

**CONSOLIDATED SERVICE PLAN**

**FOR**

**IRON MOUNTAIN METROPOLITAN DISTRICT NOS. 1-3**

**TOWN OF WINDSOR, COLORADO**

Prepared

By

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

August 17, 2006

**TABLE OF CONTENTS**

**I. INTRODUCTION.....1**  
    A. Purpose and Intent.....1

**II. DEFINITIONS .....1**

**III. STATUTORY BASIS/GENERAL FUNCTIONS.....3**  
    A. Needs Analysis/Basis for Statutory Findings .....3  
    B. District Functions Generally .....4

**IV. BOUNDARIES .....5**

**V. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION .....6**

**VI. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES.....6**  
    A. General Powers of the District.....6  
    B. Limitations of the District’s Powers and Service Plan Amendment.....6  
        1. Operations and Maintenance Limitation.....6  
        2. Construction Standards Limitation .....7  
        3. Debt Ceiling/Maximum Mill Levy Imposition Term .....7  
        4. Bankruptcy Limitation .....7  
        5. Service Plan Amendment Requirement .....7  
    C. Preliminary Engineering Survey.....7

**VII. FINANCIAL PLAN .....8**  
    A. General .....8  
    B. Maximum Net Effective Interest Rate/Maximum Underwriting Discount .....8  
    C. Maximum Debt Mill Levy .....8  
    D. Debt Repayment Sources.....9  
    E. Security for Debt.....10  
    F. District’s Operating Costs.....10

**VIII. ANNUAL REPORT .....10**  
    A. General .....10  
    B. Reporting of Significant Events.....10

**IX. CONSOLIDATION/DISSOLUTION .....11**

**X. DISCLOSURE TO PURCHASERS.....11**

**XI. INTERGOVERNMENTAL AGREEMENTS .....11**  
    A. Town IGA .....11

B. Master IGA .....11

**XII. CONCLUSION .....12**

**LIST OF EXHIBITS**

**EXHIBIT A** Legal Description and Map of Initial District Boundaries

**EXHIBIT B** Projected District Infrastructure Costs

**EXHIBIT C** Financial Plan

**EXHIBIT D** Form of Intergovernmental Agreement between the District and Town of Windsor

**I. INTRODUCTION**

**A. Purpose and Intent**

The Iron Mountain Metropolitan District Nos. 1-3 (the “Districts”) are independent units of local government, separate and distinct from the Town of Windsor (the “Town”), and, except as may otherwise be provided for by State or local law or this Service Plan, their activities are subject to review by the Town to the extent that they may deviate in a material way from the requirements of this Service Plan. It is intended that the Districts will provide a part or all of the Public Improvements necessary and appropriate for the development of a project within the Town known as Iron Mountain (the “Project”). The Public Improvements will be constructed for the use and benefit of all anticipated residents and taxpayers of the Districts. The Public Improvements will be acquired, constructed and installed without any cost to the Town. Any proposed or actual capital costs to the Town in connection with acquisition, construction and installation of the Public Improvements shall constitute a material modification of the Service Plan. The primary purpose of the Districts will be to finance the construction of these Public Improvements.

**II. DEFINITIONS**

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

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

Board: means the board of directors of the District.

Coordinating District: means District No. 1

Debt: means bonds or other financial obligations not subject to annual appropriation (excluding District IGAs) for the payment of which the District has promised to impose, collect and pledge an *ad valorem* property tax mill levy, Fees, and/or any other legally available revenues of the District.

Debt Ceiling: means the aggregate maximum amount of Debt that the Districts are permitted to have outstanding at any time, whether such Debt is issued by one District, or any combination of Districts. Debt that is refunded shall not be counted against the Debt Ceiling, nor shall increases in principal necessary to accomplish a refunding, reissuance or restructuring of Debt.

Developer: means Trolco, Inc., a Colorado Corporation, and its affiliates, successors or assigns.

District: means any one of the Iron Mountain Metropolitan District Nos. 1 through 3.

District Activities: means any and all functions undertaken by the Districts in accordance with this Service Plan and as permitted under applicable law in order to effectuate the purposes for which the Districts are organized.

District IGA's: means one or more agreements among one or more Districts pertaining to one or more District Activities.

District No. 1: means the Iron Mountain Metropolitan District No. 1.

District No. 2: means the Iron Mountain Metropolitan District No. 2.

District No. 3: means the Iron Mountain Metropolitan District No. 3.

Districts: means District No. 1, District No. 2 and District No. 3 collectively.

Fees: means any rate, fee, toll, penalty or other charge imposed by the Districts and permitted by applicable law for services, programs or facilities provided by the Districts.

Financial Plan: means the Financial Plan described in Section VII which describes (a) how the Public Improvements are to be financed; (b) how the Debt is expected to be incurred; (c) the estimated operating revenue derived from property taxes for the first budget year; and (d) proposed sources of revenue and projected expenses of the Districts.

Financing District: means District No. 2, District No. 3 or both.

Initial District Boundaries: means the initial boundaries of the Districts as described in Exhibit A.

Initial District Boundary Map: means the map attached hereto as Exhibit A depicting the initial boundaries of the Districts.

Maximum Debt Mill Levy: means the maximum mill levy any of the Districts is permitted to impose for payment of Debt as described in paragraph VII.C, below.

Maximum Debt Mill Levy Imposition Term: means the maximum term for imposition of a mill levy for any individual Debt issuance, as described in paragraph VI.B.3, below.

Maximum Net Effective Interest Rate: means the maximum net effective interest rate applicable to any issuance of Debt, which is 18% under this Service Plan.

Maximum Underwriting Discount: means the maximum underwriter's discount applicable to any issuance of Debt, which is 5% under this Service Plan.

Project: means the development or property commonly referred to as Iron Mountain.

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

Service Area: means the property within the Initial District Boundaries. It contains approximately one hundred forty-five and fifty-three hundredths (145.53) acres generally located on the northwest corner of 7<sup>th</sup> Street/WCR 17 and US Highway 34 and is more accurately described in Exhibit A attached hereto.

Service Plan: means this service plan for the Districts approved by the Town.

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

Special District Act: means Section 32-1-101, *et seq.*, of the Colorado Revised Statutes.

State: means the State of Colorado.

TABOR: means Article 10 Section 20 of the Colorado Constitution.

Town: means the Town of Windsor, Colorado

Town Code: means the Town code of the Town of Windsor, Colorado.

Town Council: means the Town council of the Town of Windsor, Colorado.

### **III. STATUTORY BASIS/GENERAL FUNCTIONS**

#### **A. Needs Analysis/Basis for Statutory Findings**

In order to establish compliance with the standards for Service Plan approval set forth in Section 32-1-204.5, C.R.S., the following needs analysis is provided:

1. There is Sufficient Existing and Projected Need for Organized Service. The development plan for the Project anticipates one million two hundred nine thousand five hundred seventy-nine (1,209,579) square feet of commercial development to be constructed within the area served by the Districts. Accordingly, the demand for the services and facilities to be provided by the Districts is demonstrable.

2. The Existing Service in the Area to be Served is Inadequate for Present and Projected Needs/Adequate Service Through Other Governmental Entities Will Not Be Available Within a Reasonable Time and on a Comparable Basis. The facilities and services to

be provided by the proposed Districts will not be provided by any county, municipal or quasi-municipal corporations, including existing special districts. The Districts' boundaries do not overlap the legal boundaries of any existing special district with the power to provide the same services that the Districts propose to provide. Neither the Town, nor any existing special district plans to provide the facilities required for the development of the Project. Therefore, provision of facilities will not be available through other institutions.

3. The Districts are Capable of Providing Economical and Sufficient Service/The Districts Will Have the Financial Ability to Discharge Proposed Indebtedness on a Reasonable Basis. The proposed Districts are necessary in order to provide the most economical and efficient means of undertaking District Activities. The Financing Plan attached as Exhibit C demonstrates the feasibility of providing the District Activities proposed herein on an economical basis. The formation of the Districts will facilitate the financing of the District Activities at least cost, as the Districts will have access to tax-exempt financing that is not available to private entities.

4. The Creation of the Districts is in the Best Interests of the Area to be Served/Multiple District Structure. The matters described in items 1 through 3 of this Section establish that the creation of the Districts is in the best interests of the area to be served, in that they demonstrate a demand for public improvements that will otherwise be unmet by other governmental entities and offer the advantage of obtaining public financing to fund these improvements. In addition, the use of a multiple district structure is beneficial, as it permits: a) the phasing of improvements to occur according to logical development modules, resulting in a more specific association of cost with benefit and less incentive to initiate public improvements programs too far in advance of development; b) the ability to arrange for delivery of public infrastructure in a manner that will conform to the approved development plans that will be associated with the Project in the future, thus permitting development of the Project in accordance with Town expectations; and c) maintenance of a reasonably uniform mill levy and fee structure through coordinated planning and financing for construction of public improvements.

B. District Functions Generally

The Districts shall be authorized to fund the District Activities from the proceeds of Debt to be issued by the Districts, and from other legally available revenues. All Debt that is payable from a pledge of property taxes is subject to the Maximum Debt Mill Levy. Debt that is issued within this and other parameters set forth in this Service Plan will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

It is expected that certain Public Improvements will be dedicated to either the Town or to other governmental entities according to the applicable procedures for the specific entity (including but not limited to standards relating to construction). To the extent the Town or other governmental entities determine not to accept dedication of Public Improvements, the Districts are authorized to own, operate and maintain such Public Improvements. Determination of specific Public Improvements to be dedicated to the Town and/or other governmental entities,

or to be retained by the Districts will be the subject of separate actions and agreements among the Town and other interested parties.

District No. 1 is proposed to be the Operating District, and is expected to coordinate the financing, construction, operations and maintenance of all Public Improvements. District No. 2 and District No. 3 are proposed to be the Taxing Districts, which are proposed to encompass commercial development. The Operating District will be responsible for managing the construction and operation of facilities and Public Improvements for the Project as well as coordinating the financing and management of the public facilities and services as approved by the Town throughout the Development. The Taxing Districts will be responsible for producing property tax and other revenue sufficient to pay the costs of operations and debt service expenses incurred for the Public Improvements, until such obligations are discharged, creating mutual benefits for Iron Mountain and the City.

Various agreements, including but not limited to the Master IGA described in Section XI.B., are expected to be executed by the Districts as necessary to clarify the nature of the functions and services to be provided by each District. The agreements will be designed to help assure the orderly development of essential services and facilities resulting in a Development which will be both an aesthetic and economic asset to the Town.

The establishment of Iron Mountain Metropolitan District No. 1 as Operating District which will own and operate the public facilities throughout Iron Mountain, and the establishment of Iron Mountain Metropolitan District No. 2 and Iron Mountain Metropolitan District No. 3 as Taxing Districts which will generate the tax revenue sufficient to pay the costs of the capital improvements and maintenance, will create several benefits for Iron Mountain and Windsor. In general, those benefits are: (a) coordinated administration of construction and operation of public improvements, and delivery of those improvements in a timely manner; (b) maintenance of reasonably uniform mill levies and reasonable tax burdens on all areas of Iron Mountain through proper management of the financing and operation of public improvements; and (c) assured compliance with state laws regarding taxation in a manner which permits the issuance of tax exempt debt at the most favorable interest rates possible.

The Town shall have and will exercise sole and exclusive jurisdiction over land use and building, e.g., zoning, subdivision, building permit, and decisions affecting development of property within the boundaries of all Districts. Construction of all Public Improvements shall be subject to applicable ordinances, codes and regulations of the Town.

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

#### **IV. BOUNDARIES**

The area of the Initial District Boundaries includes approximately one hundred forty-five and fifty-three hundredths (145.53) acres and the total area within the Inclusion Area Boundaries is approximately zero (0) acres. A legal description and map of the Initial District Boundaries is



attached hereto as Exhibit A. It is anticipated that the Districts' boundaries may change from time to time as it undergoes inclusions and exclusions pursuant to Section 32-1-401, *et seq.*, C.R.S., and Section 32-1-501, *et seq.*, C.R.S., subject to the limitations set forth in Section V below.

Due to the long-term nature of the Project, and the potential need to respond to development patterns, the pace of growth, and to accommodate future financing dynamics, adjustments to the Districts' boundaries may be necessary or appropriate from time to time. The inclusion into any District or the exclusion from any District of property located within the Service Area as defined herein may be accomplished without further approval of the Town.

**V. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION**

It is currently anticipated in the development plan for Iron Mountain that at full build out the Development will include approximately one million two hundred nine thousand five hundred seventy-nine (1,209,579) square feet of commercial space. The current assessed valuation of the Initial District Boundaries is assumed to be \$0.00 for purposes of this Service Plan and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The population of the Districts at build-out is currently estimated to be approximately zero (0) persons.

Approval of this Service Plan by the Town does not imply approval of the development of a specific area within the Districts, nor does it imply approval of the total site/floor area of commercial or industrial buildings identified in this Service Plan or any of the exhibits attached thereto.

**VI. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES**

**A. General Powers of the Districts**

The Districts shall have the power and authority to provide the Public Improvements and undertake related District Activities within and without the boundaries of the Districts, as such power and authority is described in the Special District Act, and other applicable statutes, the common law and the Constitution, subject to the limitations set forth in this Service Plan. Further, the Districts shall have the power to provide any and all services necessary or incidental to the provision of the Public Improvements. The specific types of Public Improvements shall be determined in the discretion of the Boards of Directors of the Districts.

**B. Limitations of the Districts' Powers and Service Plan Amendment**

1. Operations and Maintenance Limitation. The Districts shall dedicate certain Public Improvements to the Town or other appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the Town and applicable provisions of the Town Code. The Districts shall be authorized to own, operate and maintain any part or all of the Public Improvements not dedicated to the Town or other appropriate

jurisdiction. Determination of specific Public Improvements to be dedicated to the Town and/or other governmental entities, or to be retained by the Districts will be the subject of separate actions and agreements among interested parties.

2. Construction Standards Limitation. The Districts will ensure that the Public Improvements to be dedicated to the Town or other appropriate jurisdiction are designed and constructed in accordance with the standards and specifications of the Town and/or of other appropriate jurisdictions, as applicable. The District will obtain approval of civil engineering plans and permits for construction and installation of public improvements from the Town.

3. Debt Ceiling/Maximum Debt Mill Levy Imposition Term. The Districts' Debt Ceiling is thirty million dollars (\$30,000,000). The Maximum Debt Mill Levy Imposition Term shall be forty (40) years.

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

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

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

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

5. Service Plan Amendment Requirement. This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and facilities under evolving circumstances without the need for amendments. Actions of the Districts that constitute material modifications to the Service Plan under the Special District Act, or as otherwise specified in this Service Plan, shall be entitle the Town to all remedies available under State and local law to enjoin such actions.

C. Preliminary Engineering Survey

A preliminary engineering survey of the initial estimated costs of the Public Improvements which may be provided by or through the Districts has been prepared by the

Developer. The estimated costs of the Public Improvements are thirteen million four hundred seventy-one thousand eight hundred seventy-seven dollars (\$13,471,877.00). Actual Public Improvements costs will vary based in part upon the specific matters contained in an Approved Development Plan, and the Districts shall have the discretion to determine those Public Improvements that will be financed, subject to the Debt Ceiling. Final planning and design of Public Improvements will depend on the specific matters contained in an Approved Development Plan and therefore planning activities are conceptual in nature; however, a preliminary listing of Public Improvements and associated costs anticipated for the Project is attached in Exhibit B.

## VII. FINANCIAL PLAN

### A. General

The Districts shall be authorized to provide for the District Activities from the proceeds of Debt to be issued by the Districts, and from other legally available revenues. The Financial Plan for the Districts shall be to issue such Debt as the Districts can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy, Fees and other legally available revenues. Debt that the Districts issue may be issued on a schedule and in such year or years as the Districts determine shall meet the needs of the Financial Plan referenced above, and may be phased to serve development as it occurs. A *pro forma* Financial Plan is attached hereto as Exhibit C, which projects the issuance of approximately eleven million three hundred twenty-five thousand dollars (\$11,325,000.00) in Debt through the life of the project. The attached Financial Plan is an illustration of how the Public Improvements and other services of the Districts may be financed; however, the final terms of such financing shall be determined by the Districts, subject to the parameters established within this Service Plan.

### B. Maximum Net Effective Interest Rate/Maximum Underwriting Discount

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued, but not to exceed the Maximum Net Effective Interest Rate. The underwriting discount on any Debt shall not exceed the Maximum Underwriting Discount. Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

### C. Maximum Debt Mill Levy

The "Maximum Debt Mill Levy" shall be the maximum mill levy a District is permitted to impose upon the taxable property within such District for payment of Debt, and shall be determined as follows:

1. For the portion of any aggregate Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in Section VII.D.2 below; provided that if, on or after January 1, 2007, there are changes in the

method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board 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, 2007, 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.

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

3. For purposes of the foregoing, once Debt has been determined to be within Section VII.C.2 above, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the Districts must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

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

All issuance of Debt payable from a pledge of *ad valorem* property taxes shall be deemed to be in compliance with the Financial Plan so long as the Minimum Criteria (as set forth below), have been met. The term "Minimum Criteria" shall mean that such Debt: 1) is subject to the Maximum Debt Mill Levy, if required by this Service Plan; 2) is in compliance with the conditions set forth in this Article VII; and 3) does not exceed the Debt Ceiling, when considered together with other outstanding Debt that is subject to the Debt Ceiling.

#### D. Debt Repayment Sources

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

E. Security for Debt

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

F. Districts' Operating Costs

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the districts' organization and initial operations, are included within assumptions contained in the Financing Plan.

In addition to the capital costs of the Public Improvements, the Districts will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. The first year's operating budget is estimated to be Fifty Thousand Dollars (\$50,000) which is anticipated to be derived from property taxes and other revenues, including developer advances.

**VIII. ANNUAL REPORT**

A. General

Upon the request of the Town, each of the Districts shall be responsible for submitting an annual report to the Town Manager's Office no later than August 1<sup>st</sup> of each year following the year in which the Order and Decree creating the District has been issued.

B. Reporting of Significant Events

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

1. Boundary changes made to any of the District's as of December 31 of the prior year.
2. Intergovernmental Agreements with other governmental entities, either entered into or proposed as of December 31 of the prior year.
3. A list of all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the Town as of December 31 of the prior year.
4. The assessed valuation of the Districts for the current year.
5. Current year budget including a description of the Public Improvements to be constructed in such year.

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

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

## **IX. CONSOLIDATION/DISSOLUTION**

The consolidation of any District with any other special district (other than one or more of the other Districts) shall be subject to the approval of the Town. Each District will take all action necessary to dissolve pursuant to Section 32-1-701, *et. seq.*, C.R.S., as amended from time to time, at such time as it does not need to remain in existence to discharge its financial obligations or perform its services.

## **X. DISCLOSURE TO PURCHASERS**

The Districts will use reasonable efforts to assure that all developers of the property located within the Districts provide written notice to all purchasers of property in the Districts regarding the Maximum Debt Mill Levy, the Maximum Debt Mill Levy Imposition Term, as well as a general description of the Districts' authority to impose and collect rates, fees, tolls and charges.

## **XI. INTERGOVERNMENTAL AGREEMENTS**

### **A. Town IGA**

The form of the intergovernmental agreement required relating to the limitations imposed on the Districts' activities is attached hereto as **Exhibit D**. The Districts shall approve the intergovernmental agreement substantially in the form attached as **Exhibit D** at their first Board meeting after their organizational elections. Failure to approve the intergovernmental agreement at such meeting shall constitute a material modification of this Service Plan. The Town Board of Trustees shall approve the intergovernmental agreement substantially in the form attached as **Exhibit D** at the meeting approving the Service Plan.

### **B. Master IGA**

The relationship between the Coordinating District and the Financing Districts, including the means for approving, financing, constructing, and coordinating the public services and improvements needed to serve the Project is expected to be established by means of the Master IGA. The Master IGA is expected to generally provide that the Financing Districts will pay to and/or reimburse the Coordinating District over a period of years the costs of (1) the construction, acquisition, installation and financing of certain public facilities and services, and (2) the operation and maintenance of the facilities. Under the Master IGA, the Financing Districts are expected to covenant to levy the taxes necessary, together with other available

funds, to meet the payment obligations set forth in the Master IGA. In return for the payment under the agreement, the Coordinating District would agree to (1) acquire, construct and equip the facilities, (2) provide for their operation and maintenance, and (3) provide service to the property within the Districts or convey facilities to other appropriate entities which will provide service.

**XII. CONCLUSION**

It is submitted that this Service Plan for the Districts, as required by Section 32-1-203(2), and Section 32-1-204.5, C.R.S., establishes that:

A. There is sufficient existing and projected need for organized service in the area to be serviced by the Districts;

B. The existing service in the area to be served by the Districts is inadequate for present and projected needs;

C. The Districts are capable of providing economical and sufficient service to the area within their proposed boundaries; and

D. The area to be included in the Districts does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

Therefore, it is hereby respectfully requested that the Town Council of the Town of Windsor, Colorado, which has jurisdiction to approve this Service Plan by virtue of Section 32-1-204.5, C.R.S., *et seq.*, as amended, adopt a resolution, which approves this Consolidated Service Plan for Iron Mountain Metropolitan District No.1, No. 2 and No. 3 as submitted.

Respectfully submitted this 17<sup>th</sup> day of August, 2006.

By: \_\_\_\_\_  
Attorneys for the Proponents of the Districts

**EXHIBIT A**

Legal Descriptions and Maps of Initial District Boundaries



**IRON MOUNTAIN METROPOLITAN DISTRICT 1  
EXHIBIT A**

A TRACT OF LAND SITUATE IN THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST OF THE 6TH P.M.; TOWN OF WINDSOR, COUNTY OF WELD, STATE OF COLORADO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER QUARTER CORNER OF SAID SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST, AND CONSIDERING THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8 TO HAVE AN ASSUMED BEARING OF N89°40'45"E (CENTER QUARTER CORNER IS MARKED BY A NO. 6 REBAR WITH A 3 1/4" ALUMINUM CAP STAMPED L.S. 2683, AND THE EAST QUARTER CORNER OF SECTION 8 IS MARKED BY A 2 3/8" PIPE WITH 3 1/4" ALUMINUM CAP STAMPED L.S. 20685 IN A MONUMENT BOX), WITH ALL OTHER BEARINGS RELATIVE THERETO;

THENCE ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8, N89°40'28"E, 400.17 FEET TO THE POINT OF BEGINNING;  
THENCE CONTINUING ALONG SAID NORTH LINE, N89°40'28"E, 385.79 FEET;  
THENCE S05°21'49"E, 209.89 FEET;  
THENCE S89°46'31"W, 387.20 FEET;  
THENCE N00°27'50"W, 154.63 FEET;  
THENCE N17°31'48"W, 56.29 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 1.82 ACRES (79,395 SQUARE FEET) MORE OR LESS AND IS SUBJECT TO ALL RIGHTS-OF-WAY, EASEMENTS AND RESTRICTIONS NOW IN USE OR OF RECORD.

K:\0732\143\LEGALS\METRO 1.DOC

# IRON MOUNTAIN METROPOLITAN DISTRICT 1

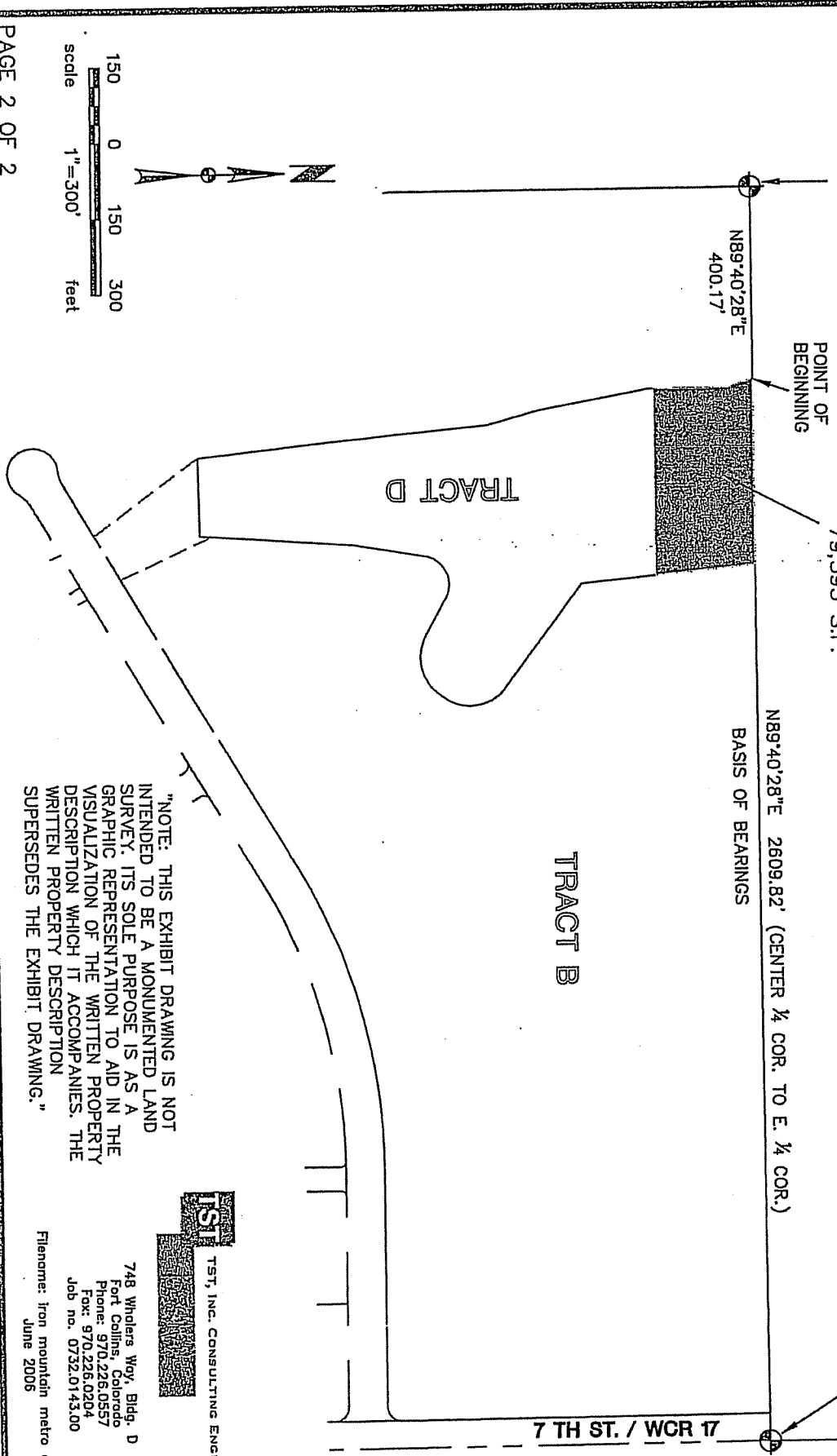
## WINDSOR, COLORADO

### EXHIBIT B

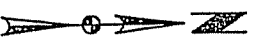
POINT OF COMMENCEMENT  
 1/4 COR. SECTION 8, T5N,  
 R67W FOUND NO. 6 REBAR  
 WITH A 3 1/2" ALUM. CAP  
 STAMPED LS 2683

**METRO DISTRICT 1**  
 1.82 ACRES  
 79,395 S.F.

E. 1/4 COR. SECTION 8, T5N, R67W  
 FOUND 2 3/8" PIPE WITH A 3 1/2"  
 ALUM. CAP STAMPED LS 20685 IN  
 A MONUMENT BOX



150 0 150 300  
 scale 1"=300' feet



"NOTE: THIS EXHIBIT DRAWING IS NOT  
 INTENDED TO BE A MONUMENTED LAND  
 SURVEY. ITS SOLE PURPOSE IS AS A  
 GRAPHIC REPRESENTATION TO AID IN THE  
 VISUALIZATION OF THE WRITTEN PROPERTY  
 DESCRIPTION WHICH IT ACCOMPANIES. THE  
 WRITTEN PROPERTY DESCRIPTION  
 SUPERSEDES THE EXHIBIT DRAWING."

**ISI**  
 TST, INC. CONSULTING ENGINEERS

748 Whalers Way, Bldg. D  
 Fort Collins, Colorado  
 Phone: 970.226.0557  
 Fax: 970.226.0204  
 Job no. 0732.0143.00

Filename: iron\_mountain\_metro\_dist  
 June 2006

**IRON MOUNTAIN METROPOLITAN DISTRICT 2  
EXHIBIT A**

A TRACT OF LAND SITUATE IN THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST OF THE 6TH P.M.; TOWN OF WINDSOR, COUNTY OF WELD, STATE OF COLORADO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST, AND CONSIDERING THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8 TO HAVE AN ASSUMED BEARING OF N00°15'52"W (SOUTHEAST CORNER IS MARKED BY A NO. 6 REBAR WITH A 2 1/2" ALUMINUM CAP STAMPED L.S. 6944 IN MONUMENT BOX, AND THE EAST QUARTER CORNER OF SECTION 8 IS MARKED BY A 2 3/8" PIPE WITH 3 1/4" ALUMINUM CAP STAMPED L.S. 20685 IN A MONUMENT BOX), WITH ALL OTHER BEARINGS RELATIVE THERETO;

THENCE N10°30'03"W, 323.56 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SEVENTH STREET (WELD COUNTY ROAD 17), ALSO BEING THE POINT OF BEGINNING;

THENCE ALONG THE BOUNDARY LINE OF TRACT A OF THE SOUTH GATE BUSINESS PARK SUBDIVISION AS RECORDED BY THE PLAT AT RECEPTION NO. 3371238, THE FOLLOWING SEVEN (7) COURSES:

1. S76°43'09"W, 1,174.11 FEET;
2. S89°54'53"W, 1,112.04 FEET;
3. N00°09'42"W, 550.05 FEET;
4. S89°55'36"W, 300.23 FEET TO A POINT ON THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8;
5. N00°11'00"W, 493.71 FEET ALONG SAID WEST LINE;
6. N89°09'56"E, 420.90 FEET;
7. N73°58'10"E, 105.27 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF SOUTH GATE DRIVE;

THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE THE FOLLOWING SIX (6) COURSES:

1. 92.19 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 52.00 FEET, A CENTRAL ANGLE OF 101°34'31", AND A CHORD WHICH BEARS N34°45'05"E, 80.58 FEET;
2. 28.03 FEET, ALONG THE ARC OF A REVERSE CURVE TO THE LEFT, HAVING A RADIUS OF 60.00 FEET, A CENTRAL ANGLE OF 26°45'56", AND A CHORD WHICH BEARS N72°09'22"E, 27.77 FEET;
3. N58°46'24"E, 918.97 FEET;
4. 681.24 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1,250.00 FEET, A CENTRAL ANGLE OF 31°13'33", AND A CHORD WHICH BEARS N74°23'11"E, 672.84 FEET;
5. N89°59'57"E, 492.62 FEET;
6. 47.26 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 90°15'50", AND A CHORD WHICH BEARS N44°52'03"E, 42.52 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF SEVENTH STREET (WELD COUNTY ROAD 17);

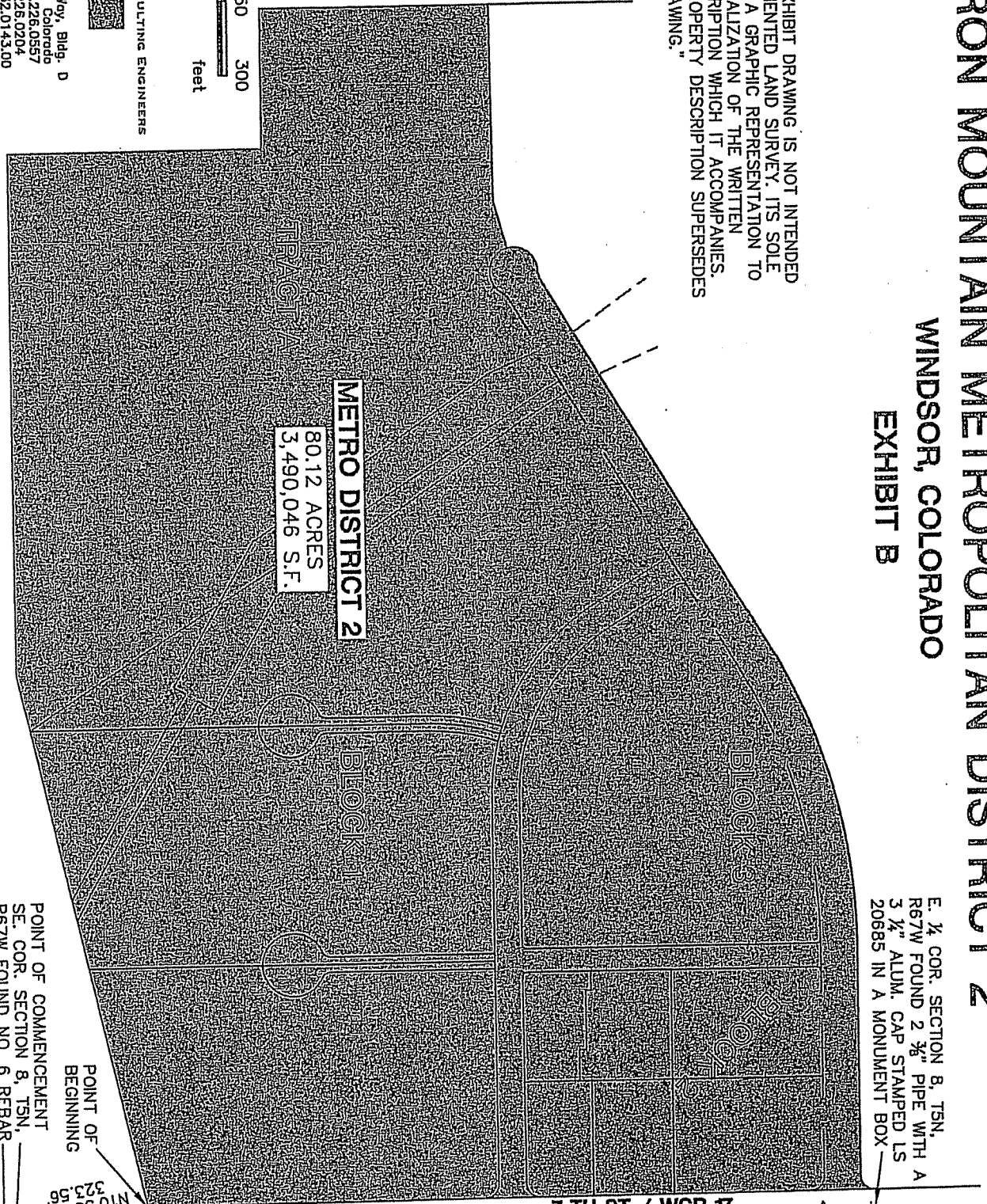
THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE, S00°15'52"E, 1569.59 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 80.12 ACRES (3,490,046 SQUARE FEET) MORE OR LESS AND IS SUBJECT TO ALL RIGHTS-OF-WAY, EASEMENTS AND RESTRICTIONS NOW IN USE OR OF RECORD.

K:\732\143\LEGALSMETRO 2.DOC

# IRON MOUNTAIN METROPOLITAN DISTRICT 2 WINDSOR, COLORADO EXHIBIT B

"NOTE: THIS EXHIBIT DRAWING IS NOT INTENDED TO BE A MONUMENTED LAND SURVEY; ITS SOLE PURPOSE IS AS A GRAPHIC REPRESENTATION TO AID IN THE VISUALIZATION OF THE WRITTEN PROPERTY DESCRIPTION WHICH IT ACCOMPANIES. THE WRITTEN PROPERTY DESCRIPTION SUPERSEDES THE EXHIBIT DRAWING."

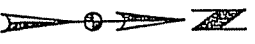
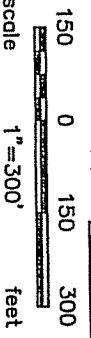


E. 1/4 COR. SECTION 8, T5N,  
R67W FOUND 2 3/8" PIPE WITH A  
3 1/2" ALUM. CAP STAMPED LS  
20685 IN A MONUMENT BOX

N00°15'52"W 2662.17' (SE COR TO E 1/4 COR)  
BASIS OF BEARINGS  
7 TH ST. / WCR 17

POINT OF BEGINNING

POINT OF COMMENCEMENT  
SE. COR. SECTION 8, T5N,  
R67W FOUND NO. 6 REBAR  
WITH A 2 1/2" ALUM. CAP  
STAMPED LS 6944 IN A  
MONUMENT BOX



**IST**  
TST, INC. CONSULTING ENGINEERS

748 Whalers Way, Bldg. D  
Fort Collins, Colorado  
Phone: 970.226.0557  
Fax: 970.226.0204  
Job no. 0732.0143.00

Filename: iron mountain metro dist  
June 2006

**IRON MOUNTAIN METROPOLITAN DISTRICT 2  
DIRECTOR'S PARCEL  
EXHIBIT A**

A TRACT OF LAND SITUATE IN THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST OF THE 6TH P.M.; TOWN OF WINDSOR, COUNTY OF WELD, STATE OF COLORADO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST, AND CONSIDERING THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8 TO HAVE AN ASSUMED BEARING OF N00°15'52"W (SOUTHEAST CORNER IS MARKED BY A NO. 6 REBAR WITH A 2 1/2" ALUMINUM CAP STAMPED L.S. 6944 IN MONUMENT BOX, AND THE EAST QUARTER CORNER OF SECTION 8 IS MARKED BY A 2 3/8" PIPE WITH 3 1/4" ALUMINUM CAP STAMPED L.S. 20685 IN A MONUMENT BOX), WITH ALL OTHER BEARINGS RELATIVE THERETO;

THENCE N81°30'22"W, 2,180.01 FEET TO THE POINT OF BEGINNING;  
THENCE S00°09'42"E, 274.99 FEET TO A POINT ON THE SOUTHERLY BOUNDARY LINE OF TRACT A OF THE SOUTH GATE BUSINESS PARK SUBDIVISION AS RECORDED BY THE PLAT AT RECEPTION NO. 3371238;  
THENCE ALONG SAID SOUTHERLY BOUNDARY LINE, S89°54'53"W, 158.40 FEET;  
THENCE CONTINUING ALONG SAID SOUTHERLY BOUNDARY LINE, N00°09'42"W, 275.02 FEET;  
THENCE N89°55'36"E, 158.40 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 1.00 ACRE (43,560 SQUARE FEET) MORE OR LESS AND IS SUBJECT TO ALL RIGHTS-OF-WAY, EASEMENTS AND RESTRICTIONS NOW IN USE OR OF RECORD.

K:\732\143\LEGALS\DIR PARCEL 2 .DOC

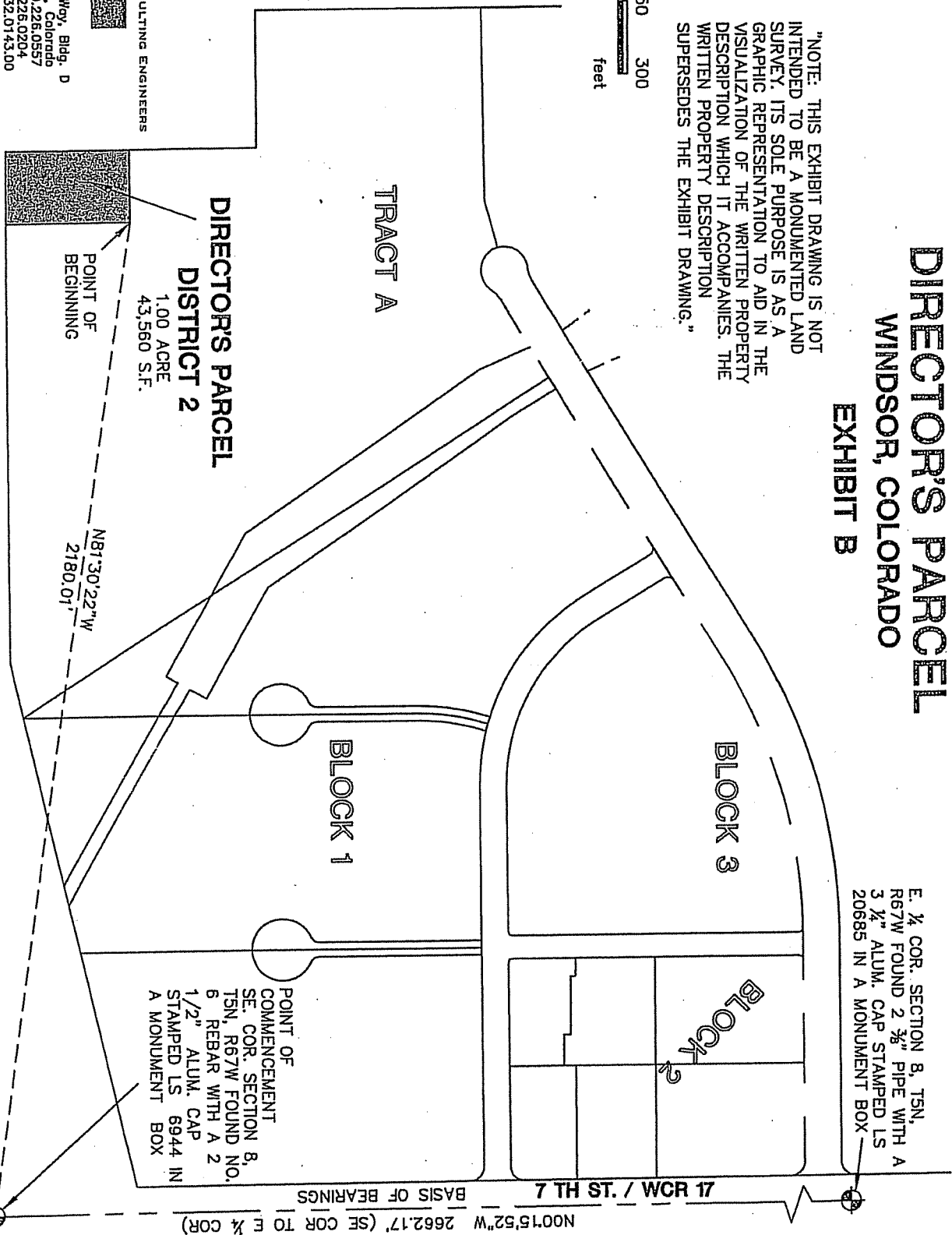
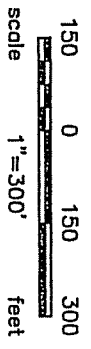
# IRON MOUNTAIN METROPOLITAN DISTRICT 2

## DIRECTOR'S PARCEL

### WINDSOR, COLORADO

### EXHIBIT B

"NOTE: THIS EXHIBIT DRAWING IS NOT INTENDED TO BE A MONUMENTED LAND SURVEY. ITS SOLE PURPOSE IS AS A GRAPHIC REPRESENTATION TO AID IN THE VISUALIZATION OF THE WRITTEN PROPERTY DESCRIPTION WHICH IT ACCOMPANIES. THE WRITTEN PROPERTY DESCRIPTION SUPERSEDES THE EXHIBIT DRAWING."



E. 1/4 COR. SECTION 8, T5N,  
R67W FOUND 2 3/8" PIPE WITH A  
3 1/2" ALUM. CAP STAMPED LS  
20685 IN A MONUMENT BOX

POINT OF COMMENCEMENT  
SE. COR. SECTION 8,  
T5N, R67W FOUND NO.  
6 REBAR WITH A 2  
1/2" ALUM. CAP  
STAMPED LS 6944 IN  
A MONUMENT BOX

DIRECTOR'S PARCEL  
1.00 ACRE  
43,560 S.F.  
POINT OF BEGINNING

**IST**  
TST, INC. CONSULTING ENGINEERS  
748 Whalers Way, Bldg. D  
Fort Collins, Colorado  
Phone: 970.226.0557  
Fax: 970.226.0204  
Job no. 0732.0143.00

Filename: iron\_mountain\_metro\_dist  
June 2006

US HIGHWAY 34

PAGE 2 OF 2

**IRON MOUNTAIN METROPOLITAN DISTRICT 3  
EXHIBIT A**

A TRACT OF LAND SITUATE IN THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST OF THE 6TH P.M.; TOWN OF WINDSOR, COUNTY OF WELD, STATE OF COLORADO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTER QUARTER CORNER OF SAID SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST, AND CONSIDERING THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8 TO HAVE AN ASSUMED BEARING OF N89°40'45"E (CENTER QUARTER CORNER IS MARKED BY A NO. 6 REBAR WITH A 3 1/4" ALUMINUM CAP STAMPED L.S. 2683, AND THE EAST QUARTER CORNER OF SECTION 8 IS MARKED BY A 2 3/8" PIPE WITH 3 1/4" ALUMINUM CAP STAMPED L.S. 20685 IN A MONUMENT BOX), WITH ALL OTHER BEARINGS RELATIVE THERETO;

THENCE ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8, N89°40'28"E, 400.17 FEET;  
THENCE S17°31'48"E, 56.29 FEET;  
THENCE S00°27'50"E, 154.63 FEET;  
THENCE N89°46'31"E, 387.20 FEET;  
THENCE N05°21'49"W, 209.89 FEET TO A POINT ON SAID NORTH LINE;  
THENCE ALONG SAID NORTH LINE N89°40'28"E, 1,766.35 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF SEVENTH STREET (WELD COUNTY ROAD 17);  
THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE, S00°15'52"E, 774.33 FEET;  
THENCE 47.26 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 90°15'50", AND A CHORD WHICH BEARS S44°52'03"W, 42.52 FEET;  
THENCE S89°59'57"W, 492.62 FEET;  
THENCE 681.24 FEET ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 1,250.00 FEET, A CENTRAL ANGLE OF 31°13'33", AND A CHORD WHICH BEARS S74°23'11"W, 672.84 FEET;  
THENCE S58°46'24"W, 918.97 FEET;  
THENCE 28.03 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 60.00 FEET, A CENTRAL ANGLE OF 26°45'56", AND A CHORD WHICH BEARS S72°09'22"W, 27.77 FEET;  
THENCE 92.19 FEET, ALONG THE ARC OF A REVERSE CURVE TO THE LEFT, HAVING A RADIUS OF 52.00 FEET, A CENTRAL ANGLE OF 101°34'31", AND A CHORD WHICH BEARS S34°45'05"W, 80.58 FEET;  
THENCE S73°58'10"W, 105.27 FEET;  
THENCE S89°09'56"W, 420.90 FEET TO A POINT ON THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8;  
THENCE ALONG SAID WEST LINE, N00°11'00"W, 1,557.40 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 63.59 ACRES (2,769,771 SQUARE FEET) MORE OR LESS AND IS SUBJECT TO ALL RIGHTS-OF-WAY, EASEMENTS AND RESTRICTIONS NOW IN USE OR OF RECORD.

K:\732\143\LEGALS\METRO3.DOC

# IRON MOUNTAIN METROPOLITAN DISTRICT 3

## WINDSOR, COLORADO

### EXHIBIT B

POINT OF BEGINNING GEN. 1/4 COR. SECTION 8, T5N, R67W FOUND NO. 6 REBAR WITH A 3 1/4" ALUM. CAP STAMPED LS 2683

E. 1/4 COR. SECTION 8, T5N, R67W FOUND 2 3/8" PIPE WITH A 3 1/4" ALUM. CAP STAMPED LS 20685 IN A MONUMENT BOX  
 N89°40'28"E · 2609.82' (CENTER 1/4 COR. TO E. 1/4 COR.)

**METRO DISTRICT 3**

63.59 ACRES

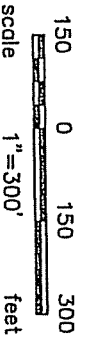
2,769,771 S.F.

7 TH ST. / WCR 17

"NOTE: THIS EXHIBIT DRAWING IS NOT INTENDED TO BE A MONUMENTED LAND SURVEY. ITS SOLE PURPOSE IS AS A GRAPHIC REPRESENTATION TO AID IN THE VISUALIZATION OF THE WRITTEN PROPERTY DESCRIPTION WHICH IT ACCOMPANIES. THE WRITTEN PROPERTY DESCRIPTION SUPERSEDES THE EXHIBIT DRAWING."



TST, INC. CONSULTING ENGINEERS  
 748 Whalers Way, Bldg. D  
 Fort Collins, Colorado  
 Phone: 970.226.0557  
 Fax: 970.226.0204  
 Job no. 0732.0143.00





**IRON MOUNTAIN METROPOLITAN DISTRICT 3  
DIRECTOR'S PARCEL  
EXHIBIT A**

A TRACT OF LAND SITUATE IN THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST OF THE 6TH P.M.; TOWN OF WINDSOR, COUNTY OF WELD, STATE OF COLORADO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTER QUARTER CORNER OF SAID SECTION 8, TOWNSHIP 5 NORTH, RANGE 67 WEST, AND CONSIDERING THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8 TO HAVE AN ASSUMED BEARING OF N89°40'45"E (CENTER QUARTER CORNER IS MARKED BY A NO. 6 REBAR WITH A 3 1/4" ALUMINUM CAP STAMPED L.S. 2683, AND THE EAST QUARTER CORNER OF SECTION 8 IS MARKED BY A 2 3/8" PIPE WITH 3 1/4" ALUMINUM CAP STAMPED L.S. 20685 IN A MONUMENT BOX), WITH ALL OTHER BEARINGS RELATIVE THERETO;

THENCE ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8, N89°40'28"E, 157.20 FEET;  
THENCE S00°11'00"E, 277.11 FEET;  
THENCE S89°40'28"W, 157.20 FEET TO A POINT ON THE WEST LINE OF SAID SOUTHEAST QUARTER OF SECTION 8;  
THENCE ALONG SAID WEST LINE, N00°11'00"W, 277.11 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 1.00 ACRE (43,562 SQUARE FEET) MORE OR LESS AND IS SUBJECT TO ALL RIGHTS-OF-WAY, EASEMENTS AND RESTRICTIONS NOW IN USE OR OF RECORD.

K:\732\143\LEGALSIDIR PARCEL 3.DOC

# IRON MOUNTAIN METROPOLITAN DISTRICT 3 DIRECTOR'S PARCEL WINDSOR, COLORADO EXHIBIT B

POINT OF BEGINNING  
CEN. 1/4 COR. SECTION 8, T5N, R67W  
FOUND NO. 6 REBAR WITH A 3 1/4"  
ALUM. CAP STAMPED LS 2683

N89°40'28"E 2609.82'

E. 1/4 COR. SECTION 8, T5N, R67W  
FOUND 2 3/8" PIPE WITH A 3 1/4" ALUM.  
CAP STAMPED LS 20685 IN A  
MONUMENT BOX

**DIRECTOR'S  
PARCEL  
DISTRICT 3**  
1.00 ACRE  
43,560 S.F.

TRACT D

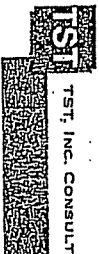
TRACT B

BASIS OF BEARINGS

7 TH ST. / WCR 17



"NOTE: THIS EXHIBIT DRAWING IS NOT INTENDED TO BE A MONUMENTED LAND SURVEY. ITS SOLE PURPOSE IS AS A GRAPHIC REPRESENTATION TO AID IN THE VISUALIZATION OF THE WRITTEN PROPERTY DESCRIPTION WHICH IT ACCOMPANIES. THE WRITTEN PROPERTY DESCRIPTION SUPERSEDES THE EXHIBIT DRAWING."



TST, INC. CONSULTING ENGINEERS

748 Whalers Way, Bldg. D  
Fort Collins, Colorado  
Phone: 970.226.0557  
Fax: 970.226.0204  
Job no. 0732.0143.00

Filename: iron\_mountain\_metro\_dist  
June 2006

**EXHIBIT B**

Projected District Infrastructure Costs

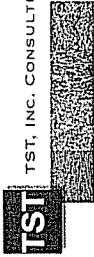


# CONCEPTUAL OPINION OF COST

PREPARED BY: MIW  
DATE: 7-1-06

PROJECT NAME:  
IRON MOUNTAIN METRO DISTRICTS

No.	Public Improvement Unit	Units	Unit Cost	Estimated Quantity	Item Cost	Metro District 2	Metro District 3
<b>Offsite Improvements</b>							
<b>Streets</b>							
	WCR 17 Street Grading	CY	\$ 1.25	11416	\$ 14,269	\$ 14,269	\$ -
	WCR 17 Subgrade Prep.	SY	\$ 33.126	23661	\$ 33,126	\$ 33,126	\$ -
	WCR 17 Paving (6.5" HMA, 10" ABC)	SY	\$ 23.50	23661	\$ 556,041	\$ 556,041	\$ -
	Medians and Turn Islands	SF	\$ 33.022	23,022	\$ 23,022	\$ 23,022	\$ -
	WCR 17 Curb & Gutter	LF	\$ 150.187	11,208	\$ 150,187	\$ 150,187	\$ -
	WCR 17 5' Detached Sidewalk	LF	\$ 18.00	5604	\$ 100,872	\$ 100,872	\$ -
	<b>Streets Subtotal</b>				\$ 877,518	\$ 877,518	\$ -
<b>Potable Water</b>							
	12" Waterline	LF	\$ 50.00	1187	\$ 59,334	\$ 36,780	\$ 22,555
	16" Waterline	LF	\$ 65.00	5294	\$ 344,087	\$ 344,087	\$ -
	8" Master Meter Vault	EA	\$ 80,000.00	1	\$ 80,000	\$ 80,000	\$ -
	Pressure Reducing Valve Vault	EA	\$ 60,000.00	1	\$ 60,000	\$ 60,000	\$ -
	<b>Potable Water Subtotal</b>				\$ 543,421	\$ 520,866	\$ 22,555
<b>Sanitary Sewer</b>							
	18" Sanitary Sewer	LF	\$ 69.00	4860	\$ 335,340	\$ 196,174	\$ 139,166
	24" Sanitary Sewer	LF	\$ 102.50	2440	\$ 250,100	\$ 146,309	\$ 103,792
	27" Sanitary Sewer	LF	\$ 115.50	7605	\$ 866,828	\$ 507,094	\$ 359,733
	Manholes	EA	\$ 2,750.00	42	\$ 115,500	\$ 67,988	\$ 47,513
	Railroad Boring	LF	\$ 450.00	75	\$ 33,750	\$ 19,744	\$ 14,006
	Road Boring	LF	\$ 470.00	60	\$ 28,200	\$ 16,497	\$ 11,703
	Box Culverts & Rip Rap	LF	\$ 1,760.00	74	\$ 130,240	\$ 76,150	\$ 54,050
	Insulated Crossing	LF	\$ 460.00	144	\$ 66,240	\$ 38,750	\$ 27,490
	<b>Sanitary Sewer Subtotal</b>				\$ 1,826,198	\$ 1,068,326	\$ 757,872
<b>Landscaping</b>							
	Arterial Roads	SF	\$ 2.00	54600	\$ 109,200	\$ 78,600	\$ 30,600
	<b>Landscaping Subtotal</b>				\$ 109,200	\$ 78,600	\$ 30,600
	Engineering & Administration - 10%	LS	\$ 3,356,335.94	10%	\$ 335,634	\$ 254,531	\$ 81,103
	Offsite Contingency - 10%	LS	\$ 3,356,335.94	10%	\$ 335,634	\$ 254,531	\$ 81,103
	<b>Total Offsite Improvements</b>				\$ 4,027,603	\$ 3,054,371	\$ 973,232

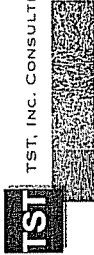


# CONCEPTUAL OPINION OF COST

PREPARED BY: MIW  
DATE: 7-1-06

PROJECT NAME:  
IRON MOUNTAIN METRO DISTRICTS

No.	Public Improvement Unit	Units	Unit Cost	Estimated Quantity	Item Cost	Metro District 2	Metro District 3
<b>Onsite Improvements</b>							
<b>Grading</b>							
	Excavation (Cut/Fill)	CY	\$ 1.25	212162	\$ 265,203	\$ 159,560	\$ 109,994
	<i>Grading Subtotal</i>				\$ 265,203	\$ 159,560	\$ 109,994
<b>Potable Water</b>							
	8" PVC	LF	\$ 40.00	4180	\$ 167,203	\$ 88,136	\$ 79,067
	10" PVC	LF	\$ 40.00	1261	\$ 50,427	\$ 50,427	\$ -
	16" PVC	LF	\$ 40.00	3281	\$ 131,225	\$ 131,225	\$ -
	<i>Potable Water Subtotal</i>				\$ 348,855	\$ 269,788	\$ 79,067
<b>Sanitary Sewer</b>							
	8" PVC	LF	\$ 55.00	6265	\$ 344,588	\$ 240,502	\$ 104,085
	15" PVC	LF	\$ 65.00	3955	\$ 257,075	\$ 257,075	\$ -
	Manholes	EA	\$ 2,750.00	38	\$ 104,500	\$ 66,000	\$ 38,500
	<i>Sanitary Sewer Subtotal</i>				\$ 706,163	\$ 563,577	\$ 142,585
<b>Streets</b>							
	Major Collector Subgrade Prep.	SY	\$ 1.40	25253	\$ 35,355	\$ 20,907	\$ 14,448
	Major Collector Paving (5" HMA, 10" ABC)	SY	\$ 22.00	25253	\$ 555,573	\$ 328,533	\$ 227,040
	Major Collector 6" Vertical Curb & Gutter	LF	\$ 13.40	9470	\$ 126,898	\$ 75,040	\$ 51,858
	Major Collector 5" Detached Sidewalk 6" Thick	LF	\$ 18.00	9470	\$ 170,460	\$ 100,800	\$ 69,660
	Minor Collector Subgrade Prep.	SY	\$ 1.40	6160	\$ 8,624	\$ 8,624	\$ -
	Minor Collector Paving (5" HMA, 10" ABC)	SY	\$ 22.00	6160	\$ 135,520	\$ 135,520	\$ -
	Minor Collector Drive-over C&G w/ Attached 4' Walk	LF	\$ 24.00	3080	\$ 73,920	\$ 73,920	\$ -
	Local Street Subgrade Prep.	SY	\$ 1.40	2364	\$ 3,310	\$ 3,310	\$ -
	Local Street Paving (5" HMA, 10" ABC)	SY	\$ 22.00	2364	\$ 52,018	\$ 52,018	\$ -
	Local Street Drive-over C&G w/ Attached 4' Walk	LF	\$ 24.00	1330	\$ 31,920	\$ 31,920	\$ -
	<i>Streets Subtotal</i>				\$ 1,193,598	\$ 830,592	\$ 363,006
<b>Storm Sewer</b>							
	12X5' Box Culverts	LF	\$ 500.00	179	\$ 89,430	\$ 89,430	\$ -
	Rip Rap Pad at Box Culvert Exit	SF	\$ 5.50	3575	\$ 19,663	\$ 19,663	\$ -
	18" RCP	LF	\$ 57.00	888	\$ 50,630	\$ 50,630	\$ -
	18" FES	EA	\$ 673.00	2	\$ 1,346	\$ 1,346	\$ -
	21" RCP	LF	\$ 66.00	712	\$ 46,979	\$ 46,979	\$ -
	24" RCP	LF	\$ 68.00	162	\$ 11,028	\$ 11,028	\$ -
	24" FES	EA	\$ 765.00	1	\$ 765	\$ 765	\$ -
	30" RCP	LF	\$ 79.00	657	\$ 51,935	\$ 51,935	\$ -
	36" RCP	LF	\$ 102.00	96	\$ 9,811	\$ 9,811	\$ -
	36" FES	EA	\$ 1,150.00	1	\$ 1,150	\$ 1,150	\$ -
	42" RCP	LF	\$ 122.50	1319	\$ 161,638	\$ 161,638	\$ -
	48" RCP	LF	\$ 145.00	957	\$ 138,791	\$ 138,791	\$ -
	48" FES	EA	\$ 1,500.00	2	\$ 3,000	\$ 3,000	\$ -
	54" RCP	LF	\$ 170.00	1628	\$ 276,794	\$ 276,794	\$ -
	54" FES	EA	\$ 1,850.00	2	\$ 3,700	\$ 3,700	\$ -
	5' Type R Inlet	EA	\$ 2,795.00	4	\$ 11,180	\$ 11,180	\$ -
	10' Type R Inlet	EA	\$ 4,400.00	8	\$ 35,200	\$ 35,200	\$ -
	15' Type R Inlet	EA	\$ 5,500.00	2	\$ 11,000	\$ 11,000	\$ -
	20' Type R Inlet	EA	\$ 6,000.00	2	\$ 12,000	\$ 12,000	\$ -
	Type D Inlet	EA	\$ 6,000.00	1	\$ 6,000	\$ 6,000	\$ -
	Detention Ponds	CY	\$ 1.25	162198	\$ 202,748	\$ 137,868	\$ 64,879
	Pond Outlet Structure	EA	\$ 15,000.00	1	\$ 15,000	\$ 15,000	\$ -
	<i>Storm Sewer Subtotal</i>				\$ 1,159,787	\$ 1,094,908	\$ 64,879



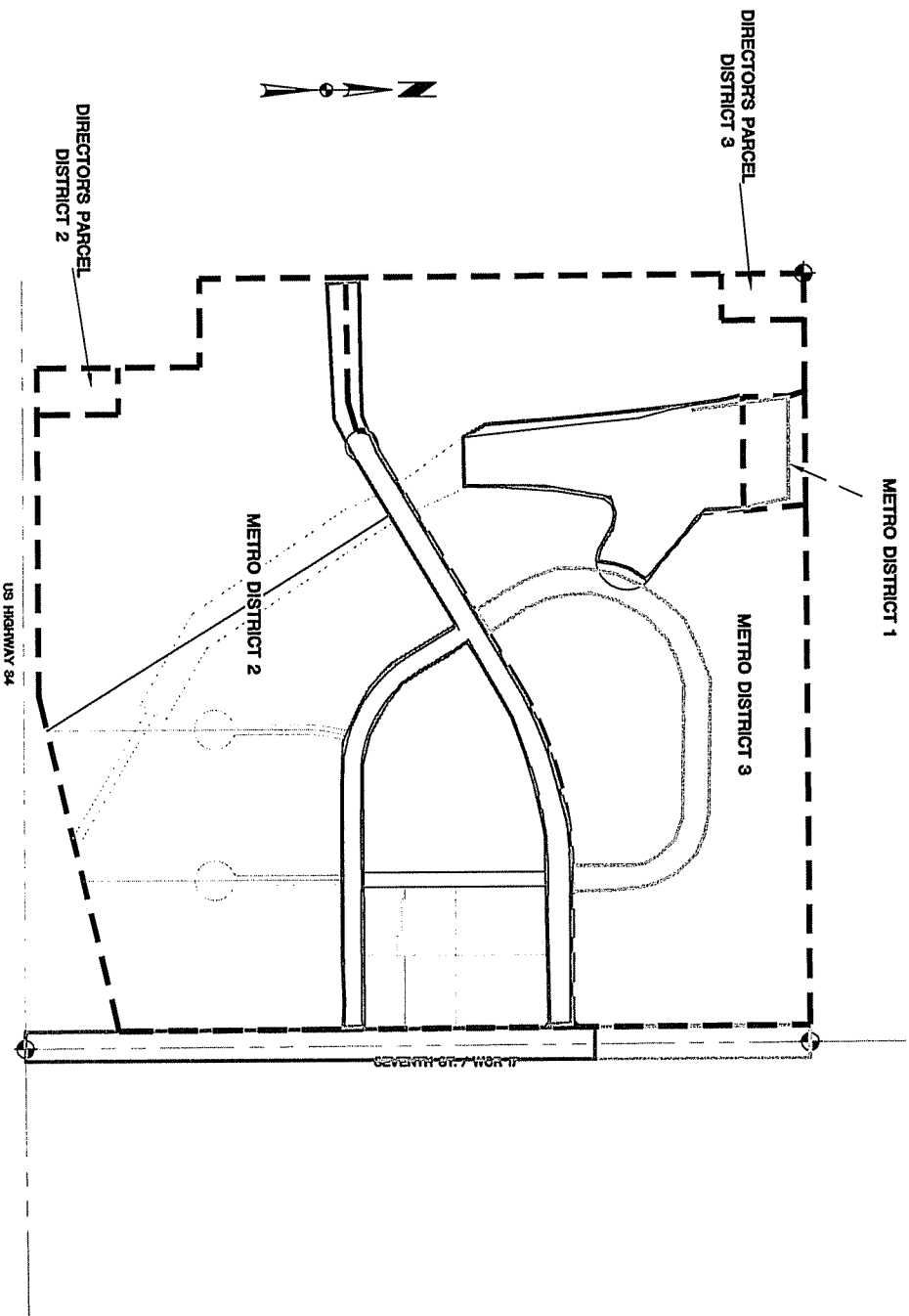
# CONCEPTUAL OPINION OF COST

PREPARED BY: MIW  
DATE: 7-1-06

PROJECT NAME:  
IRON MOUNTAIN METRO DISTRICTS

No.	Public Improvement Unit	Units	Unit Cost	Estimated Quantity	Item Cost	Metro District 2	Metro District 3
<b>Landscaping</b>							
	Collector and Local Roads, Detention Pond	SF	\$ 7.00	109332	\$ 765,323	\$ 633,987	\$ 131,336
	<i>Landscaping Subtotal</i>				\$ 765,323	\$ 633,987	\$ 131,336
	Dist. 2 Engineering & Administration - 10%	LS	\$ 3,552,412.11	10%	\$ 355,241	\$ 355,241	\$ -
	Dist. 3 Engineering & Administration - 20%	LS	\$ 890,867.10	20%	\$ 178,173	\$ -	\$ 178,173
	Onsite Contingency - 10%	LS	\$ 4,443,279.20	10%	\$ 444,328	\$ 355,241	\$ 89,087
	<b>Total Onsite Improvements</b>				\$ 5,416,671	\$ 4,262,895	\$ 1,158,127
	Offsite Improvements				\$ 4,027,603	\$ 3,054,371	\$ 973,232
	Onsite Improvements				\$ 5,416,671	\$ 4,262,895	\$ 1,158,127
	<b>Total Cost for Public Improvement</b>				\$ 9,444,274	\$ 7,317,266	\$ 2,131,359

# IRON MOUNTAIN METROPOLITAN DISTRICTS WINDSOR, COLORADO



SCALE: 1" = 400'

## EXHIBIT B-6

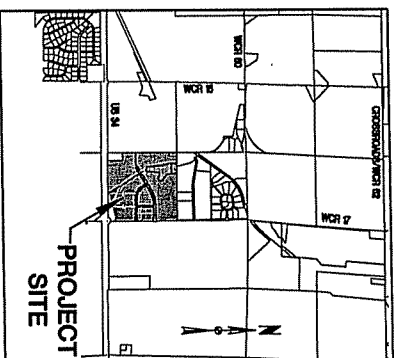
### LANDSCAPING PLAN

IRON MOUNTAIN METROPOLITAN  
DISTRICT NOS. 1-3

- LEGEND DISTRICT NO. 2**
- DISTRICT BOUNDARY LINE
  - LANDSCAPING

- LEGEND DISTRICT NO. 3**
- DISTRICT BOUNDARY LINE
  - LANDSCAPING

### VICINITY MAP



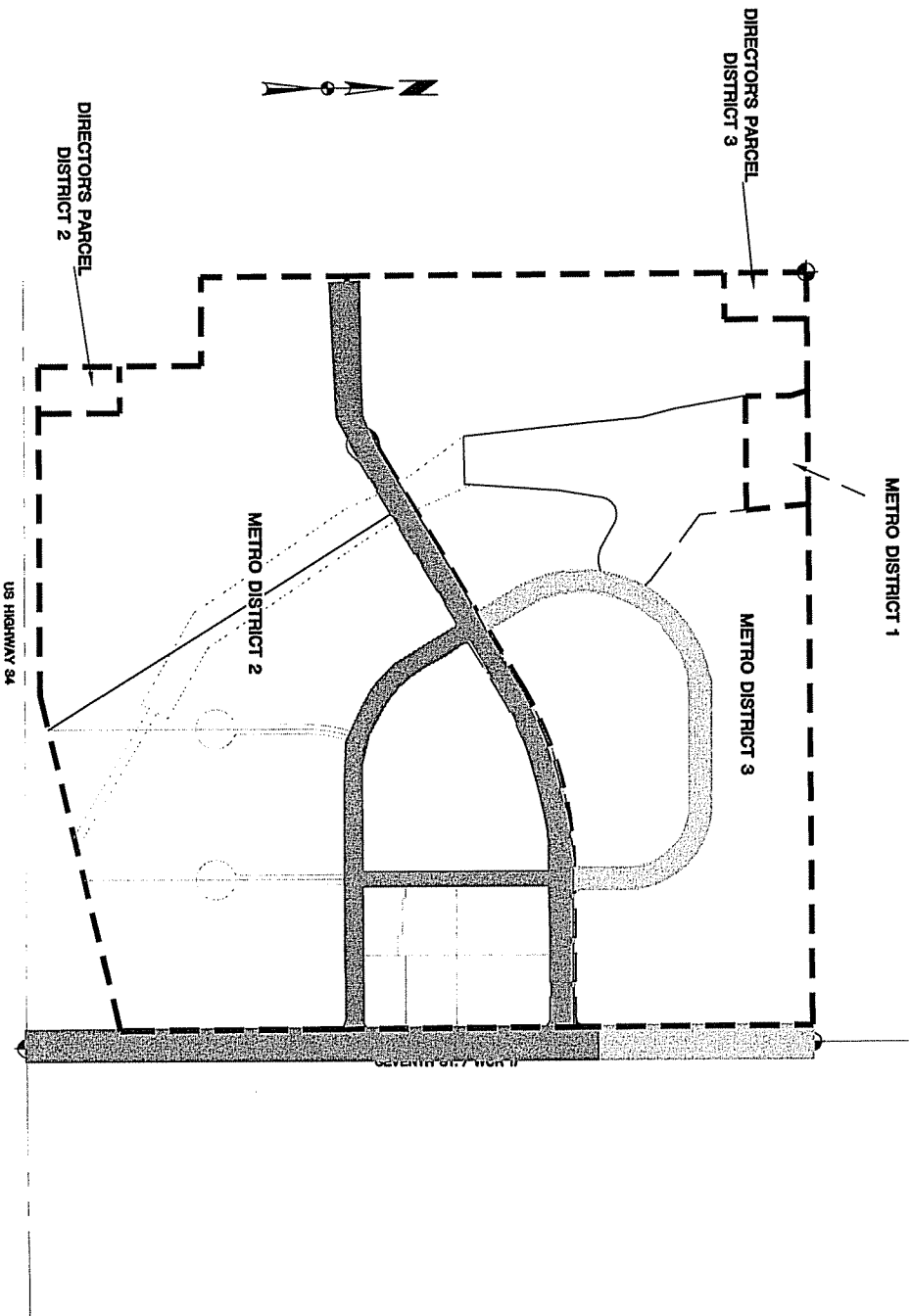
**ISI**  
THE I. INC. CONSULTING ENGINEERS

748 Windlers Way, Bldg. D  
Fort Collins, Colorado  
Phone: 970.226.0257  
Fax: 970.226.0254  
Job no. 0732.0352.00

Filename: iron\_mtn\_metro\_dist  
June 2006

# IRON MOUNTAIN METROPOLITAN DISTRICTS

## WINDSOR, COLORADO



SCALE: 1" = 400'

### EXHIBIT B-4

PAVING PLAN

IRON MOUNTAIN METROPOLITAN  
DISTRICT NOS. 1-3

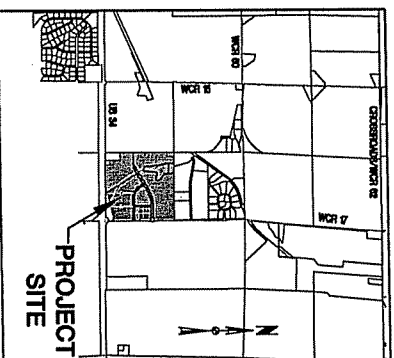
#### LEGEND DISTRICT NO. 2

- DISTRICT BOUNDARY LINE
- PAVING

#### LEGEND DISTRICT NO. 3

- DISTRICT BOUNDARY LINE
- PAVING

#### VICINITY MAP



**ISI**  
THE LINE ENGINEERING ARCHITECTS

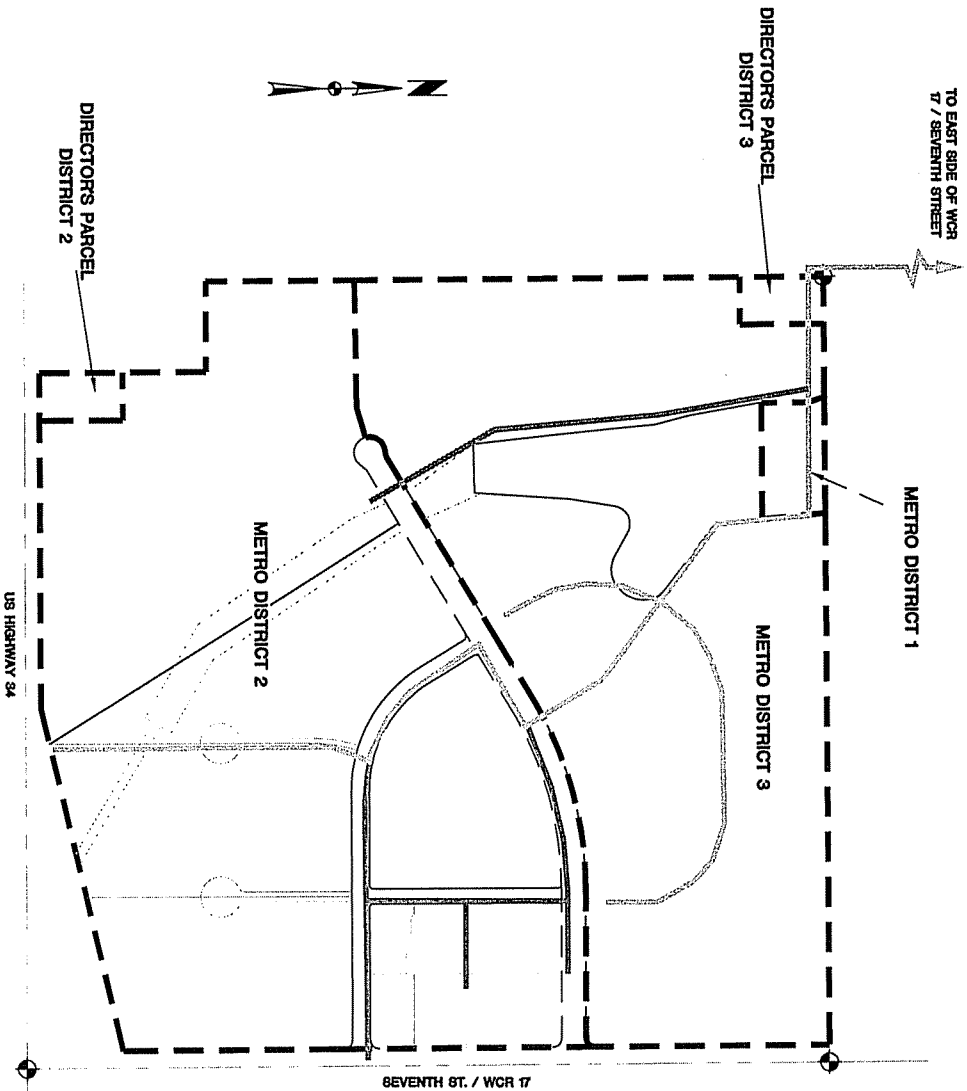
748 Windlers Way, Bldg. D  
Fort Collins, CO 280557  
Phone: 970.226.0204  
Fax: 970.226.0204  
Job no. 0732.0332.100

Filename: iron mtn metro dist  
June 2006



# IRON MOUNTAIN METROPOLITAN DISTRICTS

## WINDSOR, COLORADO



SCALE: 1" = 400'

### EXHIBIT B-2

SANITARY SEWER PLAN

IRON MOUNTAIN METROPOLITAN DISTRICT NOS. 1-3

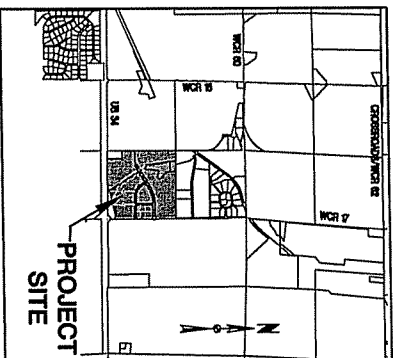
#### LEGEND DISTRICT NO. 2

- DISTRICT BOUNDARY LINE
- 8" SANITARY SEWER
- 15" SANITARY SEWER

#### LEGEND DISTRICT NO. 3

- DISTRICT BOUNDARY LINE
- 8" SANITARY SEWER

#### VICINITY MAP

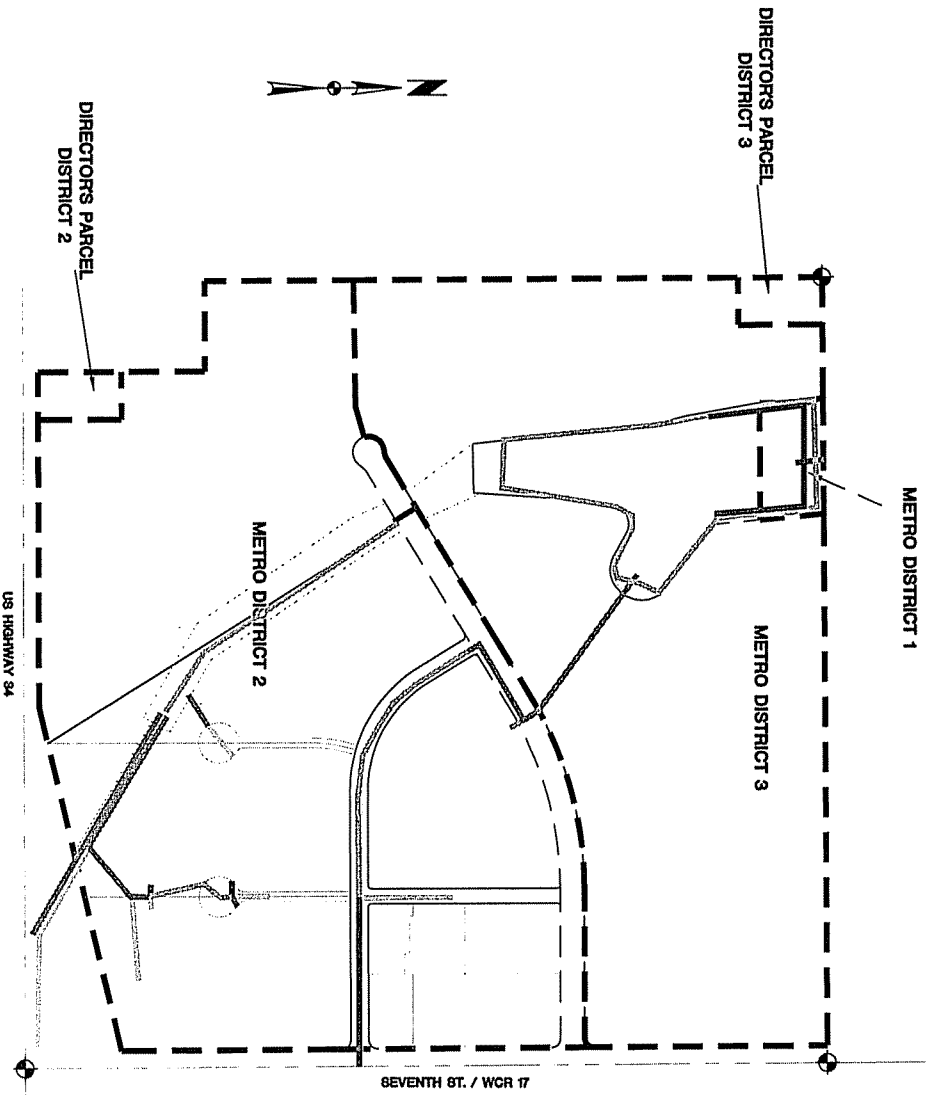


748 Whalers Way, Bldg. D  
 Fort Collins, Colorado  
 Phone: 970.226.0557  
 Fax: 970.226.0204  
 Job no. 0732.0352.100

Filename: iron\_mtn\_metro\_dist  
 June 2006

# IRON MOUNTAIN METROPOLITAN DISTRICTS

## WINDSOR, COLORADO



SCALE: 1" = 400'

### EXHIBIT B-3

STORM SEWER PLAN

IRON MOUNTAIN METROPOLITAN  
DISTRICT NOS. 1-3

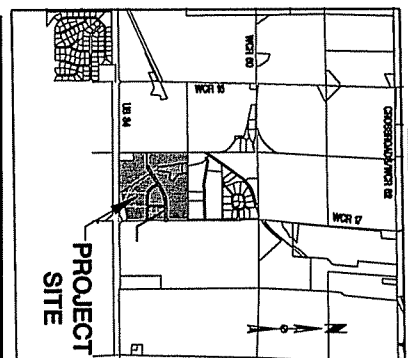
#### LEGEND DISTRICT NO. 2

- DISTRICT BOUNDARY LINE
- 18" STORM SEWER
- 21" STORM SEWER
- 24" STORM SEWER
- 30" STORM SEWER
- 36" STORM SEWER
- 42" STORM SEWER
- 48" STORM SEWER
- 64" STORM SEWER
- 2-12x 5' CBC
- DET POND/PAN

#### LEGEND DISTRICT NO. 3

- DISTRICT BOUNDARY LINE
- DET POND/PAN

#### VICINITY MAP

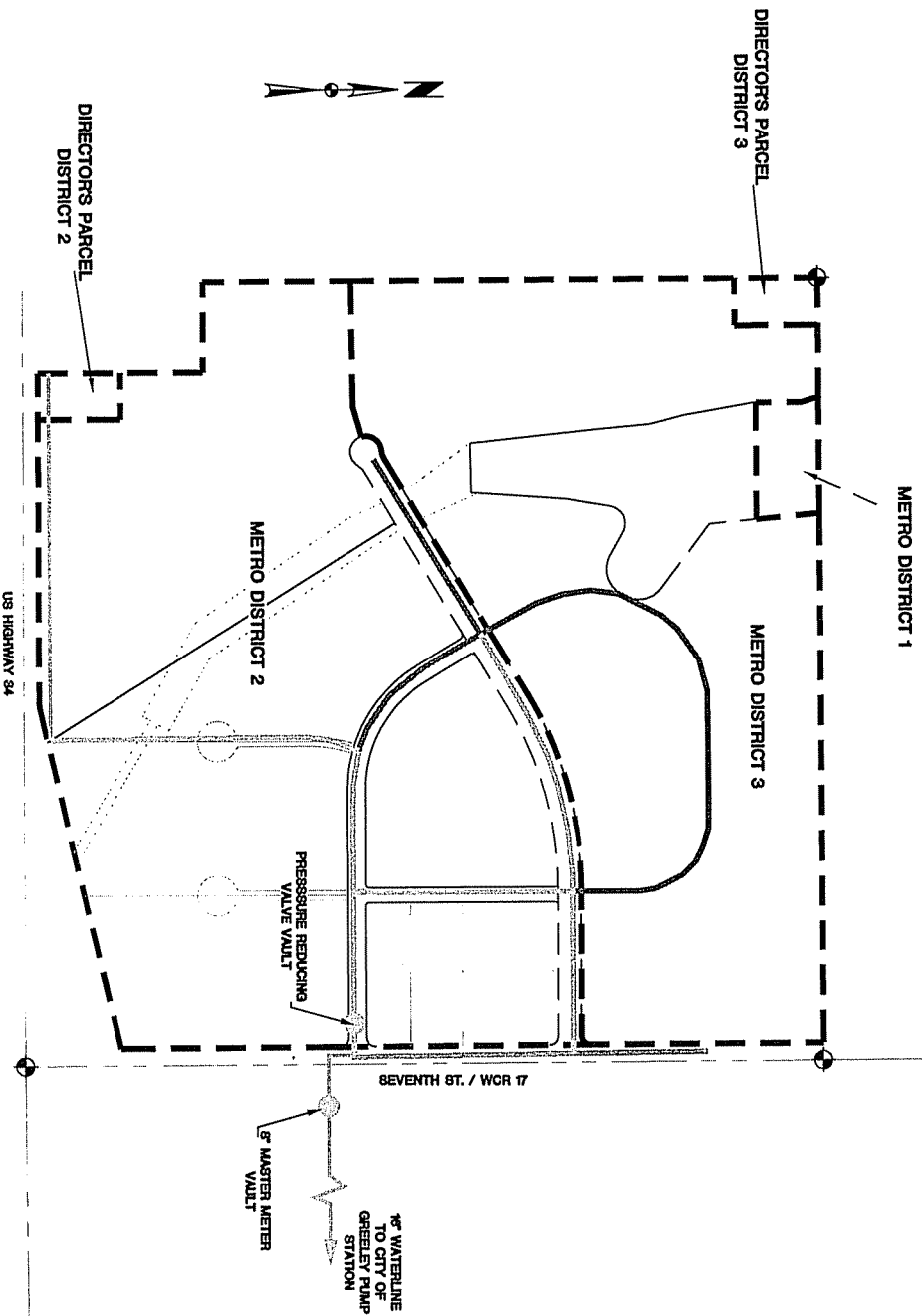


748 Whalers Way, Bldg. D  
Fort Collins, Colorado  
Phone: 970.226.0557  
Fax: 970.226.0204  
Job no. 0732.0332.100  
Filename: iron mtn metro dist  
June 2005



# IRON MOUNTAIN METROPOLITAN DISTRICTS

## WINDSOR, COLORADO



SCALE: 1" = 400'

### EXHIBIT B-1

POTABLE WATER PLAN

IRON MOUNTAIN METROPOLITAN DISTRICT NOS. 1-3

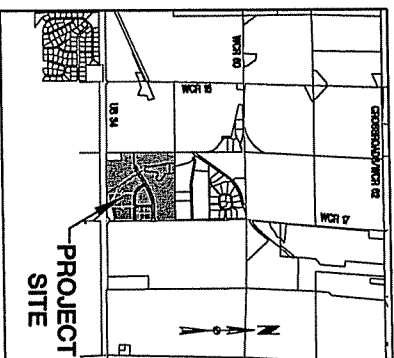
#### LEGEND DISTRICT NO. 2

- DISTRICT BOUNDARY LINE
- 8" WATER
- 10" WATER
- 12" WATER
- 18" WATER

#### LEGEND DISTRICT NO. 3

- DISTRICT BOUNDARY LINE
- 8" WATER
- 12" WATER

#### VICINITY MAP



748 Windlers Way, Bldg. D  
Fort Collins, Colorado  
Phone: 970.226.0557  
Fax: 970.226.0204  
Job no. 0732.0332.100

Filename: iron mln metro dist  
June 2006

**EXHIBIT C**

Financial Plan

## **Stan Bernstein and Associates, Inc.**

*Financial Planners and Consultants*

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

*8400 East Prentice Ave., Penthouse*

*Greenwood Village, Colorado 80111*

*Phone: 303-409-7611 Fax: 303-409-7612 Email: Stanplan@Earthlink.net*

### **MEMORANDUM**

**TO:** Leonard Wiest, Trollco Inc.  
Tom Donkle, Trollco Inc.  
Don Taranto, PE, TST  
Bill Ankele Esq., White, Bear, and Ankele  
Joe Lico, Esq., White, Bear, and Ankele

**FROM:** Stan Bernstein  
Amy Bernstein

**DATE:** July 27, 2006

**SUBJECT:** Draft 4 – Financial Models – Iron Mountain Metropolitan Districts #1 - #3

#### **INTRODUCTION AND SCOPE**

Stan Bernstein and Associates, Inc. has assembled Financial Models for Iron Mountain Metropolitan Districts #1 - #3 based upon key assumptions provided by officials of Trollco Inc. (the "Developer"). The Financial Models were assembled in order to provide a conceptual understanding of the amount of Limited Tax General Obligation Bonds (the "Limited G.O. Bonds") that could ultimately be supported by Iron Mountain Metropolitan District #2 (Financing District #2) and Iron Mountain Metropolitan District #3 (Financing District #3). The Limited G.O. Bonds are assumed to be issued by Financing Districts #2 and #3 to reimburse the Developer for related infrastructure costs funded by the Developer.

The Financial Models present, to the best knowledge and belief of the Developer (based upon assumptions provided by the Developer), the Districts' expected cash position and results of cash receipts and disbursements for the forecast period. Accordingly, the Financial Models reflect the Developer's judgment, as of the date of this report, of the expected conditions within the Districts' boundaries and the Districts' expected course of action. The assumptions disclosed in the Financial Models are those of the Developer and have not been independently reviewed by Stan Bernstein and Associates, Inc.

**FUTURE RATES OF COMMERCIAL BUILDOUT AND RELATED ASSESSED VALUATION, AND POTENTIAL BONDING CAPACITY**

The financial planning concept is that as the construction of future commercial real estate product occurs within the boundaries of Financing Districts #2 and #3, incremental assessed valuation will generate property tax revenues for Financing Districts #2 and #3.

For financial planning purposes it is assumed that a portion (5.0 mills) of the property tax revenues generated from the 20.0 mills assumed to be levied by Financing District #2, and a portion (9.5 mills) of the property tax revenues generated from the 20.0 mills assumed to be levied by Financing District #3, will be transferred pursuant to an Intergovernmental Agreement ("IGA") to the Service District (Service District #1) and used to pay operating, maintenance and administrative costs. The property tax revenues generated from Financing Districts #2 and #3 mill levies that are not transferred to Service District #1 (15 mills for Financing District #2 and 10.5 mills for Financing District #3), will be available to make annual interest and principal payments on outstanding Limited G.O. Bonds assumed to be issued by Financing Districts #2 and #3.

**This draft indicates that Financing District #2 could support approximately \$3,500,000 of Limited G.O. Bonds (assuming 30-year amortization and 7% interest rates) issued on 12/1/2011; and approximately \$3,500,000 of Limited G.O. Bonds (assuming 30-year amortization and 6% interest rates) issued on 12/1/2013.**

**This draft indicates that Financing District #3 could support approximately \$2,200,000 of Limited G.O. Bonds (assuming 30-year amortization and 7% interest rates) issued on December 1, 2016; and approximately \$2,125,000 of Limited G.O. Bonds (assuming 30-year amortization and 6% interest rates) issued on 12/1/2018.**

**The actual amount and timing of the Limited G.O. Bonds that will be issued by Financing Districts #2 and #3 will be based upon interest rates, debt service coverage requirements imposed by bond investors, operating and administrative expenditures, and buildout and related assessed valuation. Because the proposed Bond Issued are limited tax bonds, and not unlimited tax bonds, it is important that the Financing Districts be authorized to levy more than 20 mills for debt service purposes.**

**FUTURE RATES OF COMMERCIAL BUILDOUT AND RELATED ASSESSED VALUATION, AND POTENTIAL BONDING CAPACITY**

The key assumptions with respect to future commercial buildout, and related assessed valuation buildup, within the boundaries of Financing Districts #2 and #3 are presented in detail on Schedules 1 and 3. These assumptions were provided by officials of the Developer. The assessed valuation estimates do not include any inflationary increases.

The Financial Models are based upon a total of 609,579 square feet of commercial space being completed by the end of 2011 for Financing District #2, and 600,000 square feet of commercial space being completed by the end of 2017 for Financing District #3.

The Developers (Trollco Inc.) have provided the information contained in Schedules 1 and 3, and believe these assumptions to be reasonable and appropriate to use for financial modeling purposes at this time.

**IRON MOUNTAIN METROPOLITAN DISTRICT #1 – CASH FLOW – EXHIBIT I, PAGE 1**

Exhibit I presents the estimated revenues and expenditures for Iron Mountain Metropolitan District #1 (“Service District #1”). Key revenue sources include (i) Intergovernmental Transfers (pursuant to an IGA between the Service District #1 and Financing Districts #2 and #3) of property taxes from Financing Districts #2 and #3, (ii) Developer contributions needed for Financing District #2 infrastructure totaling \$7,317,266 during 2006 and Developer contributions needed for Financing District #3 infrastructure totaling \$4,151,165 during 2011, and (iii) Limited G.O. Bond Proceeds transferred from Financing District #2 and #3 in the amount of \$6,720,000 and \$4,151,165 respectively which will be used to reimburse the Developer for a portion of infrastructure costs incurred in 2006 and 2011.

Operating, maintenance and administrative expenditure allowances (equivalent to IGA property taxes transfers from Financing Districts #2 and #3) are presented on Exhibit I.

**IRON MOUNTAIN FINANCING DISTRICT #2 - CASH FLOW – EXHIBIT II**

Exhibit II presents the estimated cash flow of Financing District #2 based upon the assumed rate of buildout presented on Schedule 1.

The primary revenue source is a 20.0 mill levy (first effective for tax collection year 2008) of which 5.0 mills are assumed to be retained by Financing District #2 for payment of the annual debt service relating to approximately \$7.0 million of Limited G.O. Bonds issued by Financing District #2. Property tax revenues generated from approximately 5.0 mills are assumed to be transferred to Service District #1 pursuant to an IGA.

**Memorandum**

**July 27, 2006**

**Page iv**

**IRON MOUNTAIN FINANCING DISTRICT #2 - CASH FLOW – EXHIBIT II**

The Limited G.O. Bonds debt service schedule is also presented on Exhibit II. It is assumed that Limited G.O. Bonds will be issued on December 1, 2011 in the approximate amount of \$3.50 million with average interest rates of 7.0% and 30-year amortization. It is also assumed that Limited G.O. Bonds will be issued on December 1, 2013 in the approximate amount of \$3.50 million with average interest rates of 6.0% and 30-year amortization. Exhibit I indicates all Limited G.O. Bonds could be redeemed by December 31, 2042.

**IRON MOUNTAIN FINANCING DISTRICT #3 - CASH FLOW – EXHIBIT III**

Exhibit III presents the estimated cash flow of Financing District #3 based upon the assumed rate of buildout presented on Schedule 1.

The primary revenue source is a 20.0 mill levy (first effective for tax collection year 2013) of which 10.5 mills are assumed to be retained by Financing District #3 for payment of the annual debt service relating to approximately \$4.325 million of Limited G.O. Bonds issued by Financing District #3. Property tax revenues generated from approximately 9.5 mills are assumed to be transferred to Service District #1 pursuant to an IGA.

The Limited G.O. Bonds debt service schedule is also presented on Exhibit III. It is assumed that Limited G.O. Bonds will be issued on December 1, 2016 in the approximate amount of \$2.20 million with average interest rates of 7.0% and 30-year amortization. It is also assumed that Limited G.O. Bonds will be issued on December 1, 2018 in the approximate amount of \$2.125 million with average interest rates of 6.0% and 30-year amortization. Exhibit III indicates all Limited G.O. Bonds could be redeemed by December 31, 2048

**IRON MOUNTAIN CAPITAL EXPENDITURES – SCHEDULE 2 AND 4**

Capital infrastructure expenditures (provided by Trollco Inc.) are presented on Schedules 2 and 4, and total \$7,317,266 for Financing District #2 and \$4,151,165 for Financing District #3.



**DISCLAIMER AND LIMITATIONS**

The assumptions disclosed in the Financial Models are those of the Developer and have not been independently reviewed by Stan Bernstein and Associates, Inc. Those assumptions identified are believed to be the significant factors in determining financial feasibility; however, they are likely not to be all-inclusive. There will usually be differences between forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Key assumptions – like those relating to market values of real property improvements and the buildout schedule of such property – are particularly sensitive in terms of the timing necessary to create the tax base for the Districts. A small variation in these variables, and to their timing, can have a large effect on the forecasted results. There is a high probability that the forecasted results will differ from realized future tax base factors.

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

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

The actual amount of Limited G.O. Bonds that could be supported by the Financing Districts will depend upon the rate of buildout and the related increases in assessed valuation, interest rates, debt service coverage requirements, and the actual amounts needed to pay for the Districts' administrative, operating and maintenance expenses. Consequently, the actual amount of Limited G.O. Bonds that could be supported by the Financing Districts could be more or less than presented on Exhibits II and III, and readers of this report should clearly be aware of such possibilities.

EXHIBIT I (SERVICE DISTRICT #1)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #1  
 CASH FLOW FORECASTS - GENERAL FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2042

WORKING DRAFT  
 SUBJECT TO REVISION  
 27-Jul-06  
 The Attached Narrative Summary  
 and Disclaimer are an Integral Part of This Financial Model

KEY ASSUMPTIONS	2006	2007	2008	2009	2010	2011	2012	2013	2014
ASSESSED VALUATION - IMMD #1	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #2 (SCH. 1)	0	114,625	8,200	141,581	45,315	299,858	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #2	0	114,625	122,825	264,406	309,721	609,579	609,579	609,579	609,579
ASSESSED VALUATION IMMD #2 (SCH. 1)	0	0	500,000	7,340,940	7,813,416	15,840,584	18,359,338	34,526,449	34,526,449
ASSUMED MILL LEVY TRANSFER FROM IMMD #2	0.00	0.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #3 (SCH. 3)	0	0	0	0	0	0	100,000	100,000	100,000
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #3	0	0	0	0	0	0	100,000	200,000	300,000
ASSESSED VALUATION IMMD #3 (SCH. 3)	0.00	0.00	0.00	0.00	0.00	0.00	0	500,000	5,460,566
ASSUMED MILL LEVY TRANSFER FROM IMMD #3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.50	9.50

CASH FLOW

REVENUES	2006	2007	2008	2009	2010	2011	2012	2013	2014
PROPERTY TAXES @ 20 MILLS	0	100	100	100	100	100	100	100	100
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	0	6	6	6	6	6	6	6	6
PROPERTY TAX REVENUES FROM 8 OIL WELL LEASES	0	0	12,800	12,800	12,800	12,800	12,800	12,800	12,800
IGA PROPERTY TAX TRANSFERS FROM IMMD #2	0	0	2,500	36,705	39,067	79,203	91,797	172,632	172,632
IGA PROPERTY TAX TRANSFERS FROM IMMD #3	0	0	0	0	0	0	0	4,750	51,875
LTD. G.O.NET BOND PROCEEDS - IMMD #2	0	0	0	0	0	3,360,000	0	3,360,000	0
LTD. G.O.NET BOND PROCEEDS - IMMD #3	0	0	0	0	0	0	0	0	0
DEVELOPER OPERATING CONTRIBUTION	0	0	0	0	0	0	0	0	0
INTEREST EARNINGS @ 3% OF BEG.FUND:	0	0	3	390	789	1,200	1,623	2,059	2,508
TOTAL REVENUES	0	106	15,409	50,001	52,762	3,453,309	106,326	3,552,348	239,922

EXPENDITURES

ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (5 MILLS - IMMD #2)	0	0	2,500	36,705	39,067	79,203	91,797	172,632	172,632
ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (9.5 MILLS - IMMD #3)	0	0	0	0	0	0	0	4,750	51,875
TOTAL OPERATING EXPENDITURES	0	0	2,500	36,705	39,067	79,203	91,797	177,382	224,508
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #2 (SCH. 2)	0	0	0	0	0	3,360,000	0	3,360,000	0
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #3 (SCH. 4)	0	0	0	0	0	0	0	0	0
DEVELOPER INFRASTRUCTURE CONTRIBUTIONS	7,317,268	0	0	0	0	4,151,165	0	0	0
TOTAL INFRASTRUCTURE COSTS (SCH. 2 AND 4)	7,317,268	0	0	0	0	4,151,165	0	0	0
TOTAL EXPENDITURES	0	0	2,500	36,705	39,067	3,439,203	91,797	3,537,382	224,508
EXCESS REVENUES & BONDS OVER EXPENDITURES	0	106	12,909	13,296	13,695	14,106	14,529	14,965	15,414
BEGINNING FUND BALANCE - JANUARY 1	0	0	106	13,015	26,312	40,007	54,113	68,643	83,608
ENDING FUND BALANCE - DECEMBER 31	0	106	13,015	26,312	40,007	54,113	68,643	83,608	99,022

EXHIBIT 1 (SERVICE DISTRICT #1)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #1  
 CASH FLOW FORECASTS - GENERAL FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2042

KEY ASSUMPTIONS	2015	2016	2017	2018	2019	2020	2021	2022	2023
ASSESSED VALUATION - IMMD #1	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #2 (SCH. 1)	0	0	0	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #2	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579
ASSESSED VALUATION IMMD #2 (SCH. 1)	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856
ASSUMED MILL LEVY TRANSFER FROM IMMD #2	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #3 (SCH. 3)	100,000	100,000	100,000	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #3	400,000	500,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
ASSESSED VALUATION IMMD #3 (SCH. 3)	10,421,132	15,381,698	20,342,264	25,302,830	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396
ASSUMED MILL LEVY TRANSFER FROM IMMD #3	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50

CASH FLOW

REVENUES	2015	2016	2017	2018	2019	2020	2021	2022	2023
PROPERTY TAXES @ 20 MILLS	100	100	100	100	100	100	100	100	100
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	6	6	6	6	6	6	6	6	6
PROPERTY TAX REVENUES FROM 8 OIL WELL LEASES	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800
IGA PROPERTY TAX TRANSFERS FROM IMMD #2	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404
IGA PROPERTY TAX TRANSFERS FROM IMMD #3	99,001	146,126	193,252	240,377	282,752	282,752	282,752	282,752	282,752
LTD. G.O.NET BOND PROCEEDS - IMMD #2	0	0	0	0	0	0	0	0	0
LTD. G.O.NET BOND PROCEEDS - IMMD #3	0	2,112,000	0	2,039,165	0	0	0	0	0
DEVELOPER OPERATING CONTRIBUTION	2,971	3,447	3,938	4,443	4,963	5,499	6,052	6,620	7,206
INTEREST EARNINGS @ 3% OF BEG.FUND:	291,282	2,450,883	386,499	2,473,295	477,026	477,562	478,114	478,663	479,269
TOTAL REVENUES	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404

EXPENDITURES

ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (5 MILLS - IMMD #2)	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404
ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (9.5 MILLS - IMMD #3)	99,001	146,126	193,252	240,377	282,752	282,752	282,752	282,752	282,752
TOTAL OPERATING EXPENDITURES	275,405	322,530	369,656	416,781	459,157	459,157	459,157	459,157	459,157
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #2 (SCH. 2)	0	0	0	0	0	0	0	0	0
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #3 (SCH. 4)	0	2,112,000	0	2,039,165	0	0	0	0	0
DEVELOPER INFRASTRUCTURE CONTRIBUTIONS	0	0	0	0	0	0	0	0	0
TOTAL INFRASTRUCTURE COSTS (SCH. 2 AND 4)	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	275,405	2,434,530	369,656	2,455,946	459,157	459,157	459,157	459,157	459,157
EXCESS REVENUES & BONDS OVER EXPENDITURES	15,877	16,353	16,844	17,349	17,869	18,405	18,958	19,526	20,112
BEGINNING FUND BALANCE - JANUARY 1	99,022	114,899	131,252	148,095	165,444	183,313	201,719	220,676	240,203
ENDING FUND BALANCE - DECEMBER 31	114,899	131,252	148,095	165,444	183,313	201,719	220,676	240,203	260,315

EXHIBIT I (SERVICE DISTRICT #1)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #1  
 CASH FLOW FORECASTS - GENERAL FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2042

KEY ASSUMPTIONS	2024	2025	2026	2027	2028	2029	2030	2031	2032
ASSESSED VALUATION - IMMD #1	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #2 (SCH. 1)	0	0	0	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #2	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579
ASSESSED VALUATION IMMD #2 (SCH. 1)	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856
ASSUMED MILL LEVY TRANSFER FROM IMMD #2	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #3 (SCH. 3)	0	0	0	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #3	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
ASSESSED VALUATION IMMD #3 (SCH. 3)	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396
ASSUMED MILL LEVY TRANSFER FROM IMMD #3	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50

CASH FLOW

REVENUES	2024	2025	2026	2027	2028	2029	2030	2031	2032
PROPERTY TAXES @ 20 MILLS	100	100	100	100	100	100	100	100	100
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	6	6	6	6	6	6	6	6	6
PROPERTY TAX REVENUES FROM 8 OIL WELL LEASES	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800
IGA PROPERTY TAX TRANSFERS FROM IMMD #2	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404
IGA PROPERTY TAX TRANSFERS FROM IMMD #3	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752
LTD. G.O.NET BOND PROCEEDS - IMMD #2	0	0	0	0	0	0	0	0	0
LTD. G.O.NET BOND PROCEEDS - IMMD #3	0	0	0	0	0	0	0	0	0
DEVELOPER OPERATING CONTRIBUTION	7,809	8,431	9,071	9,730	10,409	11,109	11,829	12,571	13,336
INTEREST EARNINGS @ 3% OF BEG.FUND:	479,872	480,493	481,134	481,793	482,472	483,171	483,892	484,634	485,398
TOTAL REVENUES	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404

EXPENDITURES

ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (5 MILLS - IMMD #2)	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404
ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (9.5 MILLS - IMMD #3)	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752
TOTAL OPERATING EXPENDITURES	459,157	459,157	459,157	459,157	459,157	459,157	459,157	459,157	459,157
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #2 (SCH. 2)	0	0	0	0	0	0	0	0	0
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #3 (SCH. 4)	0	0	0	0	0	0	0	0	0
DEVELOPER INFRASTRUCTURE CONTRIBUTIONS	0	0	0	0	0	0	0	0	0
TOTAL INFRASTRUCTURE COSTS(SCH. 2 AND 4)	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	459,157	459,157	459,157	459,157	459,157	459,157	459,157	459,157	459,157
EXCESS REVENUES & BONDS OVER EXPENDITURES	20,715	21,337	21,977	22,636	23,315	24,015	24,735	25,477	26,242
BEGINNING FUND BALANCE - JANUARY 1	260,315	281,030	302,367	324,344	346,981	370,296	394,311	419,046	444,524
ENDING FUND BALANCE - DECEMBER 31	281,030	302,367	324,344	346,981	370,296	394,311	419,046	444,524	470,765

EXHIBIT I (SERVICE DISTRICT #1)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #1  
 CASH FLOW FORECASTS - GENERAL FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2042

<u>KEY ASSUMPTIONS</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>	<u>2040</u>	<u>2041</u>
ASSESSED VALUATION - IMMD #1	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #2 (SCH. 1)	0	0	0	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #2	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579
ASSESSED VALUATION IMMD #2 (SCH. 1)	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856
ASSUMED MILL LEVY TRANSFER FROM IMMD #2	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #3 (SCH. 3)	0	0	0	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #3	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
ASSESSED VALUATION IMMD #3 (SCH. 3)	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396	29,763,396
ASSUMED MILL LEVY TRANSFER FROM IMMD #3	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50

CASH FLOW

<u>REVENUES</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>	<u>2040</u>	<u>2041</u>
PROPERTY TAXES @ 20 MILLS	100	100	100	100	100	100	100	100	100
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	6	6	6	6	6	6	6	6	6
PROPERTY TAX REVENUES FROM 8 OIL WELL LEASES	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800
IGA PROPERTY TAX TRANSFERS FROM IMMD #2	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404
IGA PROPERTY TAX TRANSFERS FROM IMMD #3	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752
LTD. G.O.NET BOND PROCEEDS - IMMD #2	0	0	0	0	0	0	0	0	0
LTD. G.O.NET BOND PROCEEDS - IMMD #3	0	0	0	0	0	0	0	0	0
DEVELOPER OPERATING CONTRIBUTION	14,123	14,934	15,769	16,629	17,515	18,428	19,368	20,336	21,333
INTEREST EARNINGS @ 3% OF BEG.FUND:	486,185	486,996	487,832	488,692	489,578	490,491	491,431	492,399	493,396
<b>TOTAL REVENUES</b>									

EXPENDITURES

ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (5 MILLS - IMMD #2)	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404
ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (9.5 MILLS - IMMD #3)	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752
<b>TOTAL OPERATING EXPENDITURES</b>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #2 (SCH. 2)	0	0	0	0	0	0	0	0	0
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #3 (SCH. 4)	0	0	0	0	0	0	0	0	0
DEVELOPER INFRASTRUCTURE CONTRIBUTIONS	0	0	0	0	0	0	0	0	0
<b>TOTAL INFRASTRUCTURE COSTS (SCH. 2 AND 4)</b>	0	0	0	0	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>	<u>459,157</u>
EXCESS REVENUES & BONDS OVER EXPENDITURES	27,029	27,840	28,675	29,535	30,421	31,354	32,274	33,242	34,259
BEGINNING FUND BALANCE - JANUARY 1	470,765	497,794	525,634	554,309	583,844	614,266	645,600	677,874	711,116
ENDING FUND BALANCE - DECEMBER 31	497,794	525,634	554,309	583,844	614,266	645,600	677,874	711,116	745,355

EXHIBIT I (SERVICE DISTRICT #1)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #1  
 CASH FLOW FORECASTS - GENERAL FUND  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2042

<u>KEY ASSUMPTIONS</u>	<u>2042</u>	<u>TOTALS</u>
ASSESSED VALUATION - IMMD #1	5,000	
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #2 (SCH. 1)	0	609,579
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #2	609,579	609,579
ASSESSED VALUATION IMMD #2 (SCH. 1)	35,280,856	35,280,856
ASSUMED MILL LEVY TRANSFER FROM IMMD #2	5.00	
INCREMENTAL COMMERCIAL SQ. FT. ADDED - IMMD #3 (SCH. 3)	0	600,000
CUMULATIVE COMMERCIAL SQ. FT. ADDED - IMMD #3	600,000	600,000
ASSESSED VALUATION IMMD #3 (SCH. 3)	29,763,396	29,763,396
ASSUMED MILL LEVY TRANSFER FROM IMMD #3	9.50	

CASH FLOW

<u>REVENUES</u>	<u>2042</u>	<u>TOTALS</u>
PROPERTY TAXES @ 20 MILLS	100	3,600
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	6	216
PROPERTY TAX REVENUES FROM 8 OIL WELL LEASES	12,800	448,000
IGA PROPERTY TAX TRANSFERS FROM IMMD #2	176,404	5,533,856
IGA PROPERTY TAX TRANSFERS FROM IMMD #3	282,752	7,521,435
LTD. G.O.NET BOND PROCEEDS - IMMD #2	0	6,720,000
LTD. G.O.NET BOND PROCEEDS - IMMD #3	0	4,151,165
DEVELOPER OPERATING CONTRIBUTION	0	0
INTEREST EARNINGS @ 3% OF BEG.FUND:	22,361	328,806
TOTAL REVENUES	<u>494,423</u>	<u>24,707,078</u>

EXPENDITURES

ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (5 MILLS - IMMD #2)	176,404	5,533,856
ALLOWANCE FOR ADMINISTRATIVE/OPERATING AND MAINTENANCE (9.5 MILLS - IMMD #3)	282,752	7,521,435
TOTAL OPERATING EXPENDITURES	<u>459,157</u>	<u>13,055,291</u>
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #2 (SCH. 2)	0	6,720,000
TOTAL REIMBURSEMENT TO DEVELOPER FOR INFRASTRUCTURE - IMMD #3 (SCH. 4)	0	4,151,165
DEVELOPER INFRASTRUCTURE CONTRIBUTIONS	0	11,468,433
TOTAL INFRASTRUCTURE COSTS(SCH. 2 AND 4)	0	11,468,433
TOTAL EXPENDITURES	<u>459,157</u>	<u>23,926,456</u>
EXCESS REVENUES & BONDS OVER EXPENDITURES	<u>35,267</u>	<u>780,622</u>
BEGINNING FUND BALANCE - JANUARY 1	745,355	0
ENDING FUND BALANCE - DECEMBER 31	<u>780,622</u>	<u>780,622</u>

EXHIBIT II (COMMERCIAL FINANCING DISTRICT #2)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #2  
 CASH FLOW FORECASTS  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2042

WORKING DRAFT  
 SUBJECT TO REVISION  
 27-Jul-06  
 The Attached Narrative Summary  
 and Disclaimer are an Integral Part of This Financial Model

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>KEY ASSUMPTIONS</b>												
ASSESSED VALUATION (SCH. 1)	0	0	500,000	7,340,940	7,813,416	15,840,584	18,359,338	34,526,449	34,526,449	35,280,856	35,280,856	35,280,856
TOTAL DISTRICT MILL LEVY	0.00	0.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
ASSUMED MILL LEVY TRANSFER TO IMMID #1 FOR OPS	0.00	0.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
INCREMENTAL COMMERCIAL SQ. FT. ADDED (SCH. 1)	0	114,625	8,200	141,581	45,315	299,858	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. (SCH. 1)	0	114,625	122,825	264,406	309,721	609,579	609,579	609,579	609,579	609,579	609,579	609,579
<b>CASH FLOW</b>												
<b>REVENUES</b>												
PROPERTY TAXES	0	0	10,000	146,819	156,268	316,812	367,187	690,529	690,529	705,617	705,617	705,617
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	0	0	600	8,809	9,376	19,009	22,031	41,432	41,432	42,337	42,337	42,337
INTEREST EARNINGS @ 3% OF BEGINNING FUNDS	0	0	0	189	3,330	6,778	14,076	14,213	21,994	22,432	23,242	23,940
TOTAL REVENUES	0	0	10,600	155,817	168,975	342,598	403,294	746,174	753,955	770,387	771,196	771,894
<b>EXPENDITURES</b>												
IGA PAYMENT TO IMMID #1 FOR ADMIN (SERVICE DISTRICT)	0	0	2,500	36,705	39,067	79,203	91,797	172,632	172,632	176,404	176,404	176,404
COUNTY TREASURER 3.0% COLLECTION FEE	0	0	300	4,405	4,688	9,504	11,016	20,716	20,716	21,169	21,169	21,169
ADMINISTRATIVE ALLOWANCE	0	0	1,500	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668
TOTAL EXPENDITURES	0	0	4,300	51,109	54,055	99,316	113,740	204,603	204,941	209,513	209,872	210,240
FUNDS AVAILABLE FOR DEBT SERVICE	0	0	6,300	104,708	114,920	243,282	289,555	541,570	549,014	560,873	561,324	561,654
<b>LTD G.O. BONDS DEBT SERVICE</b>												
SERIES 12/1/2011 @ 7.0%	0	0	0	0	0	0	245,000	242,200	239,400	236,600	233,450	229,950
INTEREST @ 7.0%	0	0	0	0	0	0	40,000	40,000	40,000	45,000	50,000	50,000
PRINCIPAL REDUCTION	0	0	0	0	0	0	282,200	282,200	279,400	281,600	283,450	279,950
TOTAL DEBT SERVICE	0	0	0	0	0	0	3,500,000	3,420,000	3,380,000	3,335,000	3,285,000	3,235,000
LTD. G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	0	0	0	0	0
<b>SERIES 12/1/2013 @ 6.0%</b>												
INTEREST @ 6.0%	0	0	0	0	0	0	0	0	210,000	207,300	204,600	201,600
PRINCIPAL REDUCTION	0	0	0	0	0	0	0	0	45,000	45,000	50,000	50,000
TOTAL DEBT SERVICE	0	0	0	0	0	0	0	0	255,000	252,300	254,600	251,600
LTD. G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	3,500,000	3,455,000	3,410,000	3,360,000	3,310,000
TOTAL LIMITED G.O. BONDS DEBT SERVICE	0	0	0	0	0	0	285,000	282,200	534,400	533,900	538,050	531,550
EXCESS REVENUES OVER EXPENDITURES AND DEBT SERVICE	0	0	6,300	104,708	114,920	243,282	4,555	259,370	14,614	26,973	23,274	30,104
<b>LTD. G.O. BONDS ISSUED</b>												
COSTS OF BOND ISSUANCE @4%	0	0	0	0	0	3,500,000	0	3,500,000	0	0	0	0
TRANSFER OF NET BOND PROCEEDS TO IMMID #1 FOR CAPITAL IMPROVEMENTS	0	0	0	0	0	140,000	0	140,000	0	0	0	0
BEGINNING FUND BALANCE - JANUARY 1	0	0	0	6,300	111,008	225,927	469,209	473,764	733,134	747,748	774,721	797,996
ENDING FUND BALANCE - DECEMBER 31	0	0	6,300	111,008	225,927	469,209	473,764	733,134	747,748	774,721	797,996	828,099
TOTAL LTD. G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	3,500,000	3,460,000	6,920,000	6,835,000	6,745,000	6,645,000	6,545,000
% OF OUTSTANDING LTD. G.O. BONDS/ASSESSED VALUATION	0.00%	0.00%	0.00%	0.00%	0.00%	19.06%	10.02%	20.04%	19.37%	19.12%	18.83%	18.55%

EXHIBIT II (COMMERCIAL FINANCING DISTRICT #2)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #2  
 CASH FLOW FORECASTS  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2042

KEY ASSUMPTIONS	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
ASSESSED VALUATION (SCH. 1)	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856
TOTAL DISTRICT MILL LEVY	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
ASSUMED MILL LEVY TRANSFER TO IMMID #1 FOR OPS	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
INCREMENTAL COMMERCIAL SQ. FT. ADDED (SCH. 1)	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. (SCH. 1)	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579
<b>CASH FLOW</b>											
<b>REVENUES</b>											
PROPERTY TAXES	705,617	705,617	705,617	705,617	705,617	705,617	705,617	705,617	705,617	705,617	705,617
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	42,337	42,337	42,337	42,337	42,337	42,337	42,337	42,337	42,337	42,337	42,337
INTEREST EARNINGS @ 3% OF BEGINNING FUNDS	24,843	25,657	26,398	27,233	28,179	29,086	29,834	30,595	31,386	32,229	33,143
TOTAL REVENUES	772,797	773,611	774,352	775,187	776,129	777,040	777,889	778,549	779,340	780,183	781,097
<b>EXPENDITURES</b>											
IGA PAYMENT TO IMMID #1 FOR ADMIN (SERVICE DISTRICT)	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404
COUNTY TREASURER 3.0% COLLECTION FEE	21,169	21,169	21,169	21,169	21,169	21,169	21,169	21,169	21,169	21,169	21,169
ADMINISTRATIVE ALLOWANCE	13,048	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
TOTAL EXPENDITURES	210,621	211,012	211,415	211,830	212,258	212,699	213,152	213,620	214,101	214,597	215,108
FUNDS AVAILABLE FOR DEBT SERVICE	562,177	562,599	562,937	563,357	563,871	564,342	564,636	564,929	565,239	565,586	565,989
<b>LTD G.O. BONDS DEBT SERVICE</b>											
SERIES 12/1/2011 @ 7.0%											
INTEREST @ 7.0%	226,450	222,600	218,400	213,850	209,300	204,400	198,800	192,850	186,550	179,900	172,900
PRINCIPAL REDUCTION	55,000	60,000	65,000	70,000	70,000	80,000	85,000	90,000	95,000	100,000	110,000
TOTAL DEBT SERVICE	281,450	282,600	283,400	278,850	279,300	284,400	283,800	282,850	281,550	279,900	282,900
LTD. G.O. BONDS OUTSTANDING @ 12/31	3,180,000	3,120,000	3,055,000	2,990,000	2,920,000	2,840,000	2,755,000	2,665,000	2,570,000	2,470,000	2,360,000
SERIES 12/1/2013 @ 6.0%											
INTEREST @ 6.0%	198,600	195,300	191,700	188,100	184,200	180,000	175,500	170,700	165,600	160,200	154,500
PRINCIPAL REDUCTION	55,000	60,000	60,000	65,000	70,000	75,000	80,000	85,000	90,000	95,000	100,000
TOTAL DEBT SERVICE	253,600	255,300	251,700	253,100	254,200	255,000	255,500	255,700	255,600	255,200	254,500
LTD. G.O. BONDS OUTSTANDING @ 12/31	3,255,000	3,195,000	3,135,000	3,070,000	3,000,000	2,925,000	2,845,000	2,760,000	2,670,000	2,575,000	2,475,000
TOTAL LIMITED G.O. BONDS DEBT SERVICE	535,050	537,900	535,100	531,950	533,500	539,400	539,300	538,550	537,150	535,100	537,400
EXCESS REVENUES OVER EXPENDITURES AND DEBT SERVICE	27,127	24,699	27,837	31,407	30,371	24,942	25,336	26,379	28,089	30,486	28,589
LTD. G.O. BONDS ISSUED	0	0	0	0	0	0	0	0	0	0	0
COSTS OF BOND ISSUANCE @4%	0	0	0	0	0	0	0	0	0	0	0
TRANSFER OF NET BOND PROCEEDS TO IMMID #1 FOR CAPITAL IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
BEGINNING FUND BALANCE - JANUARY 1	828,099	855,226	879,925	907,761	939,168	969,539	994,481	1,019,817	1,046,196	1,074,284	1,104,770
ENDING FUND BALANCE - DECEMBER 31	855,226	879,925	907,761	939,168	969,539	994,481	1,019,817	1,046,196	1,074,284	1,104,770	1,133,359
TOTAL LTD. G.O. BONDS OUTSTANDING @ 12/31	6,435,000	6,315,000	6,190,000	6,060,000	5,920,000	5,765,000	5,600,000	5,425,000	5,240,000	5,045,000	4,835,000
% OF OUTSTANDING LTD. G.O. BONDS/ASSESSED VALUATION	18.24%	17.90%	17.54%	17.18%	16.78%	16.34%	15.87%	15.38%	14.85%	14.30%	13.70%



EXHIBIT II (COMMERCIAL FINANCING DISTRICT #2)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #2  
 CASH FLOW FORECASTS  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2042

KEY ASSUMPTIONS	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
ASSESSED VALUATION (SCH. 1)	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856	35,280,856
TOTAL DISTRICT MILL LEVY	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
ASSUMED MILL LEVY TRANSFER TO IMMID #1 FOR OPS	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
INCREMENTAL COMMERCIAL SQ. FT. ADDED (SCH. 1)	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. (SCH. 1)	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579	609,579
<b>CASH FLOW</b>											
<b>REVENUES</b>											
PROPERTY TAXES	705,617	705,617	705,617	705,617	705,617	705,617	705,617	705,617	705,617	705,617	705,617
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	42,337	42,337	42,337	42,337	42,337	42,337	42,337	42,337	42,337	42,337	42,337
INTEREST EARNINGS @ 3% OF BEGINNING FUNDS	34,001	34,829	35,658	36,515	37,430	38,285	39,265	40,255	41,142	42,123	43,088
TOTAL REVENUES	781,955	782,784	783,612	784,469	785,384	786,239	787,119	788,209	789,096	790,077	791,042
<b>EXPENDITURES</b>											
IGA PAYMENT TO IMMID #1 FOR ADMIN (SERVICE DISTRICT)	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404	176,404
COUNTY TREASURER 3.0% COLLECTION FEE	21,169	21,169	21,169	21,169	21,169	21,169	21,169	21,169	21,169	21,169	21,169
ADMINISTRATIVE ALLOWANCE	18,061	18,603	19,161	19,736	20,328	20,938	21,566	22,213	22,879	23,566	24,273
TOTAL EXPENDITURES	215,634	216,176	216,734	217,309	217,901	218,511	219,139	219,786	220,452	221,138	221,845
FUNDS AVAILABLE FOR DEBT SERVICE	566,321	566,608	566,878	567,160	567,484	567,728	568,081	568,423	568,644	568,938	569,197
<b>LTD G.O. BONDS DEBT SERVICE</b>											
SERIES 12/1/2011 @ 7.0%											
INTEREST @ 7.0%	165,200	156,800	147,700	138,250	128,100	117,250	105,700	93,450	80,150	66,150	51,100
PRINCIPAL REDUCTION	120,000	130,000	135,000	145,000	155,000	165,000	175,000	190,000	200,000	215,000	230,000
TOTAL DEBT SERVICE	285,200	286,800	282,700	283,250	283,100	282,250	280,700	283,450	280,150	281,150	281,100
LTD. G.O. BONDS OUTSTANDING @ 12/31	2,240,000	2,110,000	1,975,000	1,830,000	1,675,000	1,510,000	1,335,000	1,145,000	945,000	730,000	500,000
SERIES 12/1/2013 @ 6.0%											
INTEREST @ 6.0%	148,500	142,200	135,600	128,400	120,900	112,800	104,400	95,400	85,800	75,600	64,800
PRINCIPAL REDUCTION	105,000	110,000	120,000	125,000	135,000	140,000	150,000	160,000	170,000	180,000	190,000
TOTAL DEBT SERVICE	253,500	252,200	255,600	253,400	255,900	252,800	254,400	255,400	255,800	255,600	254,800
LTD. G.O. BONDS OUTSTANDING @ 12/31	2,370,000	2,260,000	2,140,000	2,015,000	1,880,000	1,740,000	1,590,000	1,430,000	1,260,000	1,090,000	990,000
<b>TOTAL LIMITED G.O. BONDS DEBT SERVICE</b>	538,700	539,000	538,300	536,650	539,000	535,050	535,100	538,850	535,950	536,750	535,900
<b>EXCESS REVENUES OVER EXPENDITURES AND DEBT SERVICE</b>	27,621	27,608	28,578	30,510	28,484	32,678	32,981	29,573	32,694	32,188	33,297
LTD. G.O. BONDS ISSUED	0	0	0	0	0	0	0	0	0	0	0
COSTS OF BOND ISSUANCE @4%	0	0	0	0	0	0	0	0	0	0	0
TRANSFER OF NET BOND PROCEEDS TO IMMID #1 FOR CAPITAL IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
<b>BEGINNING FUND BALANCE - JANUARY 1</b>	1,133,359	1,160,980	1,188,588	1,217,166	1,247,677	1,276,160	1,308,839	1,341,819	1,371,392	1,404,086	1,436,275
<b>ENDING FUND BALANCE - DECEMBER 31</b>	1,160,980	1,188,588	1,217,166	1,247,677	1,276,160	1,308,839	1,341,819	1,371,392	1,404,086	1,436,275	1,469,572
<b>TOTAL LTD. G.O. BONDS OUTSTANDING @ 12/31</b>	4,610,000	4,370,000	4,115,000	3,845,000	3,555,000	3,250,000	2,925,000	2,575,000	2,205,000	1,810,000	1,390,000
<b>% OF OUTSTANDING LTD. G.O. BONDS/ASSESSED VALUATION</b>	13.07%	12.39%	11.66%	10.90%	10.08%	9.21%	8.29%	7.30%	6.25%	5.13%	3.94%

EXHIBIT II (COMMERCIAL FINANCING DISTRICT #2)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #2  
 CASH FLOW FORECASTS  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2042

	<u>2040</u>	<u>2041</u>	<u>2042</u>	<u>TOTALS</u>
<b>KEY ASSUMPTIONS</b>				
ASSESSED VALUATION (SCH. 1)	35,280,856	35,280,856	35,280,856	
TOTAL DISTRICT MILL LEVY	20.00	20.00	20.00	
ASSUMED MILL LEVY TRANSFER TO IMMD #1 FOR OPS	5.00	5.00	5.00	
INCREMENTAL COMMERCIAL SQ. FT. ADDED (SCH. 1)	0	0	0	
CUMULATIVE COMMERCIAL SQ. FT. (SCH. 1)	609,579	609,579	609,579	609,579
	609,579	609,579	609,579	609,579
<b>CASH FLOW</b>				
<b>REVENUES</b>				
PROPERTY TAXES	705,617	705,617	705,617	22,135,423
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	42,337	42,337	42,337	1,328,125
INTEREST EARNINGS @ 3% OF BEGINNING FUNDS	44,087	45,319	46,530	1,007,298
TOTAL REVENUES	<u>792,041</u>	<u>793,273</u>	<u>794,484</u>	<u>24,470,847</u>
<b>EXPENDITURES</b>				
IGA PAYMENT TO IMMD #1 FOR ADMIN (SERVICE DISTRICT)	176,404	176,404	176,404	5,533,856
COUNTY TREASURER 3.0% COLLECTION FEE	21,169	21,169	21,169	664,063
ADMINISTRATIVE ALLOWANCE	25,001	25,751	26,523	578,802
TOTAL EXPENDITURES	<u>222,574</u>	<u>223,324</u>	<u>224,096</u>	<u>6,776,720</u>
FUNDS AVAILABLE FOR DEBT SERVICE	<u>569,468</u>	<u>569,950</u>	<u>570,388</u>	<u>17,694,127</u>
<b>LTD G.O. BONDS DEBT SERVICE</b>				
SERIES 12/1/2011 @ 7.0%				
INTEREST @ 7.0%	35,000	18,200	0	4,955,650
PRINCIPAL REDUCTION	240,000	260,000	0	3,500,000
TOTAL DEBT SERVICE	275,000	278,200	0	8,455,650
LTD. G.O. BONDS OUTSTANDING @ 12/31	<u>260,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>SERIES 12/1/2013 @ 6.0%</b>				
INTEREST @ 6.0%	53,400	41,400	480,000	4,577,100
PRINCIPAL REDUCTION	200,000	210,000	480,000	3,500,000
TOTAL DEBT SERVICE	253,400	251,400	960,000	8,077,100
LTD. G.O. BONDS OUTSTANDING @ 12/31	<u>690,000</u>	<u>480,000</u>	<u>0</u>	<u>0</u>
TOTAL LIMITED G.O. BONDS DEBT SERVICE	<u>528,400</u>	<u>529,600</u>	<u>960,000</u>	<u>16,532,750</u>
EXCESS REVENUES OVER EXPENDITURES AND DEBT SERVICE	41,068	40,350	(389,612)	1,161,377
LTD. G.O. BONDS ISSUED	0	0	0	7,000,000
COSTS OF BOND ISSUANCE @4%	0	0	0	280,000
TRANSFER OF NET BOND PROCEEDS TO IMMD #1 FOR CAPITAL IMPROVEMENTS	0	0	0	6,720,000
BEGINNING FUND BALANCE - JANUARY 1	<u>1,469,572</u>	<u>1,510,639</u>	<u>1,550,989</u>	<u>0</u>
ENDING FUND BALANCE - DECEMBER 31	<u>1,510,639</u>	<u>1,550,989</u>	<u>1,161,377</u>	<u>1,161,377</u>
TOTAL LTD. G.O. BONDS OUTSTANDING @ 12/31	<u>950,000</u>	<u>480,000</u>	<u>0</u>	<u>0</u>
% OF OUTSTANDING LTD. G.O. BONDS/ASSESSED VALUATION	<u>2.69%</u>	<u>1.36%</u>	<u>0.00%</u>	<u>0.00%</u>

SCHEDULE 1 (COMMERCIAL FINANCING DISTRICT #2)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #2  
 PROJECTED ASSESSED VALUATION - BUILDOUT  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2013

WORKING DRAFT  
 SUBJECT TO REVISION  
 27-Jul-06  
 The Attached Narrative Summary  
 and Disclaimer are an Integral Part of This Financial Model

Description of Unit	Acres		Total Planned Land Value per Sq. Ft.		Average Per Sq. Ft.	Total Actual Value Bldg		Total Actual Value Land	Total Actual Value Bldg & Land
	Land	Sq. Ft.	Land	Sq. Ft.		Value	Bldg		
Commercial									
Tract A	26.139	#####	5	113,861	150	17,079,150	5,693,074	22,772,224	
Tract B	57.365	#####	5	299,858	150	44,978,700	12,494,097	57,472,797	
Tract C	8.149	354,970	5	0	150	0	1,774,852	1,774,852	
Block 3	8.669	377,622	5	45,315	150	6,797,250	1,888,108	8,685,358	
Block 2/Lot 1	0.718	31,276	5	4,240	150	636,000	156,380	792,380	
Block 2/Lot 2	1.005	43,778	5	8,480	150	1,272,000	218,889	1,490,889	
Block 2/Lot 3	1.719	74,880	5	15,000	150	2,250,000	374,398	2,624,398	
Block 2/Lot 4	1.821	79,323	5	3,710	150	556,500	396,614	953,114	
Block 2/Lot 5	0.997	43,429	5	5,000	150	750,000	217,147	967,147	
Block 2/Lot 6	0.836	36,416	5	3,200	150	480,000	182,081	662,081	
Block 1/Lot 1	9.575	417,087	5	45,383	150	6,807,450	2,085,435	8,892,885	
Block 1/Lot 2	11.027	480,336	5	45,383	150	6,807,450	2,401,681	9,209,131	
Block 1/Lot 3	6.942	302,394	5	20,149	150	3,022,350	1,511,968	4,534,318	
Block 1/Lot 4	3.795	165,310	5	0	150	0	826,551	826,551	
Total Commercial - Incremental	138.757	#####	609.579	141,581	150	91,436,650	30,221,275	121,658,125	
Total Commercial - Cumulative			609.579	299,858		609,579	609,579	609,579	
Total Project Value				309,721		309,721	609,579	609,579	
Source: Developer									

Actual Values:

Tract A	0	0	0	0	0	22,772,224	0	0	22,772,224
Tract B	0	0	0	0	0	57,472,797	0	0	57,472,797
Tract C	0	0	0	0	0	0	0	1,774,852	1,774,852
Block 3	0	0	0	0	0	8,685,358	0	0	8,685,358
Block 2/Lot 1	0	0	0	0	0	792,380	0	0	792,380
Block 2/Lot 2	0	0	0	0	0	1,490,889	0	0	1,490,889
Block 2/Lot 3	0	0	0	0	0	2,624,398	0	0	2,624,398
Block 2/Lot 4	0	953,114	0	0	0	0	0	0	953,114
Block 2/Lot 5	0	967,147	0	0	0	0	0	0	967,147
Block 2/Lot 6	0	662,081	0	0	0	0	0	0	662,081
Block 1/Lot 1	0	8,892,885	0	0	0	0	0	0	8,892,885
Block 1/Lot 2	0	9,209,131	0	0	0	0	0	0	9,209,131
Block 1/Lot 3	0	4,534,318	0	0	0	0	0	0	4,534,318
Block 1/Lot 4	0	826,551	0	0	0	0	0	0	826,551
Total Actual Values - Incremental	0	23,589,447	0	162,922	0	27,679,692	9,685,358	57,472,797	121,658,125
Total Actual Values - Cumulative	0	23,589,447	0	25,218,674	0	52,898,566	61,583,924	119,056,721	121,658,125
Assessed Values (Commercial @ 29%):									
Tract A	0	0	0	0	0	6,603,945	0	0	6,603,945
Tract B	0	0	0	0	0	16,667,111	0	0	16,667,111
Tract C	0	0	0	0	0	0	0	514,707	514,707
Block 3	0	0	0	0	0	2,518,754	0	0	2,518,754
Block 2/Lot 1	0	0	0	0	0	229,790	0	0	229,790
Block 2/Lot 2	0	0	0	0	0	432,358	0	0	432,358
Block 2/Lot 3	0	0	0	0	0	761,075	0	0	761,075
Block 2/Lot 4	0	276,403	0	0	0	0	0	0	276,403
Block 2/Lot 5	0	280,473	0	0	0	0	0	0	280,473
Block 2/Lot 6	0	192,003	0	0	0	0	0	0	192,003
Block 1/Lot 1	0	2,578,937	0	0	0	0	0	0	2,578,937
Block 1/Lot 2	0	2,670,648	0	0	0	0	0	0	2,670,648
Block 1/Lot 3	0	1,314,952	0	0	0	0	0	0	1,314,952
Block 1/Lot 4	0	826,551	0	0	0	0	0	0	826,551
Total Assessed Value	0	9,840,940	0	472,476	0	8,027,169	2,518,754	16,667,111	35,280,856
Total Assessed Valuation Vacant Land	500,000	0	0	0	0	0	0	0	500,000
Total Assessed Valuation - Incremental	500,000	6,840,940	0	472,476	0	8,027,169	2,518,754	16,667,111	35,280,856
Total Assessed Valuation - Cumulative	500,000	7,340,940	0	7,813,416	0	15,840,584	18,359,338	34,526,449	35,280,856
Total Assessed Values - Cum. 0% Biennial Inflationary Increases	500,000	7,340,940	0	7,813,416	0	15,840,584	18,359,338	34,526,449	35,280,856
Year Assessed Valuation Certified To IMMD #2	2007	2008	2009	2010	2011	2012	2013	2014	2015
Year Taxes Received By IMMD #2	2008	2009	2010	2011	2012	2013	2014	2015	

SCHEDULE 2  
 IRON MOUNTAIN METROPOLITAN DISTRICT #2  
 CAPITAL EXPENDITURES  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2023

WORKING DRAFT  
 SUBJECT TO REVISION  
 27-Jul-06

The Attached Narrative Summary  
 and Disclaimer are an Integral Part of This Financial Model

CAPITAL EXPENDITURES (Source: TST)

	Total District #	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	TOTALS	
<b>Offsite Improvements</b>																					
Streets	877,518	877,519	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	877,519	
Potable Water	520,866	520,867	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	520,867	
Sanitary Sewer	1,068,326	1,068,327	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,068,327	
Landscaping	78,600	78,601	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	78,601	
Engineering & Administration - 10%	254,531	254,532	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	254,532	
Offsite Contingency - 10%	254,531	254,532	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	254,532	
Total Offsite Improvements	3,054,372	3,054,373	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,054,373	
<b>Onsite Improvements</b>																					
Grading	159,560	159,561	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	159,561	
Potable Water	269,788	269,789	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	269,789	
Sanitary Sewer	563,577	563,578	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	563,578	
Streets	830,592	830,593	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	830,593	
Storm Sewer	1,094,908	1,094,909	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,094,909	
Landscaping	633,987	633,988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	633,988	
Dist. 2 Engineering & Administration - 10%	355,241	355,242	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	355,242	
Onsite Contingency - 10%	355,241	355,242	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	355,242	
Total Onsite Improvements	4,262,894	4,262,895	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,262,895	
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>7,317,266</b>	<b>7,317,268</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,317,268</b>	
Total Capital Expenditures Reimbursed from Bonds		0	0	0	0	0	3,360,000	0	3,360,000	0	0	0	0	0	0	0	0	0	0	6,720,000	91.84%
Total Capital Expenditures Funded from Developer		7,317,268	0	0	0	0	(3,360,000)	0	(3,360,000)	0	0	0	0	0	0	0	0	0	0	597,268	8.16%

EXHIBIT III (COMMERCIAL FINANCING DISTRICT #3)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #3  
 CASH FLOW FORECASTS  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2050

WORKING DRAFT  
 SUBJECT TO REVISION  
 27-Jul-06  
 The Attached Narrative Summary  
 and Disclaimer are an Integral Part of This Financial Model

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>KEY ASSUMPTIONS</b>												
ASSESSED VALUATION (SCH. 1)	0	0	0	0	0	0	0	500,000	5,460,566	#####	#####	#####
TOTAL DISTRICT MILL LEVY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.00	20.00	20.00	20.00	20.00
ASSUMED MILL LEVY TRANSFER TO IMMD #1 FOR OFPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.50	9.50	9.50	9.50	9.50
INCREMENTAL COMMERCIAL SQ. FT. ADDED (SCH. 1)	0	0	0	0	0	0	100,000	100,000	100,000	100,000	100,000	100,000
CUMULATIVE COMMERCIAL SQ. FT. (SCH. 1)	0	0	0	0	0	0	100,000	200,000	300,000	400,000	500,000	600,000
<b>CASH FLOW</b>												
<b>REVENUES</b>												
PROPERTY TAXES	0	0	0	0	0	0	0	10,000	109,211	208,423	307,634	406,845
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXES	0	0	0	0	0	0	0	600	6,553	12,505	18,458	24,411
INTEREST EARNINGS @ 3% OF BEGINNING FUNDS	0	0	0	0	0	0	0	0	17	1,535	4,743	9,689
TOTAL REVENUES	0	0	0	0	0	0	0	10,600	115,780	222,463	330,835	440,945
<b>EXPENDITURES</b>												
IGA PAYMENT TO IMMD #1 FOR ADMIN (SERVICE DISTRICT)	0	0	0	0	0	0	0	4,750	51,875	99,001	146,126	193,252
COUNTY TREASURER 3.0% COLLECTION FEE	0	0	0	0	0	0	0	300	3,276	6,253	9,229	12,205
ADMINISTRATIVE ALLOWANCE	0	0	0	0	0	0	0	5,000	10,000	10,300	10,609	10,927
TOTAL EXPENDITURES	0	0	0	0	0	0	0	10,050	65,152	115,553	165,964	216,384
FUNDS AVAILABLE FOR DEBT SERVICE	0	0	0	0	0	0	0	550	50,629	106,910	164,871	224,561
<b>LTD G.O. BONDS DEBT SERVICE</b>												
SERIES 12/1/2016 @ 7.0%	0	0	0	0	0	0	0	0	0	0	0	154,000
INTEREST @ 7.0%	0	0	0	0	0	0	0	0	0	0	0	25,000
PRINCIPAL REDUCTION	0	0	0	0	0	0	0	0	0	0	0	179,000
TOTAL DEBT SERVICE	0	0	0	0	0	0	0	0	0	0	0	2,200,000
LTD. G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	550	50,629	106,910	164,871	217,500
SERIES 12/1/2018 @ 6.0%	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST @ 6.0%	0	0	0	0	0	0	0	0	0	0	0	0
PRINCIPAL REDUCTION	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL DEBT SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
LTD. G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL LIMITED G.O. BONDS DEBT SERVICE	0	0	0	0	0	0	0	0	0	0	0	179,000
EXCESS REVENUES OVER EXPENDITURES AND DEBT SERVICE	0	0	0	0	0	0	0	550	50,629	106,910	164,871	45,561
LTD. G.O. BONDS ISSUED	0	0	0	0	0	0	0	0	0	0	2,200,000	0
COSTS OF BOND ISSUANCE @4%	0	0	0	0	0	0	0	0	0	0	88,000	0
TRANSFER OF NET BOND PROCEEDS TO IMMD #1 FOR CAPITAL IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	2,112,000	0
BEGINNING FUND BALANCE - JANUARY 1	0	0	0	0	0	0	0	0	550	51,179	158,089	322,959
ENDING FUND BALANCE - DECEMBER 31	0	0	0	0	0	0	0	550	51,179	158,089	322,959	368,520
TOTAL LTD. G.O. BONDS OUTSTANDING @ 12/31	0	0	0	0	0	0	0	0	0	0	2,200,000	2,175,000
% OF OUTSTANDING LTD. G.O. BONDS/ASSESSED VALUATION	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.81%	8.60%

EXHIBIT III (COMMERCIAL FINANCING DISTRICT #3)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #3  
 CASH FLOW FORECASTS  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>KEY ASSUMPTIONS</b>																
ASSESSED VALUATION (SCH. 1)	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	#####
TOTAL DISTRICT MILL LEVY	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
ASSUMED MILL LEVY TRANSFER TO IMMD #1 FOR OPS	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50
INCREMENTAL COMMERCIAL SQ. FT. ADDED (SCH. 1)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE COMMERCIAL SQ. FT. (SCH. 1)	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
<b>CASH FLOW</b>																
<b>REVENUES</b>																
PROPERTY TAXES	506,057	595,268	595,268	595,268	595,268	595,268	595,268	595,268	595,268	595,268	595,268	595,268	595,268	595,268	595,268	595,268
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAX	30,363	35,716	35,716	35,716	35,716	35,716	35,716	35,716	35,716	35,716	35,716	35,716	35,716	35,716	35,716	35,716
INTEREST EARNINGS @ 3% OF BEGINNING FUNDS	11,056	14,158	14,306	14,396	14,585	14,686	14,763	14,818	14,860	14,897	14,939	14,982	14,992	14,982	14,924	14,924
TOTAL REVENUES	547,476	645,142	645,290	645,380	645,569	645,670	645,747	645,802	645,844	645,881	645,923	645,939	645,950	645,939	645,866	645,908
<b>EXPENDITURES</b>																
IGA PAYMENT TO IMMD #1 FOR ADMIN (SERVICE DISTRICT)	240,377	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752	282,752
COUNTY TREASURER 3.0% COLLECTION FEE	15,182	17,858	17,858	17,858	17,858	17,858	17,858	17,858	17,858	17,858	17,858	17,858	17,858	17,858	17,858	17,858
ADMINISTRATIVE ALLOWANCE	11,259	11,593	11,941	12,289	12,668	13,048	13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
TOTAL EXPENDITURES	266,814	312,203	312,551	312,909	313,278	313,658	314,049	314,453	314,868	315,295	315,736	316,190	316,657	317,139	317,635	318,145
FUNDS AVAILABLE FOR DEBT SERVICE	280,662	332,939	332,739	332,471	332,291	331,904	331,620	331,294	330,934	330,548	330,145	329,733	329,312	328,877	328,426	327,962
<b>LTD G.O. BONDS DEBT SERVICE</b>																
SERIES 12/1/2016 @ 7.0%																
INTEREST @ 7.0%	152,250	150,500	148,750	146,650	144,550	142,100	139,650	136,850	134,050	130,900	127,750	124,250	120,400	116,550	112,350	107,900
PRINCIPAL REDUCTION	25,000	25,000	30,000	30,000	35,000	35,000	40,000	40,000	45,000	45,000	50,000	55,000	60,000	65,000	70,000	70,000
TOTAL DEBT SERVICE	177,250	175,500	178,750	176,650	179,550	177,100	179,650	176,850	179,050	175,900	177,750	179,250	175,400	171,550	177,350	177,900
LTD. G.O. BONDS OUTSTANDING @ 12/31	2,150,000	2,125,000	2,095,000	2,065,000	2,030,000	1,995,000	1,955,000	1,915,000	1,870,000	1,825,000	1,775,000	1,720,000	1,665,000	1,605,000	1,540,000	1,470,000
<b>SERIES 12/1/2018 @ 6.0%</b>																
INTEREST @ 6.0%	0	127,500	126,000	124,500	123,000	121,200	119,400	117,600	115,500	113,400	111,000	108,600	105,900	103,200	100,200	97,200
PRINCIPAL REDUCTION	0	25,000	25,000	25,000	30,000	30,000	30,000	35,000	35,000	40,000	40,000	45,000	45,000	50,000	50,000	55,000
TOTAL DEBT SERVICE	0	152,500	151,000	149,500	153,000	151,200	149,400	152,600	150,500	153,400	151,000	153,600	150,900	153,200	150,200	152,200
LTD. G.O. BONDS OUTSTANDING @ 12/31	2,125,000	2,100,000	2,075,000	2,050,000	2,020,000	1,990,000	1,960,000	1,925,000	1,890,000	1,850,000	1,810,000	1,765,000	1,720,000	1,670,000	1,620,000	1,565,000
TOTAL LIMITED G.O. BONDS DEBT SERVICE	177,250	328,000	329,750	326,150	332,550	328,300	329,050	329,450	329,550	329,300	328,750	328,850	326,300	329,750	327,550	330,000
<b>EXCESS REVENUES OVER EXPENDITURES AND DEBT SER</b>																
	103,412	4,939	2,989	6,321	(259)	3,604	2,570	1,844	1,384	1,248	1,395	(3,117)	2,872	(973)	702	(2,238)
<b>LTD. G.O. BONDS ISSUED</b>																
COSTS OF BOND ISSUANCE @4%	2,125,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TRANSFER OF NET BOND PROCEEDS TO IMMD #1 FOR CA	85,835	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL LTD. G.O. BONDS OUTSTANDING @ 12/31	4,275,000	4,225,000	4,170,000	4,115,000	4,050,000	3,985,000	3,915,000	3,840,000	3,760,000	3,675,000	3,585,000	3,485,000	3,385,000	3,275,000	3,160,000	3,035,000
% OF OUTSTANDING LTD. G.O. BONDS/ASSESSED VALUA	14.36%	14.20%	14.01%	13.83%	13.61%	13.39%	13.15%	12.90%	12.63%	12.35%	12.04%	11.71%	11.37%	11.00%	10.62%	10.20%



EXHIBIT III (COMMERCIAL FINANCING DISTRICT #3)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #3  
 CASH FLOW FORECASTS  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2

KEY ASSUMPTIONS	2050	TOTALS
ASSESSED VALUATION (SCH. 1)	#####	
TOTAL DISTRICT MILL LEVY	20.00	
ASSUMED MILL LEVY TRANSFER TO IMMD #1 FOR OPS	9.50	
INCREMENTAL COMMERCIAL SQ. FT. ADDED (SCH. 1)	0	600,000
CUMULATIVE COMMERCIAL SQ. FT. (SCH. 1)	600,000	600,000

CASH FLOW

REVENUES	2050	TOTALS
PROPERTY TAXES	595,268	20,596,743
SPECIFIC OWNERSHIP TAXES @ 6% OF PROPERTY TAXE	35,716	1,235,805
INTEREST EARNINGS @ 3% OF BEGINNING FUNDS	26,312	503,334
TOTAL REVENUES	657,296	22,335,882

EXPENDITURES

IGA PAYMENT TO IMMD #1 FOR ADMIN (SERVICE DISTRICT)	282,752	9,783,453
COUNTY TREASURER 3.0% COLLECTION FEE	17,858	617,902
ADMINISTRATIVE ALLOWANCE	28,983	666,742
TOTAL EXPENDITURES	329,593	11,068,097

FUNDS AVAILABLE FOR DEBT SERVICE

	327,703	11,267,785
--	---------	------------

LTD G.O. BONDS DEBT SERVICE

SERIES 12/1/2016 @ 7.0%		
INTEREST @ 7.0%	0	3,101,000
PRINCIPAL REDUCTION	0	2,200,000
TOTAL DEBT SERVICE	0	5,301,000
LTD. G.O. BONDS OUTSTANDING @ 12/31	0	0

SERIES 12/1/2018 @ 6.0%

INTEREST @ 6.0%	0	2,637,000
PRINCIPAL REDUCTION	0	2,125,000
TOTAL DEBT SERVICE	0	4,762,000
LTD. G.O. BONDS OUTSTANDING @ 12/31	0	0

TOTAL LIMITED G.O. BONDS DEBT SERVICE

	0	10,063,000
--	---	------------

EXCESS REVENUES OVER EXPENDITURES AND DEBT SER

	327,703	1,204,785
--	---------	-----------

LTD. G.O. BONDS ISSUED

	0	4,325,000
--	---	-----------

COSTS OF BOND ISSUANCE @4%

	0	173,855
--	---	---------

TRANSFER OF NET BOND PROCEEDS TO IMMD #1 FOR CA

	0	4,151,165
--	---	-----------

BEGINNING FUND BALANCE - JANUARY 1

	877,081	0
--	---------	---

ENDING FUND BALANCE - DECEMBER 31

	1,204,785	1,204,785
--	-----------	-----------

TOTAL LTD. G.O. BONDS OUTSTANDING @ 12/31

	0	0
--	---	---

% OF OUTSTANDING LTD. G.O. BONDS/ASSESSED VALUA\*

	0.00%	
--	-------	--



SCHEDULE 3 (COMMERCIAL FINANCING DISTRICT #3)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #3  
 PROJECTED ASSESSED VALUATION - BUILDOUT  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2020

WORKING DRAFT  
 SUBJECT TO REVISION  
 17-Jul-06  
 The Attached Narrative Summary  
 and Disclaimer are an Integral Part of This Financial Model

Description of Unit	Acres	Sq. Ft. Land	Sq. Ft. per Sq. Ft. Building	Planned Number of Sq. Ft. Building	Average Per Sq. Ft.	Total Actual Value		Total Value	
						Land	Bldg	Land	Bldg & Land
Commercial									
Total Commercial - Incr.	58.000	2,525,480	5	600,000	150	90,000,000	12,632,400	#####	#####
Total Commercial - Cumulat.				600,000					
Total Project Value									#####
Source: Developer									#####

Actual Values:  
 Total Actual Values - Incremental  
 Total Actual Values - Cumulative

Assessed Values (Commercial @ 29%):  
 Total Assessed Value  
 Total Assessed Valuation Vacant Land  
 Total Assessed Valuation - Incremental  
 Total Assessed Valuation - Cumulative  
 Total Assessed Values - Cum. 0% Biennial Inflationary Increases

Year Assessed Valuation Certified To IMMD #2  
 Year Taxes Received By IMMD #2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Actual Values - Incremental	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Actual Values - Cumulative	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assessed Values - Incremental	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assessed Values - Cumulative	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Year Assessed Valuation Certified To IMMD #2															
Year Taxes Received By IMMD #2															

SCHEDULE 3 (COMMERCIAL FINANCING DISTRICT #3)  
 IRON MOUNTAIN METROPOLITAN DISTRICT #3  
 PROJECTED ASSESSED VALUATION - BUILDOUT  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2020

Description of Unit	Acres		Sq. Ft. Land		Total Land Value per Sq. Ft.	Planned Number of Buildings	Average Per Sq. Ft.	Total Actual Value		Total Sq. Ft. Value
	Land		Land	Buildings				Land	Buildings	
Commercial										
Total Commercial - Incr.	58.000		2,526,480	5	600,000	150	90,000,000	12,632,400	600,000	600,000
Total Commercial - Cumulat.				600,000					600,000	600,000
Total Project Value										
Source: Developer										

Actual Values:  
 Total Actual Values - Incremental 0 0 102,632,400  
 Total Actual Values - Cumulative ##### 102,632,400

Assessed Values (Commercial @ 29%):  
 Total Assessed Value 0 0 29,763,396  
 Total Assessed Valuation Vacant Land 0 0 0  
 Total Assessed Valuation - Incremental 0 0 29,763,396  
 Total Assessed Valuation - Cumulative 29,763,396 29,763,396 29,763,396  
 Total Assessed Values - Cum. 0% Biennial Inflationary Increases 29,763,396 29,763,396 29,763,396

Year Assessed Valuation Certified To IMMD #2 2020 2021  
 Year Taxes Received By IMMD #2 2021 2022

SCHEDULE 4  
 IRON MOUNTAIN METROPOLITAN DISTRICT #3  
 CAPITAL EXPENDITURES  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2023

WORKING DRAFT  
 SUBJECT TO REVISION  
 27-Jul-06

The Attached Narrative Summary  
 and Disclaimer are an Integral Part of This Financial Model

CAPITAL EXPENDITURES (Source: IST)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Total District #3</b>														
Offsite Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Streets														
Potable Water	22,555	0	0	0	0	22,555	0	0	0	0	0	0	0	0
Sanitary Sewer	757,872	0	0	0	0	757,872	0	0	0	0	0	0	0	0
Landscaping	30,600	0	0	0	0	30,600	0	0	0	0	0	0	0	0
Engineering & Administration - 10%	81,103	0	0	0	0	81,103	0	0	0	0	0	0	0	0
Offsite Contingency - 10%	81,103	0	0	0	0	81,103	0	0	0	0	0	0	0	0
<b>Total Offsite Improvements</b>	<u>973,232</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>973,232</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Onsite Improvements	109,994	0	0	0	0	109,994	0	0	0	0	0	0	0	0
Grading	79,067	0	0	0	0	79,067	0	0	0	0	0	0	0	0
Potable Water	142,585	0	0	0	0	142,585	0	0	0	0	0	0	0	0
Sanitary Sewer	363,006	0	0	0	0	363,006	0	0	0	0	0	0	0	0
Streets	64,879	0	0	0	0	64,879	0	0	0	0	0	0	0	0
Storm Sewer	131,336	0	0	0	0	131,336	0	0	0	0	0	0	0	0
Landscaping	178,173	0	0	0	0	178,173	0	0	0	0	0	0	0	0
Dist. 3 Engineering & Administration - 20%	89,087	0	0	0	0	89,087	0	0	0	0	0	0	0	0
Onsite Contingency - 10%	1,158,127	0	0	0	0	#####	0	0	0	0	0	0	0	0
<b>Total Onsite Improvements</b>	<u>2,019,806</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>#####</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Future - Unidentified	4,151,165	0	0	0	0	#####	0	0	0	0	0	0	0	0
<b>TOTAL CAPITAL EXPENDITURES</b>														
Total Capital Expenditures Reimbursed From Bonds	0	0	0	0	0	0	0	0	0	2,112,000	0	2,039,165	0	0
Total Capital Expenditures Funded From Developer	0	0	0	0	0	#####	0	0	0	#####	0	#####	0	0

SCHEDULE 4  
 IRON MOUNTAIN METROPOLITAN DISTRICT #3  
 CAPITAL EXPENDITURES  
 FOR THE YEARS ENDING DECEMBER 31, 2006 THROUGH 2023

CAPITAL EXPENDITURES (Source: IST)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTALS</u>	
<b>Offsite Improvements</b>						
Streets	0	0	0	0	0	
Potable Water	0	0	0	0	22,555	
Sanitary Sewer	0	0	0	0	757,872	
Landscaping	0	0	0	0	30,600	
Engineering & Administration - 10%	0	0	0	0	81,103	
Offsite Contingency - 10%	0	0	0	0	81,103	
Total Offsite Improvements	0	0	0	0	973,232	
<b>Onsite Improvements</b>						
Grading	0	0	0	0	109,994	
Potable Water	0	0	0	0	79,067	
Sanitary Sewer	0	0	0	0	142,585	
Streets	0	0	0	0	363,006	
Storm Sewer	0	0	0	0	64,879	
Landscaping	0	0	0	0	131,336	
Dist. 3 Engineering & Administration - 20%	0	0	0	0	178,173	
Onsite Contingency - 10%	0	0	0	0	89,087	
Total Onsite Improvements	0	0	0	0	1,158,127	
<b>Future - Unidentified</b>	0	0	0	0	2,019,806	
<b>TOTAL CAPITAL EXPENDITURES</b>	0	0	0	0	4,151,165	
Total Capital Expenditures Reimbursed From Bonds	0	0	0	0	4,151,165	100.00%
Total Capital Expenditures Funded From Developer	0	0	0	0	0	0.00%

**EXHIBIT D**

Form of Intergovernmental Agreement

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN**

**THE TOWN OF WINDSOR, COLORADO**

**AND**

**IRON MOUNTAIN METROPOLITAN DISTRICT NOS. 1, 2 AND 3**

THIS AGREEMENT is made and entered into as of this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and among the TOWN OF WINDSOR, a home-rule municipal corporation of the State of Colorado ("Town"), and IRON MOUNTAIN METROPOLITAN DISTRICT NO. 1, IRON MOUNTAIN METROPOLITAN DISTRICT NO. 2 and IRON MOUNTAIN METROPOLITAN DISTRICT NO. 3, quasi-municipal corporations and political subdivisions of the State of Colorado (individually "District", collectively the "Districts"). The Town and the Districts are collectively referred to as the Parties.

**RECITALS**

WHEREAS, the Districts were organized to provide those services and to exercise powers as are more specifically set forth in the Districts' Service Plan approved by the Town on \_\_\_\_\_, 2006 ("Service Plan"); and

WHEREAS, the Service Plan make reference to the execution of an intergovernmental agreement between the Town and the Districts, as required by the Windsor Town Code; and

WHEREAS, the Town and the Districts have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Intergovernmental Agreement ("Agreement").

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**COVENANTS AND AGREEMENTS**

1. Operations and Maintenance. The Districts shall dedicate the Public Improvements (as defined in the Service Plan) to the Town or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the Town and applicable provisions of the Town Code. Except for those public improvements required to be dedicated to the Town in accordance with the Approved Development Plan or this Intergovernmental Agreement, the Districts shall be authorized to operate and maintain any part or all of the Public Improvements.

2. Construction Standards. The Districts will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of other governmental entities having proper jurisdiction, as applicable. The Districts will

obtain the Town's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

3. Inclusion. The Districts shall not include within its boundaries any property outside the Service Area (as defined in the Service Plan) without the prior consent of the Town Board of Trustees.

4. Debt Ceiling. The combined Debt of the Districts outstanding at any one time shall not exceed \$30,000,000.00.

5. Consolidation. The Districts shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town, unless such consolidation is with another Iron Mountain Metropolitan District.

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

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

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

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

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

8. Disclosure to Purchasers. The Districts will use reasonable efforts to assure that all developers of the property located within the Districts provide written notice to all purchasers of property in the Districts regarding the Maximum Debt Mill Levy, as well as a general description of the Districts' authority to impose and collect rates, Fees, tolls and charges. The

form of notice shall be filed with the Town prior to the initial issuance of the Debt of the Districts imposing the mill levy which is the subject of the Maximum Debt Mill Levy.

9. Service Plan Amendment Requirement. Actions of the Districts which violate the limitations set forth in the Service Plan shall be deemed to be material modifications to the Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin such actions of the Districts.

10. Annual Report. Upon request by the Town, the Districts shall be responsible for submitting an annual report to the Town Manager's Office no later than August 1st of each year following the year in which the Order and Decree creating the Districts have been issued, in accordance with applicable Town policies and pursuant to the Town Code and containing the information set forth in Section VIII of the Service Plan.

11. Maximum Debt Mill Levy. The "Maximum Debt Mill Levy" shall be the maximum mill levy the Districts are permitted to impose upon the taxable property within the Districts for payment of Debt, and shall be determined as follows:

a. For the portion of any aggregate District's Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in Section VII.C.2 of the Service Plan; provided that if, on or after January 1, 2007, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board 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, 2007, 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.

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

c. For purposes of the foregoing, once Debt has been determined to be within Section VII.C.2 of the Service Plan, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

To the extent that the District is composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "District" as used



herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

12. Maximum Debt Mill Levy Imposition Term. The Districts shall not impose a levy for repayment of any Debt (or use the proceeds of any mill levy for repayment of Debt) which exceeds forty (40) years after the year of the issuance of such Debt.

13. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District:      Iron Mountain Metropolitan District Nos. 1-3  
                                 c/o WHITE, BEAR & ANKELE  
                                 Professional Corporation  
                                 Attention: William P. Ankele, Jr., Esq.  
                                 1805 Shea Center Drive, Suite 100  
                                 Highlands Ranch, Colorado 80129  
                                 Phone: (303) 858-1800  
                                 Fax: (303) 858-1801

To the Town:            Town of Windsor  
                                 Attention: Rod Wensing  
                                 301 Walnut Street  
                                 Windsor, CO 80550  
                                 Phone: (970) 686-7476  
                                 Fax: (970) 686-7140

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

14. Conflict with the Service Plan. To the extent this Agreement conflicts with the Service Plan, the terms of this Agreement shall control. The Service Plan and this Agreement constitute the entire agreement between the parties and supersede all prior written or oral agreements, negotiations, or representations and understandings of the parties with respect to the subject matter contained herein or therein.

15. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Service Plan.

16. Assignment. No Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of all other Parties, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

17. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Parties shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party/Parties in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

18. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado.

19. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

20. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the Districts and the Town any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Districts and the Town shall be for the sole and exclusive benefit of the Districts and the Town.

21. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

22. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

23. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

25. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Service Plan.

IN WITNESS WHEREOF, the Districts and the Town have caused this Agreement to be duly executed to be effective as of the day first above written.

IRON MOUNTAIN METROPOLITAN  
DISTRICT NO. 1

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

IRON MOUNTAIN METROPOLITAN  
DISTRICT NO. 2

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

IRON MOUNTAIN METROPOLITAN  
DISTRICT NO. 3

By: \_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

TOWN OF WINDSOR, COLORAOD

By: \_\_\_\_\_  
\_\_\_\_\_, Mayor

Attest:

\_\_\_\_\_  
Secretary

**APPROVED AS TO FORM:** \_\_\_\_\_