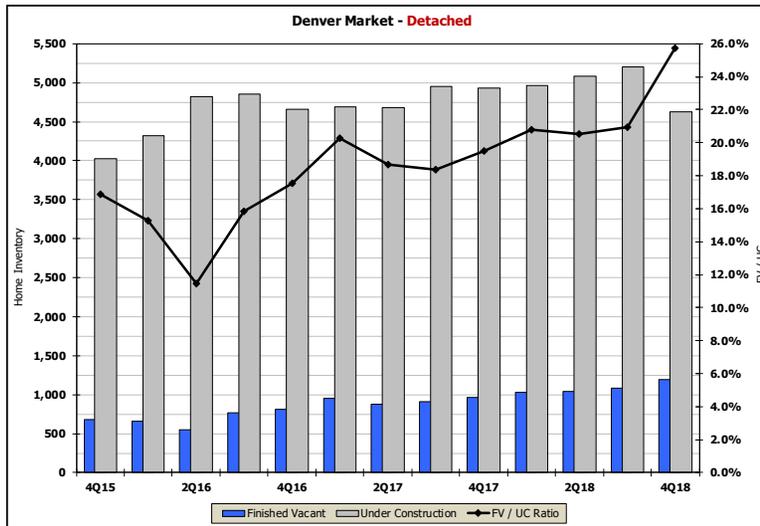
Exhibit 34 : Development Status of Future Lots and Future Supply



4Q18	Denver Market		Aurora Highlands CMA	
Attached Future Lot Detail				
Total Future Lots	89,118	100.0%	27,585	100.0%
Vacant Land	84,143	94.4%	25,469	92.3%
Survey Stakes	633	0.7%	0	0.0%
Equipment On-Site	810	0.9%	344	1.2%
Excavation	3,143	3.5%	1,772	6.4%
Street Paving	310	0.3%	0	0.0%
Streets In	79	0.1%	0	0.0%
Plat Recorded	6,051	6.8%	2,504	9.1%
Detached Future Lot Detail				
Total Future Lots	181,908	100.0%	55,568	100.0%
Vacant Land	153,077	84.2%	44,760	80.5%
Survey Stakes	988	0.5%	692	1.2%
Equipment On-Site	2,473	1.4%	649	1.2%
Excavation	22,796	12.5%	9,467	17.0%
Street Paving	2,393	1.3%	0	0.0%
Streets In	181	0.1%	0	0.0%
Plat Recorded	23,394	12.9%	3,983	7.2%

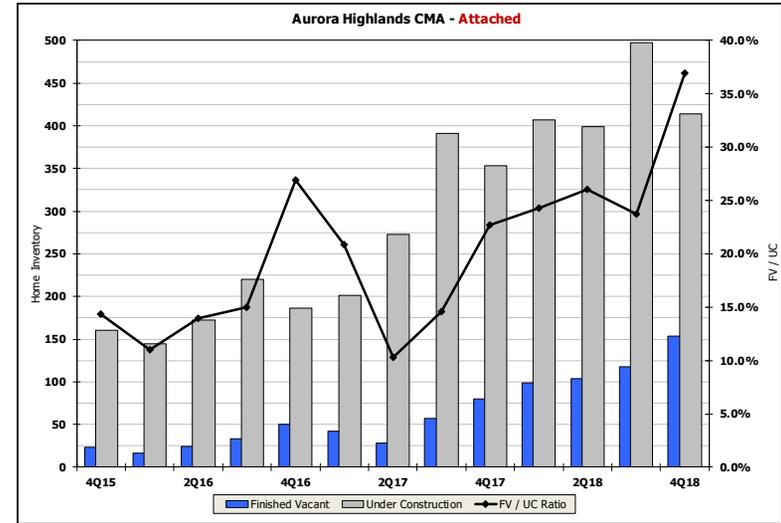
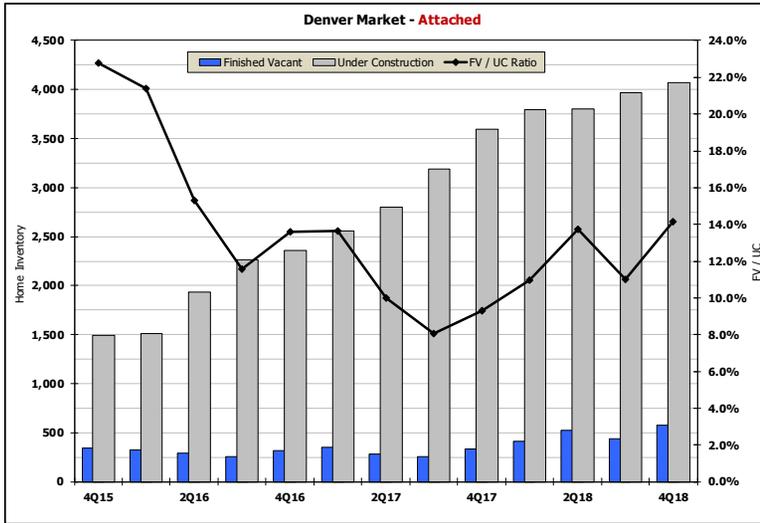
Housing Inventory

Exhibit 35 : Finished and Vacant vs. Under Construction Inventory - Detached



Quarter	Denver Market - Detached					Aurora Highlands CMA - Detached				
	Finished Vacant	Under Construction	Models	Total Inventory	FV / UC Ratio	Finished Vacant	Under Construction	Models	Total Inventory	FV / UC Ratio
4Q15	680	4,025	423	5,128	16.9%	67	555	56	678	12.1%
1Q16	661	4,322	431	5,414	15.3%	71	550	56	677	12.9%
2Q16	554	4,824	423	5,801	11.5%	51	616	58	725	8.3%
3Q16	768	4,850	415	6,033	15.8%	82	585	57	724	14.0%
4Q16	816	4,657	402	5,875	17.5%	102	536	55	693	19.0%
1Q17	952	4,694	417	6,063	20.3%	98	621	55	774	15.8%
2Q17	874	4,684	428	5,986	18.7%	68	716	57	841	9.5%
3Q17	910	4,954	451	6,315	18.4%	85	787	66	938	10.8%
4Q17	962	4,934	451	6,347	19.5%	97	770	70	937	12.6%
1Q18	1,033	4,965	473	6,471	20.8%	117	811	69	997	14.4%
2Q18	1,043	5,080	457	6,580	20.5%	135	777	68	980	17.4%
3Q18	1,089	5,203	479	6,771	20.9%	123	734	78	935	16.8%
4Q18	1,192	4,629	485	6,306	25.8%	134	666	81	881	20.1%
Hist. Avg	887	4,755		6,084	18.7%	95	671		829	14.1%

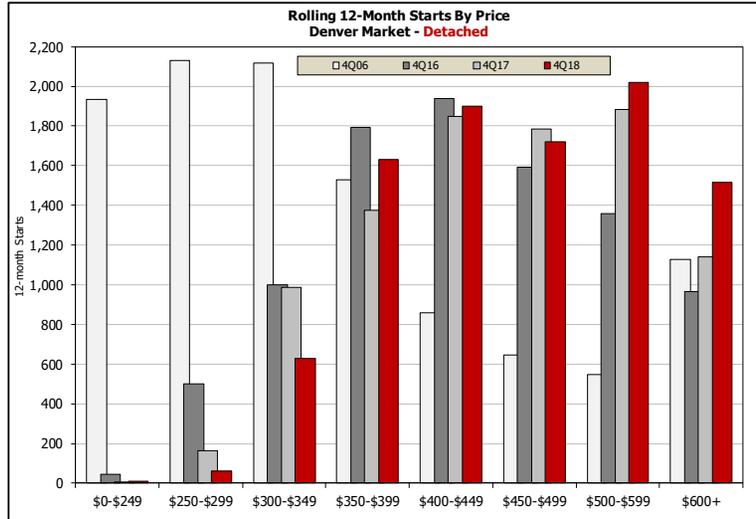
Exhibit 36 : Finished and Vacant vs. Under Construction Inventory - Attached



Quarter	Denver Market - Attached					Aurora Highlands CMA - Attached				
	Finished Vacant	Under Construction	Models	Total Inventory	FV / UC Ratio	Finished Vacant	Under Construction	Models	Total Inventory	FV / UC Ratio
4Q15	340	1,492	48	1,880	22.8%	23	160	10	193	14.4%
1Q16	323	1,509	50	1,882	21.4%	16	145	10	171	11.0%
2Q16	296	1,937	49	2,282	15.3%	24	172	8	204	14.0%
3Q16	261	2,260	57	2,578	11.5%	33	220	9	262	15.0%
4Q16	320	2,355	56	2,731	13.6%	50	186	10	246	26.9%
1Q17	349	2,556	60	2,965	13.7%	42	201	11	254	20.9%
2Q17	280	2,800	61	3,141	10.0%	28	273	12	313	10.3%
3Q17	257	3,185	77	3,519	8.1%	57	391	23	471	14.6%
4Q17	335	3,598	74	4,007	9.3%	80	353	21	454	22.7%
1Q18	415	3,791	83	4,289	10.9%	99	407	24	530	24.3%
2Q18	523	3,806	73	4,402	13.7%	104	399	20	523	26.1%
3Q18	437	3,965	63	4,465	11.0%	118	497	18	633	23.7%
4Q18	576	4,070	73	4,719	14.2%	153	414	18	585	37.0%
Hist. Avg	362	2,871		3,297	12.6%	64	294		372	21.7%

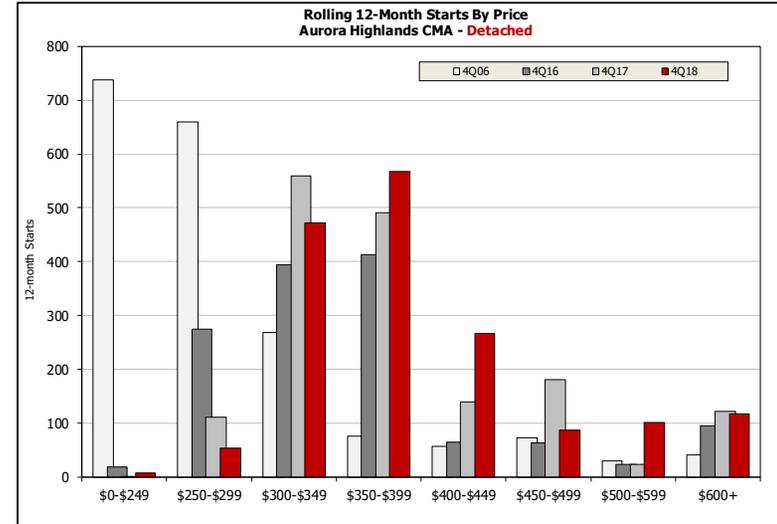
Price Distribution

Exhibit 37 : 12-Month Starts by Price – Denver Market - Detached



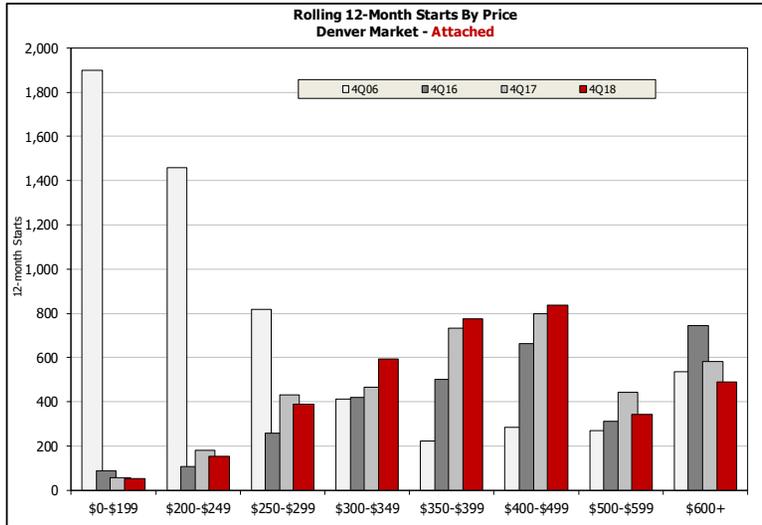
Denver Market - Detached		12-Month Annual Starts by Price Segment						
Quarter	\$0-\$249	\$250-\$299	\$300-\$349	\$350-\$399	\$400-\$449	\$450-\$499	\$500-\$599	\$600+
4Q06	1,936	2,129	2,117	1,527	858	645	547	1,130
4Q16	46	500	1,002	1,794	1,940	1,594	1,360	964
4Q17	7	162	987	1,375	1,847	1,787	1,884	1,143
4Q18	12	62	630	1,633	1,902	1,723	2,020	1,517
Market Share								
4Q06	17.8%	19.6%	19.4%	14.0%	7.9%	5.9%	5.0%	10.4%
4Q16	0.5%	5.4%	10.9%	19.5%	21.1%	17.3%	14.8%	10.5%
4Q17	0.1%	1.8%	10.7%	15.0%	20.1%	19.4%	20.5%	12.4%
4Q18	0.1%	0.7%	6.6%	17.2%	20.0%	18.1%	21.3%	16.0%

Exhibit 38 : 12-Month Starts by Price – Aurora Highlands CMA - Detached



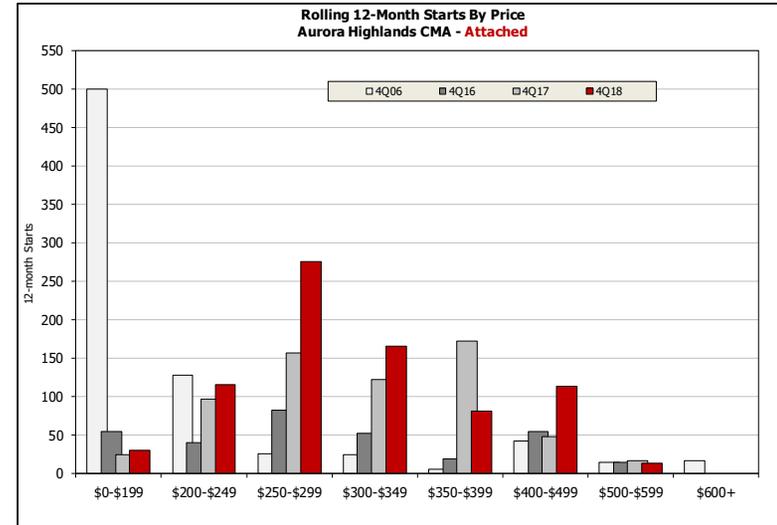
Aurora Highlands CMA - Detached		12-Month Annual Starts by Price Segment						
Quarter	\$0-\$249	\$250-\$299	\$300-\$349	\$350-\$399	\$400-\$449	\$450-\$499	\$500-\$599	\$600+
4Q06	737	660	269	76	57	73	30	42
4Q16	19	275	394	413	66	63	24	95
4Q17	1	111	560	492	140	181	24	122
4Q18	8	54	472	567	267	87	102	117
Market Share								
4Q06	37.9%	34.0%	13.8%	3.9%	2.9%	3.8%	1.5%	2.2%
4Q16	1.4%	20.4%	29.2%	30.6%	4.9%	4.7%	1.8%	7.0%
4Q17	0.1%	6.8%	34.3%	30.2%	8.6%	11.1%	1.5%	7.5%
4Q18	0.5%	3.2%	28.2%	33.9%	15.9%	5.2%	6.1%	7.0%

Exhibit 39 : 12-Month Starts by Price – Denver Market - Attached



Denver Market - Attached		12-Month Annual Starts by Price Segment							
Quarter	\$0-\$199	\$200-\$249	\$250-\$299	\$300-\$349	\$350-\$399	\$400-\$499	\$500-\$599	\$600+	
4Q06	1,900	1,460	818	414	224	286	269	535	
4Q16	87	108	257	422	501	662	312	746	
4Q17	59	182	434	467	735	799	445	584	
4Q18	55	155	388	595	774	838	345	490	
Market Share									
4Q06	32.2%	24.7%	13.9%	7.0%	3.8%	4.8%	4.6%	9.1%	
4Q16	2.8%	3.5%	8.3%	13.6%	16.2%	21.4%	10.1%	24.1%	
4Q17	1.6%	4.9%	11.7%	12.6%	19.8%	21.6%	12.0%	15.8%	
4Q18	1.5%	4.3%	10.7%	16.3%	21.3%	23.0%	9.5%	13.5%	

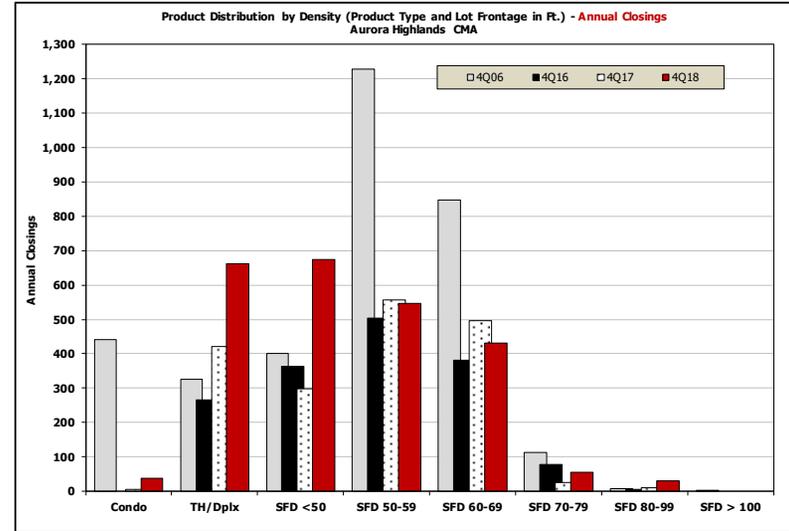
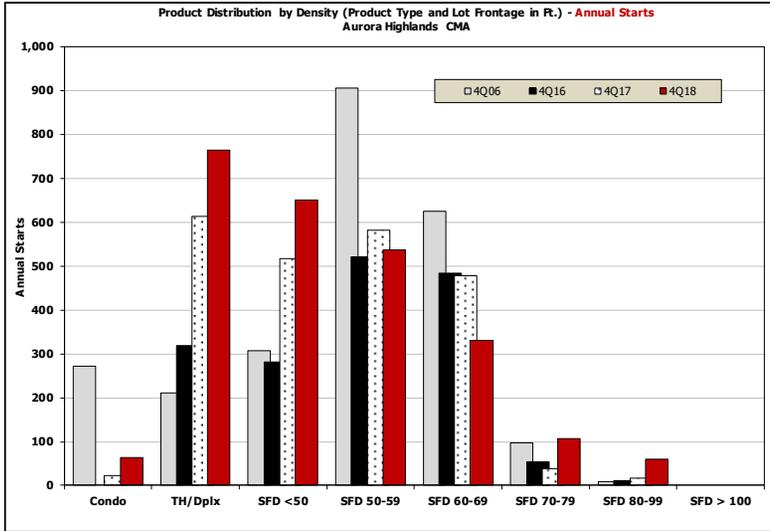
Exhibit 40 : 12-Month Starts by Price – Aurora Highlands CMA – Attached



Aurora Highlands CMA - Attached		12-Month Annual Starts by Price Segment							
Quarter	\$0-\$199	\$200-\$249	\$250-\$299	\$300-\$349	\$350-\$399	\$400-\$499	\$500-\$599	\$600+	
4Q06	500	128	26	25	6	42	14	17	
4Q16	54	40	82	52	19	55	15	0	
4Q17	24	97	157	122	172	48	17	0	
4Q18	30	115	275	166	81	113	13	0	
Market Share									
4Q06	66.0%	16.9%	3.4%	3.3%	0.8%	5.5%	1.8%	2.2%	
4Q16	17.0%	12.6%	25.9%	16.4%	6.0%	17.4%	4.7%	0.0%	
4Q17	3.8%	15.2%	24.6%	19.2%	27.0%	7.5%	2.7%	0.0%	
4Q18	3.8%	14.5%	34.7%	20.9%	10.2%	14.2%	1.6%	0.0%	

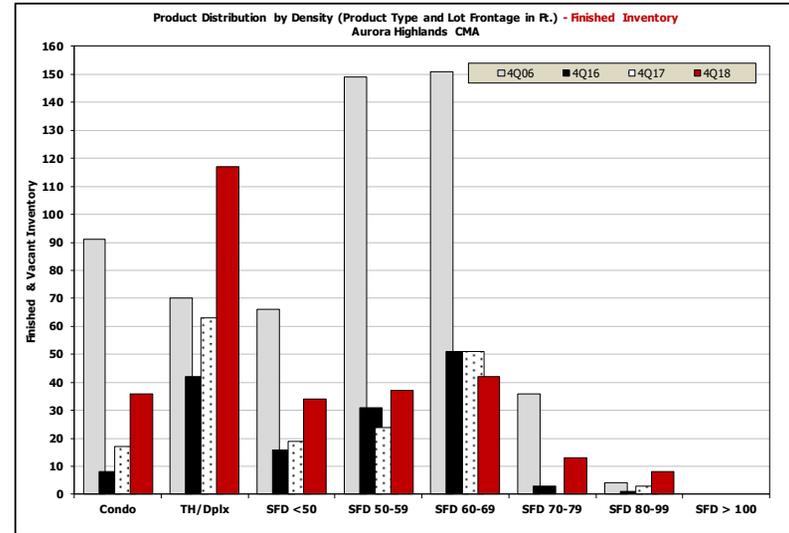
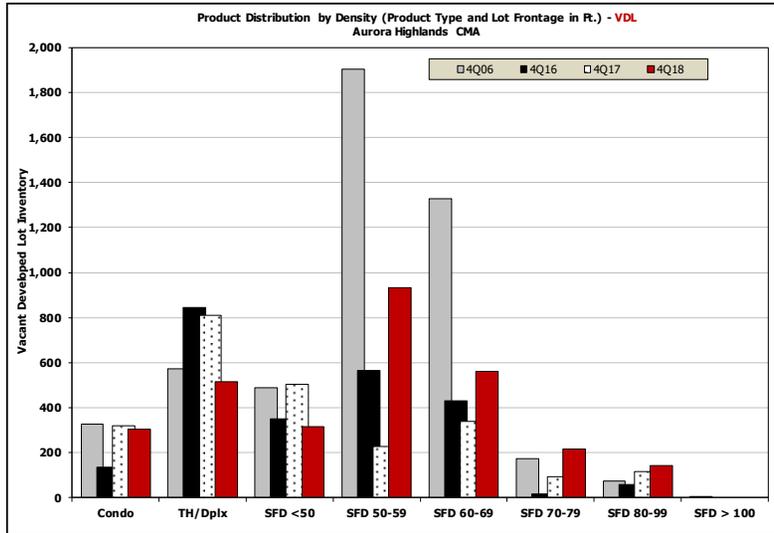
Product Distribution

Exhibit 41 : CMA Product Distribution, Annual Starts and Annual Closings



Aurora Highlands CMA									Annual Starts by Product Type/Lot Size	
Quarter	Condo	TH/Dplx	SFD <50	SFD 50-59	SFD 60-69	SFD 70-79	SFD 80-99	SFD > 100	Total	
4Q06	272	210	308	906	624	97	8	0	2,425	
4Q16	0	318	282	520	483	53	11	0	1,667	
4Q17	22	614	516	582	478	38	16	0	2,266	
4Q18	64	765	651	536	330	106	59	0	2,511	
Market Share										
4Q06	11.2%	8.7%	12.7%	37.4%	25.7%	4.0%	0.3%	0.0%	100%	
4Q16	0.0%	19.1%	16.9%	31.2%	29.0%	3.2%	0.7%	0.0%	100%	
4Q17	1.0%	27.1%	22.8%	25.7%	21.1%	1.7%	0.7%	0.0%	100%	
4Q18	2.5%	30.5%	25.9%	21.3%	13.1%	4.2%	2.3%	0.0%	100%	

Exhibit 42 : CMA Product Distribution, Vacant Developed Lots and Finished Inventory



Aurora Highlands CMA									
Vacant Developed Lots by Product Type/Lot Size									
Quarter	Condo	TH/Dplx	SFD <50	SFD 50-59	SFD 60-69	SFD 70-79	SFD 80-99	SFD > 100	Total
4Q06	327	573	489	1,902	1,330	176	76	2	4,875
4Q16	134	846	352	567	432	16	60	0	2,407
4Q17	320	812	504	227	341	92	115	0	2,411
4Q18	304	517	315	933	560	216	143	0	2,988
Market Share									
4Q06	6.7%	11.8%	10.0%	39.0%	27.3%	3.6%	1.6%	0.0%	100%
4Q16	5.6%	35.1%	14.6%	23.6%	17.9%	0.7%	2.5%	0.0%	100%
4Q17	13.3%	33.7%	20.9%	9.4%	14.1%	3.8%	4.8%	0.0%	100%
4Q18	10.2%	17.3%	10.5%	31.2%	18.7%	7.2%	4.8%	0.0%	100%

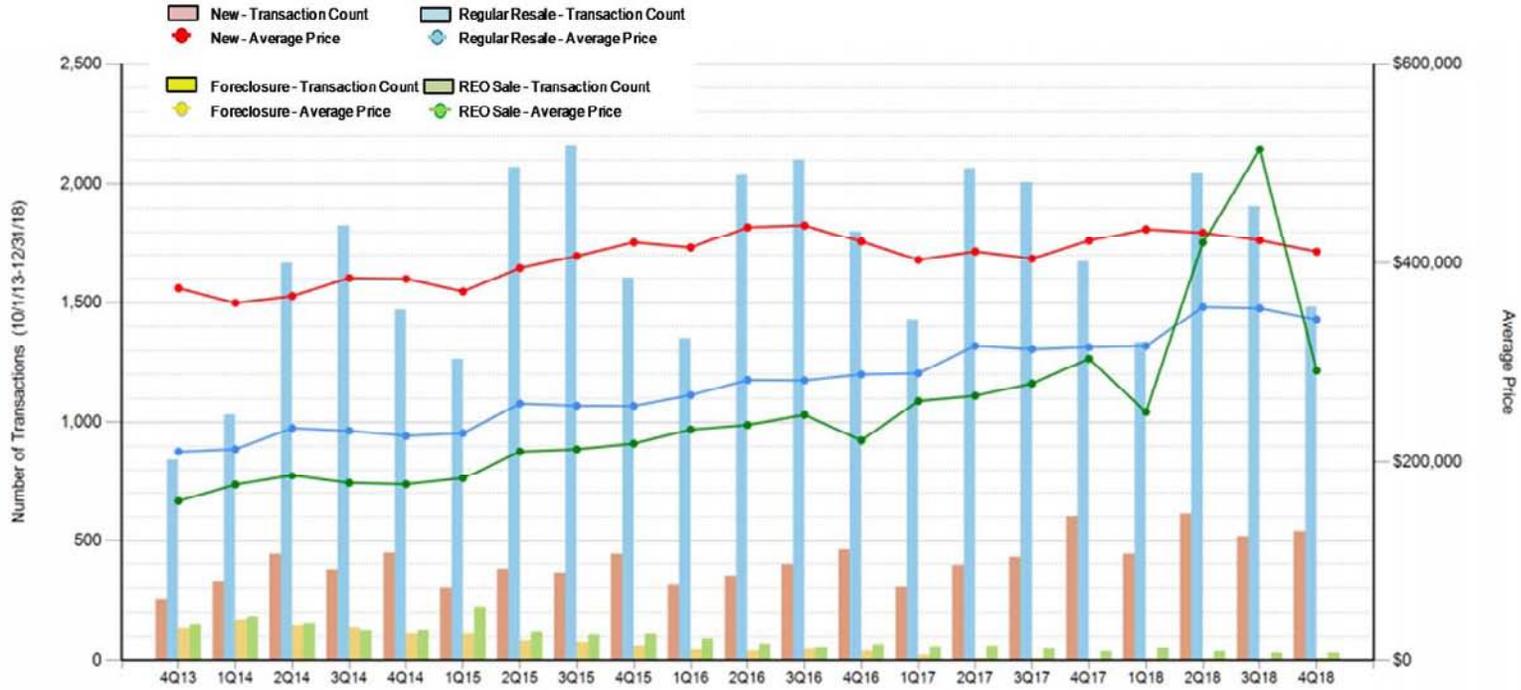
Resale Activity

Exhibit 43 : New, Resale, and Foreclosures by Housing Type - CMA

New, Resale, and Foreclosures By Housing Type
Aurora Highlands CMA

Date Range: 1/1/2018 - 12/31/2018

Transaction Type	Single Family					TH/Plex/Other				Condominium				Other/Unkn	Total
	Count	Avg Price	Avg SF	\$ / SF	Avg Lot SF	Count	Avg Price	Avg SF	\$ / SF	Count	Avg Price	Avg SF	\$ / SF	Count	Count
New	1,575	\$450,865	2,309	\$199.9	5,557	497	\$354,141	1,521	\$228.4	43	\$275,107	1,002	\$291.9	5	2,120
Regular Resale	4,837	\$372,797	1,874	\$213.7	8,152	715	\$318,389	1,488	\$217.7	1,084	\$212,699	1,106	\$196.5	133	6,769
Foreclosure	24	n/a	2,063	---	6,841	2	n/a	1,398	---	3	n/a	951	---	0	29
REO Sale	103	\$407,913	1,951	\$228.3	15,089	15	\$266,993	1,271	\$197.2	27	\$172,496	893	\$191.5	5	150
Selection Totals	6,539	\$392,194	1,977	\$210.7	7,635	1,229	\$332,349	1,498	\$221.6	1,157	\$214,108	1,097	\$199.5	143	9,068



Competitive Market Analysis

Competitive Market Comparables & Positioning

Exhibit 44 : CMA Comparable Subdivisions - Attached Townhomes and Duplex Units – Product Details

Aurora Highlands CMA Market Rate Competitive Positioning - Attached Townhomes & Duplex Units															
Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit					Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.	
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)								
1 Aspen Hills	105	21 20.0%	3.8	Bernese	2 - 2.5	2 - 0	1,406	\$285,000	\$0	\$2,850	\$1,176	\$285,000	\$203		
Commerce City Townhomes				Golden Retriever	3 - 2.5	1 - 0	1,420	\$289,900	\$0	\$2,899	\$1,176	\$289,900	\$204		
Antero Homes				Shepherd	3 - 2.5	2 - 0	1,447	\$305,000	\$0	\$3,050	\$1,176	\$305,000	\$211		
Note: Filing 1						21									
Averages									1,424	\$293,300	\$0	\$2,933	\$1,176	\$293,300	\$206
2 Denver Connection/Avion	410	139 33.9%	18.8	Westerly - 20C1	2 - 2.5	2 - 2	1,248	\$271,500	\$0	\$2,715	\$0	\$271,500	\$218		
Denver Townhomes				Westerly - 20C2	3 - 2.5	2 - 2	1,336	\$281,000	\$0	\$2,810	\$0	\$281,000	\$210		
William Lyon Homes				Westerly - 20C3	3 - 2.5	2 - 2	1,418	\$289,000	\$0	\$2,890	\$0	\$289,000	\$204		
Note: Filing 1				Westerly - 20C4	3 - 2.5	2 - 2	1,532	\$299,500	\$0	\$2,995	\$0	\$299,500	\$195		
				Alpine - 24C1	3 - 2.5	2 - 2	1,541	\$306,500	\$0	\$3,065	\$0	\$306,500	\$199		
				Alpine - 24C2	3 - 2.5	2 - 2	1,648	\$316,500	\$0	\$3,165	\$0	\$316,500	\$192		
				Alpine - 24C3	4 - 2.5	2 - 2	1,759	\$326,500	\$0	\$3,265	\$0	\$326,500	\$186		
				Alpine - 24C4	4 - 2.5	2 - 2	1,864	\$336,500	\$0	\$3,365	\$0	\$336,500	\$181		
Averages						1,543	\$303,375	\$0	\$3,034	\$0	\$303,375	\$198			
3 Dunes Park/Lakes	106	36 34.0%	2.5	Chatfield	2 - 4	3 - 2	1,542	\$270,500	\$0	\$2,705	\$1,548	\$270,500	\$175		
Henderson Townhomes				Antero	2 - 4	3 - 2	1,584	\$279,500	\$0	\$2,795	\$1,548	\$279,500	\$176		
All-Pro Capital				Dillon	3 - 4	3 - 2	1,786	\$299,950	\$0	\$3,000	\$1,548	\$299,950	\$168		
Note: Filing 1				Boyd	3 - 4	3 - 2	1,846	\$316,250	\$0	\$3,163	\$1,548	\$316,250	\$171		
Averages									1,690	\$291,550	\$0	\$2,916	\$1,548	\$291,550	\$173
4 Great Plains	96	90 93.8%	1.7	Applause	1 - 1.5	1 - 1	1,295	\$320,000	\$0	\$3,200	\$3,228	\$320,000	\$247		
Aurora 4-Plex				Bravo	2 - 2	1 - 1	1,443	\$350,000	\$0	\$3,500	\$3,228	\$350,000	\$243		
Boulder Creek Neighborhoods				Ovation	2 - 2	1 - 1	1,617	\$370,000	\$0	\$3,700	\$3,228	\$370,000	\$229		
Note: Filing 3, 2Q18 pricing						29									
Averages									1,452	\$346,667	\$0	\$3,467	\$3,228	\$346,667	\$239
5 Green Valley Ranch/Oak Crest	48	0 0.0%	4.0	Rockport (Ext.)	3 - 2.5	2 - 2	1,307	\$295,900	\$0	\$2,959	\$0	\$295,900	\$226		
Denver Townhomes				Jordanelle (Int.)	3 - 2.5	2 - 2	1,415	\$289,900	\$0	\$2,899	\$0	\$289,900	\$205		
Oakwood Homes															
Note: Filings 72						0									
Averages						1,361	\$292,900	\$0	\$2,929	\$0	\$292,900	\$216			

Aurora Highlands CMA Market Rate Competitive Positioning - Attached Townhomes & Duplex Units														
Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit				Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.	
				Plan Name	Bed- Bath	Floors-Parking	Size (Sq.Ft.)							
6 Stapleton Aurora/Bluff Lake	16	0	0.0	Cedar	2 - 2.5	2 - 2	1,299	\$396,995	\$0	\$3,970	\$0	\$396,995	\$306	
Aurora Duplex Units		0.0%	0	Maple	2 - 2.5	2 - 2	1,507	\$405,995	\$0	\$4,060	\$0	\$405,995	\$269	
KB Home			0	Spruce	3 - 2.5	2 - 2	1,574	\$412,995	\$0	\$4,130	\$0	\$412,995	\$262	
<i>Note: Filing 3</i>				Averages			1,460	\$405,328	\$0	\$4,053	\$0	\$405,328	\$279	
7 Stapleton Aurora/Bluff Lake	24	0	0.0	Intersection - Kennedy	2 - 2.5	3 - 3T	1,492	\$409,900	\$0	\$4,099	\$0	\$409,900	\$275	
Aurora Townhomes		0.0%	0	Intersection - Moreland	2 - 2.5	3 - 2	1,774	\$449,900	\$0	\$4,499	\$0	\$449,900	\$254	
Wonderland Homes			0	Averages			1,633	\$429,900	\$0	\$4,299	\$0	\$429,900	\$264	
<i>Note: Filing 3</i>														
8 Stapleton North/Beeler Park	32	15	1.4	Freedom - Andersen	2 - 2.5	2 - 2	1,691	\$452,900	\$0	\$4,529	\$0	\$452,900	\$268	
Denver Townhomes		46.9%	17	Freedom - Buckley	2 - 2.5	2 - 2	1,968	\$461,900	\$0	\$4,619	\$0	\$461,900	\$235	
Wonderland Homes			1.3	Freedom - Langley	2 - 2.5	2 - 2	2,058	\$494,900	\$0	\$4,949	\$0	\$494,900	\$240	
15			15	Averages			1,906	\$469,900	\$0	\$4,699	\$0	\$469,900	\$248	
<i>Note: Filing 49</i>														
9 Stapleton North/Beeler Park	30	18	2.0	A4C - Craftsman	2 - 2	2 - 2	1,273	\$431,100	\$0	\$4,311	\$0	\$431,100	\$339	
Denver Duplex Units		60.0%	24	A4M - Modern	2 - 2	2 - 2	1,273	\$430,800	\$0	\$4,308	\$0	\$430,800	\$338	
Creekstone Homes			1.3	A3C - Craftsman	2 - 2	2 - 2	1,282	\$429,500	\$0	\$4,295	\$0	\$429,500	\$335	
<i>Note: Filing 49, 3Q18 pricing</i>			15	A3M - Modern	2 - 2	2 - 2	1,282	\$429,900	\$0	\$4,299	\$0	\$429,900	\$335	
				A1C - Craftsman	2 - 2	2 - 2	1,412	\$443,865	\$0	\$4,439	\$0	\$443,865	\$314	
				A1M - Modern	2 - 2	2 - 2	1,412	\$441,325	\$0	\$4,413	\$0	\$441,325	\$313	
				A2C - Craftsman	2 - 2	2 - 2	1,493	\$449,360	\$0	\$4,494	\$0	\$449,360	\$301	
				A2M - Modern	2 - 2	2 - 2	1,493	\$446,825	\$0	\$4,468	\$0	\$446,825	\$299	
				Averages			1,365	\$437,834	\$0	\$4,378	\$0	\$437,834	\$322	
10 Stapleton North/Beeler Park	30	24	1.2	La Plata Peak	2 - 2.5	2 - 2	1,482	\$444,990	\$0	\$4,450	\$0	\$444,990	\$300	
Denver Duplex Units		80.0%	14	Bushnell Peak	2 - 2.5	2 - 2	1,584	\$453,990	\$0	\$4,540	\$0	\$453,990	\$287	
David Weekley Homes			1.3	West Elk	2 - 2.5	2 - 2	1,621	\$455,990	\$0	\$4,560	\$0	\$455,990	\$281	
16			16	Averages			1,562	\$451,657	\$0	\$4,517	\$0	\$451,657	\$289	
<i>Note: Filing 49, 2Q18 pricing</i>														
11 Stapleton North/Beeler Park	14	5	1.0	Adorn	2 - 2.5	2 - 2	1,573	\$412,990	\$0	\$4,130	\$0	\$412,990	\$263	
Denver Duplex Units		35.7%	12	Array	2 - 2.5	2 - 2	1,750	\$436,990	\$0	\$4,370	\$0	\$436,990	\$250	
Lennar Homes			0.4	Flourish	2 - 2.5	2 - 2	1,844	\$449,990	\$0	\$4,500	\$0	\$449,990	\$244	
<i>Note: Filing 49, 3Q18 pricing</i>			5	Splendor	2 - 2.5	2 - 2	1,912	\$452,990	\$0	\$4,530	\$0	\$452,990	\$237	
				Vivid	3 - 3	2 - 2	1,891	\$454,990	\$0	\$4,550	\$0	\$454,990	\$241	
				Averages			1,794	\$441,590	\$0	\$4,416	\$0	\$441,590	\$247	
12 Stapleton North/Beeler Park	23	14	0.7	Somerville	2 - 2.5	2 - 2	1,971	\$485,900	\$0	\$4,859	\$0	\$485,900	\$247	
Denver Townhomes		60.9%	8	Newbridge	2 - 2.5	2 - 2	2,550	\$555,900	\$0	\$5,559	\$0	\$555,900	\$218	
Parkwood Homes			1.2	Brookline	2 - 2.5	3 - 2	2,652	\$570,900	\$0	\$5,709	\$0	\$570,900	\$215	
14			14	Belmont	2 - 2.5	3 - 2	2,728	\$575,900	\$0	\$5,759	\$0	\$575,900	\$211	
				Averages			2,475	\$547,150	\$0	\$5,472	\$0	\$547,150	\$223	
13 Stapleton North/Conservatory Green	38	19	0.8	Penn	2 - 2.5	4 - 2	1,492	\$401,900	(\$2,500)	\$3,994	\$0	\$399,400	\$268	
Denver Townhomes		50.0%	10	Providence	2 - 2.5	4 - 2	1,721	\$421,900	(\$2,500)	\$4,194	\$0	\$419,400	\$244	
Wonderland Homes			1.6	Union	2 - 2.5	4 - 2	1,774	\$438,900	(\$2,500)	\$4,364	\$0	\$436,400	\$246	
19			19	Averages			1,662	\$420,900	(\$2,500)	\$4,184	\$0	\$418,400	\$252	
<i>Note: Filing 43</i>														
14 Stapleton North/North End	14	0	0.0	Beacon Hill - Newbridge	3 - 2.5	3 - 2	2,550	\$555,900	\$0	\$5,559	\$0	\$555,900	\$218	
Denver Townhomes		0.0%	0	Beacon Hill - Newbury	3 - 2.5	3 - 2	2,628	\$555,900	\$0	\$5,559	\$0	\$555,900	\$212	
Parkwood Homes			0.0	Beacon Hill - Brookline	2 - 2.5	3 - 2	2,652	\$570,900	\$0	\$5,709	\$0	\$570,900	\$215	
0			0	Beacon Hill - Belmont	2 - 2.5	3 - 2	2,728	\$575,900	\$0	\$5,759	\$0	\$575,900	\$211	
<i>Note: Filing 54</i>				Averages			2,640	\$564,650	\$0	\$5,647	\$0	\$564,650	\$214	

Aurora Highlands CMA Market Rate Competitive Positioning - Attached Townhomes & Duplex Units

Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit				Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.	
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)							
15 Stapleton North/North End	30	0	0.2	Curtis	2 - 1.5	3 - 1	1,166	\$368,900	\$0	\$3,689	\$0	\$368,900	\$316	
Denver		0.0%	2	Highland	2 - 2.5	3 - 2	1,352	\$412,900	\$0	\$4,129	\$0	\$412,900	\$305	
Townhomes			0.0	Skyline	2 - 2.5	3 - 2	1,646	\$451,900	\$0	\$4,519	\$0	\$451,900	\$275	
Thrive Homebuilders			0											
<i>Note: Filing 54</i>				Averages				1,388	\$411,233	\$0	\$4,112	\$0	\$411,233	\$299
16 Stapleton North/North End	46	0	0.0	Prospect - Durango	2 - 2	1 - 2	1,343	\$397,900	(\$2,500)	\$3,954	\$0	\$395,400	\$294	
Denver		0.0%	0	Prospect - Georgetown	3 - 2.5	2 - 2	1,399	\$389,900	(\$2,500)	\$3,874	\$0	\$387,400	\$277	
Townhomes			0.0	Prospect - Ashcroft	2 - 2	1 - 2	1,633	\$429,900	(\$2,500)	\$4,274	\$0	\$427,400	\$262	
Wonderland Homes			0	Freedom - Andersen	2 - 2.5	2 - 2	1,691	\$452,900	(\$2,500)	\$4,504	\$0	\$450,400	\$266	
<i>Note: Filing 54, Prospect and Freedom collections</i>				Prospect - Silverton	3 - 2.5	2 - 2	1,803	\$434,900	(\$2,500)	\$4,324	\$0	\$432,400	\$240	
				Freedom - Buckley	2 - 2.5	2 - 2	1,968	\$461,900	(\$2,500)	\$4,594	\$0	\$459,400	\$233	
				Freedom - Langley	2 - 2.5	2 - 2	2,058	\$494,900	(\$2,500)	\$4,924	\$0	\$492,400	\$239	
				Averages				1,699	\$437,471	(\$2,500)	\$4,350	\$0	\$434,971	\$259
17 Stapleton North/North End	18	0	0.0	A4C - Craftsman	2 - 2	2 - 2	1,273	\$436,100	\$0	\$4,361	\$0	\$436,100	\$343	
Denver		0.0%	0	A4M - Modern	2 - 2	2 - 2	1,273	\$435,800	\$0	\$4,358	\$0	\$435,800	\$342	
Duplex Units			0.0	A3C - Craftsman	2 - 2	2 - 2	1,282	\$434,500	\$0	\$4,345	\$0	\$434,500	\$339	
Creekstone Homes			0	A3M - Modern	2 - 2	2 - 2	1,282	\$434,000	\$0	\$4,340	\$0	\$434,000	\$339	
<i>Note: Filing 54</i>				A1C - Craftsman	2 - 2	2 - 2	1,412	\$448,865	\$0	\$4,489	\$0	\$448,865	\$318	
				A1M - Modern	2 - 2	2 - 2	1,412	\$446,325	\$0	\$4,463	\$0	\$446,325	\$316	
				A2C - Craftsman	2 - 2	2 - 2	1,493	\$454,360	\$0	\$4,544	\$0	\$454,360	\$304	
				A2M - Modern	2 - 2	2 - 2	1,493	\$451,865	\$0	\$4,519	\$0	\$451,865	\$303	
				Averages				1,365	\$442,727	\$0	\$4,427	\$0	\$442,727	\$325
18 Stapleton North/North End	26	0	0.0	Bushnell Peak	2 - 2.5	2 - 2	1,584	\$468,990	(\$4,000)	\$4,650	\$0	\$464,990	\$294	
Denver		0.0%	0	La Plata Peak	2 - 2.5	2 - 2	1,482	\$459,990	(\$4,000)	\$4,560	\$0	\$455,990	\$308	
Duplex Units			0.0	West Elk	2 - 2.5	2 - 2	1,617	\$470,990	(\$4,000)	\$4,670	\$0	\$466,990	\$289	
David Weekley Homes			0											
<i>Note: Filing 54</i>				Averages				1,561	\$466,657	(\$4,000)	\$4,627	\$0	\$462,657	\$297
19 Stapleton North/North End	66	0	1.2	Villa - Cedar	2 - 3	2 - 2	1,299	\$396,995	(\$5,000)	\$3,920	\$0	\$391,995	\$302	
Denver		0.0%	14	Villa - Maple	3 - 2.5	2 - 2	1,507	\$405,995	(\$5,000)	\$4,010	\$0	\$400,995	\$266	
Duplex Units			0.0	Villa - Spruce	3 - 2.5	2 - 2	1,574	\$412,995	(\$5,000)	\$4,080	\$0	\$407,995	\$259	
KB Home			0											
<i>Note: Filing 54</i>				Averages				1,460	\$405,328	(\$5,000)	\$4,003	\$0	\$400,328	\$276
<i>Competitive Market Area Summary:</i>														
Planned	1,172		39.3	Avg. Monthly	Min.		1,166	\$270,500	(\$5,000)	\$2,705	\$0	\$270,500	\$168	
Occ.	381		471	Last Ann. Start	Max.		2,728	\$575,900	\$0	\$5,759	\$3,228	\$575,900	\$343	
Remaining	791		25.6	Avg. Monthly	Average		1,644	\$415,363	(\$658)	\$4,147	\$246	\$414,704	\$258	
			307	Last Ann. Close	Median		1,541	\$434,000	\$0	\$4,324	\$0	\$432,400	\$254	

Exhibit 45 : CMA Price Position Graph - Attached Townhomes and Duplex - New Home Base Prices

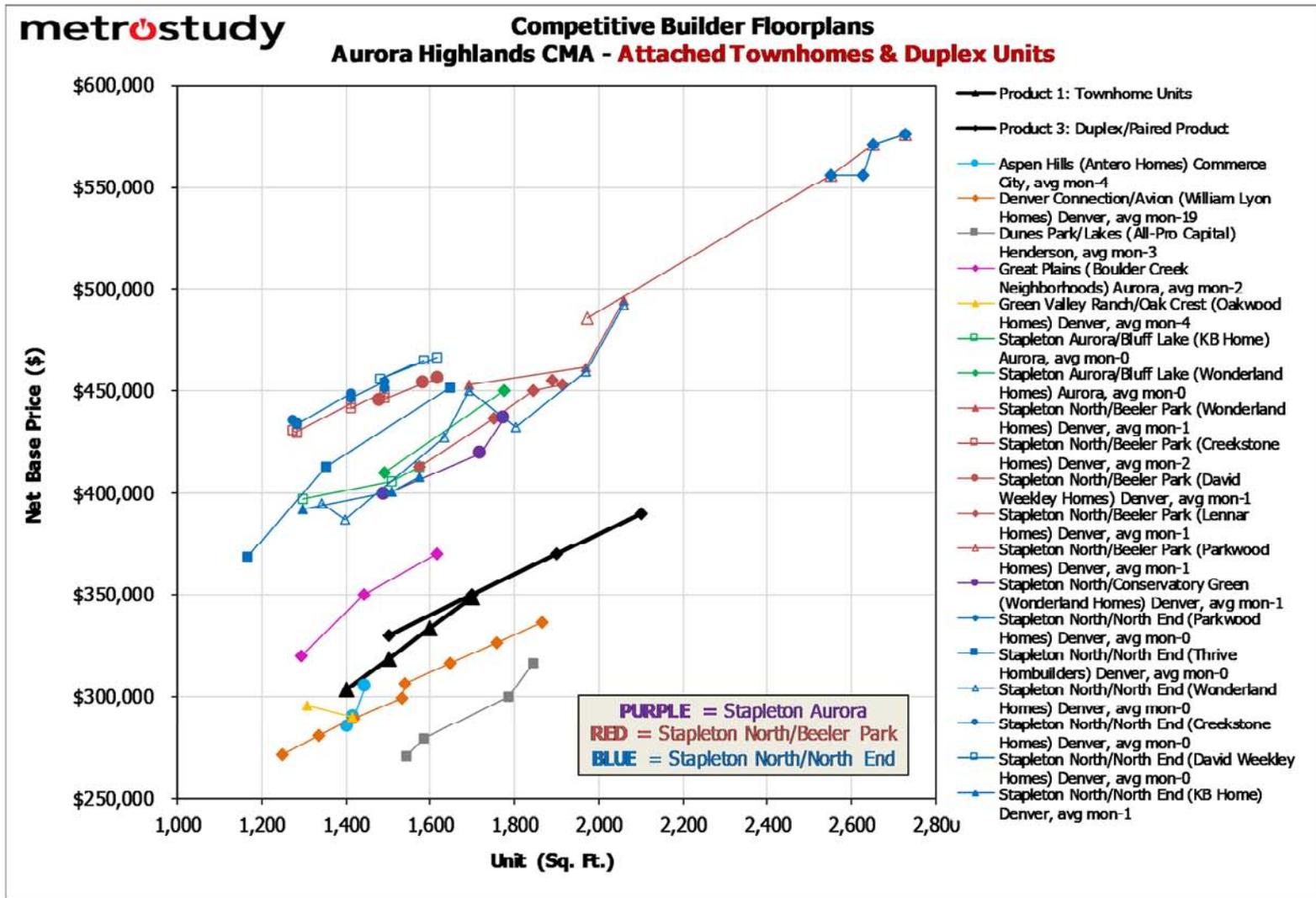


Exhibit 46 : CMA Price Position Graph - Attached Townhomes and Duplex Units – New Home Closing Prices

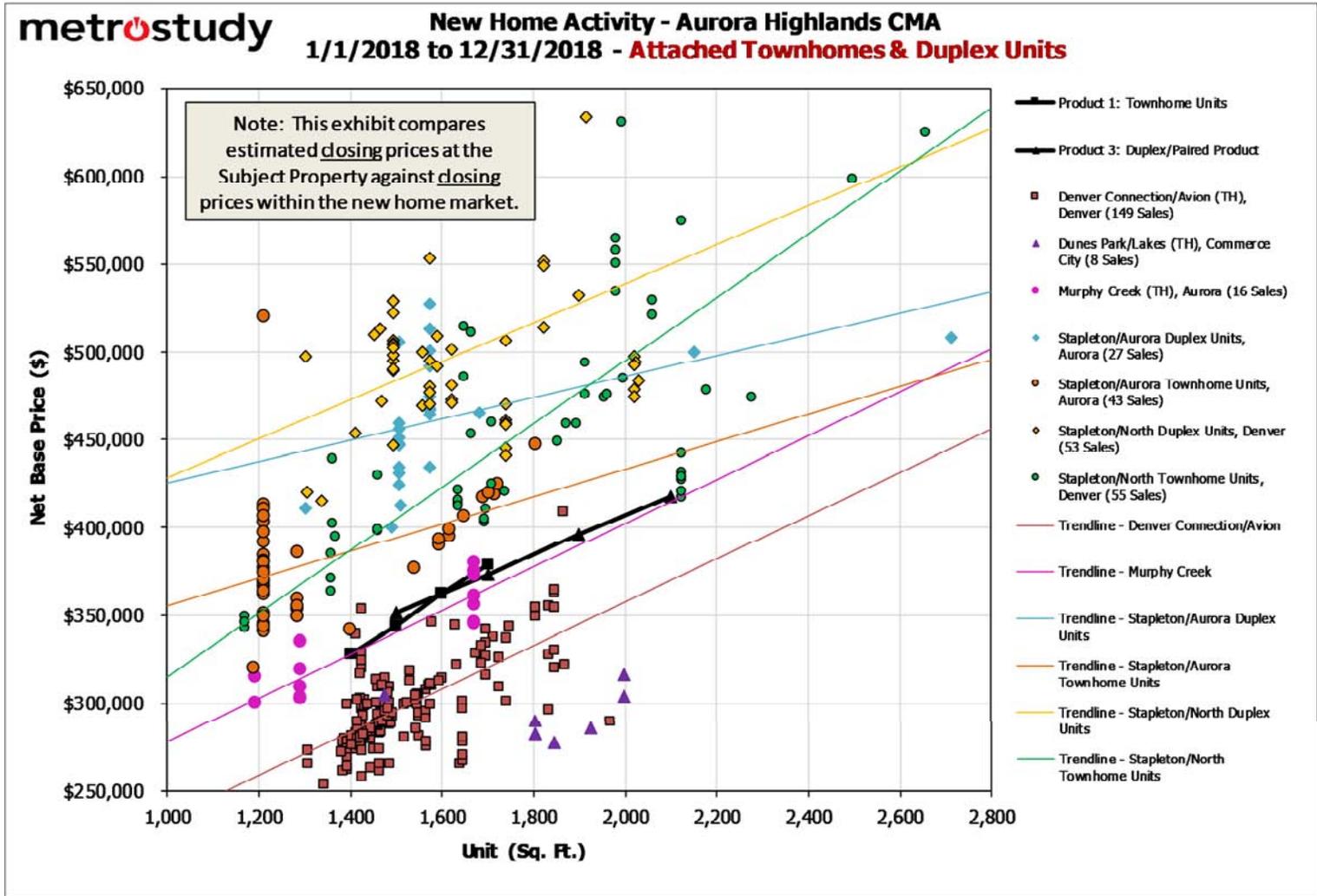


Exhibit 47 : CMA Price Position Graph - Attached Townhomes and Duplex Units - Resale Activity

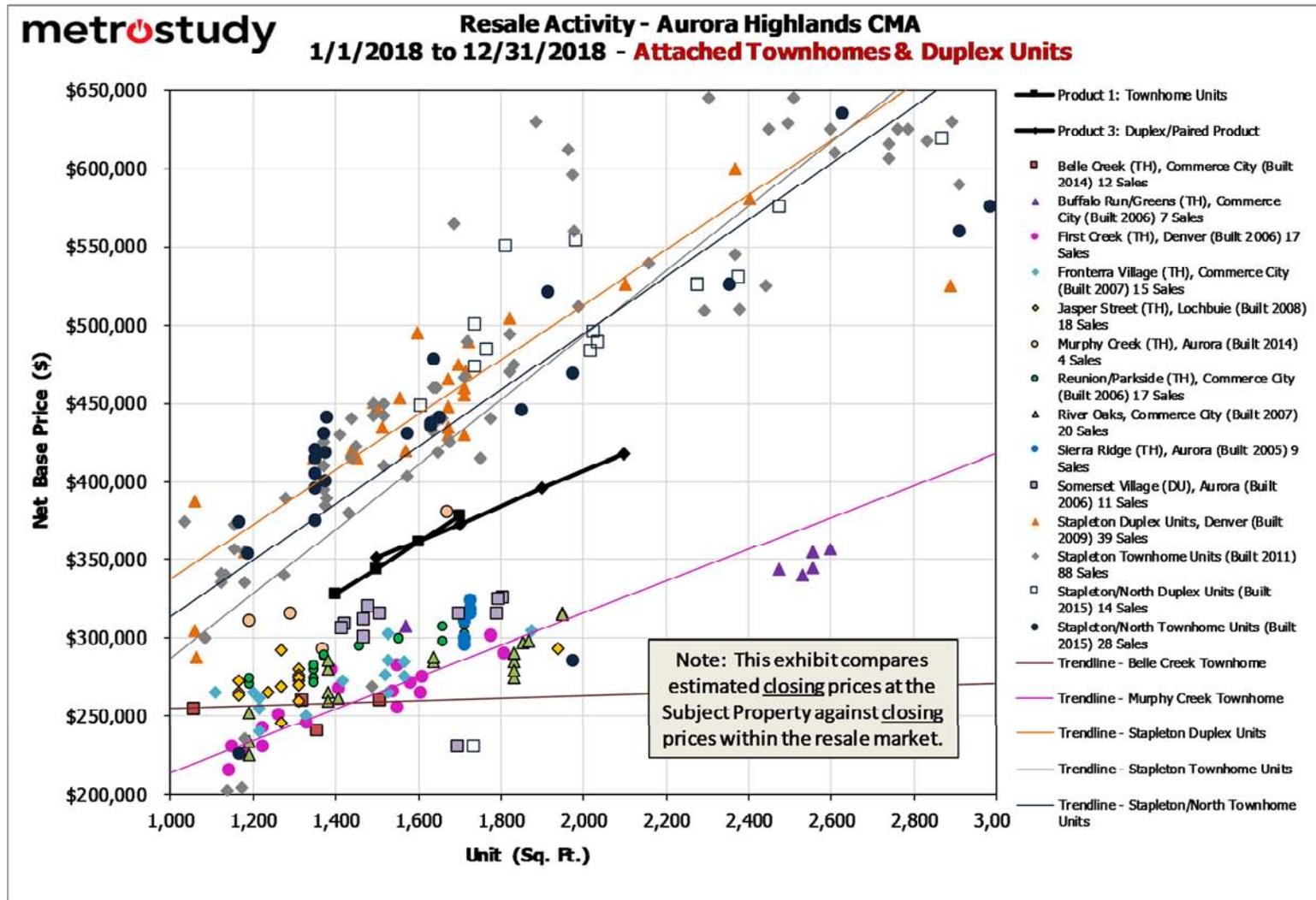


Exhibit 48 : CMA Comparable Subdivisions – Small Lot SFD (<50') – Product Details

Aurora Highlands CMA Market Rate Competitive Positioning - Single-Family Detached <50' & Cluster Product

Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit				Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)						
1 Adonea/Carriage House (Cluster)	164	19	6.0	Carriage House - Croydon	2 - 2	2 - 2	1,314	\$322,900	(\$10,000)	\$3,129	\$0	\$312,900	\$238
Aurora		11.6%	72	Carriage House - Randem	2 - 2.5	2 - 2	1,438	\$325,900	(\$10,000)	\$3,159	\$0	\$315,900	\$220
SF Cluster - Avg. 55 x 55			1.6	Carriage House - Surrey	3 - 2.5	3 - 2	1,875	\$358,900	(\$10,000)	\$3,489	\$0	\$348,900	\$186
Oakwood Homes			19	Carriage House - Telega	3 - 2.5	3 - 2	1,932	\$370,900	(\$10,000)	\$3,609	\$0	\$360,900	\$187
<i>Note: Fling 6</i>				Carriage House - StJulien	3 - 2.5	3 - 2	2,117	\$377,900	(\$10,000)	\$3,679	\$0	\$367,900	\$174
				Carriage House - Volante	3 - 2.5	3 - 2	2,202	\$382,900	(\$10,000)	\$3,729	\$0	\$372,900	\$169
Averages							1,813	\$356,567	(\$10,000)	\$3,466	\$0	\$346,567	\$196
2 Buffalo Run/Fairways	69	0	0.0	Trevino	2 - 2	1 - 2	1,432	\$395,950	\$0	\$3,960	\$0	\$395,950	\$277
Commerce City		0.0%	0	Woods	2 - 2	1 - 2	1,934	\$449,950	\$0	\$4,500	\$0	\$449,950	\$233
SF Patio - Avg. 40 x 80			0.0										
GJ Gardner Homes			0										
<i>Note: Fling 3, 3Q18 pricing</i>													
Averages							1,683	\$422,950	\$0	\$4,230	\$0	\$422,950	\$255
3 Denver Connection/Avion	284	96	9.9	Horizon - 22A1	2 - 2	1 - 2	1,245	\$314,000	\$0	\$3,140	\$0	\$314,000	\$252
Denver		33.8%	119	Horizon - 22C1	3 - 2.5	2 - 2	1,608	\$334,000	\$0	\$3,340	\$0	\$334,000	\$208
SF Detached - Avg. 32-45 x 100			8.0	Summit - 35A1	2 - 2	1 - 2	1,655	\$371,500	\$0	\$3,715	\$0	\$371,500	\$224
William Lyon Homes			96	Horizon - 22C2	4 - 2.5	2 - 2	1,777	\$339,000	\$0	\$3,390	\$0	\$339,000	\$191
<i>Note: Fling 1, Horizon and Summit collections</i>				Summit - 35C1	3 - 2.5	2 - 2	1,847	\$377,500	\$0	\$3,775	\$0	\$377,500	\$204
				Horizon - 22C3	4 - 2.5	2 - 2	1,947	\$355,000	\$0	\$3,550	\$0	\$355,000	\$182
				Summit - 35C2	4 - 2.5	2 - 2	2,048	\$391,500	\$0	\$3,915	\$0	\$391,500	\$191
				Summit - 35C3	4 - 2.5	2 - 2	2,210	\$401,500	\$0	\$4,015	\$0	\$401,500	\$182
				Summit - 35C4	4 - 2.5	2 - 2	2,354	\$411,500	\$0	\$4,115	\$0	\$411,500	\$175
Averages							1,855	\$366,167	\$0	\$3,662	\$0	\$366,167	\$201
4 First Creek Village/Park House	203	149	11.7	Park House - Platte	3 - 2.5	2 - 2	1,604	\$321,500	(\$10,000)	\$3,115	\$0	\$311,500	\$194
Denver		73.4%	140	Park House - Kearney	2 - 2.5	2 - 2	1,617	\$318,500	(\$10,000)	\$3,085	\$0	\$308,500	\$191
SF Detached - Avg. 45 x 100			11.8	Park House - Julesburg	2 - 2.5	2 - 2	1,626	\$324,500	(\$10,000)	\$3,145	\$0	\$314,500	\$193
Oakwood Homes			141	Park House - Landsford	3 - 2.5	2 - 2	1,787	\$326,500	(\$10,000)	\$3,165	\$0	\$316,500	\$177
<i>Note: Flings 1 and 3, 3Q18 pricing</i>				Park House - Granby	3 - 2.5	2 - 2	1,960	\$331,500	(\$10,000)	\$3,215	\$0	\$321,500	\$164
				Park House - Gunnison	2 - 2	1 - 2	2,049	\$339,500	(\$10,000)	\$3,295	\$0	\$329,500	\$161
				Park House - Hudson	3 - 2.5	2 - 2	2,053	\$337,500	(\$10,000)	\$3,275	\$0	\$327,500	\$160
				Park House - Yampa	3 - 2.5	2 - 2	2,229	\$348,500	(\$10,000)	\$3,385	\$0	\$338,500	\$152
				Park House - Montpelier	3 - 2.5	3 - 2	2,326	\$355,500	(\$10,000)	\$3,455	\$0	\$345,500	\$149
Averages							1,917	\$333,722	(\$10,000)	\$3,237	\$0	\$323,722	\$171
5 First Creek Village/Carriage House (Cluster)	64	52	5.3	Carriage House - Chaise	2 - 2.5	2 - 2	1,160	\$276,600	(\$10,000)	\$2,666	\$0	\$266,600	\$230
Denver		81.3%	64	Carriage House - Croydon	2 - 2	2 - 2	1,314	\$284,900	(\$10,000)	\$2,749	\$0	\$274,900	\$209
SF Cluster - Avg. 40 x 50			4.3	Carriage House - Randem	2 - 2.5	2 - 2	1,438	\$299,800	(\$10,000)	\$2,898	\$0	\$289,800	\$202
Oakwood Homes			52	Carriage House - Surrey	3 - 2.5	3 - 2	1,874	\$315,300	(\$10,000)	\$3,053	\$0	\$305,300	\$163
<i>Note: Flings 3 and 4, 3Q18 pricing</i>				Carriage House - Telega	3 - 2.5	3 - 2	1,905	\$320,600	(\$10,000)	\$3,106	\$0	\$310,600	\$163
				Carriage House - St Julie	3 - 3	3 - 2	2,202	\$338,400	(\$10,000)	\$3,284	\$0	\$328,400	\$149
				Carriage House - Volante	3 - 2.5	3 - 2	2,202	\$335,800	(\$10,000)	\$3,258	\$0	\$325,800	\$148
Averages							1,728	\$310,200	(\$10,000)	\$3,002	\$0	\$300,200	\$181
6 Reunion/Carriage House (Cluster)	393	38	5.3	Carriage House-Taylin	2 - 2.5	2 - 2	1,180	\$300,500	(\$10,000)	\$2,905	\$0	\$290,500	\$246
Commerce City		9.7%	64	Carriage House-Tyler	2 - 2	2 - 2	1,334	\$315,500	(\$10,000)	\$3,055	\$0	\$305,500	\$229
SF Cluster - Avg. 55 x 55-85			3.2	Carriage House-Marlo	2 - 2.5	2 - 2	1,505	\$320,500	(\$10,000)	\$3,105	\$0	\$310,500	\$206
Oakwood Homes			38	Carriage House-Surrey	3 - 2.5	2 - 2	1,901	\$340,500	(\$10,000)	\$3,305	\$0	\$330,500	\$174
<i>Note: Flings 18, 20, 28, 29, and 35</i>				Carriage House-Telega	3 - 2.5	3 - 2	1,932	\$350,500	(\$10,000)	\$3,405	\$0	\$340,500	\$176
				Carriage House-St. Julien	3 - 2.5	3 - 2	2,117	\$360,500	(\$10,000)	\$3,505	\$0	\$350,500	\$166
				Carriage House-Reagan	3 - 2.5	3 - 2	2,202	\$370,500	(\$10,000)	\$3,605	\$0	\$360,500	\$164
Averages							1,739	\$336,929	(\$10,000)	\$3,269	\$0	\$326,929	\$194

Aurora Highlands CMA Market Rate Competitive Positioning - Single-Family Detached <50' & Cluster Product

Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit					Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.		
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)									
7 Reunion/Park House Commerce City SF Detached - Avg. 45 x 90 Oakwood Homes <i>Note: Filings 26, 28, and 34</i>	201	73 36.3%	6.3 75 6.1 73	Park House - Kearney	2 - 2.5	2 - 2	1,617	\$358,900	(\$10,000)	\$3,489	\$396	\$348,900	\$216			
				Park House - Lansford	3 - 2.5	2 - 2	1,808	\$376,900	(\$10,000)	\$3,669	\$396	\$366,900	\$203			
				Park House - Gunnison	2 - 2	2 - 2	2,049	\$388,900	(\$10,000)	\$3,789	\$396	\$378,900	\$185			
				Park House - Laramie	3 - 2.5	2 - 2	2,126	\$393,900	(\$10,000)	\$3,839	\$396	\$383,900	\$181			
				Park House - Hudson	3 - 2.5	2 - 2	2,145	\$393,900	(\$10,000)	\$3,839	\$396	\$383,900	\$179			
				Park House - Yampa	3 - 2.5	2 - 2	2,229	\$394,900	(\$10,000)	\$3,849	\$396	\$384,900	\$173			
				Averages						1,996	\$384,567	(\$10,000)	\$3,746	\$396	\$374,567	\$189
8 Reunion/Spaces Commerce City SF Detached - Avg. 45 x 90-102 Shea Homes <i>Note: Filings 26 and 34</i>	105	75 71.4%	3.0 36 5.1 61	Spaces - 3553	3 - 2.5	2 - 2	1,568	\$328,400	(\$3,500)	\$3,249	\$396	\$324,900	\$207			
				Spaces - 3554	3 - 2.5	2 - 2	1,736	\$337,400	(\$3,500)	\$3,339	\$396	\$333,900	\$192			
				Spaces - 3506	3 - 2.5	2 - 2	1,863	\$348,400	(\$3,500)	\$3,449	\$396	\$344,900	\$185			
				Spaces - 3507	3 - 2.5	2 - 2	2,090	\$363,400	(\$3,500)	\$3,599	\$396	\$359,900	\$172			
				Averages						1,814	\$344,400	(\$3,500)	\$3,409	\$396	\$340,900	\$189
9 Stapleton Aurora/Bluff Lake Aurora SF Detached - Avg. 35 x 90 Thrive Homebuilders <i>Note: Filing 2, 2Q18 pricing</i>	49	39 79.6%	1.3 15 2.3 28	Solaris II - Platte	3 - 2.5	2 - 2	1,798	\$497,900	\$0	\$4,979	\$480	\$497,900	\$277			
				Solaris II - Speer	3 - 2.5	2 - 2	1,863	\$507,900	\$0	\$5,079	\$480	\$507,900	\$273			
				Averages						1,831	\$502,900	\$0	\$5,029	\$480	\$502,900	\$275
				10 Stapleton Aurora/Bluff Lake Aurora SF Patio - Avg. 45 x 90 Boulder Creek Neighborhoods <i>Note: Filing 2</i>	31	30 96.8%	0.6 7 1.6 19	Reimagine	2 - 2	1 - 2	1,340	\$480,000	\$0	\$4,800	\$480	\$480,000
Dream	2 - 2	1 - 2	1,570					\$488,000	\$0	\$4,880	\$480	\$488,000	\$311			
Entice	2 - 2	1 - 2	1,570					\$525,000	\$0	\$5,250	\$480	\$525,000	\$334			
Spirit	2 - 2	1 - 2	1,570					\$502,000	\$0	\$5,020	\$480	\$502,000	\$320			
Averages										1,513	\$498,750	\$0	\$4,988	\$480	\$498,750	\$331
11 Stapleton North/Beeler Park Denver SF Detached - Avg. 35 x 90 Thrive Homebuilders <i>Note: Filing 49, 3Q18 pricing</i>	45	33 73.3%	1.8 21 1.6 19	Vita - Plan One	3 - 2.5	2 - 2	1,798	\$535,900	\$0	\$5,359	\$0	\$535,900	\$298			
				Vita - Plan Two	3 - 2.5	2 - 2	1,918	\$554,900	\$0	\$5,549	\$0	\$554,900	\$289			
				Vita - Plan Three	3 - 2.5	2 - 2	2,032	\$570,900	\$0	\$5,709	\$0	\$570,900	\$281			
				Vita - Plan Four	3 - 2.5	2 - 2	2,235	\$604,900	\$0	\$6,049	\$0	\$604,900	\$271			
				Vita - Plan Five	3 - 2.5	2 - 2	2,292	\$614,900	\$0	\$6,149	\$0	\$614,900	\$268			
				Averages						2,055	\$576,300	\$0	\$5,763	\$0	\$576,300	\$281
12 Stapleton North/Beeler Park Denver SF Detached - Avg. 40 x 90 Wonderland Homes <i>Note: Filing 49, 3Q18 Pricing</i>	42	29 69.0%	2.1 25 1.8 21	Prominence - Alexander R	1 - 2	1 - 2	1,432	\$471,900	\$0	\$4,719	\$0	\$471,900	\$330			
				Prominence - Henry	3 - 2.5	2 - 2	1,795	\$492,900	\$0	\$4,929	\$0	\$492,900	\$275			
				Prominence - Elizabeth	3 - 2.5	2 - 2	1,894	\$500,900	\$0	\$5,009	\$0	\$500,900	\$264			
				Prominence - Edward	3 - 2.5	2 - 2	2,004	\$515,900	\$0	\$5,159	\$0	\$515,900	\$257			
				Prominence - Alexander PT	3 - 3	2 - 2	2,069	\$554,900	\$0	\$5,549	\$0	\$554,900	\$268			
Averages						1,839	\$507,300	\$0	\$5,073	\$0	\$507,300	\$279				
13 Stapleton North/Beeler Park Denver SF Detached - Avg. 25 x 90 Boulder Creek Neighborhoods <i>Note: Filing 49</i>	36	12 33.3%	3.0 36 1.0 12	Wee Cottage 1	2 - 1.5	1 - 1	896	\$335,000	\$0	\$3,350	\$0	\$335,000	\$374			
				Wee Cottage 4	2 - 2.5	2 - 1	1,380	\$360,000	\$0	\$3,600	\$0	\$360,000	\$261			
				Averages						1,138	\$347,500	\$0	\$3,475	\$0	\$347,500	\$317
				14 Stapleton North/North End Denver SF Detached - Avg. 24-30 x 75-90 Parkwood Homes <i>Note: Filings 49 and 54</i>	39	4 10.3%	0.4 5 0.3 4	Painted Ladies - Mill Val	3 - 2.5	3 - 2	2,218	\$595,100	\$0	\$5,951	\$0	\$595,100
Painted Ladies - Monterey	3 - 2.5	2 - 2	2,278					\$604,000	\$0	\$6,040	\$0	\$604,000	\$265			
Painted Ladies - Fillmore	3 - 2.5	3 - 2	2,292					\$577,700	\$0	\$5,777	\$0	\$577,700	\$252			
Averages										2,263	\$592,267	\$0	\$5,923	\$0	\$592,267	\$262

Aurora Highlands CMA Market Rate Competitive Positioning - Single-Family Detached <50' & Cluster Product

Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit				Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)						
15 Stapleton North/North End	40	0	0.3	Vita - Plan One	3 - 2.5	2 - 2	1,798	\$535,900	\$0	\$5,359	\$0	\$535,900	\$298
Denver		0.0%	4	Vita - Plan Two	3 - 2.5	2 - 2	1,918	\$554,900	\$0	\$5,549	\$0	\$554,900	\$289
SF Detached - Avg. 35 x 90			0.0	Vita - Plan Three	3 - 2.5	2 - 2	2,032	\$570,900	\$0	\$5,709	\$0	\$570,900	\$281
Thrive Homebuilders			0	Vita - Plan Four	3 - 2.5	2 - 2	2,235	\$649,900	\$0	\$6,499	\$0	\$649,900	\$291
<i>Note: Filing 54</i>				Vita - Plan Five	3 - 2.5	2 - 2	2,292	\$621,900	\$0	\$6,219	\$0	\$621,900	\$271
Averages							2,055	\$586,700	\$0	\$5,867	\$0	\$586,700	\$286
16 Stapleton North/North End	24	0	0.0	Cottage - Summitt Peak	3 - 2.5	2 - 2	1,687	\$521,990	(\$4,000)	\$5,180	\$0	\$517,990	\$307
Denver		0.0%	0	Cottage - Graham Peak	3 - 2.5	2 - 2	1,772	\$533,990	(\$4,000)	\$5,300	\$0	\$529,990	\$299
SF Detached - Avg. 35 x 90			0.0	Cottage - Grizzly Peak	3 - 3.5	2 - 2	1,802	\$540,990	(\$4,000)	\$5,370	\$0	\$536,990	\$298
David Weekley Homes			0	Cottage - Salida	3 - 2.5	2 - 2	1,809	\$537,990	(\$4,000)	\$5,340	\$0	\$533,990	\$295
<i>Note: Filing 54</i>				Cottage - Mount Powell	3 - 2.5	2 - 2	1,864	\$544,990	(\$4,000)	\$5,410	\$0	\$540,990	\$290
Averages							1,787	\$535,990	(\$4,000)	\$5,320	\$0	\$531,990	\$298
17 Stapleton North/North End	38	0	0.0	Wildflower - Bluebonnet	2 - 2.5	2 - 2	1,630	\$466,995	(\$5,000)	\$4,620	\$0	\$461,995	\$283
Denver		0.0%	0	Wildflower - Laurel	3 - 2.5	2 - 2	1,656	\$470,195	(\$5,000)	\$4,652	\$0	\$465,195	\$281
SF Detached - Avg. 34 x 90			0.0	Wildflower - Silverbell	3 - 2.5	2 - 2	1,751	\$473,995	(\$5,000)	\$4,690	\$0	\$468,995	\$268
KB Home			0	Wildflower - Verbena	2 - 2.5	2 - 2	1,782	\$477,995	(\$5,000)	\$4,730	\$0	\$472,995	\$265
<i>Note: Filing 54</i>				Wildflower - Woodlily	3 - 2.5	2 - 2	1,889	\$483,995	(\$5,000)	\$4,790	\$0	\$478,995	\$254
Averages							1,742	\$474,635	(\$5,000)	\$4,696	\$0	\$469,635	\$270
18 Stapleton North/North End	65	0	0.0	Portrait - Ogden	2 - 2	1 - 2	1,401	\$459,900	\$0	\$4,599	\$0	\$459,900	\$328
Denver		0.0%	0	Portrait - Welton	3 - 2.5	1 - 2	1,481	\$446,900	\$0	\$4,469	\$0	\$446,900	\$302
SF Detached - Avg. 34-40 x 90			0.0	Portrait - Hudson	3 - 2.5	2 - 2	1,611	\$475,900	\$0	\$4,759	\$0	\$475,900	\$295
Wonderland Homes			0	Portrait - Curtis	3 - 2.5	2 - 2	1,677	\$478,900	\$0	\$4,789	\$0	\$478,900	\$286
<i>Note: Filing 54</i>				Portrait - Lawrence	3 - 2.5	2 - 2	1,723	\$496,900	\$0	\$4,969	\$0	\$496,900	\$288
				Portrait - Bannock	3 - 2.5	2 - 2	1,724	\$482,900	\$0	\$4,829	\$0	\$482,900	\$280
				Portrait - Logan	2 - 2.5	1 - 2	1,724	\$499,900	\$0	\$4,999	\$0	\$499,900	\$290
				Prominence - Henry	3 - 2.5	2 - 2	1,795	\$499,900	\$0	\$4,999	\$0	\$499,900	\$278
				Prominence - Elizabeth	3 - 2.5	2 - 2	1,894	\$504,900	\$0	\$5,049	\$0	\$504,900	\$267
				Prominence - Edward	3 - 2.5	2 - 2	2,004	\$523,900	\$0	\$5,239	\$0	\$523,900	\$261
Averages							1,703	\$487,000	\$0	\$4,870	\$0	\$487,000	\$288
<i>Competitive Market Area Summary:</i>													
	Planned	1,892		56.9	Avg. Monthly		896	\$276,600	(\$10,000)	\$2,666	\$0	\$266,600	\$148
	Occ.	649		683	Last Ann. Start		2,354	\$649,900	\$0	\$6,499	\$480	\$649,900	\$374
	Remaining	1,243		48.6	Avg. Monthly		1,822	\$429,650	(\$4,260)	\$4,254	\$71	\$425,390	\$237
				583	Last Ann. Close		1,828	\$395,425	(\$3,500)	\$3,937	\$0	\$393,725	\$249

Exhibit 49 : CMA Price Position Graph – Small Lot SFD (< 50') - New Home Base Prices

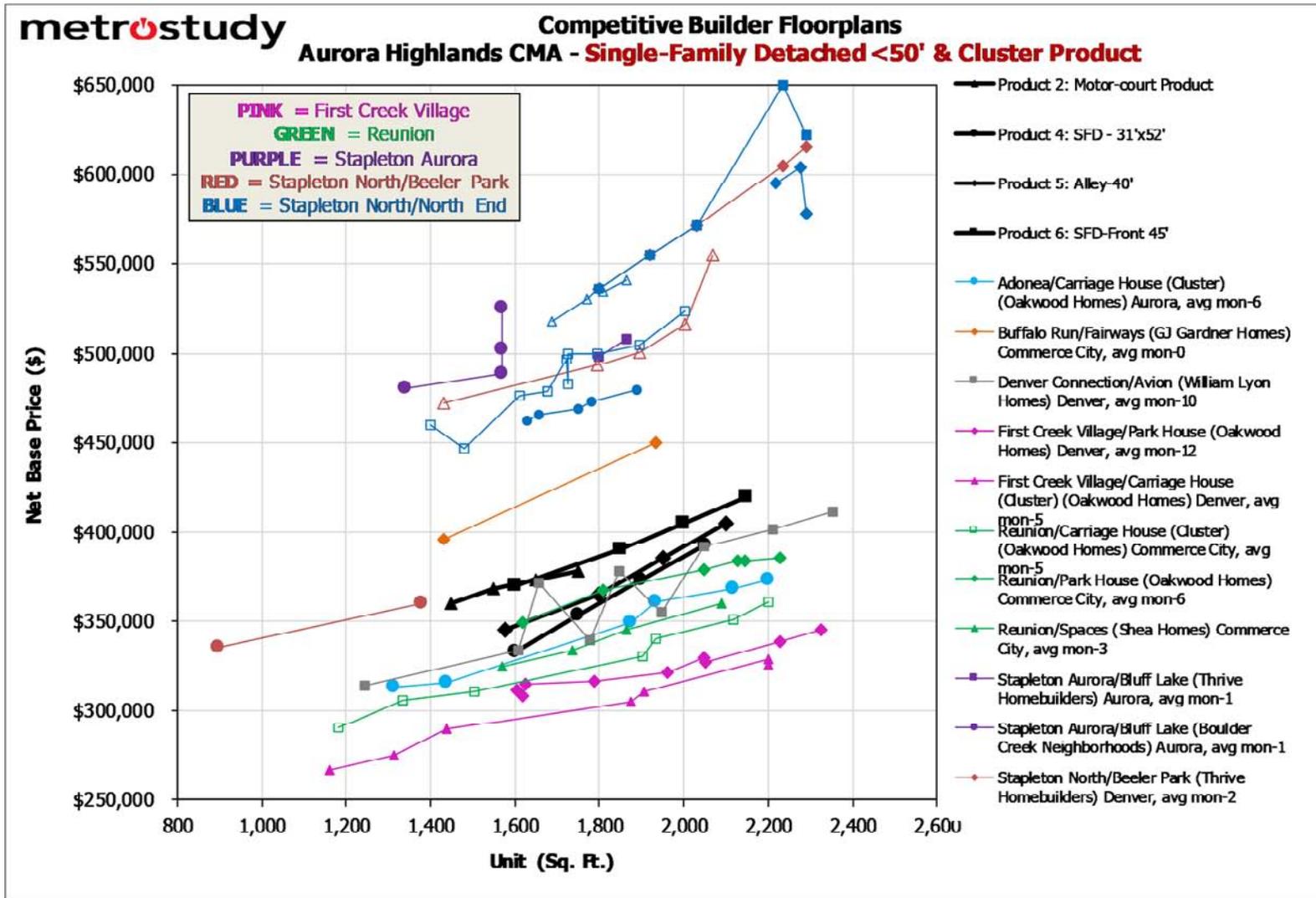


Exhibit 50 : CMA Price Position Graph – Small Lot SFD (< 50') – New Home Closing Prices

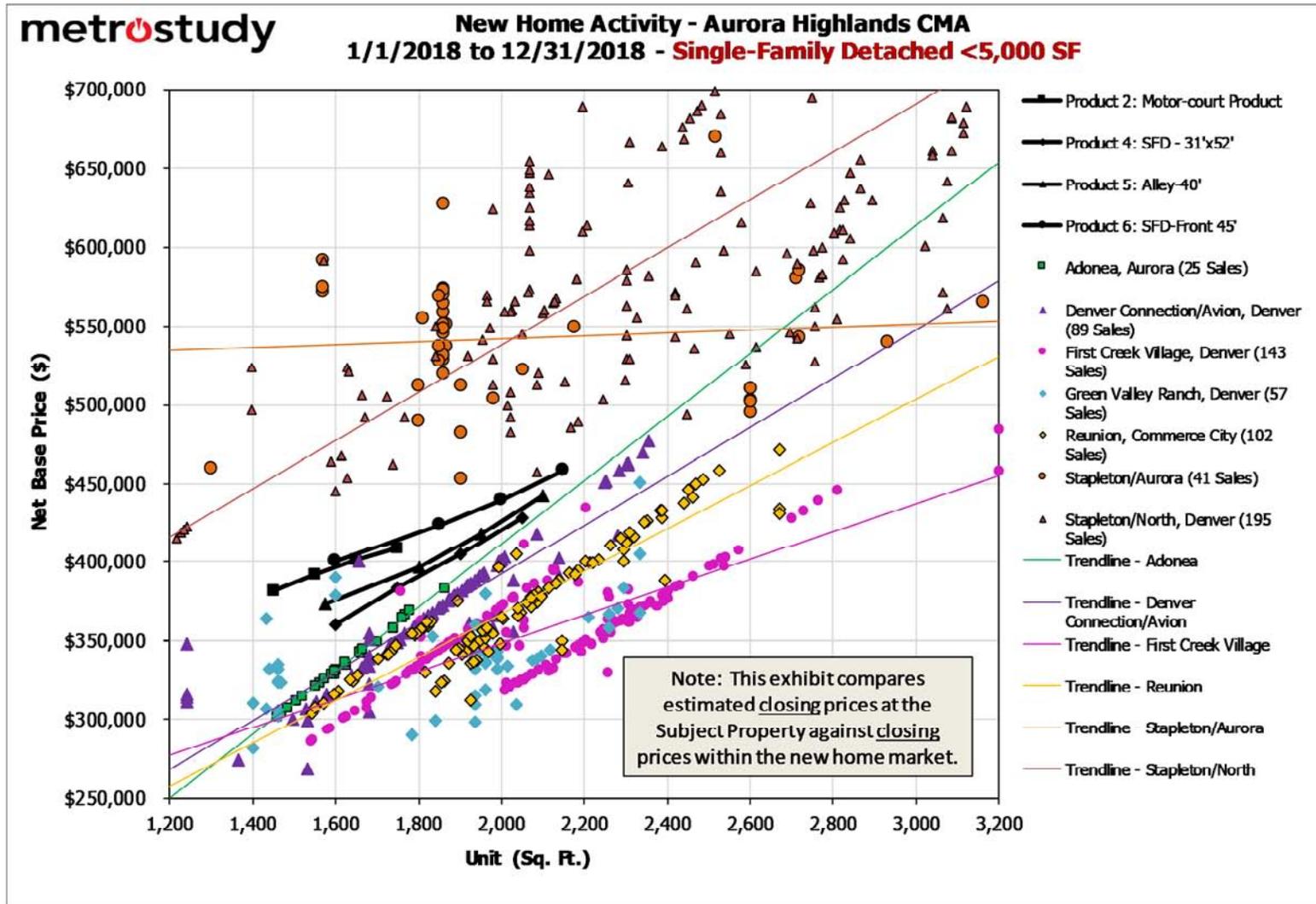
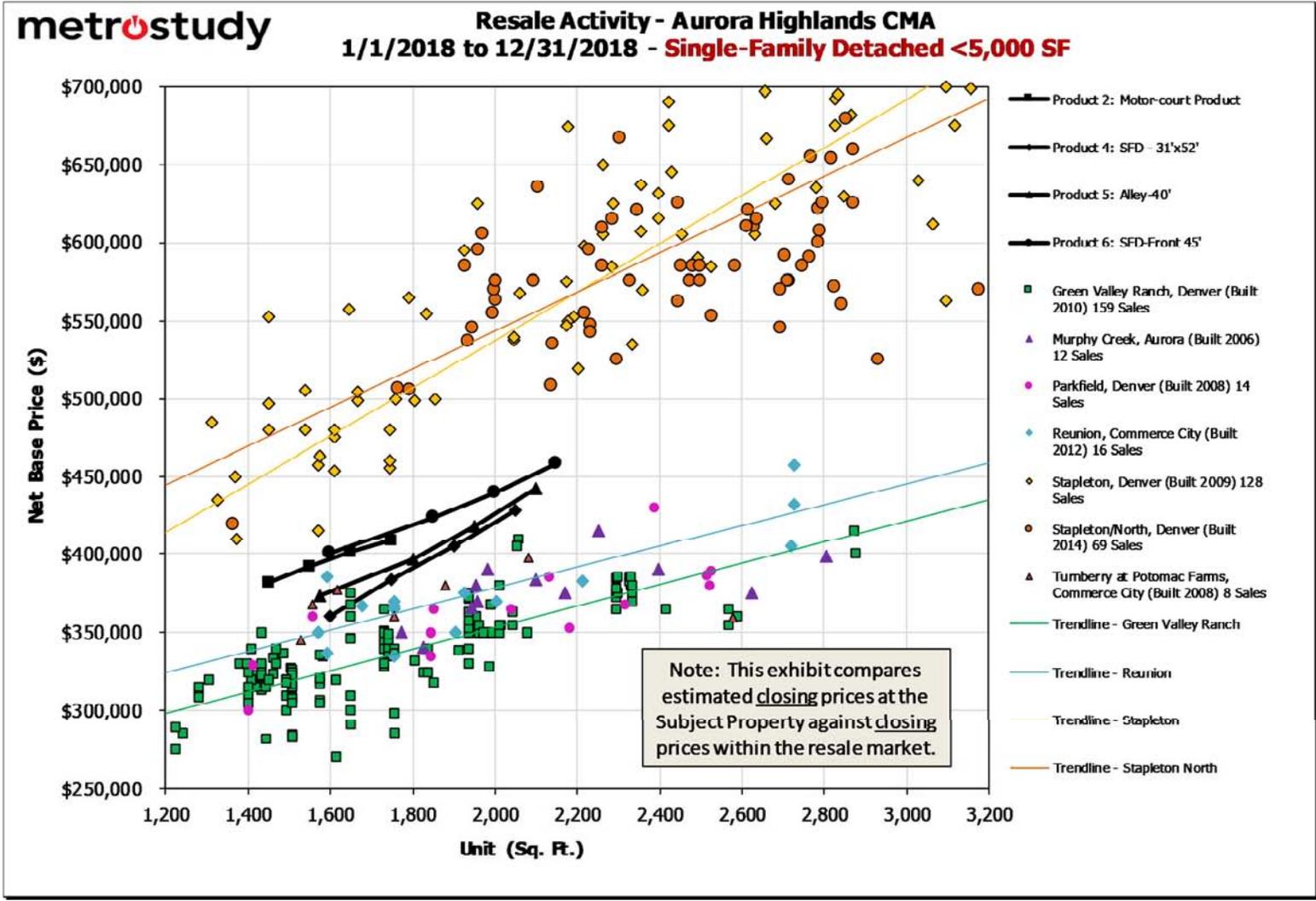


Exhibit 51 : CMA Price Position Graph – Small Lot SFD (< 50') - Resale Activity



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Exhibit 52 : CMA Comparable Subdivisions – Single-Family Detached 50’ – 59’ – Product Details

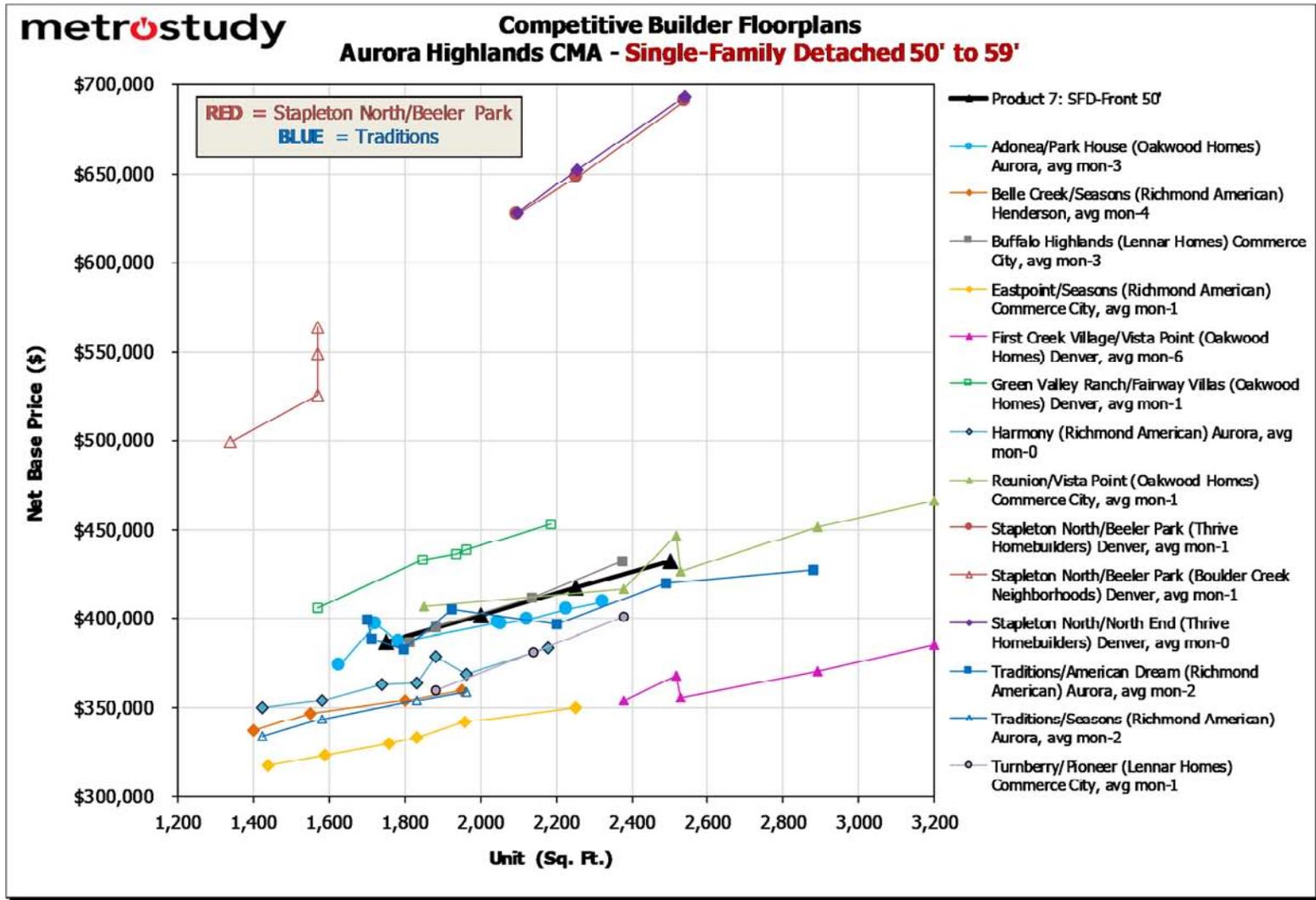
Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit									
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)	Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.
1 Adonea/Park House	88	21	2.8	Park House - Kearney	2 - 2.5	2 - 2	1,627	\$373,900	\$0	\$3,739	\$540	\$373,900	\$230
Aurora		23.9%	34	Park House - Springfield	2 - 2	1 - 2	1,725	\$396,900	\$0	\$3,969	\$540	\$396,900	\$230
SF Detached - Avg. 50 x 110			1.8	Park House - Lansford	3 - 2.5	2 - 2	1,785	\$386,900	\$0	\$3,869	\$540	\$386,900	\$217
Oakwood Homes			21	Park House - Gunnison	2 - 2	1 - 2	2,049	\$397,900	\$0	\$3,979	\$540	\$397,900	\$194
Note: Filing 5				Park House - Granby	3 - 2.5	2 - 2	2,054	\$396,900	\$0	\$3,969	\$540	\$396,900	\$193
				Park House - Laramie	3 - 2.5	2 - 2	2,126	\$398,900	\$0	\$3,989	\$540	\$398,900	\$188
				Park House - Yampa	3 - 2.5	2 - 2	2,229	\$404,900	\$0	\$4,049	\$540	\$404,900	\$182
				Park House - Montpelier	3 - 4	3 - 2	2,326	\$408,900	\$0	\$4,089	\$540	\$408,900	\$176
				Averages			1,990	\$395,650	\$0	\$3,957	\$540	\$395,650	\$201
2 Belle Creek/Seasons	135	50	3.7	Seasons - Amethyst	2 - 2	1 - 2	1,400	\$336,950	\$0	\$3,370	\$600	\$336,950	\$241
Henderson		37.0%	44	Seasons - Onyx	3 - 2	1 - 2	1,550	\$346,950	\$0	\$3,470	\$600	\$346,950	\$224
SF Detached - Avg. 50 x 115			4.2	Seasons - Coral	3 - 2.5	2 - 2	1,800	\$353,950	\$0	\$3,540	\$600	\$353,950	\$197
Richmond American			50	Seasons - Citrine	3 - 2.5	2 - 2	1,950	\$359,950	\$0	\$3,600	\$600	\$359,950	\$185
Note: Filing 3													
				Averages			1,675	\$349,450	\$0	\$3,495	\$600	\$349,450	\$211
3 Buffalo Highlands	51	22	2.8	Pioneer - Carson	3 - 2.5	2 - 2	1,811	\$391,900	(\$5,000)	\$3,869	\$0	\$386,900	\$214
Commerce City		43.1%	33	Pioneer - Columbia	3 - 2.5	2 - 2	1,880	\$399,900	(\$5,000)	\$3,949	\$0	\$394,900	\$210
SF Detached - Avg. 50 x 105			1.8	Pioneer - Sherman	4 - 2.5	2 - 2	2,137	\$416,900	(\$5,000)	\$4,119	\$0	\$411,900	\$193
Lennar Homes			22	Pioneer - Pinnacle	4 - 2.5	2 - 2	2,376	\$436,900	(\$5,000)	\$4,319	\$0	\$431,900	\$182
Note: Filing 1													
				Averages			2,051	\$411,400	(\$5,000)	\$4,064	\$0	\$406,400	\$200
4 Eastpoint/Seasons	141	0	1.3	Seasons - Amethyst	2 - 2	1 - 2	1,440	\$326,950	(\$10,000)	\$3,170	\$0	\$316,950	\$220
Commerce City		0.0%	15	Seasons - Onyx	3 - 2	1 - 2	1,590	\$332,950	(\$10,000)	\$3,230	\$0	\$322,950	\$203
SF Detached - Avg. 50 x 100			0.0	Seasons - Alexandrite	3 - 2	1 - 2	1,760	\$339,950	(\$10,000)	\$3,300	\$0	\$329,950	\$187
Richmond American			0	Seasons - Coral	3 - 2.5	2 - 2	1,830	\$342,950	(\$10,000)	\$3,330	\$0	\$332,950	\$182
Note: Filing 1				Seasons - Citrine	3 - 2.5	2 - 2	1,960	\$351,950	(\$10,000)	\$3,420	\$0	\$341,950	\$174
				Seasons - Lapis	3 - 2.5	2 - 2	2,250	\$359,950	(\$10,000)	\$3,500	\$0	\$349,950	\$156
				Averages			1,805	\$342,450	(\$10,000)	\$3,325	\$0	\$332,450	\$187
5 First Creek Village/Vista Point	89	76	6.4	Vista Pt - Silverton	3 - 2.5	2 - 2	2,377	\$363,900	(\$10,000)	\$3,539	\$0	\$353,900	\$149
Denver		85.4%	77	Vista Pt - Palmer	3 - 3	1 - 2	2,518	\$377,900	(\$10,000)	\$3,679	\$0	\$367,900	\$146
SF Detached - Avg. 50 x 100			6.3	Vista Pt - Glenwood	4 - 2.5	2 - 2	2,530	\$365,900	(\$10,000)	\$3,559	\$0	\$355,900	\$141
Oakwood Homes			76	Vista Pt - Pagosa	4 - 2.5	2 - 2	2,892	\$380,900	(\$10,000)	\$3,709	\$0	\$370,900	\$128
Note: Filing 1, 3Q18 pricing				Vista Pt - Cortez	4 - 2.5	3 - 2	3,199	\$394,900	(\$10,000)	\$3,849	\$0	\$384,900	\$120
				Averages			2,703	\$376,700	(\$10,000)	\$3,667	\$0	\$366,700	\$137
6 Green Valley Ranch/Fairway Villas	52	0	1.1	Villas - Everly	2 - 2	1 - 2	1,570	\$405,900	\$0	\$4,059	\$0	\$405,900	\$259
Denver		0.0%	13	Villas - Torrey	2 - 2	1 - 2	1,848	\$432,900	\$0	\$4,329	\$0	\$432,900	\$234
SF Patio - Avg. 50 x 100			0.0	Villas - Columbine	2 - 2	1 - 2	1,934	\$435,900	\$0	\$4,359	\$0	\$435,900	\$225
Oakwood Homes			0	Villas - Alpine	2 - 2	1 - 2	1,963	\$438,900	\$0	\$4,389	\$0	\$438,900	\$224
Note: Filing 45				Villas - Cascade	2 - 2	1 - 2	2,186	\$452,900	\$0	\$4,529	\$0	\$452,900	\$207
				Averages			1,900	\$433,300	\$0	\$4,333	\$0	\$433,300	\$230

Aurora Highlands CMA Market Rate Competitive Positioning - Single-Family Detached 50' to 59'

Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit				Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)						
7 Harmony Aurora SF Detached - Avg. 50 x 115 Richmond American <i>Note: Filing 4</i>	67	0 0.0%	0.0 0	Seasons - Amethyst	2 - 2	1 - 2	1,422	\$359,950	(\$10,000)	\$3,500	\$0	\$349,950	\$246
				Seasons - Onyx	3 - 2	1 - 2	1,581	\$363,950	(\$10,000)	\$3,540	\$0	\$353,950	\$224
				Seasons - Alexandrite	4 - 2	1 - 2	1,740	\$372,950	(\$10,000)	\$3,630	\$0	\$362,950	\$209
				Seasons - Coral	3 - 2.5	2 - 2	1,831	\$373,950	(\$10,000)	\$3,640	\$0	\$363,950	\$199
				Sunstone	4 - 2	1 - 2	1,880	\$388,950	(\$10,000)	\$3,790	\$0	\$378,950	\$202
				Citrine	3 - 2.5	2 - 2	1,964	\$378,950	(\$10,000)	\$3,690	\$0	\$368,950	\$188
				Lapis	3 - 2.5	2 - 2	2,180	\$393,950	(\$10,000)	\$3,840	\$0	\$383,950	\$176
				Averages						1,800	\$376,093	(\$10,000)	\$3,661
8 Reunion/Vista Point Commerce City SF Detached - Avg. 50 x 100 Oakwood Homes <i>Note: Filing 34</i>	43	0 0.0%	0.8 10	Vista Pt - Alder	3 - 2	1 - 2	1,850	\$406,400	\$0	\$4,064	\$396	\$406,400	\$220
				Vista Pt - Silverton	3 - 2.5	2 - 2	2,377	\$416,400	\$0	\$4,164	\$396	\$416,400	\$175
				Vista Pt - Palmer	3 - 3	1 - 2	2,518	\$446,400	\$0	\$4,464	\$396	\$446,400	\$177
				Vista Pt - Glenwood	4 - 2.5	2 - 2	2,530	\$426,400	\$0	\$4,264	\$396	\$426,400	\$169
				Vista Pt - Pagosa	4 - 2.5	2 - 2	2,892	\$451,400	\$0	\$4,514	\$396	\$451,400	\$156
				Vista Pt - Cortez	4 - 3	2 - 2	3,199	\$466,400	\$0	\$4,664	\$396	\$466,400	\$146
Averages						2,561	\$435,567	\$0	\$4,356	\$396	\$435,567	\$174	
9 Stapleton North/Beeler Park Denver SF Detached - Avg. 50 x 90 Thrive Homebuilders <i>Note: Filing 49, 3Q18 pricing</i>	41	32 78.0%	1.3 16	Zen 2.0 - AMP	3 - 2.5	2 - 2	2,098	\$629,950	(\$3,000)	\$6,270	\$0	\$626,950	\$299
				Zen 2.0 - EDG	3 - 2.5	2 - 2	2,255	\$650,950	(\$3,000)	\$6,480	\$0	\$647,950	\$287
				Zen 2.0 - PWR	3 - 2.5	2 - 2	2,541	\$693,950	(\$3,000)	\$6,910	\$0	\$690,950	\$272
				Averages					2,298	\$658,283	(\$3,000)	\$6,553	\$0
10 Stapleton North/Beeler Park Denver SF Detached - Avg. 50 x 90 Boulder Creek Neighborhoods <i>Note: Filing 49</i>	29	11 37.9%	1.1 13	Reimagine	2 - 2	1 - 2	1,340	\$499,000	\$0	\$4,990	\$0	\$499,000	\$372
				Dream	2 - 2	1 - 2	1,570	\$525,000	\$0	\$5,250	\$0	\$525,000	\$334
				Entice	2 - 2	1 - 2	1,570	\$564,000	\$0	\$5,640	\$0	\$564,000	\$359
				Spirit	2 - 2	1 - 2	1,570	\$549,000	\$0	\$5,490	\$0	\$549,000	\$350
				Averages					1,513	\$534,250	\$0	\$5,343	\$0
11 Stapleton North/North End Denver SF Detached - Avg. 55 x 90 Thrive Homebuilders <i>Note: Filing 54</i>	31	0 0.0%	0.0 0	Zen 2.0 - AMP	3 - 2.5	2 - 2	2,098	\$630,900	(\$3,000)	\$6,279	\$0	\$627,900	\$299
				Zen 2.0 - EDG	3 - 2.5	2 - 2	2,255	\$654,900	(\$3,000)	\$6,519	\$0	\$651,900	\$289
				Zen 2.0 - PWR	3 - 2.5	2 - 2	2,541	\$695,900	(\$3,000)	\$6,929	\$0	\$692,900	\$273
				Averages					2,298	\$660,567	(\$3,000)	\$6,576	\$0
12 Traditions/American Dream Aurora SF Detached - Avg. 50-55 x 100-110 Richmond American <i>Note: Filings 2 and 5, 2Q18 pricing</i>	79	77 97.5%	2.2 26	Anika	2 - 2	1 - 2	1,700	\$398,950	\$0	\$3,990	\$870	\$398,950	\$235
				Alexandra	3 - 2	1 - 2	1,712	\$388,950	\$0	\$3,890	\$870	\$388,950	\$227
				Frost	4 - 2.5	2 - 2	1,796	\$382,950	\$0	\$3,830	\$870	\$382,950	\$213
				Alcott	3 - 2	1 - 2	1,924	\$404,950	\$0	\$4,050	\$870	\$404,950	\$210
				Twain	4 - 2.5	2 - 2	2,200	\$396,950	\$0	\$3,970	\$870	\$396,950	\$180
				Hemingway	4 - 2.5	2 - 2	2,492	\$419,950	\$0	\$4,200	\$870	\$419,950	\$169
				Dickinson	4 - 2.5	2 - 2	2,880	\$426,950	\$0	\$4,270	\$870	\$426,950	\$148
				Averages						2,101	\$402,807	\$0	\$4,028

Aurora Highlands CMA Market Rate Competitive Positioning - Single-Family Detached 50' to 59'														
Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit				Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.	
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)							
13 Traditions/Seasons	63	3	2.1	Seasons - Amethyst	2 - 2	1 - 2	1,422	\$343,950	(\$10,000)	\$3,340	\$870	\$333,950	\$235	
Aurora		4.8%	25	Seasons - Onyx	3 - 2	1 - 2	1,581	\$353,950	(\$10,000)	\$3,440	\$870	\$343,950	\$218	
SF Detached - Avg. 52 x 100			0.3	Seasons - Coral	3 - 2.5	2 - 2	1,831	\$363,950	(\$10,000)	\$3,540	\$870	\$353,950	\$193	
Richmond American			3	Seasons - Citrin	3 - 2.5	2 - 2	1,964	\$368,950	(\$10,000)	\$3,590	\$870	\$358,950	\$183	
<i>Note: Filing 8</i>				Averages				1,700	\$357,700	(\$10,000)	\$3,477	\$870	\$347,700	\$207
14 Turnberry/Pioneer	130	0	0.8	Pioneer - Evans	3 - 2.5	2 - 2	2,139	\$385,900	(\$5,000)	\$3,809	\$636	\$380,900	\$178	
Commerce City		0.0%	10	Pioneer - Pike	3 - 2.5	2 - 2	2,378	\$405,900	(\$5,000)	\$4,009	\$636	\$400,900	\$169	
SF Detached - Avg. 50-55 x 100-105			0.0	Pioneer - Tabor	3 - 2.5	2 - 2	1,882	\$364,900	(\$5,000)	\$3,599	\$636	\$359,900	\$191	
Lennar Homes			0	Averages				2,133	\$385,567	(\$5,000)	\$3,806	\$636	\$380,567	\$179
<i>Competitive Market Area Summary:</i>														
	Planned	1,039		Avg. Monthly	Min.		1,340	\$326,950	(\$10,000)	\$3,170	\$0	\$316,950	\$120	
	Occ.	292		Last Ann. Start	Max.		3,199	\$695,900	\$0	\$6,929	\$870	\$692,900	\$372	
	Remaining	747		Avg. Monthly	Average		2,034	\$421,160	(\$3,957)	\$4,172	\$298	\$417,204	\$211	
				Last Ann. Close	Median		1,960	\$396,900	(\$3,000)	\$3,969	\$0	\$396,900	\$202	

Exhibit 53 : CMA Price Position Graph – Single-Family Detached 50’ – 59’ - New Home Base Prices



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Exhibit 54 : CMA Price Position Graph – Single-Family Detached 50’ -59’ – New Home Closing Prices

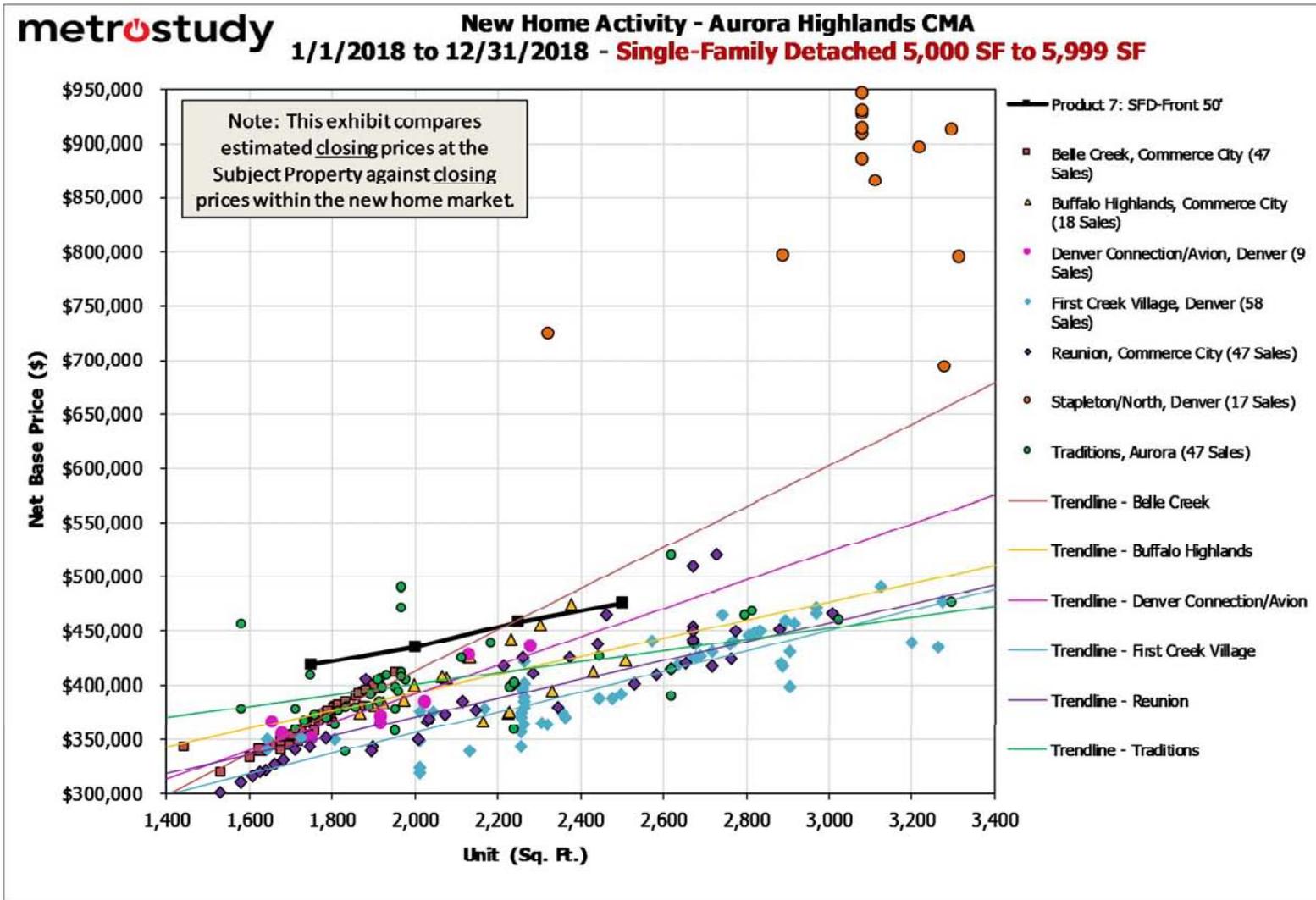


Exhibit 55 : CMA Price Position Graph – Single –Family Detached 50’ – 59’ - Resale Activity

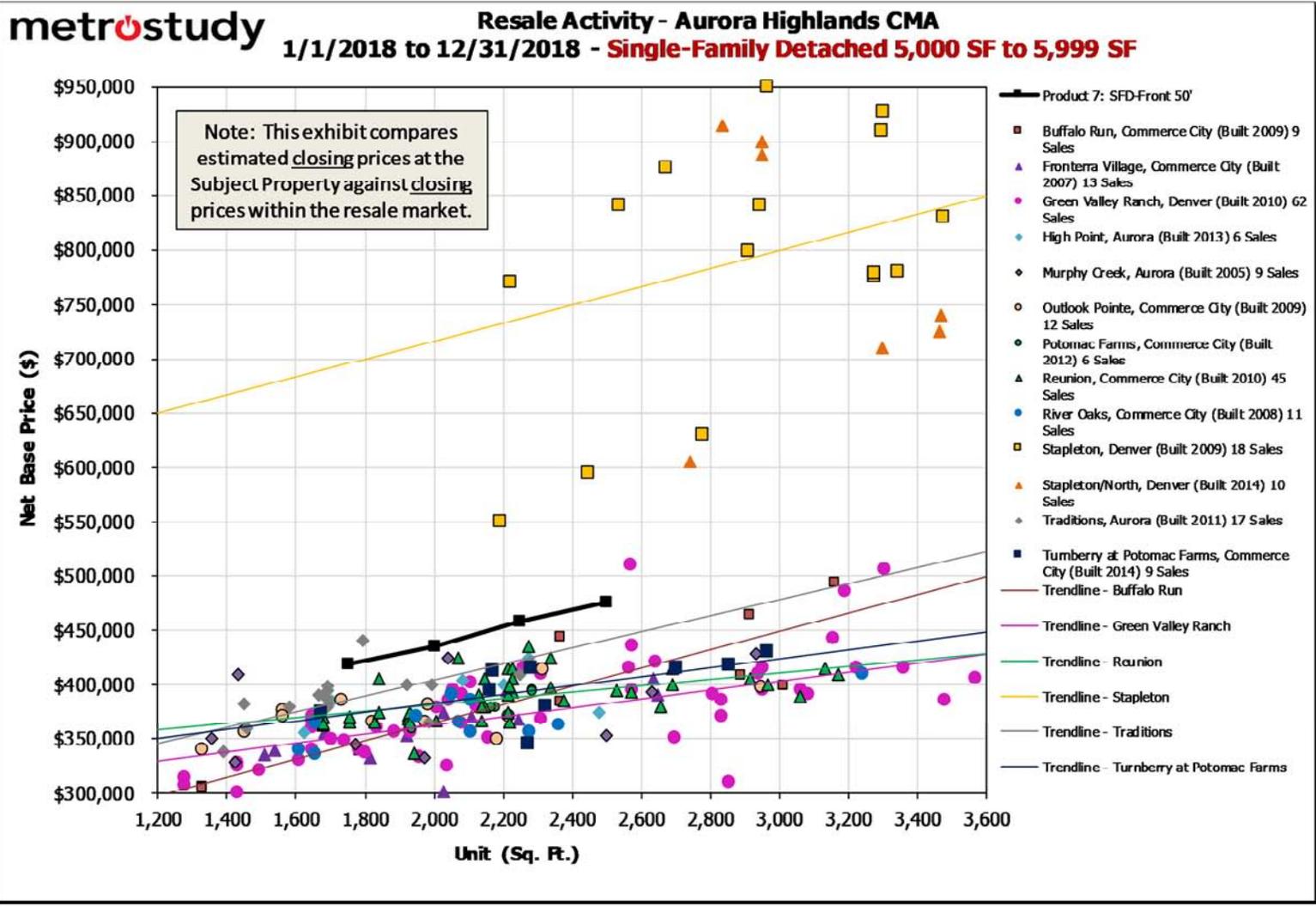


Exhibit 56 : CMA Comparable Subdivisions – Single-Family Detached 60’ – 79’ – Product Details

Aurora Highlands CMA Market Rate Competitive Positioning - Single-Family Detached 60' to 79'																			
Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Plan Name	Unit			Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.						
					Bed- Bath	Floors- Parking	Size (Sq.Ft.)												
1 Adonea/Park House	57	17	3.2	Park House - Kearney	2 - 2.5	2 - 2	1,627	\$373,900	(\$10,000)	\$3,639	\$540	\$363,900	\$224						
Aurora		29.8%	38	Park House - Springfield	2 - 2	1 - 2	1,725	\$396,900	(\$10,000)	\$3,869	\$540	\$386,900	\$224						
SF Detached - Avg. 60 x 140			1.4	Park House - Lansford	3 - 2.5	2 - 2	1,785	\$386,900	(\$10,000)	\$3,769	\$540	\$376,900	\$211						
Oakwood Homes			17	Park House - Gunnison	2 - 2	1 - 2	2,049	\$397,900	(\$10,000)	\$3,879	\$540	\$387,900	\$189						
<i>Note: Filing 5</i>				Park House - Granby	3 - 2.5	2 - 2	2,054	\$396,900	(\$10,000)	\$3,869	\$540	\$386,900	\$188						
				Park House - Laramie	3 - 2.5	2 - 2	2,126	\$398,900	(\$10,000)	\$3,889	\$540	\$388,900	\$183						
				Park House - Yampa	3 - 2.5	2 - 2	2,229	\$404,900	(\$10,000)	\$3,949	\$540	\$394,900	\$177						
				Park House - Montpelier	3 - 4	3 - 2	2,326	\$408,900	(\$10,000)	\$3,989	\$540	\$398,900	\$171						
Averages							1,990	\$395,650	(\$10,000)	\$3,857	\$540	\$385,650	\$196						
2 Buffalo Highlands	31	10	1.3	Pioneer - Carson	3 - 2.5	2 - 2	1,811	\$391,900	(\$5,000)	\$3,869	\$0	\$386,900	\$214						
Commerce City		32.3%	16	Pioneer - Columbia	3 - 2.5	2 - 2	1,880	\$399,900	(\$5,000)	\$3,949	\$0	\$394,900	\$210						
SF Detached - Avg. 60 x 105			0.8	Pioneer - Sherman	4 - 2.5	2 - 2	2,137	\$416,900	(\$5,000)	\$4,119	\$0	\$411,900	\$193						
Lennar Homes			10	Pioneer - Pinnacle	4 - 2.5	2 - 2	2,376	\$436,900	(\$5,000)	\$4,319	\$0	\$431,900	\$182						
<i>Note: Filing 1</i>				Averages									2,051	\$411,400	(\$5,000)	\$4,064	\$0	\$406,400	\$200
3 Buffalo Highlands	83	51	5.1	Eldorado	3 - 2	1 - 2	1,736	\$372,990	\$0	\$3,730	\$0	\$372,990	\$215						
Commerce City		61.4%	61	Platte	3 - 2	1 - 2	1,837	\$377,990	\$0	\$3,780	\$0	\$377,990	\$206						
SF Detached - Avg. 60 x 110			4.3	Willow	3 - 3	2 - 2	2,302	\$387,990	\$0	\$3,880	\$0	\$387,990	\$169						
Meritage Homes			51	Birch	3 - 3	2 - 2	2,432	\$397,990	\$0	\$3,980	\$0	\$397,990	\$164						
<i>Note: Filing 1, 3Q18 pricing</i>				Waterton	4 - 3	2 - 2	2,702	\$407,990	\$0	\$4,080	\$0	\$407,990	\$151						
				Clear Creek	4 - 3	2 - 3	2,851	\$417,990	\$0	\$4,180	\$0	\$417,990	\$147						
				Golden Gate	4 - 3.5	2 - 3	3,119	\$437,990	\$0	\$4,380	\$0	\$437,990	\$140						
Averages							2,426	\$400,133	\$0	\$4,001	\$0	\$400,133	\$170						
4 Buffalo Run	181	26	3.7	Ryan	3 - 2	1 - 2	2,092	\$396,990	\$0	\$3,970	\$0	\$396,990	\$190						
Commerce City		14.4%	44	Tenley	3 - 2	1 - 2	2,189	\$406,990	\$0	\$4,069	\$0	\$406,990	\$186						
SF Detached - Avg. 70 x 110			2.2	Walter	3 - 2.5	1 - 2	2,234	\$411,990	\$0	\$4,120	\$0	\$411,990	\$184						
Lokal Homes			26	Jack	3 - 2.5	1 - 2	2,329	\$425,990	\$0	\$4,260	\$0	\$425,990	\$183						
<i>Note: Filings 6 and 7</i>				Max	3 - 2.5	2 - 2	2,518	\$403,990	\$0	\$4,040	\$0	\$403,990	\$160						
				Carter	3 - 2.5	1 - 2	2,638	\$456,990	\$0	\$4,570	\$0	\$456,990	\$173						
				Matthew	3 - 2.5	2 - 3	2,756	\$414,990	\$0	\$4,150	\$0	\$414,990	\$151						
				James	3 - 2.5	2 - 3	2,770	\$422,990	\$0	\$4,230	\$0	\$422,990	\$153						
				Cooper	3 - 2.5	2 - 2	2,846	\$427,990	\$0	\$4,280	\$0	\$427,990	\$150						
				Hayden	3 - 2.5	2 - 3	3,080	\$445,990	\$0	\$4,460	\$0	\$445,990	\$145						
Averages							2,545	\$421,481	\$0	\$4,215	\$0	\$421,481	\$168						
5 Eastpoint/Landmark	109	0	1.4	Landmark - Arlington	3 - 2	1 - 2	1,920	\$382,950	(\$10,000)	\$3,730	\$0	\$372,950	\$194						
Commerce City		0.0%	17	Landmark - Bedford	3 - 2.5	2 - 2	2,350	\$388,950	(\$10,000)	\$3,790	\$0	\$378,950	\$161						
SF Detached - Avg. 60 x 110			0.0	Landmark - Hemingway	4 - 2.5	2 - 2	2,570	\$402,950	(\$10,000)	\$3,930	\$0	\$392,950	\$153						
Richmond American			0	Landmark - Hopewell	3 - 2.5	2 - 2	2,750	\$412,950	(\$10,000)	\$4,030	\$0	\$402,950	\$147						
<i>Note: Filing 1</i>				Landmark - Coronado	3 - 2.5	2 - 2	2,790	\$416,950	(\$10,000)	\$4,070	\$0	\$406,950	\$146						
				Landmark - Seth	4 - 2.5	2 - 3	3,100	\$427,950	(\$10,000)	\$4,180	\$0	\$417,950	\$135						
Averages							2,580	\$405,450	(\$10,000)	\$3,955	\$0	\$395,450	\$156						

Aurora Highlands CMA Market Rate Competitive Positioning - Single-Family Detached 60' to 79'

Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit				Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.	
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)							
6 Green Valley Ranch/Enclave	77	2	1.9	Overlook II - Oxford	3 - 3	1 - 2	2,292	\$462,900	\$0	\$4,629	\$0	\$462,900	\$202	
Denver		2.6%	23	Overlook II - Boulderado	4 - 3	2 - 3	3,378	\$522,900	\$0	\$5,229	\$0	\$522,900	\$155	
SF Detached - Avg. 60 x 110			0.2	Overlook II - Barrington	4 - 3	2 - 3	3,646	\$532,900	\$0	\$5,329	\$0	\$532,900	\$146	
Oakwood Homes			2	Overlook II - Ouray	5 - 3	2 - 3	3,650	\$532,900	\$0	\$5,329	\$0	\$532,900	\$146	
<i>Note: Filing 39</i>				Overlook II - St. Regis	3 - 2	1 - 2	3,655	\$528,900	\$0	\$5,289	\$0	\$528,900	\$145	
				Overlook II - Stanley	5 - 3	2 - 3	4,180	\$552,900	\$0	\$5,529	\$0	\$552,900	\$132	
				Overlook II - Broadmoor	5 - 3	2 - 3	4,372	\$571,900	\$0	\$5,719	\$0	\$571,900	\$131	
Averages							3,596	\$529,329	\$0	\$5,293	\$0	\$529,329	\$151	
7 Green Valley Ranch/Bungalows	93	3	3.3	Bungalows - Conifer	1 - 2	1 - 2	1,413	\$355,900	\$0	\$3,559	\$0	\$355,900	\$252	
Denver		3.2%	39	Bungalows - Pinon	2 - 2	1 - 2	1,567	\$365,900	\$0	\$3,659	\$0	\$365,900	\$234	
SF Patio - Avg. 70 x 70			0.3	Bungalows - Douglas	2 - 2	1 - 2	1,621	\$370,900	\$0	\$3,709	\$0	\$370,900	\$229	
Oakwood Homes			3	Bungalows - Ponderosa	2 - 2	1 - 2	1,694	\$375,900	\$0	\$3,759	\$0	\$375,900	\$222	
<i>Note: Filing 45</i>				Bungalows - Aspen	2 - 2	1 - 2	1,951	\$395,900	\$0	\$3,959	\$0	\$395,900	\$203	
Averages							1,649	\$372,900	\$0	\$3,729	\$0	\$372,900	\$228	
8 Green Valley Ranch/Fairway Villas	215	213	0.0	Villas - Everly	2 - 2	1 - 2	1,570	\$405,900	\$0	\$4,059	\$0	\$405,900	\$259	
Denver		99.1%	0	Villas - Torrey	2 - 2	1 - 2	1,848	\$432,900	\$0	\$4,329	\$0	\$432,900	\$234	
SF Detached - Avg. 65 x 100			0.8	Villas - Columbine	2 - 2	1 - 2	1,934	\$435,900	\$0	\$4,359	\$0	\$435,900	\$225	
Oakwood Homes			9	Villas - Alpine	2 - 2	1 - 2	1,963	\$438,900	\$0	\$4,389	\$0	\$438,900	\$224	
<i>Note: Filing 57</i>				Villas - Cascade	2 - 2	1 - 2	2,186	\$452,900	\$0	\$4,529	\$0	\$452,900	\$207	
Averages							1,900	\$433,300	\$0	\$4,333	\$0	\$433,300	\$230	
9 High Point	97	94	1.8	Neuville	3 - 2	1 - 2	1,606	\$343,950	\$0	\$3,440	\$618	\$343,950	\$214	
Aurora		96.9%	21	Cali	3 - 2	1 - 2	1,862	\$363,950	\$0	\$3,640	\$618	\$363,950	\$195	
SF Detached - Avg. 62 x 110			4.2	Flora	4 - 2.5	2 - 2	2,306	\$363,950	\$0	\$3,640	\$618	\$363,950	\$158	
Express/DR Horton			50	Galen	4 - 2.5	2 - 2	2,475	\$383,950	\$0	\$3,840	\$618	\$383,950	\$155	
<i>Note: Filing 2, 3Q18 pricing</i>				Hayden	5 - 3	2 - 2	2,579	\$393,950	\$0	\$3,940	\$618	\$393,950	\$153	
Averages							2,166	\$369,950	\$0	\$3,700	\$618	\$369,950	\$175	
10 Outlook Pointe	94	87	2.6	Evan	3 - 2.5	2 - 2	1,793	\$342,990	\$0	\$3,430	\$396	\$342,990	\$191	
Brighton		92.6%	31	Tailyn	3 - 2.5	2 - 2	2,005	\$349,990	\$0	\$3,500	\$396	\$349,990	\$175	
SF Detached - Avg. 60 x 100			5.2	Jensyn	3 - 2.5	2 - 2	2,184	\$357,990	\$0	\$3,580	\$396	\$357,990	\$164	
Lokal Homes			62	Qwynn	3 - 2.5	2 - 2	2,587	\$381,990	\$0	\$3,820	\$396	\$381,990	\$148	
<i>Note: Filing 1, 3Q18 pricing</i>				Averages				2,142	\$358,240	\$0	\$3,582	\$396	\$358,240	\$169
11 Stapleton North/Beeler Park	20	18	0.9	Starlight - Cosmos	2 - 2.5	1 - 3	2,301	\$664,500	(\$5,000)	\$6,595	\$0	\$659,500	\$287	
Denver		90.0%	11	Starlight - Eclipse	3 - 2.5	1 - 3	2,483	\$681,500	(\$5,000)	\$6,765	\$0	\$676,500	\$272	
SF Detached - Avg. 65 x 90			1.5	Starlight - Galaxy	2 - 2.5	1 - 3	2,617	\$689,500	(\$5,000)	\$6,845	\$0	\$684,500	\$262	
KB Home			18	Starlight - Moonbeam	3 - 2.5	1 - 2	2,714	\$699,500	(\$5,000)	\$6,945	\$0	\$694,500	\$256	
<i>Note: Filing 49, 3Q18 pricing</i>				Starlight - Twilight	3 - 2.5	1 - 3	2,890	\$716,500	(\$5,000)	\$7,115	\$0	\$711,500	\$246	
Averages							2,601	\$690,300	(\$5,000)	\$6,853	\$0	\$685,300	\$265	

Aurora Highlands CMA Market Rate Competitive Positioning - Single-Family Detached 60' to 79'

Project Name/Community Area/Lot Size/Builder	Planned Units	Occ.	Avg. Mos/Ann. Start & Ann. Closed	Unit				Base Price	Incen's	Base Tax Rate	Ann. HOA	Net Base Price	Price / Sq.Ft.
				Plan Name	Bed- Bath	Floors- Parking	Size (Sq.Ft.)						
12 Stapleton North/Beeler Park	31	23	1.1	Shenandoah - Wye	3 - 2.5	2 - 2	2,335	\$668,900	\$0	\$6,689	\$0	\$668,900	\$28
Denver		74.2%	13	Shenandoah - Chesapeake	3 - 2.5	2 - 2	2,392	\$667,650	\$0	\$6,677	\$0	\$667,650	\$27
SF Detached - Avg. 70 x 100			1.7	Shenandoah - Arlington	3 - 2.5	2 - 2	2,442	\$708,900	\$0	\$7,089	\$0	\$708,900	\$29
Parkwood Homes			20	Shenandoah - Madison	3 - 2.5	2 - 2	2,512	\$683,900	\$0	\$6,839	\$0	\$683,900	\$27
<i>Note: Filing 49, 3Q18 pricing</i>				Shenandoah - Cape May	3 - 2.5	2 - 2	2,522	\$699,900	\$0	\$6,999	\$0	\$699,900	\$27
				Shenandoah - Saybrook	3 - 2.5	2 - 2	2,726	\$705,900	\$0	\$7,059	\$0	\$705,900	\$25
				Shenandoah - Asheville	3 - 2.5	2 - 2	2,784	\$722,900	\$0	\$7,229	\$0	\$722,900	\$26
				Shenandoah - Chestertown	4 - 3.5	2 - 2	2,906	\$717,900	\$0	\$7,179	\$0	\$717,900	\$24
				Averages			2,577	\$696,994	\$0	\$6,970	\$0	\$696,994	\$27
13 Stapleton North/North End	21	0	0.7	Starlight - Cosmos	2 - 2.5	1 - 3	2,301	\$672,500	\$0	\$6,725	\$0	\$672,500	\$29
Denver		0.0%	8	Starlight - Eclipse	3 - 2.5	1 - 3	2,483	\$689,500	\$0	\$6,895	\$0	\$689,500	\$27
SF Detached - Avg. 60 x 80			0.0	Starlight - Galaxy	2 - 2.5	1 - 3	2,617	\$697,500	\$0	\$6,975	\$0	\$697,500	\$26
KB Home			0	Starlight - Moonbeam	3 - 2.5	1 - 2	2,714	\$707,500	\$0	\$7,075	\$0	\$707,500	\$26
<i>Note: Filing 54</i>				Starlight - Twilight	3 - 2.5	1 - 3	2,890	\$724,500	\$0	\$7,245	\$0	\$724,500	\$25
				Averages			2,601	\$698,300	\$0	\$6,983	\$0	\$698,300	\$27
14 Turnberry/Monarch	140	0	1.0	Monarch - Graham	3 - 2	1 - 2	1,977	\$412,900	\$0	\$4,129	\$636	\$412,900	\$20
Commerce City		0.0%	12	Monarch - Inverness	4 - 2.5	2 - 2	2,272	\$416,900	\$0	\$4,169	\$636	\$416,900	\$18
SF Detached - Avg. 60 x 110			0.0	Monarch - Rockford	4 - 3.5	2 - 2	2,371	\$424,900	\$0	\$4,249	\$636	\$424,900	\$17
Lennar Homes			0	Monarch - Ashbrook	4 - 3.5	2 - 3	2,576	\$446,900	\$0	\$4,469	\$636	\$446,900	\$17
<i>Note: Filing 4</i>				Monarch - Stonehaven	5 - 4	2 - 3	2,765	\$466,900	\$0	\$4,669	\$636	\$466,900	\$16
				Averages			2,392	\$433,700	\$0	\$4,337	\$636	\$433,700	\$18
15 Village at Southgate	149	5	2.7	Eldorado	3 - 2	1 - 2	1,713	\$367,990	\$0	\$3,680	\$0	\$367,990	\$21
Henderson		3.4%	32	Platte	3 - 2	1 - 2	1,819	\$377,990	\$0	\$3,780	\$0	\$377,990	\$20
SF Detached - Avg. 65 x 100			0.4	Northgate	3 - 2	1 - 2	1,839	\$382,990	\$0	\$3,830	\$0	\$382,990	\$20
Meritage Homes			5	Castlewood	3 - 3	2 - 2	2,408	\$392,990	\$0	\$3,930	\$0	\$392,990	\$16
<i>Note: Filing 1</i>				Birch	3 - 3	2 - 2	2,420	\$387,990	\$0	\$3,880	\$0	\$387,990	\$16
				Waterton	4 - 3	2 - 2	2,683	\$402,990	\$0	\$4,030	\$0	\$402,990	\$15
				Clear Creek	4 - 3	2 - 3	2,835	\$407,990	\$0	\$4,080	\$0	\$407,990	\$14
				Averages			2,245	\$388,704	\$0	\$3,887	\$0	\$388,704	\$17
<i>Competitive Market Area Summary:</i>													
Planned	1,398		30.5	Avg. Monthly	Min.		1,413	\$342,990	(\$10,000)	\$3,430	\$0	\$342,990	\$13
Occ.	549		366	Last Ann. Start	Max.		4,372	\$724,500	\$0	\$7,245	\$636	\$724,500	\$29
Remaining	849		22.8	Avg. Monthly	Average		2,403	\$469,084	(\$2,033)	\$4,671	\$134	\$467,051	\$19
			273	Last Ann. Close	Median		2,371	\$412,950	\$0	\$4,119	\$0	\$411,900	\$19

Exhibit 57 : CMA Price Position Graph – Single-Family Detached 60’ – 79’ - New Home Base Prices

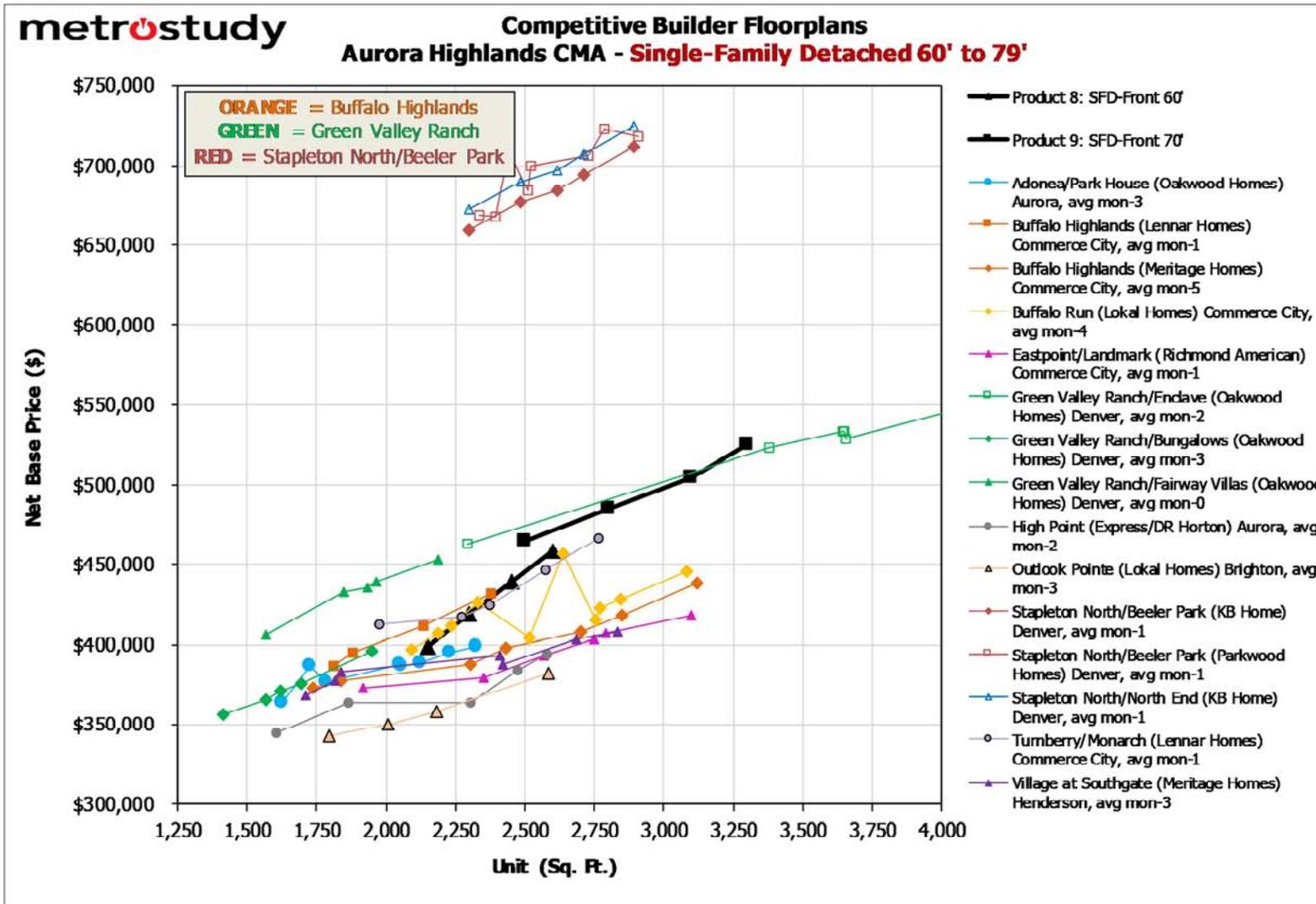
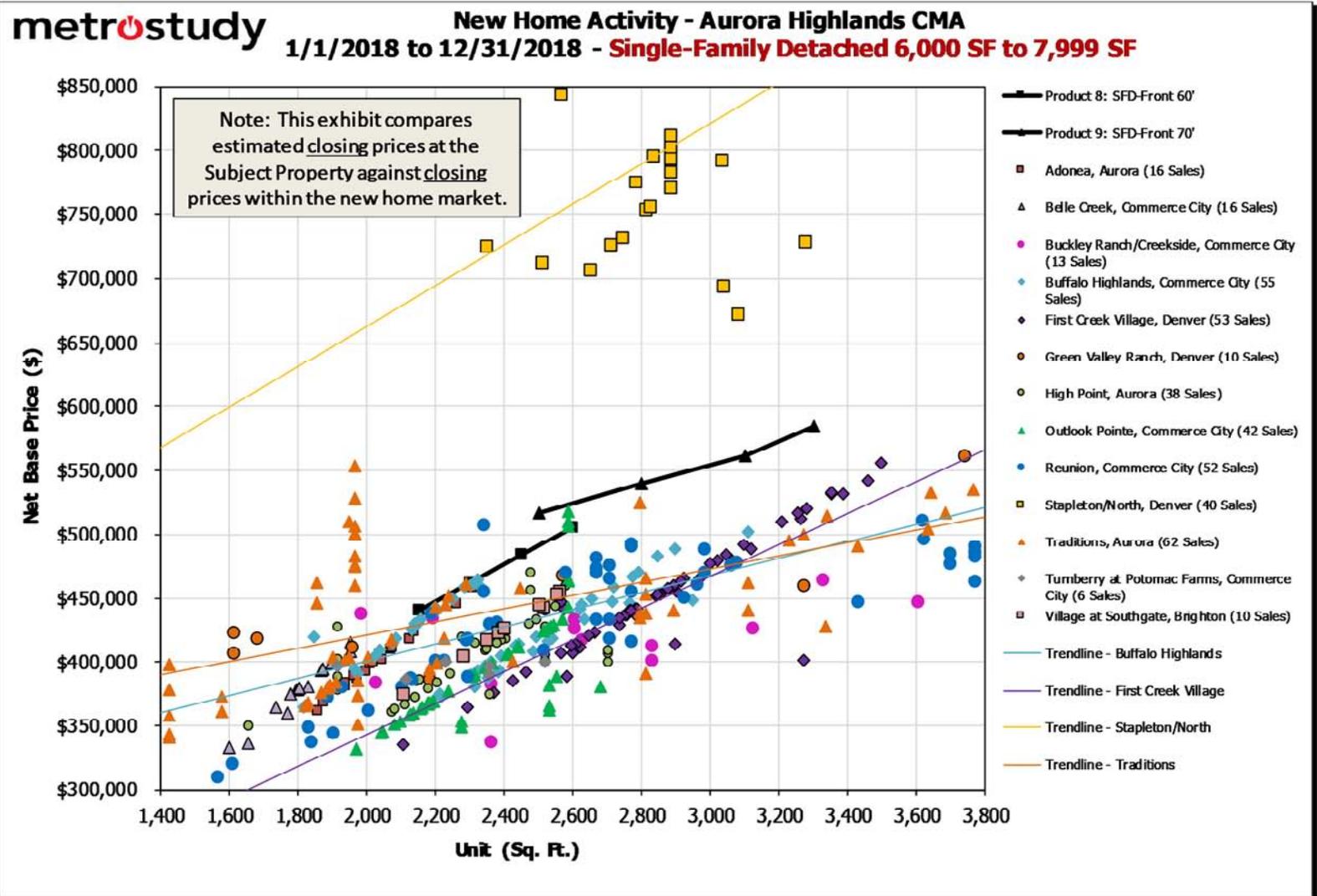
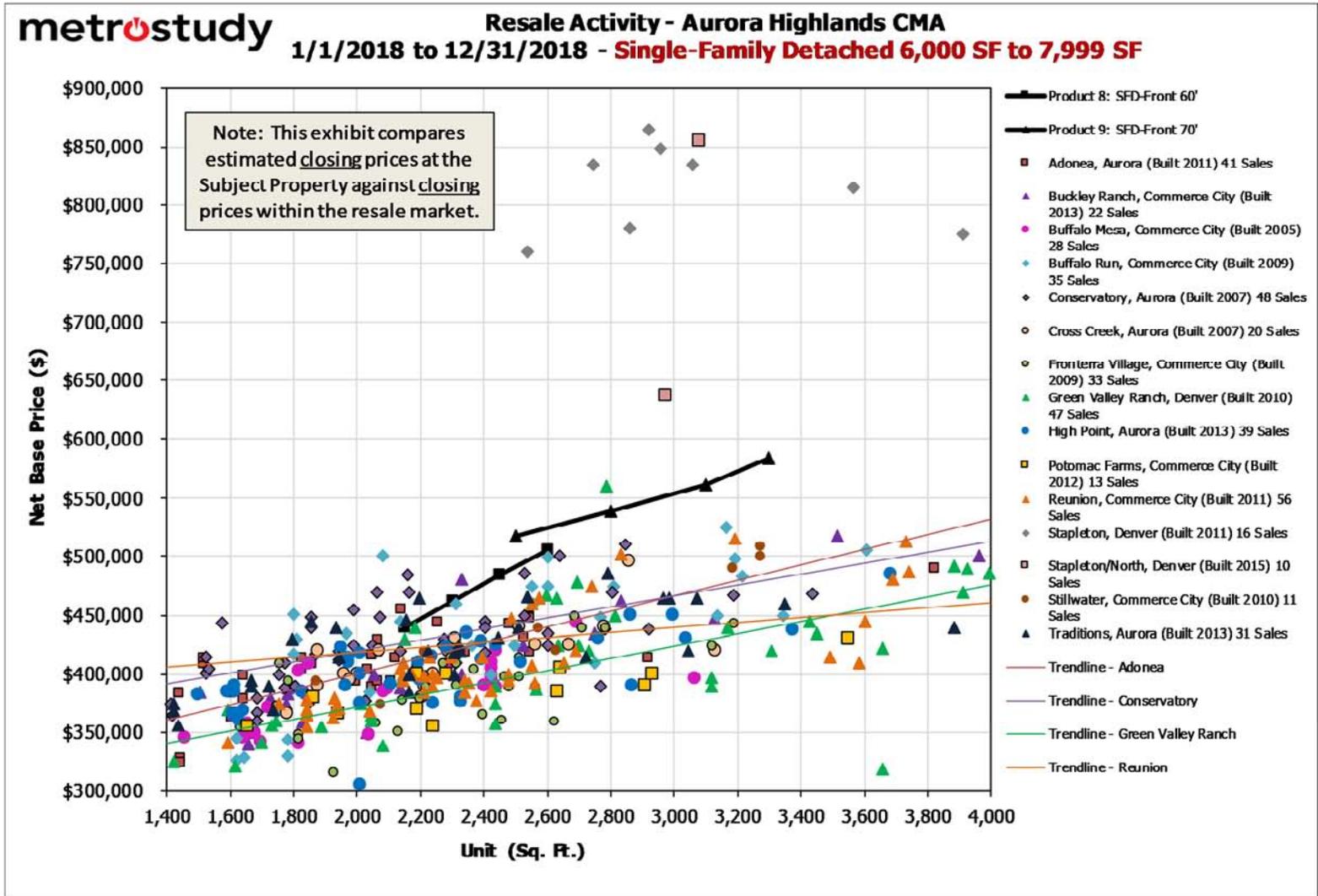


Exhibit 58 : CMA Price Position Graph – Single-Family Detached 60’ -79’ – New Home Closing Prices



metrstudy

Exhibit 59 : CMA Price Position Graph – Single –Family Detached 60’ – 79’ - Resale Activity



For Rent Housing Market Analysis

Exhibit 60 : Average Lease Rates – Denver Metro

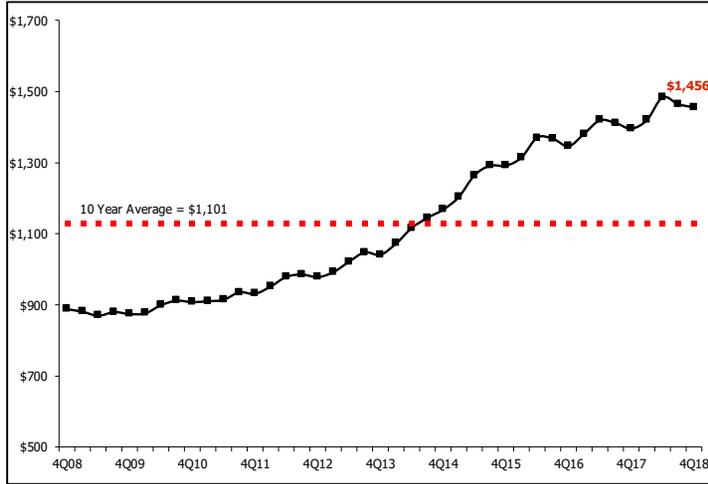


Exhibit 61 : Vacancy Rate/Rent Rate Trends – Denver Metro

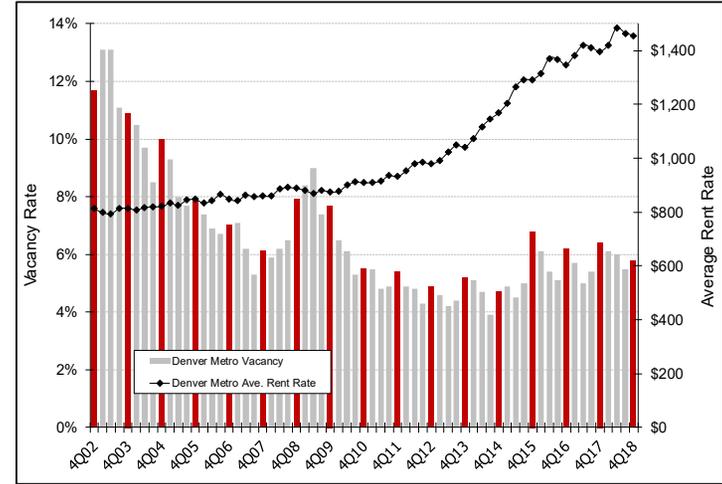


Exhibit 62 : Denver Metro Submarket Map

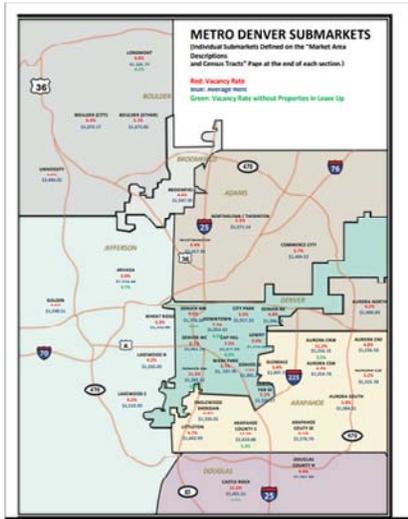
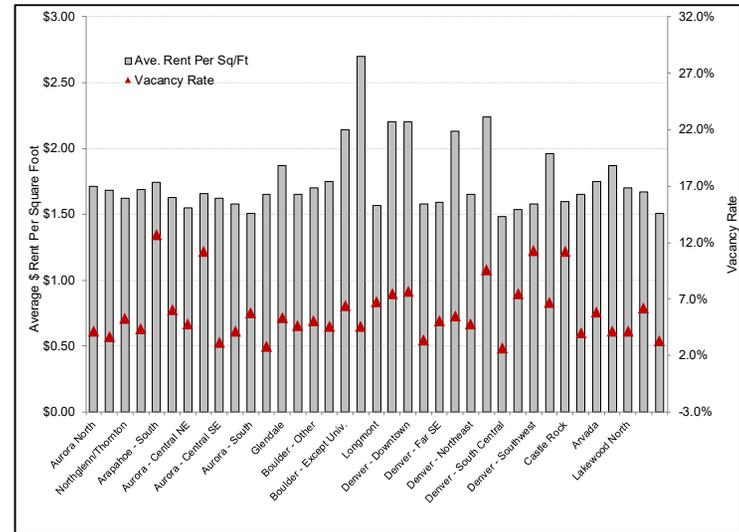


Exhibit 63 : Occupancy & Rental Rate by Submarket



Competitive Rental Community & Positioning

Exhibit 64 : For Rent Competitive Market Area Comp Location Map

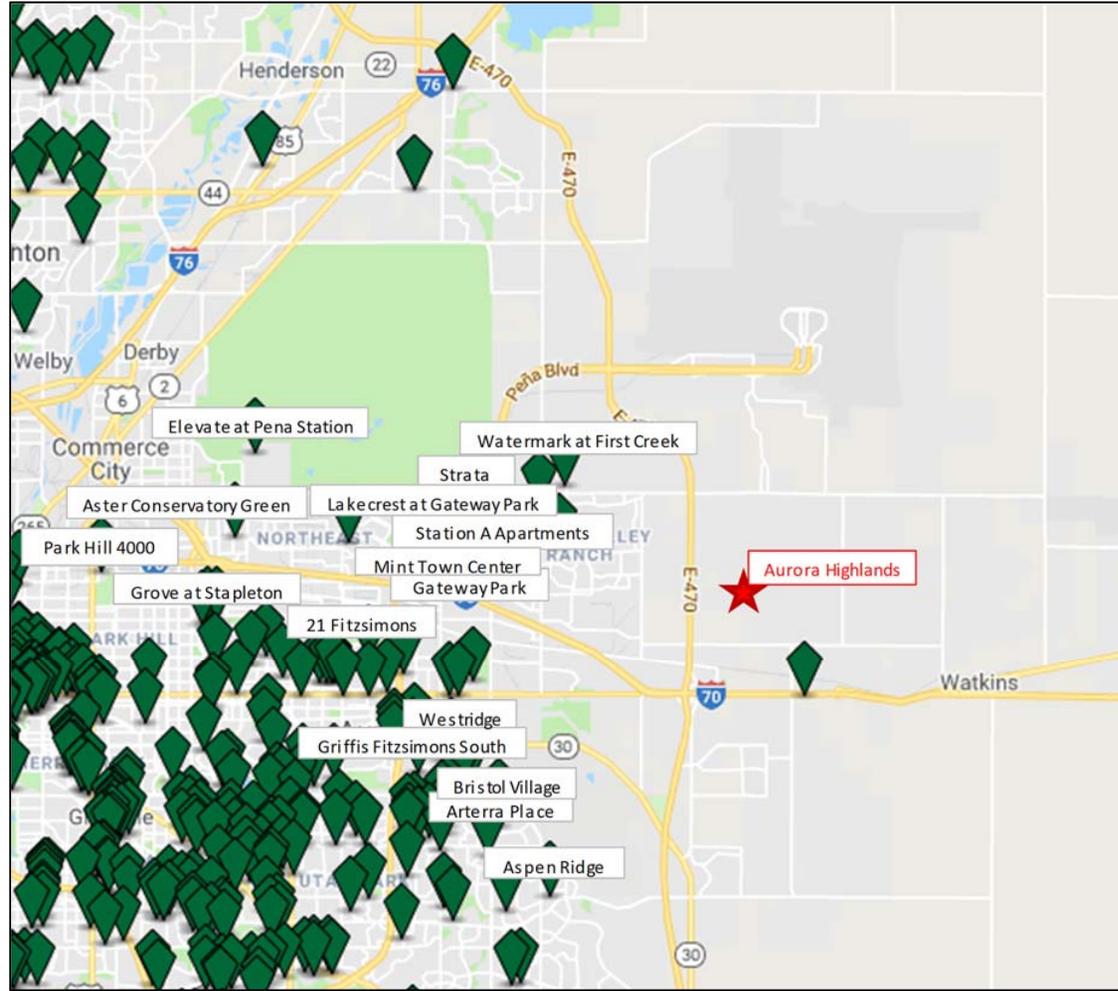


Exhibit 65 : CMA Comparable Rental Product

Project Name/Location Leasing Office Phone	Year Built Occupancy Rate	Total Units	Bed- Bath	Size (Sq.Ft.)	Rental Range	\$/SF Range	Common Area and Unit Amenities
1 21 Fitzsimons 2100 North Ursula Street Aurora, Colorado 877-806-4369	Built in 2008 Occ. Rate = 95.0%	600	S - 1.0	494	\$1,230 - \$1,472	\$2.49 - \$2.98	Clubhouse, car charging station, business center, storage, fitness center, pool, art gallery, BBQ area, dog park, game room
			1 - 1.0	607	\$1,407 - \$2,152	\$2.32 - \$3.55	
			1 - 1.0	706	\$1,280 - \$2,772	\$1.81 - \$3.93	
			1 - 1.0	728	\$1,462 - \$2,432	\$2.01 - \$3.34	
			2 - 2.0	1,087	\$1,720 - \$3,705	\$1.58 - \$3.41	
			1 - 1.0	1,114	\$2,003 - \$3,108	\$1.80 - \$2.79	
			1 - 1.0	1,141	\$1,868 - \$2,922	\$1.64 - \$2.56	
			2 - 2.0	1,158	\$1,739 - \$3,445	\$1.50 - \$2.97	
			3 - 3.0	1,292	\$2,367 - \$5,180	\$1.83 - \$4.01	
			2 - 2.0	1,505	\$2,306 - \$4,626	\$1.53 - \$3.07	
Averages			983	\$1,738 - \$3,181	\$1.85 - \$3.26		
2 Arterra Place 17036 East Ohio Drive Aurora, Colorado 844-583-0184	Built in 2014 Occ. Rate = 95.0%	200	1 - 1.0	700	\$1,233 - \$1,827	\$1.76 - \$2.61	Clubhouse, pool/spa, controlled access, maintenance onsite, courtesy patrol, planned social activities, pet care, lounge, breakfast concierge, storage, conference room, fitness center, playground, trails, media center, game room
			1 - 1.0	825	\$1,243 - \$1,952	\$1.51 - \$2.37	
			1 - 1.0	916	\$1,348 - \$1,973	\$1.47 - \$2.15	
			2 - 2.0	1,066	\$1,574 - \$2,337	\$1.48 - \$2.19	
			2 - 2.0	1,204	\$1,729 - \$2,486	\$1.44 - \$2.06	
			3 - 2.0	1,306	\$2,223 - \$3,191	\$1.70 - \$2.44	
Averages			1,003	\$1,558 - \$2,294	\$1.56 - \$2.31		
3 Aspen Ridge 18851 East Baltic Place Aurora, Colorado 720-506-4776	Built in 2003 Occ. Rate = 94.6%	468	1 - 1.0	747	\$1,325 - \$1,390	\$1.77 - \$1.86	Clubhouse, package service, maintenance onsite, courtesy patrol, business center, lounge, fitness center, pool/spa, playground, dog park
			2 - 1.0	944	\$1,465 - \$1,560	\$1.55 - \$1.65	
			2 - 2.0	1,026	\$1,545 - \$1,685	\$1.51 - \$1.64	
			2 - 2.0	1,048	\$1,585 - \$1,685	\$1.51 - \$1.61	
			3 - 2.0	1,276	\$1,935 - \$2,285	\$1.52 - \$1.79	
Averages			1,008	\$1,571 - \$1,721	\$1.57 - \$1.71		
4 Aster Conservatory Green 4890 Willow Street Denver, Colorado 844-803-9460	Built in 2013 Occ. Rate = 94.3%	352	S - 1.0	564	\$1,272 - \$1,575	\$2.26 - \$2.79	Maintenance onsite, playground, basketball court, community garden, dog park, pool, sundeck, BBQ areas, trails
			S - 1.0	583	\$1,407 - \$1,827	\$2.41 - \$3.13	
			1 - 1.0	641	\$1,460 - \$2,004	\$2.28 - \$3.13	
			1 - 1.0	643	\$1,482 - \$1,729	\$2.30 - \$2.69	
			1 - 1.0	666	\$1,490 - \$1,909	\$2.24 - \$2.87	
			1 - 1.0	733	\$1,579 - \$1,849	\$2.15 - \$2.52	
			2 - 2.0	939	\$1,683 - \$2,078	\$1.79 - \$2.21	
			2 - 2.0	984	\$1,725 - \$2,106	\$1.75 - \$2.14	
			2 - 2.0	1,027	\$1,671 - \$2,036	\$1.63 - \$1.98	
			2 - 2.0	1,081	\$1,738 - \$2,106	\$1.61 - \$1.95	
			3 - 2.5	1,460	\$2,351 - \$2,874	\$1.61 - \$1.97	
Averages			847	\$1,623 - \$2,008	\$2.00 - \$2.49		
5 Bristol Village 17201 East Walsh Way Aurora, Colorado 720-506-2601	Built in 2003 Occ. Rate = 92.0%	240	1 - 1.0	751	\$1,292 - \$2,266	\$1.72 - \$3.02	Controlled access, maintenance onsite, business center, lounge, storage, coffee bar, sundeck, fitness center, pool/spa, tennis
			2 - 2.0	1,044	\$1,574 - \$2,823	\$1.51 - \$2.70	
			3 - 2.0	1,218	\$2,106 - \$3,778	\$1.73 - \$3.10	
Averages			1,004	\$1,657 - \$2,956	\$1.65 - \$2.94		
6 Elevate at Pena Station 17607 East 61st Avenue Denver, Colorado 720-259-1320	Built in 2018 Occ. Rate = n/a	218	1 - 1.0	633	\$1,395 - \$1,510	\$2.20 - \$2.39	Fitness center, business center, spa
			1 - 1.0	702	\$1,435 - \$1,435	\$2.04 - \$2.04	
			1 - 1.0	751	\$1,485 - \$1,575	\$1.98 - \$2.10	
			1 - 1.0	754	\$1,465 - \$1,625	\$1.94 - \$2.16	
			1 - 1.0	761	\$1,495 - \$1,585	\$1.96 - \$2.08	
			1 - 1.0	821	\$1,670 - \$1,670	\$2.03 - \$2.03	
			2 - 2.0	999	\$1,795 - \$1,795	\$1.80 - \$1.80	
			2 - 2.0	1,004	\$1,795 - \$1,795	\$1.79 - \$1.79	
			2 - 2.0	1,066	\$1,760 - \$1,760	\$1.65 - \$1.65	
			2 - 2.0	1,089	\$1,775 - \$1,775	\$1.63 - \$1.63	
			2 - 2.0	1,094	\$1,825 - \$1,825	\$1.67 - \$1.67	
			2 - 2.0	1,124	\$1,940 - \$1,940	\$1.73 - \$1.73	
			2 - 2.0	1,146	\$1,850 - \$1,850	\$1.61 - \$1.61	
			2 - 2.0	1,157	\$1,850 - \$1,850	\$1.60 - \$1.60	
3 - 3.0	1,222	\$2,150 - \$2,150	\$1.76 - \$1.76				
Averages			955	\$1,712 - \$1,743	\$1.83 - \$1.87		

Project Name/Location Leasing Office Phone	Year Built Occupancy Rate	Total Units	Bed- Bath	Size (Sq.Ft.)	Rental Range	\$/SF Range	Common Area and Unit Amenities
7 Gateway Park							
4255 Kittredge Street	Built in 2000	328	1 - 1.0	705	\$1,289 - \$1,359	\$1.83 - \$1.93	Controlled access, package service, maintenance onsite, courtesy patrol, pet care, pet park, business center, clubhouse, breakfast concierge, sundeck
Denver, Colorado	Occ. Rate = n/a		1 - 1.0	811	\$1,399 - \$1,399	\$1.73 - \$1.73	
844-719-7891			2 - 1.0	928	\$1,559 - \$1,599	\$1.68 - \$1.72	
			2 - 2.0	1,068	\$1,659 - \$1,849	\$1.55 - \$1.73	
			3 - 2.0	1,177	\$1,843 - \$2,063	\$1.57 - \$1.75	
Averages		938			\$1,550 - \$1,654	\$1.67 - \$1.77	
8 Griffis Fitzsimons South							
325 North Sable Boulevard	Built in 2008	288	1 - 1.0	720	\$1,203 - \$1,203	\$1.93 - \$1.93	Clubhouse, controlled access, pet park, business center, breakfast concierge, courtyard, picnic area, fitness center, pool/spa, gameroom, media center, storage
Aurora, Colorado	Occ. Rate = 94.5%		1 - 1.0	813	\$1,295 - \$1,500	\$1.59 - \$1.85	
844-885-1646			2 - 2.0	1,028	\$1,831 - \$2,008	\$1.78 - \$1.95	
			2 - 2.0	1,092	\$1,832 - \$2,088	\$1.68 - \$1.91	
			2 - 2.0	1,183	\$1,927 - \$2,066	\$1.63 - \$1.75	
			2 - 2.0	1,188	\$1,966 - \$2,040	\$1.65 - \$1.72	
			3 - 2.0	1,284	\$2,313 - \$2,313	\$1.80 - \$1.80	
Averages		991			\$1,702 - \$1,830	\$1.73 - \$1.86	
9 Grove at Stapleton (Active Adult)							
2980 North Syracuse	Built in 2015	150	1 - 1.0	744	\$1,799 - \$1,799	\$2.71 - \$2.71	Clubhouse, package service, controlled access, maintenance onsite, renters insurance, door to door trash pickup, social activities, pet park, car charging station, lounge, multi-use room, breakfast concierge, storage, conference room, library, sun deck, cabana
Denver, Colorado	Occ. Rate = 85.0%		1 - 1.5	890	\$2,150 - \$2,150	\$2.42 - \$2.42	
855-598-7024			1 - 1.5	895	\$2,150 - \$2,150	\$2.40 - \$2.40	
			2 - 2.0	967	\$2,150 - \$2,150	\$2.22 - \$2.22	
			2 - 2.0	1,068	\$2,600 - \$2,600	\$2.43 - \$2.43	
			2 - 2.0	1,107	\$2,515 - \$2,515	\$2.27 - \$2.27	
			2 - 2.0	1,149	\$2,899 - \$2,899	\$2.52 - \$2.52	
			2 - 2.0	1,171	\$2,899 - \$2,899	\$2.48 - \$2.48	
			2 - 2.0	1,266	\$3,260 - \$3,260	\$2.58 - \$2.58	
			2 - 2.0	1,316	\$2,975 - \$2,975	\$2.26 - \$2.26	
Averages		1,022			\$2,481 - \$2,481	\$2.44 - \$2.44	
10 Lakecrest at Gateway Park							
4699 Kittredge Street	Built in 2001	440	1 - 1.0	689	\$1,341 - \$1,436	\$1.95 - \$2.08	Clubhouse, package service, controlled access, maintenance on-site, social activities, pet care, business center, lounge, storage, pool/spa, fitness center, lake, playground, trails
Denver, Colorado	Occ. Rate = 70.9%		1 - 1.0	756	\$1,341 - \$1,469	\$1.77 - \$1.94	
720-343-8572			1 - 1.0	826	\$1,374 - \$1,476	\$1.66 - \$1.79	
			1 - 1.0	832	\$1,471 - \$1,522	\$1.77 - \$1.83	
			1 - 1.0	901	\$1,574 - \$1,574	\$1.75 - \$1.75	
			2 - 1.0	920	\$1,717 - \$1,825	\$1.87 - \$1.98	
			2 - 2.0	1,072	\$1,733 - \$1,926	\$1.62 - \$1.80	
			2 - 2.0	1,118	\$1,852 - \$2,013	\$1.66 - \$1.80	
			3 - 2.0	1,314	\$2,124 - \$2,300	\$1.62 - \$1.75	
Averages		936			\$1,614 - \$1,727	\$1.74 - \$1.86	
11 Mint Town Center							
7525 East 29th Place	Built in 2017	399	1 - 1.0	603	\$1,405 - \$1,825	\$2.33 - \$3.03	Clubhouse, fitness center, bike storage, lounge, rooftop deck, green space, pool/spa, pet spa, picnic areas, sauna
Denver, Colorado	Occ. Rate = 37.0%		1 - 1.0	610	\$1,570 - \$2,040	\$2.57 - \$3.34	
844-727-5520			1 - 1.0	612	\$1,545 - \$1,545	\$2.52 - \$2.52	
			1 - 1.0	665	\$1,475 - \$1,575	\$2.22 - \$2.37	
			1 - 1.0	685	\$1,525 - \$2,050	\$2.23 - \$2.99	
			1 - 1.0	689	\$1,465 - \$1,515	\$2.13 - \$2.20	
			1 - 1.0	798	\$1,640 - \$1,735	\$2.06 - \$2.17	
			1 - 1.0	814	\$1,675 - \$2,235	\$2.06 - \$2.75	
			2 - 1.0	949	\$1,930 - \$2,000	\$2.03 - \$2.11	
			2 - 2.0	1,131	\$2,105 - \$2,205	\$1.86 - \$1.95	
			2 - 2.0	1,188	\$2,285 - \$2,355	\$1.92 - \$1.98	
			2 - 2.0	1,247	\$2,310 - \$2,855	\$1.85 - \$2.29	
			3 - 2.0	1,476	\$2,760 - \$2,885	\$1.87 - \$1.95	
			3 - 2.0	1,488	\$2,905 - \$2,955	\$1.95 - \$1.99	
			3 - 2.0	1,606	\$3,585 - \$3,585	\$2.23 - \$2.23	
Averages		971			\$2,012 - \$2,224	\$2.12 - \$2.39	
12 Park Hill 4000							
4000 North Albion Street	Built in 2014	216	2 - 2.0	794	\$1,545 - \$3,350	\$1.95 - \$4.22	Fitness center, package service, pet park, business center, clubhouse, lounge, storage, sundeck, pool/spa, playground, volleyball court, picnic areas
Denver, Colorado	Occ. Rate = 94.6%		2 - 2.0	1,010	\$1,739 - \$3,295	\$1.72 - \$3.26	
720-259-8584			2 - 2.0	1,182	\$1,875 - \$3,655	\$1.59 - \$3.09	
Averages		995			\$1,720 - \$3,433	\$1.75 - \$3.52	
13 Station A							
4550 Kittredge Street	Built in 2018	400	1 - 1.0	558	\$1,225 - \$1,595	\$2.20 - \$2.86	Clubhouse, pool, controlled access, pet park, car charging station, multi-use room, cabana, picnic area, pond, fitness center, playground, bike storage, trails, gameroom, movie theater
Denver, Colorado	Occ. Rate = 37.0%		1 - 1.0	661	\$1,395 - \$1,765	\$2.11 - \$2.67	
303-731-0065			1 - 1.0	693	\$1,425 - \$1,675	\$2.06 - \$2.42	
			1 - 1.0	809	\$1,525 - \$1,855	\$1.89 - \$2.29	
			2 - 1.0	904	\$1,750 - \$2,030	\$1.94 - \$2.25	
			2 - 2.0	1,044	\$1,825 - \$2,155	\$1.75 - \$2.06	
			2 - 2.0	1,092	\$1,850 - \$2,205	\$1.69 - \$2.02	
			3 - 2.0	1,322	\$2,275 - \$2,630	\$1.72 - \$1.99	
Averages		885			\$1,659 - \$1,989	\$1.92 - \$2.32	

Project Name/Location Leasing Office Phone	Year Built Occupancy Rate	Total Units	Bed- Bath	Size (Sq.Ft.)	Rental Range	\$/SF Range	Common Area and Unit Amenities
14 Strata							
16505 Green Valley Ranch Boulevard Denver, Colorado 817-576-1715	Built in 2017 Occ. Rate = 92.0%	336	1 - 1.0 1 - 1.0 1 - 1.0 1 - 1.0 1 - 1.0 2 - 2.0 2 - 2.0 2 - 2.0 3 - 2.0	592 674 677 681 691 784 1,008 1,182 1,186 1,343	\$1,420 - \$1,450 \$1,425 - \$1,529 \$1,538 - \$1,548 \$1,410 - \$1,550 \$1,541 - \$1,621 \$1,495 - \$1,535 \$1,812 - \$1,882 \$1,970 - \$2,045 \$1,878 - \$1,968 \$2,150 - \$2,170	\$2.40 - \$2.45 \$2.11 - \$2.27 \$2.27 - \$2.29 \$2.07 - \$2.28 \$2.23 - \$2.35 \$1.91 - \$1.96 \$1.80 - \$1.87 \$1.67 - \$1.73 \$1.58 - \$1.66 \$1.60 - \$1.62	Clubhouse, package service, controlled access, maintenance on-site, pet care, business center, coffee bar, cabana, fitness center, pool/spa, picnic area, bike repair
Averages				882	\$1,664 - \$1,730	\$1.96 - \$2.05	
15 Watermark at First Creek							
18493 East Elmendorf Drive Denver, Colorado 844-207-4160	Built in 2017 Occ. Rate = 42.0%	264	1 - 1.0 1 - 1.0 2 - 2.0 2 - 2.0 2 - 2.0 3 - 2.0	751 811 863 1,060 1,219 1,260 1,411	\$1,516 - \$1,528 \$1,558 - \$1,558 \$1,603 - \$1,603 \$1,723 - \$1,816 \$1,838 - \$1,838 \$1,774 - \$1,774 \$2,093 - \$2,093	\$2.02 - \$2.03 \$1.92 - \$1.92 \$1.86 - \$1.86 \$1.63 - \$1.71 \$1.51 - \$1.51 \$1.41 - \$1.41 \$1.48 - \$1.48	Clubhouse, package service, lounge, sundeck, fitness center, pool, dog park
Averages				1,054	\$1,729 - \$1,744	\$1.69 - \$1.70	
16 Westridge							
445 North Helena Court Aurora, Colorado 720-251-4217	Built in 2001 Occ. Rate = 95.9%	297	1 - 1.0 2 - 1.0 2 - 2.0 2 - 1.0 3 - 2.5	703 857 873 935 1,399	\$1,210 - \$1,215 \$1,399 - \$1,485 \$1,399 - \$1,515 \$1,470 - \$1,499 \$1,965 - \$1,965	\$1.72 - \$1.73 \$1.63 - \$1.73 \$1.60 - \$1.74 \$1.57 - \$1.60 \$1.40 - \$1.40	Clubhouse, package service, controlled access, maintenance on-site, pet care, pet park, business center, storage, picnic area, pool, fitness center, playground, bike storage
Averages				953	\$1,489 - \$1,536	\$1.59 - \$1.64	
<u>Competitive Market Area Summary:</u>							
Total Units		5,196	Overall	957	\$1,764 - \$2,090	\$1.88 - \$2.23	
Average Occupancy		79.0%	Studio	550	\$1,284 - \$1,617	\$2.34 - \$2.94	
			1-Bed	748	\$1,497 - \$1,792	\$2.02 - \$2.41	
			2-Bed	1,087	\$1,908 - \$2,228	\$1.75 - \$2.04	
			3-Bed	1,350	\$2,322 - \$2,776	\$1.71 - \$2.07	

Exhibit 66 : Apartment Unit Positioning by Size & Monthly Rate

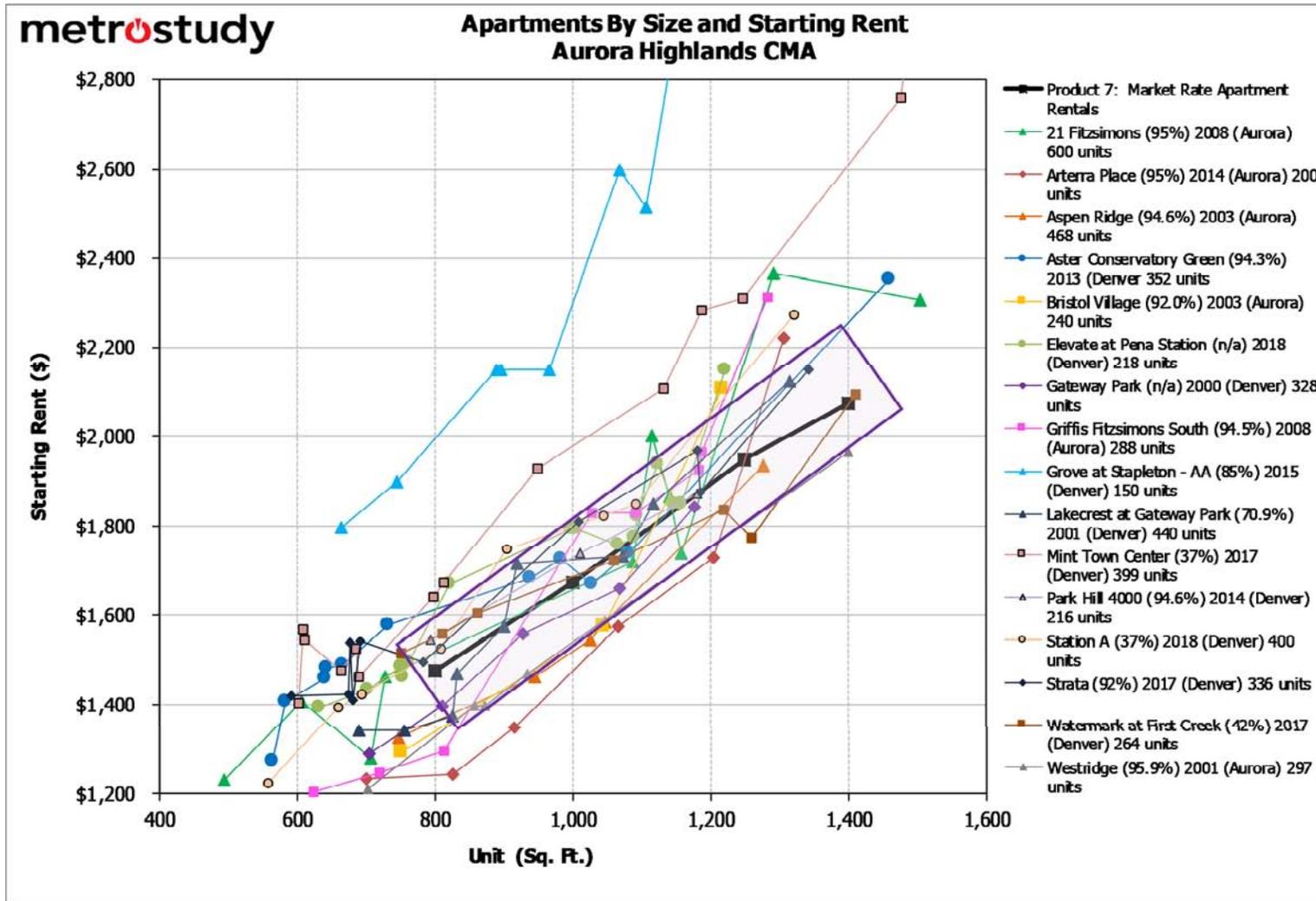
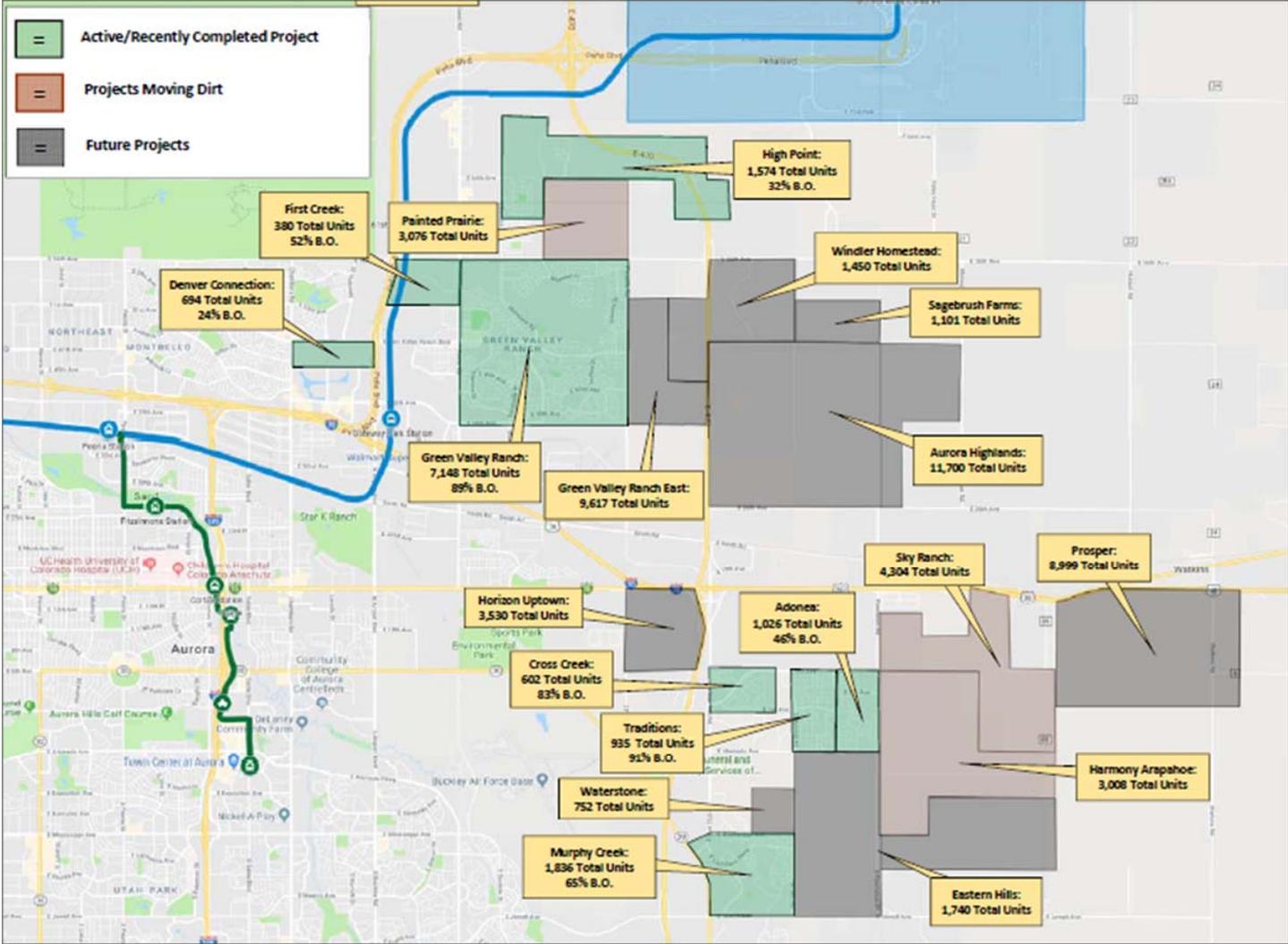


Exhibit 67 : Competitive Projects in the Aurora Highlands CMA





Disclaimer:

It is understood by Aerotropolis Regional Transportation Authority (“Client”) that Metrostudy can make no guarantees about the recommendations in this study, primarily because these recommendations must be based and in some cases inferred from facts discovered by Metrostudy during the course of the study. To protect the Client and to assure that Metrostudy’s research results will continue to be accepted as objective and impartial by the business community, it is understood that Metrostudy’s fee for this study is in no way dependent upon the specific conclusions reached or the nature of the advice given in this report.

Reasonable efforts have been made to ensure that the data contained in this study reflect the most accurate and timely information possible and are believed to be reliable. This study is based on estimates, assumptions and other information developed by Metrostudy from its independent research effort, general knowledge of the industry and consultations with the Client and its representatives. No responsibility is assumed for inaccuracies in reporting by the Client, its agents and representatives or any other data source used in preparing or presenting this study. This report is based on market-wide information that was current as of the end of fourth quarter 2018 and Metrostudy has not undertaken any update of its research effort since such date. Competitive project information was surveyed as of February 19, 2019 through onsite field visits and discussions with third parties. This information includes reported units released, pricing, incentives, and market entry dates for future planned communities. While every reasonable effort was made to collect this information and it is deemed reliable, it cannot be guaranteed for accuracy.

Our report may contain prospective financial information, estimates, or opinions that represent our view of reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as predictions or as assurances that events will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report and the variations may be material. Therefore, Metrostudy makes no warranty or representation that any of the projected values or results in this study will actually be achieved.

This market analysis was prepared by Metrostudy, a consulting firm and the nation's leading provider of primary and secondary market information to the housing, retail, and related industries nationwide.



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APPENDIX C
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FINANCIAL FORECAST

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Aerotropolis Regional Transportation Authority

Financial Forecast for the Proposed Series 2019 Special Revenue Bonds

Prepared: May 24, 2019

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Section I – Purpose and Key Assumptions

The financial forecast set forth herein is based on information provided by the Aerotropolis Regional Transportation Authority (the “Authority” or “ARTA”). The Authority has retained Ehlers & Associates (“Ehlers”) as its Municipal Advisor to prepare a financial forecast analysis with regards to the proposed Special Revenue Bonds, Series 2019. The Authority and Ehlers have relied on a market analysis and absorption forecast prepared by MetroStudy Research dated March 2019.

The financial forecast represents, to the best of the Authority’s and Ehlers’ knowledge and belief, the expected cash sources and uses for the forecast period as of May 17, 2019. The assumptions disclosed herein are those that the Authority and Ehlers believes are significant to the forecast. Note there may be differences between the forecasted and actual results due to certain events and circumstances. To be clear, deviation from absorption, valuation, or timing of ARTA Projects will impact the overall cash flow and that impact may be substantial.

The purpose of the financial forecast is to show the amount of funds available for paying debt service on the proposed issuance of Special Revenue Bonds, Series 2019 (the “Series 2019 Bonds”) in the amount of \$21,270,000. ARTA anticipates issuing the Series 2019 Bonds in June 2019. Bond proceeds will be used to finance a portion of ARTA Projects, to fund the Series 2019 Reserve Fund, pay capitalized interest on the Series 2019 Bonds, and to pay the costs of issuing the Series 2019 Bonds.

In addition, ARTA may issue up to a maximum \$15,000,000 of Special Revenue Bonds, Series 2019B on parity with the Series 2019 Bonds. Should ARTA issue these additional bonds, bond proceeds will be used to fund ARTA’s portion of other projects, pay capitalized interest on the Series 2019B Bonds, and pay the costs of issuing the Series 2019B Bonds. The Series 2019B Bonds, if authorized, are expected to be issued in the second half of 2019.

Security for the Series 2019 and potential 2019B Bonds includes the moneys derived by the Authority under its Establishing Agreement, net of the Operations and Maintenance Deduction, and any other legally available moneys. The key assumptions underlying this financial forecast are discussed below and throughout this report in their applicable sections.

Pledged Revenues Under the Establishing Agreement:

The Authority was established on February 27, 2018 under an intergovernmental agreement between Adams County (the “County”), the City of Aurora (the “City”), and the Aerotropolis Area Coordinating Metropolitan District (the “District” or “AACMD”).

The City has covenanted to impose, collect, and remit 100% of the City Use Tax on Construction Materials, less the 0.25% use tax dedicated to increasing staffing of the City’s police department and operation and maintenance of the City detention facility (the “Use Tax”). The Use Tax is presently 3.75%. In addition, the City has pledged 100% of the proceeds of the City Transportation Impact Fee for Residential Development (the “Transportation Impact Fee”) within ARTA’s geographic boundaries. The Transportation Impact Fee is presently \$431.00 for a multifamily unit, \$518.00 for a single-family attached home, and \$612.00 for a single-family detached home.

The County has pledged 50% of the County General Fund Property Tax (the “County Property Tax”) and 100% of the County Road and Bridge Fund Tax (the “County Road and Bridge Fund Tax”) to the Authority. At the time of writing, 50% of the County Property Tax is 11.353 mills and the County Road and Bridge Fund Tax is 1.300 mills.

The District has covenanted to impose, collect, and remit 100% of a 5.000 mill Aurora Regional Mill Levy imposed on all taxable property less the Authority’s 5.000 mill levy as currently allowed under state statute. Note that ARTA’s 5.000 mills is not “Gallagherized”¹ under state law and it expires in 2029 unless re-authorized by the Colorado State Legislature. However, each of the participating metropolitan districts within ARTA’s boundaries are required under their service plans to remit to ARTA 5.000 mills, plus Gallagher adjustment, less ARTA’s 5.000 mills (to the extent ARTA mill levy is able to impose its mill levy).

Importantly, the revenues discussed above only apply to those derived from within ARTA’s boundaries, and not throughout the County, City, or District. It should also be noted that revenues pledged from the City, County, and District are subject to annual appropriation.

Ad Valorem Taxes

The primary source of revenues for the Authority will be the collection of certain ad valorem taxes derived from taxable property located within ARTA geographic boundaries as discussed above.

For the purposes of this financial forecast and Plan of Finance, residential property was assessed at 7.15% of full market values for each collection year throughout the forecast period, which is based on the most recent available estimate from the State. Per the Metrostudy report, the residential development within the Aurora Highlands (the primary housing development within ARTA) is expected to include 142 residential units in 2020 and increase to 658 units in 2024. Market values for the residential property are estimated to range from \$353,169 to \$550,935. Finished lots are forecasted at 10% of current market values. Lastly, residential market values are estimated to increase 3.0% annually from 2020 – 2045, 2.0% thereafter, and 4.0% due to a biennial reassessment.

Section IV discusses the anticipated housing absorption in further detail.

All property is assumed to be assessed annually as of January 1. The Plan of Finance and Series 2019 and 2019B financial forecast recognizes the applicable property taxes as revenue in the subsequent year.

Interest Income

Interest income is assumed to be earned at 2.0% annually on amounts on deposit in the Reserve Fund, Surplus Fund balance, and Capital Fund.

¹ The Gallagher Amendment (passed in 1982) was designed to maintain a constant ratio between property tax revenue coming from residential (45%) and commercial/industrial (55%) with commercial/industrial properties being assessed at 29% of full market value. As a result, the Colorado State Legislature is required to set the residential property assessment rate at the appropriate level to maintain this split. Some municipalities have received voter authorization to adjust their mill levy rates to offset any reduction in the residential assessment ratio, a practice known as “Gallagherization.”

Bond Assumptions

The Series 2019 Bond Indenture of Trust requires excess pledged revenues, if any, to be deposited into the Surplus Fund until amounts on deposit equal 50% of maximum annual debt service on all outstanding parity debt.

Excess pledged revenues, if any, after the payment of debt service, replenishing the Reserve Fund, and funding the Surplus Fund are required to be deposited in the Capital Fund.

The Authority anticipates issuing \$21,270,000 of Series 2019 Bonds in June 2019. In addition, the Authority reserves the right to issue up to a maximum of \$15,000,000 of additional bonds in the second half of 2019 (the "Series 2019B Bonds"). All bonds issued in calendar year 2019 are forecasted to have an interest rate of 5.75% and mature no later than December 1, 2051. The Series 2019 and 2019B Bonds are current interest bonds.

The Authority is required to impose its Required Mill Levy of 5.000 mills and to enforce the collection of the other Pledged Revenues until all debt is fully repaid.

The following table shows the estimated sources and uses of funds for the Series 2019 and 2019B Bonds.

	<u>Series 2019</u>		<u>Series 2019B</u>		<u>Total</u>
Sources					
Bond Proceeds	\$	21,270,000	\$	15,000,000	\$ 36,270,000
Total Sources	\$	21,270,000	\$	15,000,000	\$ 36,270,000
Uses					
Issuance Costs	\$	576,750	\$	450,000	\$ 1,026,750
Capitalized Interest		2,996,411		1,940,625	4,937,036
Reserve Fund		2,127,000		1,500,000	3,627,000
Available for Projects		15,309,383		11,108,000	26,417,383
RTA Reimbursement for Planning Costs		51,060		0	51,060
Estimated IGA Interest Costs		157,496		0	157,496
Issuance Contingency		50,000		0	50,000
Rounding		1,899		1,375	3,274
Total Uses	\$	21,270,000	\$	15,000,000	\$ 36,270,000

More details on the Series 2019 Bonds can be found in Section III and Section VII and those on the possible 2019B issue can be found in Section III and Section VIII.

Operating Expenses

The Authority has had limited operations because it was organized in 2018. The Establishing Agreement permits the Authority to allocate one percent (1%) of its gross revenues to operations and maintenance expenses. To the extent that one percent of gross revenues is insufficient to cover operations and maintenance expenses, the Authority will be reliant on contributions from the City, the County, and the

District to fund its operation and maintenance expenses. However, there is no assurance that the City, the County, or the District will be willing and/or able to fund such expenses.

Other revenue available for operating expenses include the portion of specific ownership taxes attributable to the property taxes used for debt service and amounts on deposit in the Capital Fund, if any.

Cash Flow Analysis

Ehlers has analyzed the 2019 Bonds utilizing only the projected housing absorption reflected in the MetroStudy report in Section IV. For the purposes of this analysis, no other revenues generated from commercial development and/or oil & gas extraction related activities have been included. The Cash Flow Analysis can be found in Section VII of this report.

Alternative A Cash Flow Analysis

Ehlers developed Alternative A Cash Flow Analysis that reflects a minimum coverage target, or break-even scenario that solves for an absorption of the residential development that would provide for a debt service coverage minimum of 1.0x, for all years of the development. The Alternative A Cash Flow Analysis can be found in Section VIII of this report.

Section II – Debt Service Schedule for Outstanding Debt

The Aerotropolis Regional Transportation Authority (ARTA) does not presently have any outstanding debt that must be disclosed prior to the issuance of the Series 2019 Bonds. Currently, ARTA is operating under an Intergovernmental Agreement (IGA) which allows the AACMD to advance funds to ARTA for project expenses up to the time the initial series of bonds is issued.

The draws on the IGA have occurred or are projected to occur as follows per the IGA:

- August 23, 2018 \$750,000
- January 15, 2019 \$607,600
- February 1, 2019 \$850,000
- March 1, 2019 \$929,167
- April 1, 2019 \$929,167
- May 1, 2019 \$929,167
- June 1, 2019 \$929,167

The maximum authorized amount that can be drawn by the Authority under the IGA is \$6,650,000. However, based on the schedule for the issuance of the Series 2019 Bonds, it is not anticipated that the maximum draw amount will be approached.

The terms of the IGA allow for an interest rate of 9.00% to be calculated on the outstanding balance, beginning at the time of the draw.

Section III - Proposed 2019 and 2019B Debt Issuances

Based on the construction cost estimates prepared by the District (found in Section V), the anticipated project costs needed for the 2019 and 2020 fiscal years is \$15,119,496. When inflated by 2.00% (the estimated rate of inflation) to adjust for market changes for the 2020-year, it is anticipated that ARTA will need to finance \$15,309,383 of project costs. ARTA may also choose to accelerate the construction of certain improvements related to other projects as a parity obligation through the issuance of the Series 2019B Bonds.

The anticipated timing of the Series 2019 Bonds is as follows:

- May 2019 Determine final amount of projects
- June 2019 Pricing and issuance of Series 2019 Bonds

As of the date of this report, the expected plan of finance for the Series 2019 Bonds is as follows:

Sources & Uses

Dated 06/19/2019 | Delivered 06/19/2019

Sources Of Funds

Par Amount of Bonds	\$21,270,000.00
Total Sources	\$21,270,000.00

Uses Of Funds

Total Underwriter's Discount (1.500%)	319,050.00
Costs of Issuance	257,700.00
Deposit to Debt Service Reserve Fund (DSRF)	2,127,000.00
Deposit to Capitalized Interest (CIF) Fund	2,996,411.25
Primary Purpose Fund	15,309,383.00
Estimated Interest Costs	157,496.17
Preliminary Planning Work Reimbursement	51,060.32
Issuance Contingency	50,000.00
Rounding Amount	1,899.26
Total Uses	\$21,270,000.00

In addition, should ARTA decide to accelerate completion of additional projects in 2019, the second maximum tranche of debt (Series 2019B Bonds) is as follows:

Sources & Uses

Dated 09/01/2019 | Delivered 09/01/2019

Sources Of Funds

Par Amount of Bonds	\$15,000,000.00
Total Sources	\$15,000,000.00

Uses Of Funds

Total Underwriter's Discount (1.500%)	225,000.00
Costs of Issuance	225,000.00
Deposit to Debt Service Reserve Fund (DSRF)	1,500,000.00
Deposit to Capitalized Interest (CIF) Fund	1,940,625.00
Primary Purpose Fund	11,108,000.00
Rounding Amount	1,375.00
Total Uses	\$15,000,000.00

Proposed amortizations for the 2019 and 2019B Series Bonds are shown on the ensuing pages, which indicates capitalized interest utilized for the first 2.5 years through December 1, 2021 and offsets of interest income on the Reserve Fund (DSRF) for both issues.

\$21,270,000 Series 2019 Bonds:

Net Debt Service Schedule -- Accrual Basis

Calendar Year	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S
2019	-	-	550,361.25	550,361.25	-	(550,361.25)	-
2020	-	-	1,223,025.00	1,223,025.00	(42,540.00)	(1,265,830.88)	(85,345.88)
2021	-	-	1,223,025.00	1,223,025.00	(42,540.00)	(1,241,370.38)	(60,885.38)
2022	280,000.00	5.750%	1,223,025.00	1,503,025.00	(42,540.00)	-	1,460,485.00
2023	300,000.00	5.750%	1,206,925.00	1,506,925.00	(42,540.00)	-	1,464,385.00
2024	315,000.00	5.750%	1,189,675.00	1,504,675.00	(42,540.00)	-	1,462,135.00
2025	335,000.00	5.750%	1,171,562.50	1,506,562.50	(42,540.00)	-	1,464,022.50
2026	350,000.00	5.750%	1,152,300.00	1,502,300.00	(42,540.00)	-	1,459,760.00
2027	370,000.00	5.750%	1,132,175.00	1,502,175.00	(42,540.00)	-	1,459,635.00
2028	395,000.00	5.750%	1,110,900.00	1,505,900.00	(42,540.00)	-	1,463,360.00
2029	415,000.00	5.750%	1,088,187.50	1,503,187.50	(42,540.00)	-	1,460,647.50
2030	440,000.00	5.750%	1,064,325.00	1,504,325.00	(42,540.00)	-	1,461,785.00
2031	465,000.00	5.750%	1,039,025.00	1,504,025.00	(42,540.00)	-	1,461,485.00
2032	490,000.00	5.750%	1,012,287.50	1,502,287.50	(42,540.00)	-	1,459,747.50
2033	520,000.00	5.750%	984,112.50	1,504,112.50	(42,540.00)	-	1,461,572.50
2034	550,000.00	5.750%	954,212.50	1,504,212.50	(42,540.00)	-	1,461,672.50
2035	580,000.00	5.750%	922,587.50	1,502,587.50	(42,540.00)	-	1,460,047.50
2036	615,000.00	5.750%	889,237.50	1,504,237.50	(42,540.00)	-	1,461,697.50
2037	650,000.00	5.750%	853,875.00	1,503,875.00	(42,540.00)	-	1,461,335.00
2038	690,000.00	5.750%	816,500.00	1,506,500.00	(42,540.00)	-	1,463,960.00
2039	725,000.00	5.750%	776,825.00	1,501,825.00	(42,540.00)	-	1,459,285.00
2040	770,000.00	5.750%	735,137.50	1,505,137.50	(42,540.00)	-	1,462,597.50
2041	815,000.00	5.750%	690,862.50	1,505,862.50	(42,540.00)	-	1,463,322.50
2042	860,000.00	5.750%	644,000.00	1,504,000.00	(42,540.00)	-	1,461,460.00
2043	910,000.00	5.750%	594,550.00	1,504,550.00	(42,540.00)	-	1,462,010.00
2044	960,000.00	5.750%	542,225.00	1,502,225.00	(42,540.00)	-	1,459,685.00
2045	1,015,000.00	5.750%	487,025.00	1,502,025.00	(42,540.00)	-	1,459,485.00
2046	1,075,000.00	5.750%	428,662.50	1,503,662.50	(42,540.00)	-	1,461,122.50
2047	1,140,000.00	5.750%	366,850.00	1,506,850.00	(42,540.00)	-	1,464,310.00
2048	1,205,000.00	5.750%	301,300.00	1,506,300.00	(42,540.00)	-	1,463,760.00
2049	1,270,000.00	5.750%	232,012.50	1,502,012.50	(42,540.00)	-	1,459,472.50
2050	1,345,000.00	5.750%	158,987.50	1,503,987.50	(42,540.00)	-	1,461,447.50
2051	1,420,000.00	5.750%	81,650.00	1,501,650.00	(2,169,540.00)	-	(667,890.00)
- \$21,270,000.00			- \$26,847,411.25	\$48,117,411.25	(3,488,280.00)	(3,057,562.51)	\$41,571,568.74

\$15,000,000 Series 2019B Bonds (if authorized by ARTA):

Net Debt Service Schedule -- Accrual Basis

Calendar Year	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S
2019	-	-	215,625.00	215,625.00	-	(215,625.00)	-
2020	-	-	862,500.00	862,500.00	(30,000.00)	(892,687.50)	(60,187.50)
2021	-	-	862,500.00	862,500.00	(30,000.00)	(875,437.50)	(42,937.50)
2022	200,000.00	5.750%	862,500.00	1,062,500.00	(30,000.00)	-	1,032,500.00
2023	210,000.00	5.750%	851,000.00	1,061,000.00	(30,000.00)	-	1,031,000.00
2024	220,000.00	5.750%	838,925.00	1,058,925.00	(30,000.00)	-	1,028,925.00
2025	235,000.00	5.750%	826,275.00	1,061,275.00	(30,000.00)	-	1,031,275.00
2026	250,000.00	5.750%	812,762.50	1,062,762.50	(30,000.00)	-	1,032,762.50
2027	260,000.00	5.750%	798,387.50	1,058,387.50	(30,000.00)	-	1,028,387.50
2028	275,000.00	5.750%	783,437.50	1,058,437.50	(30,000.00)	-	1,028,437.50
2029	295,000.00	5.750%	767,625.00	1,062,625.00	(30,000.00)	-	1,032,625.00
2030	310,000.00	5.750%	750,662.50	1,060,662.50	(30,000.00)	-	1,030,662.50
2031	330,000.00	5.750%	732,837.50	1,062,837.50	(30,000.00)	-	1,032,837.50
2032	345,000.00	5.750%	713,862.50	1,058,862.50	(30,000.00)	-	1,028,862.50
2033	365,000.00	5.750%	694,025.00	1,059,025.00	(30,000.00)	-	1,029,025.00
2034	385,000.00	5.750%	673,037.50	1,058,037.50	(30,000.00)	-	1,028,037.50
2035	410,000.00	5.750%	650,900.00	1,060,900.00	(30,000.00)	-	1,030,900.00
2036	435,000.00	5.750%	627,325.00	1,062,325.00	(30,000.00)	-	1,032,325.00
2037	460,000.00	5.750%	602,312.50	1,062,312.50	(30,000.00)	-	1,032,312.50
2038	485,000.00	5.750%	575,862.50	1,060,862.50	(30,000.00)	-	1,030,862.50
2039	515,000.00	5.750%	547,975.00	1,062,975.00	(30,000.00)	-	1,032,975.00
2040	540,000.00	5.750%	518,362.50	1,058,362.50	(30,000.00)	-	1,028,362.50
2041	575,000.00	5.750%	487,312.50	1,062,312.50	(30,000.00)	-	1,032,312.50
2042	605,000.00	5.750%	454,250.00	1,059,250.00	(30,000.00)	-	1,029,250.00
2043	640,000.00	5.750%	419,462.50	1,059,462.50	(30,000.00)	-	1,029,462.50
2044	680,000.00	5.750%	382,662.50	1,062,662.50	(30,000.00)	-	1,032,662.50
2045	715,000.00	5.750%	343,562.50	1,058,562.50	(30,000.00)	-	1,028,562.50
2046	760,000.00	5.750%	302,450.00	1,062,450.00	(30,000.00)	-	1,032,450.00
2047	800,000.00	5.750%	258,750.00	1,058,750.00	(30,000.00)	-	1,028,750.00
2048	850,000.00	5.750%	212,750.00	1,062,750.00	(30,000.00)	-	1,032,750.00
2049	895,000.00	5.750%	163,875.00	1,058,875.00	(30,000.00)	-	1,028,875.00
2050	950,000.00	5.750%	112,412.50	1,062,412.50	(30,000.00)	-	1,032,412.50
2051	1,005,000.00	5.750%	57,787.50	1,062,787.50	(1,530,000.00)	-	(467,212.50)
- \$15,000,000.00		- \$18,763,975.00	\$33,763,975.00	(2,460,000.00)	(1,983,750.00)	\$29,320,225.00	

The aggregate estimated debt service schedule is also detailed in Appendix A.

Section IV – Development Absorption

ARTA is in receipt of a market analysis report from Metrostudy (dated first quarter 2019), which shows that the annual absorption of single-family residential units would range from a low of 142 units to a high of 658 units through the year 2028. Those absorption projections, which can be found in Exhibit 12 of the Metrostudy Report are being used for the forecasts included herein. It should also be further noted that Ehlers has extrapolated the absorption of the remaining housing units post-2028 on a linear basis to achieve full build-out of the planned development.

The Metrostudy report concludes that the current weighted average base price per residential unit (at full build out) is \$433,273. However, the annual weighted average residential base price varies from \$416,768 to \$446,758, depending on the mix of product types absorbed into the market. The report further states that across all product lines, base prices in the Competitive Market Area have increased 3.1% in the past year.

The Metrostudy report also evaluated the For Rent Market component of the development. Metrostudy concludes that it would be reasonable to expect absorption of 300 units per year beginning in 2022, which can be found in Exhibit 16 of the Metrostudy Report. Similar to the single-family residential units, Ehlers has extrapolated the absorption of the remaining multi-family housing units post 2028 on a linear basis to achieve full build-out of the planned development.

The Metrostudy report concludes that the current average base price per multi-family unit is \$190,000.

For purposes of the Base Case Cash Flow (Section VII), the Financial Forecast assumes that (a) single and multi-family unit absorptions will match those projected in the market study, (b) the average sale price of new construction residential property within the Development will appreciate at an annual rate of 3.0% through 2028 and at an annual rate of 2.0% thereafter, and (c) that constructed residential property will appreciate at a biennial rate of 4.0%.

The Financial Forecast also includes a stress scenario, Alternative A Cash Flow (Section VIII), a hypothetical projection of the payment of debt service on the Series 2019. For purposes of the Alternative A Cash Flow, the Financial Forecast assumes (a) that single and multi-family unit absorption within the Development will occur at a rate which is 43% slower than the Base Case Scenario (for single family homes from 2020 to 2045, inclusive, and for multi-family homes from 2020 to 2034, inclusive), (b) the average sale price of new construction residential property within the Development will appreciate at an annual rate of 3.0% through 2028 and at an annual rate of 2.0% thereafter, and (c) that constructed residential property will appreciate at a biennial rate of 4.0%.

Additionally, Ehlers has applied a residential assessment rate of 7.15% of full market value (as set by the Colorado State Legislature for collection years 2020 and 2021) throughout the financial forecast. However, the residential assessment rate may vary throughout the forecast period in accordance with the Gallagher Amendment.

Given the above assumptions, the revenue projection for ARTA is in the table on the following page:



Annual Revenue Projections



Fiscal	Aurora		Adams County		ARTA		Net Available	Fiscal	
Year	Impact Fees	Use Taxes	GF Levy	Road/Bridge Levy	Levy	Total Revenues	Less 1% O&M	for Debt Service	Year
2019						\$ -	\$ -	\$ -	2019
2020	82,580	846,593	-	-	-	929,173	(9,292)	919,881	2020
2021	244,872	2,603,598	22,288	2,501	9,620	2,882,880	(28,829)	2,854,051	2021
2022	367,190	3,660,250	124,805	14,291	54,966	4,221,501	(42,215)	4,179,286	2022
2023	447,380	4,346,478	310,397	35,543	136,703	5,276,501	(52,765)	5,223,736	2023
2024	513,290	5,134,133	539,493	61,776	237,599	6,486,291	(64,863)	6,421,428	2024
2025	508,818	5,137,787	840,246	96,214	370,055	6,953,119	(69,531)	6,883,588	2025
2026	480,852	4,916,050	1,152,217	131,937	507,451	7,188,507	(71,885)	7,116,622	2026
2027	439,184	4,565,523	1,498,126	171,546	659,793	7,334,172	(73,342)	7,260,831	2027
2028	366,198	3,795,546	1,786,357	204,551	786,734	6,939,386	(69,394)	6,869,992	2028
2029	360,636	3,843,117	2,110,353	241,651	929,425	7,485,182	(74,852)	7,410,331	2029
2030	338,604	3,639,971	2,341,855	268,159	1,031,382	7,619,971	(76,200)	7,543,771	2030
2031	299,436	3,173,469	2,662,038	304,823	1,172,394	7,612,160	(76,122)	7,536,038	2031
2032	274,956	2,955,108	2,872,068	328,872	1,264,894	7,695,898	(76,959)	7,618,939	2032
2033	255,372	2,783,524	3,169,334	362,911	1,395,813	7,966,954	(79,670)	7,887,285	2033
2034	194,601	2,383,926	3,332,979	381,650	1,467,885	7,761,040	(77,610)	7,683,429	2034
2035	126,072	1,905,789	3,621,814	414,724	1,595,091	7,663,490	(76,635)	7,586,855	2035
2036	126,072	1,962,963	3,767,629	431,421	1,659,310	7,947,393	(79,474)	7,867,919	2036
2037	83,232	1,348,269	4,033,389	461,852	1,776,354	7,703,095	(77,031)	7,626,064	2037
2038	67,320	1,131,023	4,137,371	473,759	1,822,149	7,631,623	(76,316)	7,555,306	2038
2039	67,320	1,164,954	4,378,260	501,342	1,928,239	8,040,116	(80,401)	7,959,715	2039
2040	67,320	1,199,903	4,447,808	509,306	1,958,869	8,183,205	(81,832)	8,101,373	2040
2041	67,320	1,235,900	4,696,050	537,731	2,068,198	8,605,198	(86,052)	8,519,146	2041
2042	67,320	1,272,977	4,769,635	546,157	2,100,605	8,756,694	(87,567)	8,669,127	2042
2043	67,320	1,311,166	5,035,033	576,547	2,217,490	9,207,556	(92,076)	9,115,481	2043
2044	67,320	1,350,501	5,113,099	585,487	2,251,871	9,368,278	(93,683)	9,274,596	2044
2045	63,648	1,315,143	5,396,780	617,970	2,376,808	9,770,348	(97,703)	9,672,645	2045
2046	-	-	5,477,790	627,246	2,412,486	8,517,522	(85,175)	8,432,346	2046
2047	-	-	5,743,968	657,726	2,529,714	8,931,407	(89,314)	8,842,093	2047
2048	-	-	5,743,968	657,726	2,529,714	8,931,407	(89,314)	8,842,093	2048
2049	-	-	5,973,727	684,035	2,630,902	9,288,663	(92,887)	9,195,777	2049
2050	-	-	5,973,727	684,035	2,630,902	9,288,663	(92,887)	9,195,777	2050
2051	-	-	6,212,676	711,396	2,736,138	9,660,210	(96,602)	9,563,608	2051
2052	-	-	6,212,676	711,396	2,736,138	9,660,210	(96,602)	9,563,608	2052
2053	-	-	6,461,183	739,852	2,845,584	10,046,618	(100,466)	9,946,152	2053
2054	-	-	6,461,183	739,852	2,845,584	10,046,618	(100,466)	9,946,152	2054
2055	-	-	6,719,630	769,446	2,959,407	10,448,483	(104,485)	10,343,998	2055
2056	-	-	6,719,630	769,446	2,959,407	10,448,483	(104,485)	10,343,998	2056
2057	-	-	6,988,415	800,224	3,077,784	10,866,422	(108,664)	10,757,758	2057
2058	-	-	6,988,415	800,224	3,077,784	10,866,422	(108,664)	10,757,758	2058
2059	-	-	7,267,952	832,233	3,200,895	11,301,079	(113,011)	11,188,069	2059
2060	-	-	7,267,952	832,233	3,200,895	11,301,079	(113,011)	11,188,069	2060
2061	-	-	7,558,670	865,522	3,328,931	11,753,123	(117,531)	11,635,591	2061
2062	-	-	7,558,670	865,522	3,328,931	11,753,123	(117,531)	11,635,591	2062
2063	-	-	7,861,017	900,143	3,462,088	12,223,247	(122,232)	12,101,015	2063
Totals	\$ 6,044,233	\$ 68,983,659	\$ 191,350,671	\$ 21,910,974	\$ 84,272,979	\$ 372,562,516	\$ (3,725,625)	\$ 368,836,891	Totals

Section V – Projected Administrative & Operational Costs

Under the IGA, ARTA is allowed to capture 1.00% of the gross revenues received for the purpose of administrative and operational costs. Based on the adopted 2019 Budget, the anticipated Administrative and Operational costs are detailed in the table below. Please note specific ownership taxes have not been included in the 2019 Budget.

Administrative and Operational Budget			
Beginning Fund Balance			742,330
Revenues			
1% Administrative Holdback			6,813
Interest Income			12,000
Other Income			0
<hr/>			
Total			18,813
Expenditures			
Administraton			383,070
<hr/>			
Revenue Over/(Under) Expenditures			(364,257)
<hr/>			
Ending Fund Balance			378,073

Section VI – Projected Project Costs

The construction costs depicted below are derived from projections received from the District and are broken down as follows. Please note that the debt tranches listed below are for illustrative purposes and funding of each subsequent tranche of debt after the 2019 issues will be dependent upon further market analysis and actual absorption and values of the development.

Estimated Project Costs:

Project	Description (RTA Portion)	Total Cost	RTA Total	Anticipated Completion Date
A 48th Avenue	E470 to Gun Club	4,899,840	1,714,944	2025
B 48th Avenue	Gun Club to Harvest	6,082,560	2,128,896	2029
C 48th Avenue	Harvest to Powhatan	12,165,120	4,257,792	2029
D 38th Avenue	Himalaya to E470 (NB)	14,931,280	14,931,280	2027
E 38th Avenue	Himalaya to E470 (SB)	8,039,920	8,039,920	2033
F TAH Parkway	E470 to Main St	3,674,880	3,674,880	2020
G TAH Parkway	Main St to Aura Blvd	7,349,760	2,939,904	2020
H TAH Parkway	Aura Blvd to Powhatan	26,169,600	9,159,360	2025
I 26th Avenue	E470 to Main St	3,210,240	1,123,584	2020
J 26th Avenue	Main St to Harvest	9,630,720	3,370,752	2030
K 27th Avenue	Harvest to Powhatan	14,530,560	5,085,696	2030
L Powhatan Road	I-70 to 26th St	18,928,000	12,303,200	2025
M Powhatan Road	26th St to 48th	32,032,000	20,820,800	2025
N Powhatan Road	48th to 56th	25,920,000	16,848,000	2025
O E470/38th Interchange	Interchange	24,000,000	24,000,000	2032
P HM/PR/I-70	Interchange	36,000,000	36,000,000	2031
Q Powhatan/I-70 Int	Initial Interchange	6,080,000	6,080,000	2024
R Picadilly Interchange	Interchange (NEATS)	49,440,000	2,472,000	2032
Total		303,084,480	174,951,008	

Note: Project "R" (Picadilly Interchange (shaded in gray)) has been removed from the anticipated project list because the City of Aurora anticipates undertaking that project prior to ARTA's 2031-2032 timeframe. It is also anticipated that the 38th Avenue eastbound lanes from Himalaya to E-470 may be undertaken sooner and will be funded through a subsequent financing in the second half of 2019, not in 2032-2033 as detailed in the ARTA Establishing IGA.

Anticipated Project Construction Cost Schedule as set out in the Establishing Agreement:

Tranche	Amount (\$)
2019	15,309,373
2021	5,911,192
2023	67,473,901
2025	32,023,537
2028	59,248,638
2032	19,818,466
Total	\$199,785,107

Note: The numbers depicted above have been inflated by 2.0% annually from 2018 to account for market increases. Actual annual construction costs may also vary depending on variances in the construction timeline and sequence of projects.

Section VII –Base Case Cash Flow

Appendix A details ARTA’s projected cash flows through 2063 as a Base Case Analysis, which is after payment in full of the Series 2019 and Series 2019B Bonds. Reading across the spreadsheet/cashflow depicted below, the following is a description of what the columns represent:

- Green Columns: Total revenues of the RTA, including Aurora, Adams County, ARTA, and interest earning on the Debt Service Reserves
- Blue Column: RTA Operations – one percent (1%) hold-back of revenues for operations
- Black Column: Net Revenues – available for projects and debt service
- Red Columns: The total principal and interest calculations reflect issuance of the Series 2019 and 2019B Bonds
- Purple Columns: Funds Available (includes 2% interest on any fund balance from prior year), Surplus Deposit/Use and Debt Service Coverage (annual revenues divided by annual net debt service)

For purposes of calculating interest on the Reserve Fund, Surplus Fund, and any carried over fund balance, we have used a 2.00% average annual interest rate.

Based on the assumptions included within the planning components to the above document, there is a reasonable expectation that ARTA will be able to timely pay in full all debt service on the Series 2019 and Series 2019B Bonds. As you will note, the model contemplates maintaining current years revenue debt service coverage ratio at a minimum 1.68x, with an average annual debt service coverage ratio of 3.13x, both well above the minimum 1.25x target.

Deviation from absorption, valuation, or timing of ARTA projects will impact the overall cash flow. While this is a representation of what may occur based upon the above stated assumptions, financial decisions should be undertaken with annually updated information as it becomes available.

Section VIII – Alternative A Cash Flow

With regards to the Series 2019 Bonds and anticipated additional 2019B financing, Ehlers has prepared a financial forecast solely as a “Break-Even” analysis for evaluating at what point would residential development have to slow to cause hardship in the payment of debt service on the Series 2019 Bonds. For the purpose of the Alternative A Cash Flow, all other assumptions remain the same. This scenario solves to achieve a minimum 1.0x annual revenue debt service coverage throughout the life of the debt issues.

Under Alternative A, if residential buildout were to drop to approximately 57% of anticipated development annually through the initial buildout timeframes of 2020 – 2045 (single family) and 2020 – 2034 (multi-family), approximately 4,726 single family and 2,752 multi-family residential houses would be built and absorbed into the market during those time periods. Under this scenario, the remaining single family and multi-family units are absorbed into the market on a linear basis over the next 25 years, resulting in full residential buildout being achieved by 2070.

Under this “Break-Even” scenario, ARTA’s projected available cash flow would still provide at least 1.0x coverage of annual debt service through the term of the anticipated 2019 debt issues (also see Appendix B), while also maintaining an average annual debt service coverage of 2.15x. Lastly, the Surplus Fund would be funded from excess revenues in 2021 primarily due to the use of capitalized interest.

Deviation from absorption, valuation, or timing of ARTA projects will impact the overall cash flow. While this is a representation of what may occur based upon the above stated assumptions, financial decisions should be undertaken with annually updated information as it becomes available.

Appendix A: Base Cash Flow

FYE	Total Revenues		RTA Operations	Net Revenues		Total Principal	Total Interest	Capitalized Interest	Interest Earnings	Total DS	Funds Available	Surplus Funds	DSCR
	County/City/RTA	Total	Admin Allocation	Available for DS & Projects						Aggregate	After DS	Deposits	Min
			1.00%	368,836,891		36,270,000	45,395,761	(4,825,688)	(5,948,280)	70,891,794	2.00%	1,248,255	1.68x
2018	-	-	-	-	-	-	550,361	(550,361)	-	-	-	-	-
2019	-	-	-	-	-	-	550,361	(550,361)	-	-	-	-	-
2020	929,173	929,173	9,292	919,881	0	2,085,525	(2,116,808)	(72,540)	(145,533)	1,065,414	(1,065,414)	-	
2021	2,882,880	2,882,880	28,829	2,854,051	0	2,085,525	(2,116,808)	(72,540)	(103,823)	2,979,182	(182,841)	0	
2022	4,221,501	4,221,501	42,215	4,179,286	480,000	2,085,525	0	(72,540)	2,492,985	4,542,226	0	1.68x	
2023	5,276,501	5,276,501	52,765	5,223,736	510,000	2,057,925	0	(72,540)	2,495,385	7,361,422	0	2.09x	
2024	6,486,291	6,486,291	64,863	6,421,428	535,000	2,028,600	0	(72,540)	2,491,060	11,439,018	0	2.58x	
2025	6,953,119	6,953,119	69,531	6,883,588	570,000	1,997,838	0	(72,540)	2,495,298	16,056,090	0	2.76x	
2026	7,188,507	7,188,507	71,885	7,116,622	600,000	1,965,063	0	(72,540)	2,492,523	21,001,311	0	2.86x	
2027	7,334,172	7,334,172	73,342	7,260,831	630,000	1,930,563	0	(72,540)	2,488,023	26,194,145	0	2.92x	
2028	6,939,386	6,939,386	69,394	6,869,992	670,000	1,894,338	0	(72,540)	2,491,798	31,096,223	0	2.76x	
2029	7,485,182	7,485,182	74,852	7,410,331	710,000	1,855,813	0	(72,540)	2,493,273	36,635,205	0	2.97x	
2030	7,619,971	7,619,971	76,200	7,543,771	750,000	1,814,988	0	(72,540)	2,492,448	42,419,233	0	3.03x	
2031	7,612,160	7,612,160	76,122	7,536,038	795,000	1,771,863	0	(72,540)	2,494,323	48,309,333	0	3.02x	
2032	7,695,898	7,695,898	76,959	7,618,939	835,000	1,726,150	0	(72,540)	2,488,610	54,405,849	0	3.06x	
2033	7,966,954	7,966,954	79,670	7,887,285	885,000	1,678,138	0	(72,540)	2,490,598	60,890,653	0	3.17x	
2034	7,761,040	7,761,040	77,610	7,683,429	935,000	1,627,250	0	(72,540)	2,489,710	67,302,186	0	3.09x	
2035	7,663,490	7,663,490	76,635	7,586,855	990,000	1,573,488	0	(72,540)	2,490,948	73,744,138	0	3.05x	
2036	7,947,393	7,947,393	79,474	7,867,919	1,050,000	1,516,563	0	(72,540)	2,494,023	80,592,917	0	3.15x	
2037	7,703,095	7,703,095	77,031	7,626,064	1,110,000	1,456,188	0	(72,540)	2,493,648	87,337,192	0	3.06x	
2038	7,631,623	7,631,623	76,316	7,555,306	1,175,000	1,392,363	0	(72,540)	2,494,823	94,144,420	0	3.03x	
2039	8,040,116	8,040,116	80,401	7,959,715	1,240,000	1,324,800	0	(72,540)	2,492,260	101,494,763	0	3.19x	
2040	8,183,205	8,183,205	81,832	8,101,373	1,310,000	1,253,500	0	(72,540)	2,490,960	109,135,072	0	3.25x	
2041	8,605,198	8,605,198	86,052	8,519,146	1,390,000	1,178,175	0	(72,540)	2,495,635	117,341,285	0	3.41x	
2042	8,756,694	8,756,694	87,567	8,669,127	1,465,000	1,098,250	0	(72,540)	2,490,710	125,866,528	0	3.48x	
2043	9,207,556	9,207,556	92,076	9,115,481	1,550,000	1,014,013	0	(72,540)	2,491,473	135,007,867	0	3.66x	
2044	9,368,278	9,368,278	93,683	9,274,596	1,640,000	924,888	0	(72,540)	2,492,348	144,490,272	0	3.72x	
2045	9,770,348	9,770,348	97,703	9,672,645	1,730,000	830,588	0	(72,540)	2,488,048	154,564,675	0	3.89x	
2046	8,517,522	8,517,522	85,175	8,432,346	1,835,000	731,113	0	(72,540)	2,493,573	163,594,742	0	3.38x	
2047	8,931,407	8,931,407	89,314	8,842,093	1,940,000	625,600	0	(72,540)	2,493,060	173,215,670	0	3.55x	
2048	8,931,407	8,931,407	89,314	8,842,093	2,055,000	514,050	0	(72,540)	2,496,510	183,025,567	0	3.54x	
2049	9,288,663	9,288,663	92,887	9,195,777	2,165,000	395,888	0	(72,540)	2,488,348	193,393,507	0	3.70x	
2050	9,288,663	9,288,663	92,887	9,195,777	2,295,000	271,400	0	(72,540)	2,493,860	203,963,294	0	3.69x	
2051	9,660,210	9,660,210	96,602	9,563,608	2,425,000	139,438	0	(3,699,540)	(1,135,103)	218,741,271	0	0	
2052	9,660,210	9,660,210	96,602	9,563,608	0	0	0	0	0	232,679,704	0	0	
2053	10,046,618	10,046,618	100,466	9,946,152	0	0	0	0	0	247,279,450	0	0	
2054	10,046,618	10,046,618	100,466	9,946,152	0	0	0	0	0	262,171,191	0	0	
2055	10,448,483	10,448,483	104,485	10,343,998	0	0	0	0	0	277,758,613	0	0	
2056	10,448,483	10,448,483	104,485	10,343,998	0	0	0	0	0	293,657,784	0	0	
2057	10,866,422	10,866,422	108,664	10,757,758	0	0	0	0	0	310,288,698	0	0	
2058	10,866,422	10,866,422	108,664	10,757,758	0	0	0	0	0	327,252,230	0	0	
2059	11,301,079	11,301,079	113,011	11,188,069	0	0	0	0	0	344,985,343	0	0	
2060	11,301,079	11,301,079	113,011	11,188,069	0	0	0	0	0	363,073,119	0	0	
2061	11,753,123	11,753,123	117,531	11,635,591	0	0	0	0	0	381,970,172	0	0	
2062	11,753,123	11,753,123	117,531	11,635,591	0	0	0	0	0	401,245,167	0	0	
2063	12,223,247	12,223,247	122,232	12,101,015	0	0	0	0	0	421,371,085	0	0	
Total	372,562,516	372,562,516	3,725,625	368,836,891		36,270,000	45,395,761	(4,825,688)	(5,948,280)	70,891,794	6,655,083,226	(1,248,255)	



Appendix B: Alternative A Cash Flow

FYE	Total Revenues		RTA Operations	Net Revenues		Total Principal	Total Interest	Capitalized Interest	Interest Earnings	Total DS	Funds Available	Surplus Funds	DSCR
	County/City/RTA	Total	Admin Allocation	Available for DS & Projects						Aggregate	After DS	Deposits	Min
			1.00%	302,956,736	36,270,000	45,395,761	(4,825,688)	(5,948,280)	70,891,794	2.00%	1,248,255		1.00x
2018	-	-		-	-	-	-	-	-	-	-	-	-
2019	-	-		-	-	550,361	-	(550,361)	-	-	-	-	-
2020	561,751	561,751	5,618	556,134	0	2,085,525	(2,158,518)	(72,540)	(145,533)	701,667	(701,667)	-	
2021	1,739,104	1,739,104	17,391	1,721,713	0	2,085,525	(2,116,808)	(72,540)	(103,823)	1,839,569	(546,588)	-	
2022	2,521,777	2,521,777	25,218	2,496,559	480,000	2,085,525	0	(72,540)	2,492,985	1,333,347	0	1.00x	
2023	3,125,695	3,125,695	31,257	3,094,438	510,000	2,057,925	0	(72,540)	2,495,385	1,959,067	0	1.24x	
2024	3,839,041	3,839,041	38,390	3,800,651	535,000	2,028,600	0	(72,540)	2,491,060	3,307,839	0	1.53x	
2025	4,101,371	4,101,371	41,014	4,060,358	570,000	1,997,838	0	(72,540)	2,495,298	4,939,056	0	1.63x	
2026	4,222,463	4,222,463	42,225	4,180,239	600,000	1,965,063	0	(72,540)	2,492,523	6,725,553	0	1.68x	
2027	4,286,874	4,286,874	42,869	4,244,005	630,000	1,930,563	0	(72,540)	2,488,023	8,616,047	0	1.71x	
2028	4,031,749	4,031,749	40,317	3,991,431	670,000	1,894,338	0	(72,540)	2,491,798	10,288,001	0	1.60x	
2029	4,517,479	4,517,479	45,175	4,472,305	710,000	1,855,813	0	(72,540)	2,493,273	12,472,794	0	1.79x	
2030	4,594,615	4,594,615	45,946	4,548,669	750,000	1,814,988	0	(72,540)	2,492,448	14,778,471	0	1.82x	
2031	4,592,305	4,592,305	45,923	4,546,382	795,000	1,771,863	0	(72,540)	2,494,323	17,126,100	0	1.82x	
2032	4,654,514	4,654,514	46,545	4,607,969	835,000	1,726,150	0	(72,540)	2,488,610	19,587,981	0	1.85x	
2033	4,826,902	4,826,902	48,269	4,778,633	885,000	1,678,138	0	(72,540)	2,490,598	22,267,776	0	1.92x	
2034	4,734,890	4,734,890	47,349	4,687,541	935,000	1,627,250	0	(72,540)	2,489,710	24,910,962	0	1.88x	
2035	4,957,643	4,957,643	49,576	4,908,067	990,000	1,573,488	0	(72,540)	2,490,948	27,826,301	0	1.97x	
2036	5,148,986	5,148,986	51,490	5,097,496	1,050,000	1,516,563	0	(72,540)	2,494,023	30,986,300	0	2.04x	
2037	5,050,707	5,050,707	50,507	5,000,200	1,110,000	1,456,188	0	(72,540)	2,493,648	34,112,579	0	2.01x	
2038	5,058,101	5,058,101	50,581	5,007,520	1,175,000	1,392,363	0	(72,540)	2,494,823	37,307,528	0	2.01x	
2039	5,119,964	5,119,964	51,200	5,068,764	1,240,000	1,324,800	0	(72,540)	2,492,260	40,630,183	0	2.03x	
2040	5,489,440	5,489,440	54,894	5,434,545	1,310,000	1,253,500	0	(72,540)	2,490,960	44,386,372	0	2.18x	
2041	5,775,886	5,775,886	57,759	5,718,127	1,390,000	1,178,175	0	(72,540)	2,495,635	48,496,591	0	2.29x	
2042	5,920,785	5,920,785	59,208	5,861,577	1,465,000	1,098,250	0	(72,540)	2,490,710	52,837,390	0	2.35x	
2043	6,251,651	6,251,651	62,517	6,189,135	1,550,000	1,014,013	0	(72,540)	2,491,473	57,591,800	0	2.48x	
2044	6,404,814	6,404,814	64,048	6,340,766	1,640,000	924,888	0	(72,540)	2,492,348	62,592,055	0	2.54x	
2045	6,714,020	6,714,020	67,140	6,646,880	1,730,000	830,588	0	(72,540)	2,488,048	68,002,728	0	2.67x	
2046	7,429,858	7,429,858	74,299	7,355,559	1,835,000	731,113	0	(72,540)	2,493,573	74,224,770	0	2.95x	
2047	7,898,217	7,898,217	78,982	7,819,235	1,940,000	625,600	0	(72,540)	2,493,060	81,035,440	0	3.14x	
2048	8,123,792	8,123,792	81,238	8,042,554	2,055,000	514,050	0	(72,540)	2,496,510	88,202,193	0	3.22x	
2049	8,590,763	8,590,763	85,908	8,504,855	2,165,000	395,888	0	(72,540)	2,488,348	95,982,744	0	3.42x	
2050	8,825,450	8,825,450	88,255	8,737,196	2,295,000	271,400	0	(72,540)	2,493,860	104,145,735	0	3.50x	
2051	9,326,376	9,326,376	93,264	9,233,112	2,425,000	139,438	0	(3,699,540)	(1,135,103)	116,596,864	0	-	
2052	9,570,545	9,570,545	95,705	9,474,839	0	0	0	0	0	128,403,640	0	-	
2053	10,107,399	10,107,399	101,074	10,006,325	0	0	0	0	0	140,978,039	0	-	
2054	10,012,237	10,012,237	100,122	9,912,115	0	0	0	0	0	153,709,714	0	-	
2055	10,580,117	10,580,117	105,801	10,474,315	0	0	0	0	0	167,258,224	0	-	
2056	10,804,380	10,804,380	108,044	10,696,336	0	0	0	0	0	181,299,724	0	-	
2057	11,377,290	11,377,290	113,773	11,263,517	0	0	0	0	0	196,189,236	0	-	
2058	11,610,614	11,610,614	116,106	11,494,508	0	0	0	0	0	211,607,529	0	-	
2059	12,221,610	12,221,610	122,216	12,099,393	0	0	0	0	0	227,939,073	0	-	
2060	12,072,288	12,072,288	120,723	11,951,565	0	0	0	0	0	244,449,419	0	-	
2061	12,716,204	12,716,204	127,162	12,589,042	0	0	0	0	0	261,927,449	0	-	
2062	12,928,151	12,928,151	129,282	12,798,869	0	0	0	0	0	279,964,868	0	-	
2063	13,579,087	13,579,087	135,791	13,443,296	0	0	0	0	0	299,007,461	0	-	
Total	306,016,905	306,016,905	3,060,169	302,956,736	36,270,000	45,395,761	(4,825,688)	(5,948,280)	70,891,794	3,708,546,179	(1,248,255)		



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APPENDIX D

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ECONOMIC AND DEMOGRAPHIC INFORMATION

The following information is provided to give prospective investors general information concerning selected economic and demographic conditions existing in the area within which the Development is located.

The Development is located in the City of Aurora in Adams County. The Development is within the Denver-Aurora-Lakewood Metropolitan Statistical Area (the “**Denver MSA**”), as defined by the federal Office of Management and Budget. The general concept of a metropolitan statistical area is that of a core area containing a substantial population nucleus, together with adjacent communities having a high degree of social and economic integration. The Denver MSA is comprised of the six counties that make up the core Denver metropolitan area (Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson), as well as the four neighboring rural counties of Clear Creek, Gilpin, and Park (each to the west in the Rocky Mountains) and Elbert (on the eastern prairie).

Presented in this appendix are selected economic and demographic statistics for the Denver MSA, the State of Colorado, and in some cases, the City of Aurora, Adams County, and the United States. The statistics presented below have been obtained from the referenced sources and represent the most current information available from such sources; however, certain of the information is released only after a significant amount of time has passed since the most recent date of the reported data and, therefore, such information may not be indicative of economic and demographic conditions as they currently exist or conditions which may be experienced in the near future. Further, the reported data has not been adjusted to reflect economic trends, notably inflation. Finally, other economic and demographic information not presented herein may be available concerning the area in which the Development is located and prospective investors may want to review such information prior to making their investment decision.

The following information is not to be relied upon as a representation or guarantee of the Authority, the Coordinating Metro District, the City, the County, or the Developer or its officers, employees, or advisors.

Colorado Aerotropolis

The Development is located within the Colorado Aerotropolis (the “Aerotropolis”), which features 21,000 developable acres anchored by Denver International Airport. The Aerotropolis is generally bounded by Denver International Airport to the north, Monaghan Road to the east, I-70 to the south, and E-470 to the west. The Aerotropolis is projected to eventually contain 10 million square feet of retail space, 30 million square feet of office space, 40 million square feet of industrial and commercial space, and up to 23,000 new homes. The Aerotropolis is located 45 minutes from Downtown Denver, which can be accessed via the University of Colorado A-line commuter rail train line. Denver International Airport serves as the gateway to the Rocky Mountains.

Transportation

Highways. All of Colorado’s interstate highways (I-25, I-70 and I-76) and their associated spurs and loops (I-225, I-270, C-470, and E-470) pass through the Denver metropolitan area.

Air. Denver International Airport (call sign: DEN), which was ranked by Airports Council International as the 6th busiest airport in the nation and the 20th busiest airport in the world based on total passengers in 2017, is located immediately to the north of the Development within the City and County of Denver.

Other. Public transportation within the Denver metropolitan area by bus, light rail, and commuter rail service is available from the Regional Transportation District. Amtrak provides national rail service in the area. Union Pacific, Southern Pacific, and Burlington Northern provide national freight rail service in the area.

Population

The following tables sets forth available population statistics for the City of Aurora, Adams County, the Denver MSA, and the State of Colorado.

Population

Year	Aurora		Adams County	
	Population	Change	Population	Change
1990	222,103	--	265,708	--
1995	252,808	13.8%	312,593	17.6%
2000	276,393	9.3	351,735	12.5
2005	293,885	6.3	395,384	12.4
2010	326,557	11.1	443,711	12.2
2011	332,385	1.8	451,459	1.7
2012	338,516	1.8	459,821	1.9
2013	344,188	1.7	469,340	2.1
2014	350,872	1.9	479,477	2.2
2015	357,398	1.9	489,774	2.1
2016	360,468	0.9	497,419	1.6
2017	364,674	1.2	503,374	1.2

Sources: Colorado Department of Local Affairs, State Demography Office

Year	Denver MSA		State of Colorado	
	Population	Change	Population	Change
1990	1,656,004	--	3,304,042	--
1995	1,895,265	14.4%	3,811,074	15.3%
2000	2,193,965	15.8	4,338,785	13.8
2005	2,351,871	7.2	4,662,534	7.5
2010	2,556,278	8.7	5,050,332	8.3
2011	2,601,403	1.8	5,119,182	1.4
2012	2,647,835	1.8	5,189,861	1.4
2013	2,698,037	1.9	5,266,317	1.5
2014	2,751,570	2.0	5,345,680	1.5
2015	2,809,029	2.1	5,448,871	1.9
2016	2,853,972	1.6	5,534,240	1.6
2017	2,890,391	1.3	5,609,445	1.4

Sources: Colorado Department of Local Affairs, State Demography Office

Age Distribution – 2018

Age Groups	Percent of Population	
	Denver MSA	State of Colorado
Under 15	18.4%	18.4%
15-24	12.3	13.6
25-34	16.6	15.2
35-44	14.2	13.5
45-54	13.1	12.7
55-64	12.3	12.5
65+	13.0	14.2

Totals may not add due to rounding.

Source: Colorado Department of Local Affairs, State Demography Office

Income

The following tables set forth recent annual personal income and per capita personal income levels for the Denver MSA, and the State. Personal income is a comprehensive measure of the income of all persons from all sources. In addition to wages and salaries, it includes employer-provided health insurance, dividends and interest income, social security benefits and other types of income. Per capita personal income is calculated as the personal income of the residents of a given area divided by the resident population of the area. In computing per capita personal income, the BEA uses the Census Bureau's annual midyear population estimates.

Personal Income in Current Dollars (Thousands)

Year	Denver MSA	State of Colorado
2011	\$121,383,631	\$219,860,916
2012	130,544,627	234,005,901
2013	139,212,185	246,648,165
2014	151,397,505	267,225,467
2015	160,329,809	282,665,204
2016	162,316,535	288,103,337

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Per Capita Personal Income in Current Dollars

Years	Denver MSA	State of Colorado
2011	\$46,670	\$42,955
2012	49,302	45,089
2013	51,596	46,824
2014	55,082	49,952
2015	57,081	51,876
2016	56,892	51,999

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Housing; New Construction; and Foreclosures

The following tables set forth the estimated housing units in the Denver MSA, the history of building permit activity in Aurora, and the number of new privately-owned housing units authorized in the Denver MSA.

Estimated Housing Units

Year	Denver MSA			
	Total Housing Units	Change	Vacant Housing Units	Rate
2012	1,090,973	--	44,638	4.1%
2013	1,102,573	1.1%	36,374	3.3
2014	1,118,148	1.4	30,381	2.7
2015	1,133,720	1.4	27,095	2.4
2016	1,150,101	1.4	28,980	2.5
2017	1,172,059	1.9	30,488	2.6

Source: Colorado Department of Local Affairs, State Demography Office

History of Building Permit Activity – Aurora

Year	Single Family Units	Multi-Family Units	Commercial/ Industrial
2015	976	0	71
2016	1,350	1365	51
2017	1,656	341	67
2018	1,411	1,114	72
2019 ⁽¹⁾	256	204	13

(1) Building permits issued through March 31, 2019.
Source: City of Aurora Building Division

New Privately-Owned Housing Units Authorized

Denver MSA				
Year	Single Family Detached	Single Family Attached	Multi-Family (5+ Units)	Total Units
	(1 Unit)	(2-4 Units)		
2012	5,606	239	7,915	13,760
2013	6,965	322	8,188	15,475
2014	8,064	371	7,332	15,767
2015	9,324	324	8,678	18,326
2016	10,247	486	11,214	21,947
2017	10,978	366	11,391	22,735

Source: U.S. Census Bureau

The following table sets forth recent foreclosure statistics for the Denver MSA as compiled by the Division of Housing of the Colorado Department of Local Affairs. The data in the table includes single family homes, condominiums and townhomes, as well as agricultural, industrial, commercial and multi-family properties and vacant land. However, the Division of Housing reports that the number of nonresidential foreclosures included in these statistics is nominal. In addition, the table presents the total number of foreclosures filed, including foreclosures that were filed and subsequently redeemed or withdrawn.

The foreclosure “filing” is the event that begins the foreclosure process. In general, when a borrower is at least three months delinquent and in default, the borrower will receive a “notice of election and demand” from the Public Trustee of the county in which the property is located. At this point, the property is in foreclosure. A foreclosure filing can be “cured” and “withdrawn” before the home is sold at auction, meaning that not all foreclosure filings result in a final foreclosure sale. Approximately 120 days after the initial filing, the property may be sold at the Public Trustee auction to a third party or to the mortgage company. Once the foreclosure sale takes place, eviction proceedings will proceed during the next several weeks.

Foreclosure Filings and Sales

Denver MSA

Year	Foreclosure Filings	% Change	Foreclosure Sales at Auction	% Change
2011	16,394	--	9,963	--
2012	14,741	(10.1)%	7,662	(23.1)%
2013	7,411	(49.7)	4,065	(46.9)
2014	5,257	(29.1)	2,426	(40.3)
2015	3,407	(35.2)	1,309	(46.0)
2016	3,144	(7.7)	746	(43.0)
2017	2,880	(8.4)	447	(40.1)

Source: Colorado Division of Housing Quarterly Foreclosure Reports

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Employment

The U.S. Department of Labor, Bureau of Labor Statistics, estimates that the national unemployment rate was 3.6% in April 2019.

The following tables set forth recent total labor force, employment, and unemployment statistics for the Denver MSA, and the State of Colorado.

Local Area Employment Statistics (Not seasonally adjusted)

Year ⁽¹⁾	Denver MSA				State of Colorado			
	Number	Change	Number	Rate	Labor Force		Unemployed	
					Number	Rate	Number	Rate
2011	1,431,161	--	118,829	8.3%	2,736,079	--	228,814	8.4%
2012	1,448,248	1.2%	112,015	7.7	2,757,222	0.8%	217,281	7.9
2013	1,468,452	1.4	96,906	6.6	2,775,670	0.7	189,706	6.8
2014	1,491,978	1.6	71,748	4.8	2,810,415	1.3	140,463	5.0
2015	1,509,959	1.2	55,915	3.7	2,833,509	0.8	110,524	3.9
2016	1,541,194	2.1	48,154	3.1	2,891,046	2.0	95,813	3.3
2017	1,561,666	1.3	41,369	2.6	3,021,697	4.5	79,763	2.6
2018	1,646,342	5.4	51,975	3.2	3,096,358	2.5	101,606	3.3
2019	1,660,449	0.9	47,964	2.9	3,123,718	0.9	93,998	3.0

(1) Data for years 2011-2018 are annual averages; 2019 data as of March 2019.

Source: Colorado Department of Labor and Employment

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The following tables set forth the number of individuals employed within selected industries covered by unemployment insurance in the Denver MSA based on the North American Industrial Classification System (“NAICS”) codes.

Average Number of Employees Within Selected Industries in the Denver MSA Subject to State Unemployment Laws – NAICS Classifications

Industry	2013	2014	2015	2016	2017
Total employment (number of jobs)	1,776,525	1,843,957	1,916,987	1,981,426	2,021,098
Farm employment	5,488	5,346	5,244	5,254	5,492
Nonfarm employment	1,771,037	1,838,611	1,911,743	1,976,172	2,015,606
Private nonfarm employment	1,569,777	1,634,184	1,702,042	1,761,128	1,797,214
Forestry, fishing, and related activities	2,298	2,385	2,189	2,460	(D)
Mining, quarrying, and oil and gas extraction	30,140	30,514	31,498	31,566	32,932
Utilities	(D)	(D)	(D)	(D)	(D)
Construction	104,100	114,464	120,070	128,714	134,109
Manufacturing	71,070	72,608	75,787	77,288	(D)
Wholesale trade	(D)	(D)	(D)	(D)	80,413
Retail trade	158,821	163,135	167,909	(D)	(D)
Transportation and warehousing	57,559	61,598	69,886	78,162	82,791
Information	53,310	54,223	54,850	(D)	56,524
Finance and insurance	(D)	(D)	(D)	137,112	142,738
Real estate and rental and leasing	(D)	(D)	(D)	(D)	115,646
Professional, scientific, and technical services	(D)	(D)	191,101	196,846	201,830
Management of companies and enterprises	(D)	32,305	33,509	35,389	37,266
Administrative and support and waste management and remediation services	(D)	(D)	122,561	125,462	125,725
Educational services	40,547	343,355	45,009	46,007	46,009
Health care and social assistance	160,618	167,910	176,998	183,669	183,187
Arts, entertainment, and recreation	(D)	(D)	41,920	47,768	49,972
Accommodation and food services	(D)	(D)	139,989	145,828	149,316
Other services (except public administration)	92,826	(D)	101,407	102,695	103,848
Government and government enterprises	201,260	204,427	209,701	215,044	218,392

(D) Not shown by BEA to avoid disclosure of confidential information, but the estimates for this item are included in the totals.

Source: U.S. Department of Commerce, Bureau of Economic Analysis. Data updated November 15, 2018. The estimates for 2013-2016 are based on the 2012 NAICS; the estimates for 2017 are based on the 2017 NAICS.

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Largest Private Employers in the Denver/Boulder Metropolitan Area ⁽¹⁾
(As of May 2018)

Company	Product/Service	Local Employees
HealthONE Corporation	Healthcare	11,070
SCL Health System	Healthcare	8,750
Centura Health	Healthcare	8,640
UCHealth	Healthcare, Research	8,520
CenturyLink	Telecommunications	8,290
Lockheed Martin Corporation	Aerospace & Defense Related Systems	7,580
Comcast	Telecommunications	7,350
Kaiser Permanente	Healthcare	6,990
Children's Hospital Colorado	Healthcare	6,850
United Airlines	Airline	6,050
Amazon ⁽²⁾	Warehousing & Distribution Services	5,280
United Parcel Service	Parcel Delivery	4,250
Charles Schwab	Financial Services	4,230
University of Denver	University	4,140
DISH Network	Satellite TV & Equipment	4,060
Southwest Airlines	Airline	3,990
Wells Fargo	Financial Services	3,670
Ball Corporation	Aerospace, Containers	3,510
Frontier Airlines	Airline	3,430
Oracle	Software & Network Computer Systems	2,950
AT&T Inc.	Telecommunications	2,750
Xcel Energy	Utilities	2,740
Great-West Financial	Insurance & Retirement Savings Services	2,660
Medtronic PLC	Medical Devices & Products	2,530
Raytheon Company	Aerospace Systems & Software	2,500

(1) Does not include retail companies or public/governmental companies or organizations.

(2) Includes the Amazon Robotics and Fulfillment Center that was expected to open in Thornton in August 2018 with 1,500 employees

Sources: Metro Denver Economic Development Corporation, as compiled by Denver Research Partners

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**Largest Public Employers in the Denver/Boulder Metropolitan Area
(As of May 2018)**

Employer	Local Employees
U.S. Government	36,886
State of Colorado	30,000
University of Colorado System	22,141
Denver Public Schools	15,141
City & County of Denver	14,936
Jefferson County Public Schools	14,000
Douglas County School District	8,700
Cherry Creek School District No. 5	8,082
Denver Health	7,211
Adams 12 Five Star Schools	5,316
Aurora Public Schools	5,091
St. Vrain Valley School District	4,553
Boulder Valley School District RE-2	3,906
Jefferson County	3,008
City of Aurora	2,979
Regional Transportation District (RTD)	2,813
Boulder County	2,600
Metropolitan State University of Denver	2,146
Arapahoe County	2,063
Adams County	1,979
Brighton School District 27J	1,823
City of Boulder	1,600
Littleton Public Schools	1,564
Front Range Community College	1,544
Red Rocks Community College	747

Sources: Metro Denver Economic Development Corporation and Denver Business Journal, Book of Lists 2017/2018

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APPENDIX E

BOOK-ENTRY-ONLY SYSTEM

As used in this appendix, “Bonds” refers to the Series 2019 Bonds.

The information in this section concerning The Depository Trust Company (“DTC”) New York, NY and DTC’s book-entry-only system has been obtained from DTC, and the Issuer and the Underwriter take no responsibility for the accuracy thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Bonds, as set forth on the cover page hereof, in the aggregate principal amount of each maturity of the Bonds and deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation & Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries

made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book entry-system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants remain responsible for keeping accounts of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds are to be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such

other name as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to Tender or Remarketing Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to Tender or Remarketing Agent. The requirement for physical delivery of the Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit for tendered Bonds to Tender or Remarketing Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

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APPENDIX F
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FORM OF BOND COUNSEL OPINION

June 26, 2019

Aerotropolis Regional Transportation Authority
c/o Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, Colorado 80203

\$19,290,000
Aerotropolis Regional Transportation Authority
Special Revenue Bonds, Series 2019

Ladies and Gentlemen:

We have acted as bond counsel to the Aerotropolis Regional Transportation Authority (the “Authority”), in connection with the issuance of its \$19,290,000 Special Revenue Bonds, Series 2019 (the “Bonds”). In such capacity, we have examined the Authority’s certified proceedings and such other documents and such law of the State of Colorado and of the United States of America as we have deemed necessary to render this opinion letter.

The Bonds are issued and secured pursuant to an authorizing resolution of the Board of Directors of the Authority adopted on May 17, 2019 (the “Bond Resolution”), and pursuant to that certain Indenture of Trust dated as of June 1, 2019 (the “Indenture”), between the Authority and BOKF, N.A., as trustee (the “Trustee”). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them by the Indenture.

Regarding questions of fact material to our opinions, we have relied upon the Authority’s certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds are valid and binding special revenue obligations of the Authority, payable solely from the Pledged Revenue and from funds and accounts pledged therefor under the Indenture.
2. All of the taxable property of the Authority is subject to the levy of an ad valorem tax, in the amount of the Required Mill Levy, for the purpose of paying the Bonds.
3. Assuming due authorization, execution, and delivery by the Trustee, the Indenture constitutes a valid and binding obligation of the Authority.
4. The Indenture creates a valid lien on the Pledged Revenue and on the funds and accounts pledged therein for the security of the Bonds, subject to the provisions,

conditions, and limitations contained in the Indenture. We express no opinion regarding the priority of the lien on the Pledged Revenue or on the funds and accounts created by the Indenture.

5. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the Authority's certified proceedings and in certain other documents and certain other certifications furnished to us.

6. Under laws of the State of Colorado in effect as of the date hereof, the Bonds and the transfer of and income therefrom are exempt from all taxation and assessments in the State of Colorado.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the Authority incurred pursuant to the Bonds, the Bond Resolution, and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

In this opinion letter issued in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy, or completeness of the Limited Offering Memorandum relating to the Bonds or any other statements made in connection with any offer or sale of the Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein.

This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

APPENDIX G

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FORM OF CONTINUING DISCLOSURE AGREEMENT

\$19,290,000

AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY SPECIAL REVENUE BONDS SERIES 2019

This Continuing Disclosure Agreement (this “**Agreement**”) is entered into as of June 1, 2019, by and among Aerotropolis Regional Transportation Authority (the “**Authority**”), Aurora Highlands, LLC, a Nevada limited liability company (“**Developer**”), and BOKF, N.A., Denver, Colorado, as trustee (the “**Trustee**”) under the Indenture (defined below) relating to the above-captioned Special Revenue Bonds Series 2019 (the “**Bonds**”).

Section 1. Purpose. This Agreement is being executed and delivered by the parties hereto for the benefit of the holders of the Bonds and in consideration for the purchase by Citigroup Global Markets Inc. (the “**Underwriter**”) of the Bonds pursuant to the terms of a Bond Purchase Agreement between the Underwriter and the Authority dated as of June 12, 2019.

Section 2. Definitions. Capitalized terms used and not otherwise defined in this Agreement shall have the respective meanings set forth in the Indenture and the Limited Offering Memorandum (defined below). The capitalized terms set forth below shall have the following respective meanings for purposes of this Agreement:

“*Audited Financial Statements*” means the Authority’s most recent annual financial statements, prepared in accordance with generally accepted accounting principles (“**GAAP**”) for governmental units as prescribed by the Governmental Accounting Standards Board (“**GASB**”), which financial statements shall have been audited by such auditor as shall be then required or permitted by the laws of the State of Colorado.

“*Indenture*” means the Indenture of Trust dated as of June 1, 2019, by and between the Trustee and the Authority relating to the issuance of the Bonds.

“*Limited Offering Memorandum*” means the Limited Offering Memorandum prepared in connection with the offer and sale of the Bonds dated as of June 12, 2019.

“*MSRB*” means the Municipal Securities Rulemaking Board. As of the date hereof, the MSRB’s required method of filing is electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at <http://emma.msrb.org>.

Section 3. Procedures for Providing Quarterly Updated Information.

(a) **Provision of Quarterly Information to Trustee.** The Developer, as to the form attached as Appendix B and the Authority, as to the form attached as Appendix A, hereby undertake and agree, respectively, to provide to the Trustee within 45 days after the end of each calendar quarter (being March 31, June 30, September 30, and December 31) (each, a “**Quarterly Report Deadline**”), commencing with the calendar quarter

ending on September 30, 2019, the information set forth in the form of the quarterly report attached as Appendix A hereto (each, a “**Quarterly Report**”). The Authority shall further provide its Audited Financial Statements as part of the September 30 Quarterly Report in each year beginning in 2019, unless such 2018 Audited Financial Statements are not required to be prepared pursuant to the laws of the State of Colorado. The Trustee will provide the information required by Section 3 of the Quarterly Report to the Authority not later than 10 days after the end of each calendar quarter. Any or all of the items required to be updated in the Quarterly Report may be incorporated by reference from other documents, including offering documents of debt issues which are available to the public on the MSRB’s Internet website or filed with the SEC. The Developer and the Authority, as applicable, shall clearly identify each such document incorporated by reference.

(b) *Provision of Budget Information to Trustee.* The Authority hereby undertakes and agrees to provide to the Trustee no later than January 31 of each calendar year (the “**Budget Report Deadline**”), commencing with January 31, 2020, the information set forth in the form of the budget report appended as Appendix C hereto (a “**Budget Report**”).

(c) *Provision of Reports to the MSRB.* Within 5 business days after receipt of each Quarterly Report and Budget Report from the Developer and the Authority, the Trustee shall provide to the MSRB (in an electronic format as prescribed by the MSRB) the Quarterly Report and Budget Report, as applicable. Each Quarterly Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3(a) above; provided that the Audited Financial Statements of the Authority may be submitted separately from the balance of the Quarterly Report due each September 30.

If either the Developer or the Authority fails to provide to the Trustee the information in the Quarterly Report or the Budget Report required to be provided by it at least 5 business days prior to the applicable Quarterly Report Deadline or Budget Report Deadline, then the Trustee shall provide notice to the Developer or the Authority (as applicable) that its respective portions of the Quarterly Report or the Budget Report remain due, and shall indicate in such notice the applicable Quarterly Report Deadline or Budget Report Deadline. If the Developer or the Authority fails to provide to the Trustee the information in the Quarterly Report required to be provided by it by the applicable Quarterly Report Deadline, which results in the Trustee’s inability to provide a complete Quarterly Report to the MSRB within 55 days after the end of each calendar quarter (being March 31, June 30, September 30, and December 31) (each, a “**Trustee Quarterly Filing Deadline**”), then, as soon as practicable after the Trustee Quarterly Filing Deadline, the Trustee shall promptly file such portion of the Quarterly Report as has been provided to it as of such date, and shall file or cause to be filed a notice in substantially the form attached as Appendix D with the MSRB. If the Authority fails to provide to the Trustee the Budget Report by the Budget Report Deadline, which results in the Trustee’s inability to provide a complete Budget Report to the MSRB by February 10 of the applicable calendar year (the “**Trustee Budget Report Filing Deadline**”), then, as soon as practicable after the Trustee Budget Report Filing Deadline, the Trustee shall file

or cause to be filed a notice in substantially the form attached as Appendix D with the MSRB.

In addition to the foregoing, the Trustee shall, prior to the date of each filing of a Quarterly Report and Budget Report, determine the appropriate electronic format prescribed by the MSRB. After the Trustee files a Quarterly Report or Budget Report, or the notice described in the preceding paragraph with the MSRB, the Trustee shall inform the Developer and the Authority in writing of the date that such report or notice was filed and list all the entities to which it was provided.

(d) ***Means of Transmitting Information.*** Subject to technical and economic feasibility, the Developer and the Authority shall employ such methods of information transmission as the Trustee shall reasonably request. All documents provided to the MSRB pursuant to this Agreement shall be in the format prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

As of the date of this Agreement, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images and other non-textual elements are not required to be word-searchable.

Section 4. Notice of Material Events. Whenever the Authority obtains actual knowledge of the occurrence of any of the following events, the Authority shall cause the Trustee to provide, in a timely manner, a notice of such event to the MSRB:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on the Reserve Fund or the Surplus Fund reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (g) modifications to rights of Bondholders, if material;
- (h) Bond calls, if material, and tender offers;
- (i) defeasances;

- (j) release, substitution or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Authority²;
- (m) the consummation of a merger, consolidation or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; or
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

Whenever the Trustee obtains actual knowledge of the occurrence of any of the aforementioned events, the Trustee shall promptly notify the Authority of such event. For purposes of this paragraph, “actual knowledge” of the Trustee means actual knowledge by an officer of the Trustee having responsibility for matters regarding the Indenture or the Bonds.

Section 5. Termination. The obligations of the Authority and the Trustee under this Agreement shall terminate at such time as none of the Bonds are Outstanding under the Indenture; provided, however, that the Developer’s obligation to complete Section 1 and the Authority’s obligation to complete Section 2 shall terminate upon the earlier to occur of (a) the submittal of the first Quarterly Report after the Trustee’s receipt of a written confirmation from the Authority that certificates of occupancy have been issued for not less than 3,597 residential units in the Development, or (b) none of the Bonds are Outstanding under the Indenture.

Section 6. Liability for Content of Information Provided. So long as the parties to this Agreement act in good faith, such entities shall not be liable for any errors, omissions or misstatements in the information provided pursuant to this Agreement.

Section 7. Amendment. Notwithstanding any other provision of this Agreement, this Agreement may only be amended with the consent of the Consent Parties (as defined in the Indenture) or Owners of a majority in aggregate principal amount of the Bonds then Outstanding.

Section 8. Failure to Perform. Any failure by the Authority to perform in accordance with this Agreement shall not constitute an Event of Default under either of the Indenture, and the rights and remedies provided by the Indenture upon the occurrence of an Event of Default shall not apply to any such failure. If the Authority fails to comply with this Agreement, any

¹ This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority.

holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Authority to comply with its obligations hereunder. If the Developer fails to comply with this Agreement, the Authority shall be obligated to provide the information which the Developer is obligated to provide hereunder, to the extent that such information is publicly available. Furthermore, if the Developer fails to comply with this Agreement, the sole remedy therefor shall be an action in mandamus or for specific performance to compel the Developer to comply with its obligations hereunder, to the extent the Authority has not otherwise satisfied such obligations as provided above.

Section 9. Severability. If any section, paragraph, clause, or provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Agreement, the intent being that the same are severable.

Section 10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

Section 11. Compensation. As compensation for its services under this Agreement, the Trustee shall be compensated or reimbursed by the Authority for its reasonable fees and expenses in performing the services specified under this Agreement.

Section 12. Beneficiaries. This Agreement shall inure solely to the benefit of the Authority, the Developer, the Trustee, and the Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Trustee. The Trustee shall have only such duties as are specifically set forth in this Agreement, and the Authority agrees, to the extent permitted by law, to indemnify and save the Trustee, its officers, directors, employees, and agents, harmless against any loss, expense, and liabilities which it may incur arising out of or in the exercise or performances of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim or liability, but excluding liabilities due to the Trustee's willful misconduct or negligent acts or omissions. The Trustee may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the Authority. The Trustee shall not be responsible in any manner for the content of any notice or report (including without limitation the Quarterly Report or Budget Report) prepared by the Developer or the Authority pursuant to this Agreement. The obligations of the Authority under this Section shall survive resignation or removal of the Trustee and payment of the Bonds.

Section 14. Electronic Transactions. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed 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.

Section 15. Counterparts. This Agreement may be executed on counterpart signature pages.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names, all as of the date first above written.

AEROTROPOLIS REGIONAL
TRANSPORTATION AUTHORITY

By: _____

AURORA HIGHLANDS, LLC, a Nevada limited
liability company, as Developer

By: _____,
its Manager

By: _____,
Manager

BOKF, N.A., as Trustee

By: _____
Authorized Officer

[Signature Page to Continuing Disclosure Agreement]

**APPENDIX A
(TO CONTINUING DISCLOSURE AGREEMENT)**

FORM OF QUARTERLY REPORT OF THE AUTHORITY

**\$19,290,000
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
SPECIAL REVENUE BONDS
Series 2019**

Date of Report: _____, for Quarter ending: _____

All capitalized terms used and not otherwise defined in this report shall have the respective meanings assigned in the Continuing Disclosure Agreement (“**Agreement**”) entered into as of June 1, 2019, by and among the Aerotropolis Regional Transportation Authority (the “**Authority**”), Aurora Highlands, LLC, a Nevada limited liability company (“**Developer**”), and BOKF, N.A, Denver, Colorado, as trustee (the “**Trustee**”) for the above captioned bonds (the “**Bonds**”) or the Limited Offering Memorandum prepared in connection with the offer and sale of the Bonds dated as of June 12, 2019. Unless otherwise stated, all information contained herein is the most current information available as of the Date of Report specified above and is provided with respect to development within the boundaries of the Authority.

Section 1. Development Permit Activity in the Development. *To be updated each quarter for so long as required under Section 5 of the Agreement. The Authority shall use reasonable efforts to complete this Section 2 to the extent of information available from public resources. If specific data is not available, the Authority is to use reasonable efforts to provide data similar in nature, to the extent publicly available.*

(a) **Building Permits.** State the number of building permits that have been issued by the City of Aurora, Colorado (the “**City**”) for property within the Development: (i) since the date of the last Quarterly Report, and (ii) since the commencement of development in the Development (i.e., the total number of building permits issued).

(b) **Certificates of Occupancy.** Provide the number of certificates of occupancy that have been issued by the City for property within the Development (i) since the date of the last Quarterly Report, and (ii) since the commencement of development in the Development (i.e., the total number of certificates of occupancy issued).

Section 2. Fund Balances [based upon information received by the Authority from the Trustee with respect to the fund balances]. The amount on deposit in each of the following funds, as of the end of the calendar quarter for which this Quarterly Report is provided, is as set forth below.

(a) The amount on deposit in the Project Fund is \$ _____;

(b) the amount on deposit in the Bond Fund for the Bonds is \$ _____, including \$ _____ on deposit in the Capitalized Interest Account;

(c) the amount on deposit in the Surplus Fund for the Bonds is \$ _____; and

(d) the amount on deposit in the Reserve Fund for the Bonds is \$ _____.

Section 3. Authorized Denominations. The Bonds are presently outstanding in Authorized Denominations (as defined in the Indenture) of:

___ \$100,000 and any integral multiple of \$1,000 in excess thereof; or

___ \$5,000 or integral multiples thereof, as permitted by the Indenture.

Section 4. Attached Quarterly Authority Financial Information. Quarterly information listed below need not be included for the fourth quarter of each year if such information is included in the annual information set forth in Section 7 below. The following information for which the appropriate box is checked is attached to this Quarterly Report:

___ Unaudited quarterly financial statements for the Authority for the period ending _____.

___ Year-to-date actual budget, compared with adopted budget, for the Authority's General Fund and ___ Debt Service Fund, as of _____, _____, and _____, [insert dates] respectively.

Section 5. Attached Annual Authority Financial Information. Each of the annual information items set forth below must be provided only once each year. Audited Financial Statements shall be provided with, and no later than, the appropriate Quarterly Report. The following information for which the appropriate box is checked is attached to this Quarterly Report:

___ Audited Financial Statements of the Authority for the year ending _____. (Must be provided with the September 30 Quarterly Report).

___ Unaudited annual financial statements of the Authority for the year ending _____. (Must be provided with the March 31 Quarterly Report of the immediately succeeding year).

___ Annual budget of the Authority for fiscal year _____. Such annual budget ___ has ___ not been adopted by the Board of Directors of the Authority. (Must be provided with the December 31 Quarterly Report).

[Signature/Certification on Following Page]

The information contained in this Quarterly Report has been obtained from sources that are deemed to be reliable but is not guaranteed as to accuracy or completeness. The information contained in this Quarterly Report is neither intended nor shall be construed as a document updating the Limited Offering Memorandum for the Bonds and is neither intended to, nor shall it be, used by the Owners or Beneficial Owners of the Bonds for the purpose of making a subsequent investment decision with respect to the Bonds.

Receipt of this Quarterly Report by any person or entity shall create no obligation or liability of the Authority.

The undersigned hereby certifies that he/she is an authorized representative of the Authority and further certifies that the information contained in the foregoing Quarterly Report is, to the best of his/her knowledge, true, accurate and complete. This Quarterly Report may be executed below on counterpart signature pages.

AEROTROPOLIS REGIONAL
TRANSPORTATION AUTHORITY

By: _____
Authorized Representative

[Signature/Certification Page to Quarterly Report]

**APPENDIX B
(TO CONTINUING DISCLOSURE AGREEMENT)**

FORM OF QUARTERLY REPORT OF DEVELOPER

\$19,290,000

**AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
SPECIAL REVENUE BONDS
Series 2019**

Date of Report: _____, for Quarter ending: _____

All capitalized terms used and not otherwise defined in this report shall have the respective meanings assigned in the Continuing Disclosure Agreement (“**Agreement**”) entered into as of June 1, 2019, by and among the Aerotropolis Regional Transportation Authority (the “**Authority**”), Aurora Highlands, LLC, a Nevada limited liability company (“**Developer**”), and BOKF, N.A, Denver, Colorado, as trustee (the “**Trustee**”) for the above captioned bonds (the “**Bonds**”) or the Limited Offering Memorandum prepared in connection with the offer and sale of the Bonds dated as of June 12, 2019. Unless otherwise stated, all information contained herein is the most current information available as of the Date of Report specified above and is provided with respect to development within the boundaries of the Authority.

Section 1. Development. *The Developer shall provide the following information with respect to property within the Development as of the end of the Quarter for which this Quarterly Report is provided.*

(a) **Summary of Planned Development.** The information in Table VII of the Limited Offering Memorandum with respect to anticipated residential absorption shall be updated to the extent there are any changes to such information since the last Quarterly Report.

(b) **Zoning and Platting.** Describe any changes to the zoning and/or platting of the property in the Development initiated by the Developer or of which the Developer has been given written notice by other owners of property within the Development since the last Quarterly Report (including any amendments to site development plans).

(c) **Purchase Contracts.** To the extent such information is permitted to be publicly disclosed, describe any (i) changes to the contracts for the purchase of acreage by homebuilders or others from the Developer as set forth in the section of the Limited Offering Memorandum entitled “THE DEVELOPMENT AND THE DEVELOPER–Homebuilder Agreements” and (ii) new contracts for the purchase of acreage by any homebuilders or others from the Developer since the last Quarterly Report.

[Signature/Certification on Following Page]

The information contained in this Quarterly Report has been obtained from sources that are deemed to be reliable but is not guaranteed as to accuracy or completeness. The information contained in this Quarterly Report is neither intended nor shall be construed as a document updating the Limited Offering Memorandum for the Bonds and is neither intended to, nor shall it be, used by the Owners or Beneficial Owners of the Bonds for the purpose of making a subsequent investment decision with respect to the Bonds.

Receipt of this Quarterly Report by any person or entity shall create no obligation or liability of the Developer.

The undersigned hereby certifies that he/she is an authorized representative of the Developer and further certifies that the information contained in the foregoing Quarterly Report is, to the best of his/her knowledge, true, accurate and complete. This Quarterly Report may be executed below on counterpart signature pages.

AURORA HIGHLANDS, LLC, a Nevada limited liability company

By: _____,
its Manager

By: _____,
_____ , Manager

[Signature/Certification Page to Quarterly Report]

**APPENDIX C
(TO CONTINUING DISCLOSURE AGREEMENT)**

FORM OF BUDGET REPORT

**\$19,290,000
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
SPECIAL REVENUE BONDS
Series 2019**

Date of Report: _____

All capitalized terms used and not otherwise defined in this report shall have the respective meanings assigned in the Continuing Disclosure Agreement (“**Agreement**”) entered into as of June 1, 2019, by and among Aerotropolis Regional Transportation Authority (the “**Authority**”), Aurora Highlands, LLC, a Nevada limited liability company (“**Developer**”), and BOKF, N.A., Denver, Colorado, as trustee (the “**Trustee**”) for the above-captioned bonds (the “**Bonds**”). Unless otherwise stated, all information contained herein is the most current information available as of the Date of Report specified above.

Section 1. Adopted Budget. Attached hereto is the annual budget for the Authority for the fiscal year ending December 31, 20__, adopted by the Board of Directors of the Authority, as applicable, on _____, 20__.

Section 2. Assessed Value and Actual Value.

(a) *Assessed Value.* The current assessed value of property in the Development, as published or certified by the county assessor of Adams County, Colorado (the “**Assessor**”) is \$_____, as certified as of December 10, 20__.

(b) *Actual Value.* The current “actual value” of property in the Development, as such term is used and published or certified by the Assessor is \$_____, as certified as of December 10, 20__.

Section 3. Surplus Fund [Authority to complete, based upon information received from the Trustee]. The amount on deposit in the Surplus Fund, *as of the date of certification of the mill levies described in Section 4 below*, is \$_____, which amount is/is not (circle one) equal to the Maximum Surplus Amount.

Section 4. Mill Levies.

Mill Levy Certification. The Authority certified a mill levy of _____ mills on _____ [insert date] to the Assessor.

Section 5. Gross Revenues. The amount of Gross Revenues, net of the Operations and Maintenance Deduction, is \$ _____, for the fiscal year ended December 31, _____.

The information contained in this Budget Report has been obtained from sources that are deemed to be reliable but is not guaranteed as to accuracy or completeness. The information contained in this Budget Report is neither intended nor shall be construed as a document updating the Limited Offering Memorandum for the Bonds, and is neither intended to, nor shall it be, used by the Owners or Beneficial Owners of the Bonds for the purpose of making a subsequent investment decision with respect to the Bonds.

Receipt of this Budget Report by any person or entity shall create no obligation or liability of the Authority.

The undersigned hereby certifies that he/she is an authorized representative of the Authority, as applicable, and, further certifies that the information contained in the foregoing Budget Report is, to the best of his/her knowledge, true, accurate and complete.

AEROTROPOLIS REGIONAL
TRANSPORTATION AUTHORITY

By: _____
Authorized Representative

[Signature/Certification Page to Budget Report]

**APPENDIX D
(TO CONTINUING DISCLOSURE AGREEMENT)**

NOTICE OF FAILURE TO FILE QUARTERLY REPORT/BUDGET REPORT

**\$19,290,000
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
SPECIAL REVENUE BONDS
SERIES 2019**

CUSIP: 008051AA2

Date of Issuance: June 26, 2019

NOTICE IS HEREBY GIVEN that the (check as appropriate) ___ Authority ___ Developer has not provided a [Quarterly Report][Budget Report] with respect to the above-captioned Bonds that was due _____, as required by the Continuing Disclosure Agreement dated as of June 1, 2019, by and among the Authority, the Developer, and the Trustee. The (check as appropriate) ___ Authority ___ Developer anticipates that such [Quarterly Report][Budget Report] will be filed by _____.

Dated: _____, _____

BOKF, N.A., as Trustee

By: _____

Its: _____

APPENDIX H
-
BUDGET OF THE AUTHORITY

[Attached]

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AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY

2019 BUDGET MESSAGE

The Aerotropolis Regional Transportation Authority was established on February 27, 2018 via an Establishing Agreement between Adams County (“County”), the City of Aurora (“City”), and the Aerotropolis Area Coordinating Metropolitan District (“District”). The purpose of the Authority is to construct, or cause to have constructed, a regional transportation system within or outside the Boundaries of the Authority for the primary benefit of those residing or owning property within the boundaries through the issuance of bonds.

The Authority has no employees and all operations and administrative functions are contracted.

The following budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

2019 BUDGET STRATEGY

In coordination with the District, the Authority plans to commence construction of multiple regional transportation improvements during 2019, funded primarily from the issuance of debt. The Authority uses fund accounting to segregate transactions related to certain governmental functions to demonstrate legal compliance and aid financial management.

The **General Fund** is used to account for the administrative and operating costs of the Authority. For 2019, these costs will largely come from funds contributed from the County, City, and District in 2018, as well as a transfer of 1% of the revenues generated in the Debt Service Fund.

The **Debt Service Fund** is used to account for the issuance and repayment of debt issued by the Authority. The primary revenue sources for repayment of such debt include, property taxes generated by a levy of 5 mills on property within the Authority boundaries, transfer from the City of use tax and impact fees for construction within the Authority boundaries, and the transfer of a portion of the property taxes generated by the County within the Authority boundaries. It is expected that the funding produced from these sources will be used to pay interest existing and additional debt to be issued during 2019.

The **Capital Fund** is used to account for the costs of constructing the regional improvements as defined in the Establishing Agreement. Funding for initial design in 2018 has come via the Intergovernmental Agreement for Project Funding and Reimbursement for Design and Construction of Phase I Improvements between the Authority and the District. Additional funding for construction of the improvements costs in 2019 may be funded through either an expansion of this agreement and /or through debt issued directly by the Authority.

AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
Statement of Net Position
October 31, 2018

	General Fund	Debt Service Fund	Capital Fund	TOTAL	Fixed Assets &	TOTAL ALL FUNDS
				OPERATING FUNDS	LTD	
ASSETS						
CASH						
UMR Bank Checking	92,561			92,561		92,561
Colotrust	800,870			800,870		800,870
TOTAL CASH	893,431	-	-	893,431	-	893,431
OTHER CURRENT ASSETS						
Due From County Treasurer				-		-
Accounts Receivable-Taxes				-		-
Prepaid Expense				-		-
TOTAL OTHER CURRENT ASSETS	-	-	-	-	-	-
FIXED ASSETS						
Capital Assets				-		-
Accumulated Depreciation				-		-
TOTAL FIXED ASSETS	-	-	-	-	-	-
TOTAL ASSETS	893,431	-	-	893,431	-	893,431
LIABILITIES & DEFERED INFLOWS						
CURRENT LIABILITIES						
Accounts Payable	43,838			43,838		43,838
TOTAL CURRENT LIABILITIES	43,838	-	-	43,838	-	43,838
DEFERRED INFLOWS						
Deferred Property Taxes	-			-		-
TOTAL DEFERRED INFLOWS	-	-	-	-	-	-
LONG-TERM LIABILITIES						
Developer Advances				-		-
Accrued Interest				-		-
TOTAL LONG-TERM LIABILITIES	-	-	-	-	-	-
TOTAL LIAB & DEF INFLOWS	43,838	-	-	43,838	-	43,838
NET POSITION						
Net Investment in Capital Assets				-		-
Amount to be Provided for Debt				-		-
Fund Balance- Restricted	9,400			9,400		9,400
Fund Balance- Non-Spendable	-			-		-
Fund Balance- Unassigned	840,193			840,193		840,193
TOTAL NET POSITION	849,593	-	-	849,593	-	849,593

No assurance is provided on these financial statements;
substantially all disclosures required by GAAP omitted.

AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
 Statement of Revenues, Expenditures, & Changes In Fund Balance
 Modified Accrual Basis For the Period Indicated

Print Date: 1/21/2019

	2017 Unaudited Actual	2018 Adopted Budget	Variance Positive (Negative)	2018 Forecast	YTD Thru 10/31/18 Actual	YTD Thru 10/31/18 Budget	Variance Positive (Negative)	2019 Adopted Budget	Budget Notes/Assumptions
PROPERTY TAXES									
Assessed Valuation	-	-	-	-				775,940	Final AV
Mill Levies									
Authority Mill Levy	-	-	-	-				5,000	Maximum allowed
50% of 22.640 County General Fund Property Tax	-	-	-	-				11,320	Half of 22.64 mills levied by County
100% of County Road and Bridge Fund Tax	-	-	-	-				1,300	Based on County levy
Total	-	-	-	-				17,620	
Property Tax Revenue - Authority	-	-	-	-				\$ 3,880	AV * Mill Levy / 1,000
Property Tax Revenue - County General Tax	-	-	-	-				\$ 8,784	AV * Levy / 1,000
Property Tax Revenue - Road and Bridge Tax	-	-	-	-				\$ 1,009	AV * Levy / 1,000
Total Property Tax Revenues *	-	-	-	-				\$ 13,672	
DEVELOPMENT REVENUES									
City Transportation Impact Fee Per SFR-Detached	-	-	-	-				\$ 612	
Use Tax (35% of Market Value)									
Total City Use Tax Rate	-	-	-	-				3.75%	
Less: 0.25% Dedicated to Police & Detention	-	-	-	-				-0.25%	
Net Use Tax to Authority	-	-	-	-				3.50%	
Estimated Single Family Residential Housing Permits	-	-	-	-				100	Developer's estimate
Estimated Market Value Per SFR	-	-	-	-				\$ 494,700	Per updated market study- \$485K + 2%
Estimated City Transportation Impact Fee Revenue	-	-	-	-				\$ 61,200	100 Homes at \$612 each
Estimated City Use Tax Revenue	-	-	-	-				\$ 606,008	100 Homes * 35% of Home Value * 3.5% Net Rate

No assurance is provided on these financial statements;
 substantially all disclosures required by GAAP omitted.

AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
 Statement of Revenues, Expenditures, & Changes In Fund Balance
 Modified Accrual Basis For the Period Indicated

Print Date: 1/21/2019

	2017 Unaudited Actual	2018 Adopted Budget	Variance Positive (Negative)	2018 Forecast	YTD Thru 10/31/18 Actual	YTD Thru 10/31/18 Budget	Variance Positive (Negative)	2019 Adopted Budget	Budget Notes/Assumptions
GENERAL FUND									
REVENUE									
Contribution - Adams County	-	350,000	-	350,000	350,000	350,000	-	-	No contributions in 2019
Contribution - City of Aurora	-	350,000	-	350,000	350,000	350,000	-	-	No contributions in 2019
Contribution - District	-	350,000	-	350,000	350,000	350,000	-	-	No contributions in 2019
Interest income	-	5,000	(1,500)	4,500	870	2,500	(1,630)	12,000	Interest on estimated average fund balance
Other income	-	-	-	-	-	-	-	-	
TOTAL REVENUE	-	1,056,000	(1,500)	1,054,500	1,050,870	1,052,500	(1,630)	12,000	
EXPENDITURES									
Administration									
Accounting	-	50,000	10,000	40,000	21,320	30,000	8,680	60,000	Assumes lower meeting frequency
Legal	-	100,000	(5,000)	105,000	74,247	60,000	(14,247)	100,000	Assumes lower meeting frequency
Management	-	50,000	(55,000)	105,000	65,805	30,000	(35,805)	100,000	Assumes lower meeting frequency
Financial advisor	-	65,000	19,630	45,370	35,620	39,000	3,380	105,000	Assumes lower meeting frequency
Audit	-	-	-	-	-	-	-	7,850	Audit required
Board/Paq fees	-	3,000	-	3,000	2,988	3,000	12	3,000	50 users
Board of Directors Meeting Expenses	-	1,500	-	1,500	-	900	900	2,400	Mileage, tolls, etc
Insurance, bonds & SDA dues	-	3,000	1,300	1,700	1,219	3,000	1,781	3,200	D&O Liability; SDA dues.
Bank Fees	-	100	-	100	47	60	13	120	
Website	-	1,000	(9,000)	10,000	-	1,000	1,000	1,000	Hosting fees
Miscellaneous	-	500	-	500	32	300	268	500	e.g. publication expenses
Contingency	-	100,000	100,000	-	-	-	-	-	
TOTAL EXPENDITURES	-	374,100	61,930	312,170	201,278	167,260	(34,018)	383,070	
REVENUE OVER / (UNDER) EXPENDITURES	-	681,900	60,430	742,330	849,593	885,240	(35,647)	(371,070)	
OTHER SOURCES / (USES)									
Transfer to / (from) Other Funds	-	-	-	-	-	-	-	-	
Transfer in- 1% of Debt Service Fund Revenues	-	-	-	-	-	-	-	6,811	1% of taxes and fees for operations
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	6,811	
CHANGE IN FUND BALANCE	-	681,900	60,430	742,330	849,593	885,240	(35,647)	(364,259)	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	742,330	
ENDING FUND BALANCE	-	681,900	60,430	742,330	849,593	885,240	(35,647)	378,071	
COMPONENTS OF FUND BALANCE									
TABOR emergency reserve	-	31,700	(22,300)	9,400	-	-	-	11,500	3% of operating expenses
Non-Spendable	-	-	3,200	3,200	-	-	-	3,400	Prepaid Insurance
Unassigned	-	650,200	79,530	729,730	-	-	-	363,171	
TOTAL ENDING FUND BALANCE	-	681,900	60,430	742,330	-	-	-	378,071	

No assurance is provided on these financial statements;
 substantially all disclosures required by GAAP omitted.

AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
 Statement of Revenues, Expenditures, & Changes in Fund Balance
 Modified Accrual Basis For the Period Indicated

Print Date: 1/21/2019

	2017 Unaudited Actual	2018 Adopted Budget	Variance Positive (Negative)	2018 Forecast	YTD Thru 10/31/18 Actual	YTD Thru 10/31/18 Budget	Variance Positive (Negative)	2019 Adopted Budget	Budget Notes/Assumptions
DEBT SERVICE FUND									
REVENUE									
Property taxes	-	-	-	-	-	-	-	3,880	AV * Mill Levy / 1,000
Specific ownership taxes	-	-	-	-	-	-	-	194	5% of property tax collections
City of Aurora Use Tax	-	-	-	-	-	-	-	606,008	100 Homes * 35% of Home Value * 3.5% Net Rate
City of Aurora Residential Impact Fees	-	-	-	-	-	-	-	61,200	100 Homes at \$612 each
Adams County General Fund Ppty Tax (50%)	-	-	-	-	-	-	-	8,784	50% of County General Fund Property Tax
Adams County Road & Bridge Fund Ppty Tax (100%)	-	-	-	-	-	-	-	1,009	100% of County Road and Bridge Fund Tax
Interest Income	-	-	-	-	-	-	-	500	
Other Income	-	-	-	-	-	-	-	-	
TOTAL REVENUE	-	-	-	-	-	-	-	681,575	
EXPENDITURES									
Treasurer's fees	-	-	-	-	-	-	-	58	1.5% of Property Taxes
Loan/Bond Interest	-	-	-	-	-	-	-	674,706	Revenue available for debt
Loan/Bond Principal	-	-	-	-	-	-	-	-	
Paying agent / trustee fees	-	-	-	-	-	-	-	-	
Debt issuance expense	-	-	-	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	-	-	-	-	-	-	-	674,764	
REVENUE OVER / (UNDER) EXPENDITURES	-	-	-	-	-	-	-	6,811	
OTHER SOURCES / (USES)									
Bond proceeds	-	-	-	-	-	-	-	-	
Transfer Out- 1% of revenues to General Fund	-	-	-	-	-	-	-	(6,811)	1% of taxes and fees to be used for operations
Transfer to Capital Fund	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	-	-	-	-	-	-	-	(6,811)	
CHANGE IN FUND BALANCE	-	-	-	-	-	-	-	-	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	

No assurance is provided on these financial statements;
 substantially all disclosures required by GAAP omitted.

AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY
 Statement of Revenues, Expenditures, & Changes In Fund Balance
 Modified Accrual Basis For the Period Indicated

Print Date: 1/21/2019

	2017 Unaudited Actual	2018 Adopted Budget	Variance Positive (Negative)	2018 Forecast	YTD Thru 10/31/18 Actual	YTD Thru 10/31/18 Budget	Variance Positive (Negative)	2019 Adopted Budget	Budget Notes/Assumptions
CAPITAL FUND									
REVENUE									
Interest income	-	-	-	-	-	-	-	-	
Other income	-	-	-	-	-	-	-	-	
TOTAL REVENUE	-	-	-	-	-	-	-	-	
EXPENDITURES									
Capital Outlay (Per Phasing Plan)									
A- 48th Ave- E470 to Gun Club	-	-	-	-	-	-	-	-	
B- 48th Ave- Gun Club to Harvest	-	-	-	-	-	-	-	-	
C- 48th Ave- Harvest to Powhatan	-	-	-	-	-	-	-	-	
D- 38th Ave- Himalaya to E470 North Lanes	-	-	-	-	-	-	1,493,128	1,493,128	Remainder of Phase 1 Costs Per Phasing Plan
E- 38th Ave- Himalaya to E470 South Lanes	-	-	-	-	-	-	-	-	
F- TAH Parkway- E470 to Main Street	-	27,800	-	27,800	-	-	3,647,080	3,647,080	Remainder of Phase 1 Costs Per Phasing Plan
G- TAH Parkway- Main Street to Aura Blvd	-	22,200	-	22,200	-	-	2,917,704	2,917,704	Remainder of Phase 1 Costs Per Phasing Plan
H- TAH Parkway- Aura Blvd to Powhatan	-	-	-	-	-	-	-	-	
I- 26th Ave- E470 to Main Street	-	50,000	-	50,000	-	-	1,073,584	1,073,584	Remainder of Phase 1 Costs Per Phasing Plan
J- 26th Ave- Main Street to Harvest	-	-	-	-	-	-	-	-	
K- 26th Ave- Harvest to Powhatan	-	-	-	-	-	-	-	-	
L- Powhatan- I-70 to 26th	-	-	-	-	-	-	-	-	
M- Powhatan- 26th to 48th	-	-	-	-	-	-	-	-	
N- Powhatan- 48th to 56th	-	-	-	-	-	-	-	-	
O- E470/38th Interchange	-	400,000	-	400,000	-	-	2,000,000	2,000,000	Remainder of Phase 1 Costs Per Phasing Plan
P- HM/PR/I-70 Interchange	-	100,000	-	100,000	-	-	2,780,000	2,780,000	Remainder of Phase 1 Costs Per Phasing Plan
Q- Powhatan/I-70 Interchange	-	150,000	-	150,000	-	-	458,000	458,000	Remainder of Phase 1 Costs Per Phasing Plan
R- Picadilly Interchange	-	-	-	-	-	-	-	-	
Debt issuance expense	-	-	-	-	-	-	-	-	
Miscellaneous	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURES	-	750,000	-	750,000	-	-	14,369,496	14,369,496	Total of \$15,119,496 in 18 & 19 (Per Phasing Plan)
REVENUE OVER / (UNDER) EXPENDITURES	-	(750,000)	-	(750,000)	-	-	(14,369,496)	(14,369,496)	
OTHER SOURCES / (USES)									
Loan Proceeds	-	750,000	-	750,000	-	-	14,369,496	14,369,496	
Transfers (to)/from Debt Fund	-	-	-	-	-	-	-	-	
TOTAL OTHER SOURCES / (USES)	-	750,000	-	750,000	-	-	14,369,496	14,369,496	
CHANGE IN FUND BALANCE	-	-	-	-	-	-	-	-	
BEGINNING FUND BALANCE	-	-	-	-	-	-	-	-	
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	

No assurance is provided on these financial statements;
 substantially all disclosures required by GAAP omitted.

APPENDIX I
-
ESTABLISHING AGREEMENT

[Attached]

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INTERGOVERNMENTAL AGREEMENT

AMONG

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY
OF ADAMS,

THE CITY OF AURORA

AND

THE AEROTROPOLIS AREA COORDINATING
METROPOLITAN DISTRICT

ESTABLISHING

THE AEROTROPOLIS REGIONAL TRANSPORTATION
AUTHORITY

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EXHIBITS

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C	Ballot Questions
D	Capital Plan
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**ESTABLISHING AGREEMENT
FOR THE
AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY**

This Establishing Agreement (“Agreement”) is made and entered into as of February 27 2018, by and among the COUNTY OF ADAMS, a political subdivision of the State of Colorado, the CITY OF AURORA, a home rule municipal corporation of the Counties of Adams, Arapahoe and Douglas, and the AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT, a political subdivision of the State of Colorado and quasi-municipal corporation (collectively, “Initial Members or Members”)

RECITALS

WHEREAS, the Colorado Aerotropolis Visioning Study (“Study”), funded by a Federal Highway Administration grant and completed in 2016, collaboratively engaged local jurisdictions to determine the land use and infrastructure requirements that could enhance economic development surrounding Denver International Airport (“DIA”);

WHEREAS, the Study describes the economic potential of areas surrounding DIA;

WHEREAS, the Study found an infrastructure framework for transportation is critical to fostering and supporting economic development surrounding DIA;

WHEREAS, the Study recommended the formation of a regional entity to make investments in regional infrastructure;

WHEREAS, the County participated in the Study;

WHEREAS, the County and the City believe strategic partnerships to proactively plan the funding, design, construction and operation of regional infrastructure to make additional land available for development will create favorable market conditions to attract new commercial activity and housing to support employment growth;

WHEREAS, current funding mechanisms are inadequate to improve the existing transportation infrastructure;

WHEREAS, pursuant to the Regional Transportation Authority Law, C.R.S. 43-4-601 et seq., as amended (the “Act”), Colorado counties and municipalities are authorized to establish, by contract, regional transportation authorities, which are authorized to finance, construct, operate and maintain transportation systems;

WHEREAS, the Members support the orderly and planned extension of urban services;
and

WHEREAS, in furtherance of supporting the public interest and economic health of the region, the Members desire to create a separate legal entity to effectuate the goals of fostering and

supporting economic development through the expansion and creation of transportation improvements;

AGREEMENT

NOW, THEREFORE, for and in consideration of the recitals and the mutual covenants set forth below, the Members hereby agree as follows:

ARTICLE I. DEFINITIONS

1.01 Definitions. Unless otherwise defined in this Agreement, the words defined in Section 602 of the Act, when capitalized herein, shall have the meanings set forth in the Act and such definitions are incorporated herein. Terms shall, when capitalized, have the following meanings:

“Alternate Director” means any person appointed as an Alternate Director pursuant to Section 3.03 hereof.

“Authority” means the Aerotropolis Regional Transportation Authority.

“Ballot Question” means and includes each of the ballot questions in Exhibit C.

“Board” means the Board of Directors of the Authority.

“Bond” means any bond, note, loan, indebtedness, interim certificate, contract, reimbursement agreement, financial commitment, debt, or other obligation of the Authority.

“Boundaries” means the boundaries of the Authority as set forth in Exhibit B, attached hereto and incorporated herein, as such Exhibit may be amended from time-to-time in accordance with Article VII.

“Budgetary Covenant” means the covenant given herein by the City, the County and the District in Section 5.01 hereof, requiring the City Manager, County Manager or other officer charged with responsibility for preparation of the budget to prepare and submit annually to their respective Governing Bodies a request to include in the budget and appropriate the revenues generated by each funding source identified in Exhibit E for remittance to the Authority for the Regional Transportation System, provided that the decision whether to appropriate the funds annually as requested shall be within the sole discretion of the respective Governing Bodies.

“Capital Plan” means the detailed phasing plan and budget attached hereto as Exhibit D for the regional capital improvements to be funded by the Authority and incorporated into the Regional Transportation System, including the estimated costs associated with the planning, design, financing, permitting, construction, inspection and acceptance for maintenance of such improvements. The Capital Plan may be modified, amended or supplemented upon approval by

the Governing Body of each Member and the unanimous vote of the Board. No Bonds of the Authority shall be issued unless there is a Capital Plan in effect at the time of such issuance.

“City” means the City of Aurora, State of Colorado, a home rule municipal corporation and political subdivision of the State organized and operating pursuant to the constitution and the laws of the State of Colorado in the Counties of Adams, Arapahoe and Douglas.

“Construct” “Constructed” or “Construction” means the planning, designing, engineering, acquisition, installation, construction, reconstruction or financing, through the issuance of Bonds or otherwise, of regional transportation systems.

“County” means the County of Adams, a statutory political subdivision of the State of Colorado.

“Development Fees” means those fees of the City identified in Exhibit E.

“Director” means any person appointed as a Director pursuant to Section 3.02 hereof. Whenever the person appointed as a Member’s Director pursuant to Section 3.02 hereof is absent from a Board meeting, the term “Director” shall mean the Alternate Director, if any, appointed by such Member pursuant to Section 3.03 hereof.

“District” means the Aerotropolis Area Coordinating Metropolitan District, a political subdivision and quasi-municipal corporation of the State of Colorado.

“Division of Local Government” means the Division of Local Government in the State Department of Local Affairs.

“Governing Body” means, when used with respect to a Member, the city council, the board of commissioners or the board of directors, as appropriate, of such Member.

“Member” means (a) the Initial Members, (b) the State, if required by §603(5) of the Act, (c) any municipality, (d) any county, or (e) any Title 32 District that becomes a member of the Authority pursuant to Section 7.03 hereof.

“Officer” means the Chair, Vice Chair, Secretary, Treasurer or Executive Director of the Authority, and any subordinate officer or agent appointed and designated as an officer of the Authority by the Board.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the Authority, paid or accrued, of operating, maintaining, and repairing any regional transportation system.

“Outstanding” means, as of any particular date, all Bonds or other obligations of the Authority which have been authorized, executed and delivered, *except* the following: (a) any Bond or other obligation cancelled by a paying agent, trustee or the Authority itself; (b) any Bond or other obligation held by or on behalf of the Authority; (c) any Bond or other obligation for the

payment or redemption of which moneys or direct obligations of, or obligations unconditionally guaranteed as to payment by, the United States of America sufficient (including the known minimum yield available for such purpose from such moneys or securities) to pay all debt service requirements of such Bonds or other obligations to their maturity or specified redemption date shall theretofore have been deposited in escrow or in trust with a trust bank for that purpose; or (d) any lost, destroyed or wrongfully taken Bond or other obligation for which another Bond or other obligations shall have been executed and delivered.

“Regional Transportation District” means the Regional Transportation District created and existing pursuant to Title 32, Article 9, C.R.S.

“Regional Transportation System” means those improvements identified on Exhibit A, as such Exhibit may be modified, supplemented and finalized in the Capital Plan or amended from time-to-time in accordance with Article VII, and provided that nothing in this Agreement shall provide the Authority with any form of jurisdiction or authority over the E-470 Public Highway, including any real or personal property or equipment, or interest therein, that is appurtenant or related to any property, improvement, or system that transports or conveys people or goods or permits people or goods to be transported or conveyed within a region by any means or that is financed, constructed, operated, or maintained in connection with the financing, construction, operation, or maintenance of any such property, improvement, or system. The term may also include such other highway, road, street, bus system, railroad, airport, gondola system, or mass transit system and any real or personal property or equipment, or interest therein, used in connection therewith hereafter approved by the Authority; any real or personal property or equipment, or interest therein, that is used to transport or convey gas, electricity, water, sewage, or information or that is used in connection with the transportation, conveyance, or provisions of any other utilities; and paving, grading, landscaping, curbs, gutters, culverts, sidewalks, bikeways, lighting, bridges, overpasses, underpasses, cross-roads, parkways, drainage facilities, mass transit lanes, park-and-ride facilities, toll collection facilities, service areas, and administrative or maintenance facilities.

“Rights-of-way” means and includes any right-of-way dedicated to the Authority, or to any of its Members, specifically for use as a part of the Regional Transportation System.

“Road and Bridge Mill Levy” means the property tax mill levy identified in Exhibit E and certified by the County annually to fund road and bridge construction projects.

“State” means the State of Colorado.

“System” means the “Regional Transportation System”, as may be expanded from time to time.

“Title 32 District” means a special district organized with street improvement, safety protection, or transportation powers under and as defined in Title 32, Article 1, C.R.S.

“Use Tax” means the City Use Tax identified in Exhibit E.

“Voter Approval” means approval by a majority of the votes cast by the registered electors residing within the Boundaries in favor of the particular ballot question, ballot issue or other election question.

ARTICLE II. ESTABLISHMENT OF THE AUTHORITY

- 2.01 Name. The Members hereby establish the Aerotropolis Regional Transportation Authority under the authority of the Act. The Authority shall be a separate political subdivision and body corporate of the State of Colorado, and shall possess all of the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate, unless restricted by Section 2.04 of this Agreement.
- 2.02 Purpose. The purpose of the Authority is to Construct, or cause to have Constructed, a Regional Transportation System within or outside the Boundaries of the Authority for the primary benefit of those residing or owning property within the Boundaries through the issuance of Bonds.
- 2.03 Powers. Unless otherwise limited by Section 2.04, the Authority shall have all power granted to it under the Act and Colorado State law, including all powers necessary or incidental to or implied from the specific powers granted therein.
- 2.04 Limitations. If any portion of the Regional Transportation System alters the physical structure of or negatively impacts the safe operation of any state or local transportation improvement, the Authority, at the request of the jurisdiction governing the impacted transportation improvement, shall enter into an intergovernmental agreement concerning the applicable portion of the System before commencing physical construction of that particular improvement to ensure coordinated transportation planning, efficient allocation of resources and the equitable sharing of costs. To avoid the duplication of effort, no mass transportation service shall be provided that is already provided by the Regional Transportation District without an intergovernmental agreement permitting such activity. To avoid negative impact to the E-470 Public Highway Authority and to ensure the safety of the traveling public, no portion of the Regional Transportation System shall be provided which is in any way connected to E-470 Public Highway without an intergovernmental agreement permitting such activity. In no event shall the Authority be authorized to impose motor vehicle registration fees or any tax without Voter Approval. Additionally, the Authority shall not impose a property tax within the Boundaries for collection in any year in which the District is imposing and allocating to a special fund, for appropriation pursuant to the Budgetary Covenant and payment to the Authority, an Aurora Regional Improvements Mill Levy. The Authority shall not use more than one percent of its gross revenues from sources identified in Exhibit E to cover administrative and maintenance expenses. Further, the Authority shall not impose a sales tax, create an improvement district, or impose any fee, rate, toll, charge or tax which is not identified in Exhibit E without unanimous consent of the Board.

- 2.05 Boundaries. The initial Boundaries of the Authority are described and illustrated in Exhibit B.
- 2.06 Creation. Each Member represents that, in executing this Agreement, it has held at least two public hearings on the subject of this Agreement in accordance with §603(3) of the Act, after notice and publication, and the Governing Body of such Member has duly authorized its execution, delivery and performance.
- 2.07 Voter Approval. The Members have submitted ballot questions attached hereto as Exhibit C to the registered electors residing within the Boundaries on November 7, 2017 and a majority of those voting approved such ballot questions.
- 2.08 Effective Date. The term of this Agreement shall begin when the following condition to the establishment of the Authority has been satisfied: (a) certification by the State of Colorado Department of Local Affairs, Division of Local Government pursuant to §603(1) of the Act.

ARTICLE III. ORGANIZATION OF THE AUTHORITY

- 3.01 Establishment. The Authority shall be governed by the Board. The Board shall exercise and perform all powers, privileges and duties vested in or imposed on the Authority under the Act or other applicable law. Pursuant to the authorization provided in this Agreement, the Board may delegate any of its powers to any Director, Officer, employee or agent of the Authority.
- 3.02 Board of Directors. The Board shall be composed of five (5) directors, unless and until the Boundaries are expanded to include additional municipalities, counties or Title 32 Districts. Upon expansion of the Boundaries, the Members may agree to expand the Board to include additional Directors representing the included territory. The Board of Directors shall be initially be comprised of:
- (a) Two directors from the Governing Body of the County;
 - (b) Two directors from the Governing Body of the City; and
 - (c) One director from the District.
- 3.03 Alternate Directors. Each Member shall appoint one Alternate for each Director who shall be deemed to be such Member's Director for all purposes, including, but not limited to, voting on resolutions or other action items whenever the person appointed as such Member's Director is absent from a Board meeting.
- 3.04 Appointment and Qualifications. As required by § 603(2)(b)(I) of the Act, each Director and the Alternate Director appointed by a Member shall both be members of the Governing Body of such Member and shall be appointed as a Director or Alternate Director by the

Governing Body of such Member. So long as the Director remains qualified, he or she may serve for so long as the Governing Body responsible for appointment of such Director desires.

3.05 Vacancies. Vacancies in the office of any Director or Alternate Director shall be filled in the same manner in which the vacant office was originally filled pursuant to Section 3.02.

3.06 Compensation. Directors and Alternate Directors shall serve without compensation, but may be reimbursed for expenses incurred in serving in such capacities upon such terms and pursuant to such policies as may be established by the Board.

3.07 Officers. The Board shall, by a majority vote, elect or appoint the following officers upon its formation, and thereafter at its first meeting of each calendar year:

(a) Chairperson. The Chairperson shall preside over all meetings of the Authority; execute, deliver, acknowledge, file and record on behalf of the Authority, such documents as may be required by this Agreement, the Act or other applicable law; and, perform all duties incident to the office of Chairperson and such other duties as may be prescribed from time to time by the Board. The Chairperson and Vice-Chairperson positions shall not be held by persons appointed by the same Member.

(b) Vice-Chairperson. The Vice-Chairperson shall serve as Chairperson, in his or her absence or during his or her inability to act. The Vice-Chairperson shall have such other duties, powers and authority as may be prescribed by the Board. The Chairperson and Vice-Chairperson positions shall not be held by persons appointed by the same Member.

(c) Secretary. The Secretary shall keep a written record of the minutes of all meetings, ensure that all notices required by law are duly given, shall serve as the custodian of Authority records, shall attest to documents as the need arises, and shall perform such other functions as may be prescribed by the Board. The Secretary may be an employee of the Board, an independent contractor, an employee of a Member or a volunteer. The offices of Chairperson, Vice-Chairperson and Secretary may not be held by the same person.

(d) Treasurer. The Treasurer shall, subject to policies established by the Board, be responsible for the custody of the funds and all stocks, bonds and other securities owned by the Authority and shall be responsible for the preparation and filing of all tax returns, if any, required to be filed by the Authority. The Treasurer shall receive all moneys paid to the Authority and, subject to any limits imposed by the Board or the Chair, shall have authority to give receipts and vouchers, to sign and endorse checks and warrants in the Authority's name and on the Authority's behalf and undertake any other lawful activity delegated by the Board. The Treasurer shall also have charge of disbursement of the funds of the Authority, shall keep full and accurate records of the receipts and disbursements, and shall deposit all moneys and other valuables in such depositories as shall be designated by the Board. The Treasurer shall deposit and invest all funds of

the Authority in accordance with this Agreement and laws of the State applying to the deposit and investment of public funds. The Treasurer shall have such additional authority, powers and duties as are appropriate and customary for the office of Treasurer of entities such as the Authority, and as the Board may otherwise prescribe. The Treasurer may be an employee of the Board, an independent contractor, or a volunteer.

- 3.08 Insurance and Indemnification. The Authority shall insure and/or defend each Director, Officer and employee of the Authority in connection with any claim or actual or threatened suit, action or proceeding (civil, criminal or other, including appeals), in which he or she may be involved in his or her official capacity by reason of his or her being or having been a Director, Officer or employee of the Authority, or by reason of any action or omission by him or her in such capacity. The Authority shall insure and/or defend each Director, Officer and employee of the Authority for, from and against all liability, costs and expenses arising from any such claim, suit or action, except any liability arising from criminal offenses or willful misconduct. The Authority's obligations pursuant to this Section shall be limited to funds of the Authority available for such purpose, including but not limited to insurance proceeds, and no Member shall be liable pursuant to this Agreement to provide any such insurance or indemnification.
- 3.09 Resignation and Removal. Any Director or Alternate Director (a) may resign at any time, effective upon receipt by the Secretary or the Chair of written notice signed by the person who is resigning; and (b) may be removed at any time by the Governing Body of the Member that appointed him or her, effective upon receipt by the Secretary or the Chair of written notice signed by the Governing Body of the appointing Member.

ARTICLE IV. BOARD OF DIRECTORS

- 4.01 Powers. The Board of Directors shall have all power granted to it under the Act and Colorado State law, including all rights and powers necessary or incidental to or implied from the specific powers granted therein.
- 4.02 Voting. All official actions of the Board shall be taken by a motion or by a resolution. Except as otherwise provided herein, actions of the Board shall be approved upon the affirmative vote of at least a majority of the Directors then in office who are eligible to vote. A majority of the Board of Directors then in office who are eligible to vote shall constitute a quorum. No official action shall be taken by the Board unless a quorum is present at a meeting. Except as otherwise provided in this Agreement, any official action taken by the Board shall be approved by a simple majority of the Directors then in office who are eligible to vote and are present and voting.
- 4.03 Meetings. The Board shall meet no less than quarterly. Meetings will be held at the location as may from time to time be designated by the Board. Notice of meetings shall be posted in the locations established by the Board, in accordance with the Colorado Open Meetings Law, C.R.S. §24-6-401 *et seq.*

- 4.04 Notice. The Authority shall provide at least 24 hours' written notice of meetings to each Director and Alternate Director and to the Governing Body of each Member.
- 4.05 Ethics. Notwithstanding any other provision hereof, a Director shall disqualify himself or herself from voting on any issue with respect to which he or she has a conflict of interest, unless he or she has disclosed such conflict of interest in compliance with C.R.S. §§18-8-308 and 24-18-101 et seq., as amended. It is permissible for the Alternate Director to vote in place of any disqualified Director, provided that the Alternate Director shall be subject to disqualification under the same standards applicable to the disqualified Director.
- 4.06 Special Meetings. The Board may convene special meetings at the request of any Member upon notice as required by Section 4.04 hereof.
- 4.07 Policies and Procedures. The Board may adopt by Resolution, such bylaws, policies and procedures governing the conduct and activities of the Authority and the Board, including, but not limited to, location for placement of notices, meeting locations, conduct of meetings, matters relating to investment, budget and appropriation processes, the retention of employees or consultants, procurement practices, record retention, conflict of interest policies, term limitations and the delegation of responsibilities.
- 4.08 Approval of Regional Transportation System. The Governing Body of each Member expressly and affirmatively supports for Construction those Regional Transportation System improvements identified on Exhibit A, and agrees to accept the phasing established in Exhibit D for Construction of such Regional Transportation System improvements. Notwithstanding the above, no Construction shall commence until and unless the Regional Transportation System improvements are deemed by the Governing Body of each Member to be consistent with their respective master development plans, such construction is approved by all applicable governing jurisdictions and a Capital Plan with regard to such improvements is in effect.

ARTICLE V. FINANCIAL CONTRIBUTIONS

- 5.01 Cost Share. The City, the County and the District hereby adopt the Budgetary Covenant and agree that each will separately account for and allocate those revenues described in Exhibit E and collected within the Boundaries, for payment, subject to the Budgetary Covenant, to the Authority, as follows:
- (a) Each of the City, the County and the District shall credit such revenues, as received, to a separate special fund maintained by them, which revenues shall be separately accounted for in such special fund until they are either appropriated pursuant to the Budgetary Covenant or released and transferred to the respective general funds (or in the case of the County and to the extent applicable, the Road and Bridge Fund) of any Members whose Governing Bodies decline to so appropriate.

- (b) Any funds received by the Authority from appropriations made pursuant to paragraph (a) of this Section, or from the imposition of sales taxes by the Authority or the levy of property taxes by the Authority under the conditions contemplated by Section 2.04 hereof, shall be immediately credited to a separate special fund of the Authority to be known as the "Aerotropolis Regional Transportation Authority Income Fund" (the "Income Fund"). The Income Fund shall be used by the Authority solely for the purpose of paying principal of and interest on Bonds of the Authority issued for Construction of components of the Regional Transportation System or administrative and operations expenses to the extent permitted by Section 2.04. The Income Fund, together with any other funds or accounts of the Authority, shall be public funds for purposes of investments or deposits, and shall be subject to independent audit annually. All records of the Authority pertaining to the Income Fund shall be subject to public inspection to the fullest extent permitted by the laws of the State.
- (c) Any funds received by the Authority from other sources, including without limitation amounts received by the Authority from agreements with the Colorado Department of Transportation, the E-470 Public Highway Authority or other public or private entities relating to all or any portion of the Regional Transportation System shall be used either to fund Construction of the Regional Transportation System directly or applied to supplement the Income Fund and pledged as security for Bonds of the Authority.

5.02 Bonds. Bonds of the Authority shall be authorized, issued and sold in the manner provided in C.R.S. §43-4-609, as supplemented by the Supplemental Public Securities Act, Title 57, Article 1, Part 2, C.R.S., provided that (a) the issuance of Bonds shall require the unanimous vote of the Board; (b) the Bonds, including any refundings thereof, shall mature in not more than 40 years from the date of original issuance of such Bonds; (c) the Bonds shall clearly and conspicuously state on their face that they do not represent the debt, indebtedness or multiple fiscal year financial obligation of the Members; that they are secured solely by the funds actually received by the Authority, credited to the Income Fund and pledged by the Authority as security for the Bonds, and that any amounts of revenues that may be available to be appropriated by the Members of the Authority for credit to the Income Fund are subject in any event to the Budgetary Covenant until appropriated by the Governing Bodies of the Members in their sole discretion. Prior to the issuance of each series of Bonds, the Board shall receive and unanimously approve a plan of finance. The plan of finance shall at a minimum include (i) the debt service schedule for Outstanding Bonds, (ii) the projected dates of issuance, interest rates and amortization schedule for future Bonds, (iii) development absorption projections, (iv) projected administrative and operational costs of the Authority, (v) the projected costs of constructing the improvements described in Exhibit D to be financed by such series of Bonds and Bonds to be issued in the future, and (vi) evidence that the Outstanding Bonds and future Bonds can be repaid in full from the sources identified in Exhibit E and such other revenues which are available or reasonably expected to be available to the Authority.

5.03 Enterprise. The City and County agree in good faith to evaluate the ability to establish a transportation enterprise exempted from the provisions of Article X, Section 20 of the

Colorado Constitution to fund the Regional Transportation System constructed by the Authority.

**ARTICLE VI.
TERM AND DISTRIBUTION OF ASSETS UPON TERMINATION**

- 6.01 Term. This Agreement shall be perpetual and continue in full force and effect until rescinded or terminated, but in no event before retirement or discharge of all Bonds or other obligations.
- 6.02 Termination. This Agreement shall terminate ninety (90) days following the completion of the Regional Transportation System and the date each Governing Body of all the Members unanimously agree in writing to terminate this Agreement; provided, however, that this Agreement may not be terminated so long as the Authority has any Bonds or other obligations Outstanding.
- 6.03 Distribution of Assets upon Termination. Upon termination of this Agreement pursuant to Section 6.02 hereof, after payment of all Bonds and other obligations of the Authority, the net assets of the Authority shall be distributed, disposed of, or divided in the following manner:
- (a) The State of Colorado is ineligible for any distribution of property under this Section.
 - (b) Any real property interest or fixtures to real property shall become the property of the Member in whose jurisdiction such real estate or fixture is located. If property is located within multiple jurisdictions, the property shall become the property of the City.
 - (c) Any funds remaining in the Income Fund after the payment of the Bonds secured thereby, together with any earnings from the investment thereof shall be returned to the Members in proportion to their respective contributions.
 - (d) Any personal property not claimed by a Member shall be liquidated at auction, and the proceeds from such sale shall be combined with any cash in the Authority's accounts.
 - (e) Any cash or other monetary assets other than funds in the Income Fund shall be divided among the Members in proportion to their respective operation and maintenance responsibilities for the components of the System, as calculated by determining the square footage of improvements completed.
 - (f) Any other property not addressed above shall be distributed to one or more Members, as the Board determines, prior to termination of the Authority.

**ARTICLE VII.
AMENDMENTS**

- 7.01 Amendment of Agreement. This Agreement may be amended only with the consent of the Governing Bodies and the unanimous approval of the Board; except for the Boundaries which shall be amended in accordance with Section 7.02 below.
- 7.02 Amendment of Boundaries. Exhibit B and the definition of “Boundaries” may be amended by the Board in accordance with § 605(2)(a) of the Act; provided, in no event shall property be excluded while Bonds are Outstanding.
- 7.03 Addition of Members. Any public entity falling within the definition of “Member” with jurisdictional boundaries that overlap the Boundaries of the Authority may request to become a member of the Authority. In no event shall an additional municipality, Title 32 District or county become a party to this Agreement without the unanimous consent of the then existing Members.
- 7.04 Withdrawal of Members. In no event may a party withdraw from this Agreement if such withdrawal (a) would result in fewer members than one (1) county and one (1) municipality, two (2) municipalities, or two (2) counties, or (b) would be effective while any Bonds remained Outstanding or (c) would be effective prior to completion of Construction of the Regional Transportation System as described in the then-effective Capital Plan. In the absence of such circumstances, any Member of this Agreement may terminate its participation in the Authority by passage of a resolution by its Governing Body.

**ARTICLE VIII.
MISCELLANEOUS**

- 8.01 Ownership and Maintenance. The Regional Transportation System improvements will be conveyed to the appropriate governing jurisdiction, regardless of whether such jurisdiction is a Member of the Authority, responsible for similarly situated improvements for ownership, operation, maintenance, repair and replacement. In the event there is uncertainty in regard to ownership and maintenance responsibility, the Members shall determine the entity responsible for ownership, but in no event shall the Authority retain ownership after expiration of any applicable warranty period.
- 8.02 Regional Cooperation. The Members shall cooperate, and in partnership with other applicable governing jurisdictions, determine the location and design of the Regional Transportation System.
- 8.03 Guarantees. Any Member constructing the Regional Transportation System shall not be required to provide security or collateral guaranteeing completion of such System improvements if: (a) the funding is available and has been restricted for such purpose; and (b) performance, payment and warranty bonds or other surety, in an amount and form

acceptable to the Authority, guaranteeing the completion of the Infrastructure, have been filed with the Authority or the Member entity.

- 8.04 Third Party Beneficiaries. Nothing expressed or implied herein is intended or shall be construed to confer upon any person other than the Members any right, remedy or claim under or by reason of this Agreement, this Agreement being intended to be for the sole and exclusive benefit of the Members.
- 8.05 Governing Law. The laws of the State shall govern the construction and enforcement of this Agreement.
- 8.06 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement.

WITNESS the signatures of the authorized representatives to the Parties to this Agreement, as set forth below:

COUNTY OF ADAMS

By: Mary Hodge
Name: Mary Hodge
Title: Chair

APPROVED AS TO FORM
COUNTY ATTORNEY
[Signature]

CITY OF AURORA

By: Stephen D. Hogan
Name: Stephen D. Hogan
Title: Mayor

APPROVED AS TO FORM
[Signature]
CITY ATTORNEY

THE AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT

By: Matthew Hopper
Name: MATTHEW HOPPER
Title: PRESIDENT

ATTEST:
[Signature]
TITLE: SECRETARY

EXHIBIT A

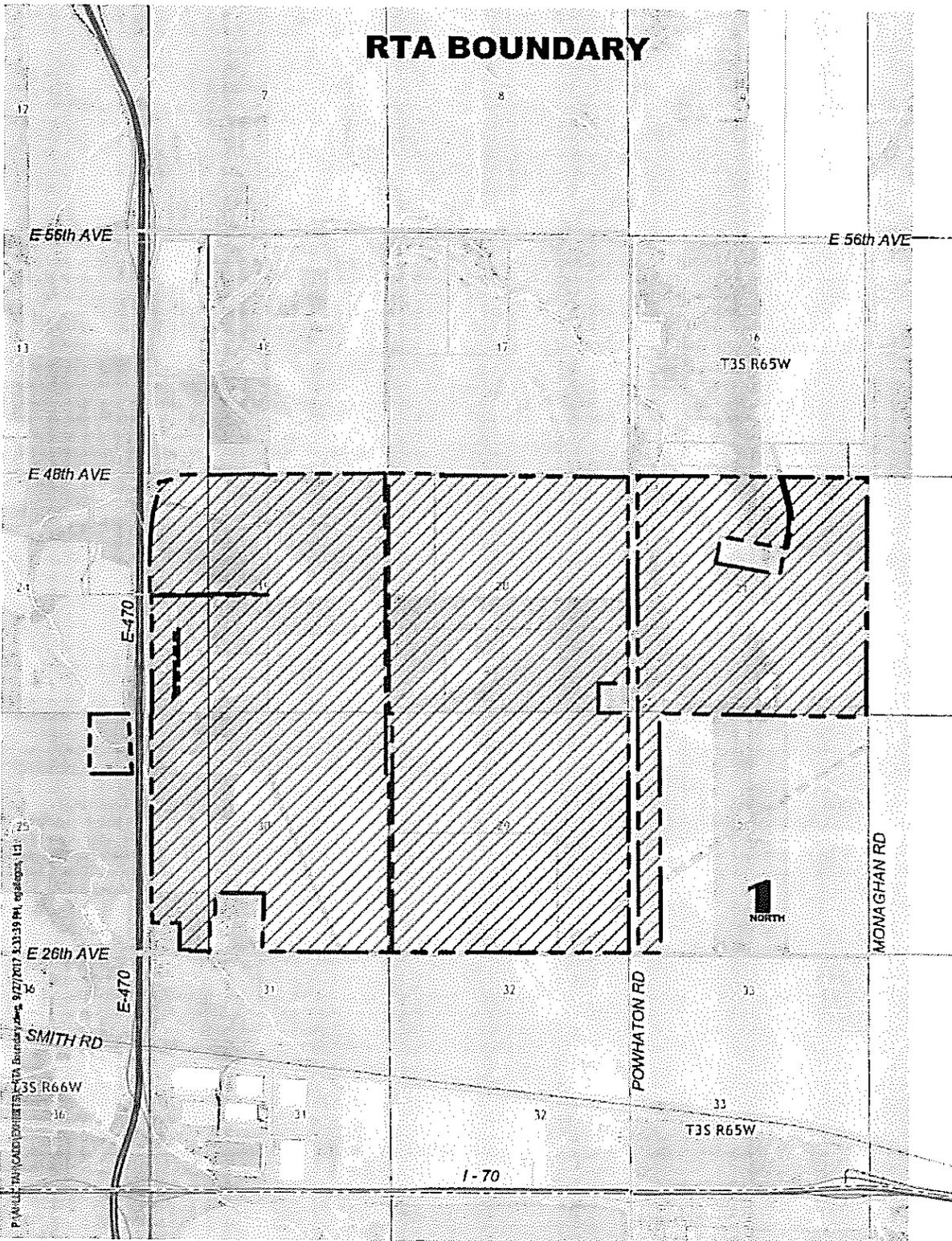
REGIONAL TRANSPORTATION SYSTEM

E470/38 th /The Aurora Highlands Pkwy Interchange - Full interchange design and build of diamond interchange along with frontage roads to and from 48 th .
I-70/Harvest/Powhaton Interchange - Full interchange design and build of diamond interchange at Harvest along with frontage roads to and from Powhaton in the interim.
38 th Avenue (E470 to Himalaya) – full section improvements - 4 lane arterial along with regional drainage crossings, traffic control and multimodal/bike boulevard.
Harvest/Powhaton Interconnect (I-70 to 56 th Avenue) – full section improvements - 6 lane limited access principal arterial along with regional drainage crossings, traffic control and multimodal (ped/bike) path and UPRR grade separation.
48 th Avenue (E470 to Powhaton) - full section improvements - 6 lane arterial along with regional drainage crossings, traffic control, multimodal (ped/bike) path and E470 overpass upgrade.
26 th Avenue (E470 to Powhaton) – full section improvements - 4 lane arterial along with regional drainage crossings/conveyance and traffic control.
Gun Club/Aura Boulevard/Main Street (26 th to 56 th) – full section improvements - 4 lane arterial along with regional drainage crossings/conveyance, traffic control and multimodal (ped/bike) path.
The Aurora Highlands Parkway (Interconnect to 38 th /E470 Interchange) – full section improvements - 4 lane arterial separated by major drainageway along with regional drainage crossings/conveyance, traffic control and multimodal/bike boulevard. Only constructed with approval of the E-470 Board of Directors.
Picadilly Interchange – Full Interchange Design

EXHIBIT B

BOUNDARIES

[see attached one page]



B

EXHIBIT C

BALLOT QUESTIONS

BALLOT QUESTION A - PROPERTY TAX OF AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY

SHALL AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY TAXES BE INCREASED \$500,000 IN FISCAL YEAR 2019 AND BY WHATEVER AMOUNTS ARE RAISED IN EACH SUBSEQUENT FISCAL YEAR, BY THE IMPOSITION OF AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR AT A RATE NOT TO EXCEED FIVE (5) MILLS AND WITHOUT LIMITATION AS TO AMOUNT OR ANY OTHER CONDITION, FOR THE PURPOSES OF SUCH AUTHORITY, AND SHALL THE PROCEEDS OF SUCH TAXES AND ANY INVESTMENT INCOME THEREON BE COLLECTED, RETAINED AND SPENT BY THE AUTHORITY IN FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER AS A VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO ANY SPENDING, REVENUE-RAISING OR OTHER LIMITATION UNDER THE CONSTITUTION AND LAWS OF COLORADO NOW OR HEREAFTER IN EFFECT, ALL WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE AUTHORITY?

BALLOT QUESTION B - SALES TAX OF AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY

SHALL AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY TAXES BE INCREASED \$500,000 IN FISCAL YEAR 2018 AND BY WHATEVER AMOUNTS ARE RAISED IN EACH SUBSEQUENT FISCAL YEAR, BY THE IMPOSITION OF A SALES TAX AT THE RATE OF 1.00% IN THE MANNER AUTHORIZED BY THE REGIONAL TRANSPORTATION AUTHORITY LAW, PART 6 OF ARTICLE 4, TITLE 43, COLORADO REVISED STATUTES, FOR THE PURPOSES OF SUCH AUTHORITY, AND SHALL THE PROCEEDS OF SUCH TAXES AND ANY INVESTMENT INCOME THEREON BE COLLECTED, RETAINED AND SPENT BY THE AUTHORITY IN FISCAL YEAR 2018 AND EACH FISCAL YEAR THEREAFTER AS A VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO ANY SPENDING, REVENUE-RAISING OR OTHER LIMITATION UNDER THE CONSTITUTION AND LAWS OF COLORADO NOW OR HEREAFTER IN EFFECT, ALL WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE AUTHORITY?

BALLOT QUESTION C - REVENUE CHANGE FOR AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY

SHALL THE AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY BE AUTHORIZED TO COLLECT, RETAIN AND SPEND THE FULL AMOUNT OF ALL TAXES, FEES, CHARGES, GRANTS, INTERGOVERNMENTAL PAYMENTS OR OTHER REVENUES, FROM WHATEVER SOURCE DERIVED, DURING FISCAL YEAR 2018 AND

EACH FISCAL YEAR THEREAFTER, SUCH AMOUNTS TO CONSTITUTE A VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO ANY SPENDING, REVENUE-RAISING OR OTHER LIMITATION UNDER THE CONSTITUTION OR LAWS OF THE STATE OF COLORADO NOW OR HEREAFTER IN EFFECT, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUE THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE AUTHORITY?

BALLOT QUESTION D - BONDS OF AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY

SHALL AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY DEBT BE INCREASED \$600,000,000 WITH A REPAYMENT COST OF \$1,800,000,000 OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, BY THE ISSUANCE OF REVENUE BONDS OR OTHER OBLIGATIONS OF THE AUTHORITY, WHICH BONDS OR OTHER OBLIGATIONS MAY BE REFUNDED IN WHOLE OR IN PART AT RATES EQUAL TO, LOWER OR HIGHER THAN THE INTEREST RATE ON THE REFUNDED OBLIGATIONS, ALL FOR THE PURPOSE OF DEFRAYING THE COSTS OF DESIGNING, ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING AND OTHERWISE PROVIDING REGIONAL TRANSPORTATION IMPROVEMENTS AND APPURTENANT FACILITIES, EQUIPMENT, LAND AND EASEMENTS AND EXTENSIONS AND IMPROVEMENTS TO SUCH FACILITIES, SUCH DEBT TO BEAR INTEREST AT A MAXIMUM NET EFFECTIVE INTEREST RATE NOT TO EXCEED 9.00% PER ANNUM, SUCH INTEREST TO BE PAYABLE AT SUCH TIME OR TIMES, AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY, AND SUCH DEBT TO MATURE, BE SUBJECT TO REDEMPTION WITH OR WITHOUT PREMIUM AND BE ISSUED AND SOLD AT, ABOVE OR BELOW PAR, SUCH DEBT TO BE ISSUED AT ONE TIME OR FROM TIME TO TIME AND TO BE SECURED AND PAID FROM SUCH FUNDS AND REVENUES OF THE AUTHORITY AS AUTHORIZED BY THE INTERGOVERNMENTAL AGREEMENT PURSUANT TO WHICH THE AUTHORITY IS ORGANIZED, AND SHALL THE PROCEEDS OF ANY SUCH DEBT, ANY REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT EARNINGS THEREON BE COLLECTED, KEPT AND SPENT BY THE AUTHORITY AS A VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO ANY SPENDING, REVENUE-RAISING OR OTHER LIMITATION UNDER THE CONSTITUTION OR LAWS OF THE STATE OF COLORADO NOW OR HEREAFTER IN EFFECT, AND WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE AUTHORITY?

BALLOT QUESTION E - FORMATION OF AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY BY INTERGOVERNMENTAL AGREEMENT

SHALL THE AEROTROPOLIS REGIONAL TRANSPORTATION AUTHORITY BE FORMED BY INTERGOVERNMENTAL AGREEMENT AMONG THE CITY OF AURORA, ADAMS COUNTY AND THE AEROTROPOLIS AREA COORDINATING METROPOLITAN DISTRICT, FOR THE PURPOSE OF PROVIDING REGIONAL TRANSPORTATION IMPROVEMENTS WITHIN THE AREA GENERALLY BOUNDED BY EAST 56TH

AVENUE ON THE NORTH, POWHATON ROAD ON THE EAST, INTERSTATE 70 ON THE SOUTH, AND THE E-470 HIGHWAY ON THE WEST, AS SUCH AREA MAY BE INCREASED OR REDUCED?

EXHIBIT D

CAPITAL PLAN

[see attached one page]

Exhibit D - Phasing Plan

February 5, 2018

Project	Description (RTA Portion)	Total Cost	RTA Total	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
A	48th Avenue E470 to Gun Club 6 Lanes (2 Lanes)	\$ 4,899,840	\$ 1,714,944						\$ 428,736	\$ 1,286,208										
B	48th Avenue Gun Club to Harvest 6 Lanes (2 Lanes)	\$ 6,082,560	\$ 2,128,896						Independent Construction					\$ 532,224	\$ 1,596,672					
C	48th Avenue Harvest to Powhatan 6 Lanes (2 Lanes)	\$ 12,165,120	\$ 4,257,792											Independent Construction						
D	38th Avenue Himalaya to E470 4 Lanes (North 2 Lanes)	\$ 14,931,280	\$ 14,931,280	\$ 746,564	\$ 746,564							\$ 6,719,076	\$ 6,719,076							
E	38th Avenue Himalaya to E470 4 Lanes (South 2 Lanes)	\$ 8,039,920	\$ 8,039,920									Linked to Construction of O						\$ 4,019,960	\$ 4,019,960	
F	TAH Parkway E470 to Main Street 4 Lanes (1 Lane)	\$ 3,674,880	\$ 3,674,880	\$ 918,720	\$ 2,756,160															
G	TAH Parkway Main St to Aura Blvd 4 Lanes (1 Lane)	\$ 7,349,760	\$ 2,939,904	\$ 734,976	\$ 2,204,928															
H	TAH Parkway Aura Blvd to Powhatan 4 Lanes (1 Lane)	\$ 26,169,600	\$ 9,159,360						\$ 1,831,872	\$ 3,663,744	\$ 3,663,744									
I	26th Avenue E470 to Main Street 6 Lanes (2 Lanes)	\$ 3,210,240	\$ 1,123,584	\$ 280,896	\$ 842,688				Linked to Construction of Q											
J	26th Avenue Main Street to Harvest 6 Lanes (2 Lanes)	\$ 9,630,720	\$ 3,370,752											\$ 674,150	\$ 1,348,301	\$ 1,348,301				
K	26th Avenue Harvest to Powhatan 6 Lanes (2 Lanes)	\$ 14,530,560	\$ 5,085,696											\$ 1,017,652	\$ 2,034,278	\$ 2,034,278				
L	Powhatan Road I-70 to 26th 6+ Lanes (3 Lanes)	\$ 18,928,000	\$ 12,303,200						\$ 2,460,640	\$ 4,921,280	\$ 4,921,280									
M	Powhatan Road 26th to 48th 6+ Lanes (3 Lanes)	\$ 32,032,000	\$ 20,820,800						\$ 4,164,160	\$ 8,328,320	\$ 8,328,320									
N	Powhatan Road 48th to 56th 6+ Lanes (3 Lanes)	\$ 25,920,000	\$ 16,848,000						\$ 3,059,600	\$ 6,739,200	\$ 6,739,200									
O	E470/38th Interchange 100% Interchange	\$ 24,000,000	\$ 24,000,000	\$ 1,200,000	\$ 1,200,000														\$ 7,200,000	
P	HM/PR/I70 100% Interchange	\$ 36,000,000	\$ 36,000,000	\$ 1,440,000	\$ 1,440,000									\$ 720,000	\$ 10,800,000	\$ 10,800,000	\$ 10,800,000		Second Phase	
Q	Powhatan/I-70 INT 100% Initial Interchange	\$ 6,080,000	\$ 6,080,000	\$ 304,000	\$ 304,000	\$ 608,000	\$ 1,216,000	\$ 1,824,000	\$ 1,824,000											
R	Picadilly Interchange 100% Interchange(NEATS) Design Only	\$ 49,440,000	\$ 2,472,000																\$ 1,236,000	\$ 1,236,000
	PROJECTED TOTAL	\$ 295,044,560	\$ 174,951,008	\$ 5,625,156	\$ 9,494,340	\$ 608,000	\$ 1,216,000	\$ 13,650,272	\$ 25,905,280	\$ 29,738,752	\$ 16,319,076	\$ 6,719,076	\$ 4,007,962	\$ 18,972,695	\$ 14,182,679	\$ 12,036,000	\$ 12,455,960	\$ 4,019,960	\$ -	
	CUMULATIVE TOTAL			\$ 5,625,156	\$ 15,119,496	\$ 15,727,496	\$ 16,943,496	\$ 30,593,768	\$ 56,499,048	\$ 86,237,800	\$ 102,556,876	\$ 109,275,952	\$ 113,283,914	\$ 132,256,509	\$ 146,439,088	\$ 158,475,088	\$ 170,931,048	\$ 174,951,008	\$ 174,951,008	

EXHIBIT E

FUNDING SOURCES

Revenues subject to allocation (from within boundaries only):

City Revenues

100% of City Use Tax on Construction Materials at the current rate, but excluding the 0.25% use tax dedicated to increased staffing of the City police department and operation and maintenance of the City detention facility

100% of the City Transportation Impact Fee for Residential Development at the rate in effect at the time of payment

County Revenues

50% of County General Fund Property Tax

100% of County Road and Bridge Fund Tax

Authority Revenues from Levy by District or Authority

100% of a Mill Levy of 5.00 mills on all taxable real property through the District's imposition of the Aurora Regional Mill Levy, provided that if such Regional Mill Levy is not imposed, the Authority shall levy up to 5.00 mills in its place

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