

THE VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 6

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
Fax: 303-987-2032

NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors</u>	<u>Office</u>	<u>Term/Expiration</u>
Robert Martin	President	2022/May 2022
Stanley DePue	Treasurer	2023/May 2023
William Paris	Assistant Secretary	2023/May 2023
Nancy Boehler	Assistant Secretary	2023/May 2023
Eric Kubly	Assistant Secretary	2022/May 2022
Ann E. Finn	Secretary	

DATE: **April 5, 2021**

TIME: **2:00 P.M.**

PLACE: DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT BOARD MEETING WILL BE HELD VIA ZOOM WITHOUT ANY INDIVIDUALS (NEITHER DISTRICT REPRESENTATIVES NOR THE GENERAL PUBLIC) ATTENDING IN PERSON. IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE SEE THE BELOW REFERENCED ZOOM MEETING INFORMATION.

<https://us02web.zoom.us/j/86767669493?pwd=dUo2a2hYaVlrazB6WUVMUmMwNEZYdz09>

Phone: 1-(346) 248-7799 or 1-(669) 900-6833

Meeting ID: 867 6766 9493

Password: 457344

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda, confirm location of the meeting and posting of meeting notices.

C. Review and approve the Minutes of the March 11, 2021 Special Meeting (enclosure).

II. PUBLIC COMMENTS

- A. Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.
-

III. CONSENT AGENDA – These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board Member so requests, in which event, the item will be removed from the Consent Agenda and considered on the Regular Agenda.

- Ratify approval of the Engagement Letter with Jefferies LLC (enclosure).
 - Ratify approval of the Engagement Letter with Kutak Rock LLP to serve as Bond Counsel (enclosure).
 - Ratify approval of the Engagement Letter with CliftonLarsonAllen, LLP to prepare of financial forecast/cash flow analysis (enclosure).
 - Ratify approval of the Engagement Letter with North Slope Capital Advisors for Municipal Advisor services (enclosure).
 - Ratify approval of the Engagement Letter with King & Associates, Inc. to prepare real estate market and appreciation analyses (enclosure).
-

IV. FINANCE COMMITTEE

- A. Discuss status of the potential tender and refunding of the District’s Limited Tax General Obligation Capital Appreciation Bonds, Series 2007 and Subordinate Limited Tax General Obligation Bonds, Series 2007 (the “Outstanding Bonds”).
-

- B. Review the schedule and phasing of work by Consultants concerning the potential tender and refunding of the Outstanding Bonds (to be distributed).
-

- C. Public Comments and Questions regarding the potential tender and refunding of the Outstanding Bonds.
-

- D. Board Comments and Questions regarding the potential tender and refunding of the Outstanding Bonds.
-

V. LEGAL MATTERS

A. Executive Session (if necessary).

B. _____

VI. OTHER BUSINESS

A. _____

VII. ADJOURNMENT

THE NEXT REGULAR MEETING IS SCHEDULED FOR JUNE 14, 2021

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 6 HELD MARCH 11, 2021

A Special Meeting of the Board of Directors of The Villages at Castle Rock Metropolitan District No. 6 (referred to hereafter as the “Board”) was convened on Thursday, the 11th day of March, 2021, at 9:00 a.m. The meeting was open to the public.

Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting was held via Zoom Video Conferencing.

ATTENDANCE

Directors In Attendance Were:

Robert Martin
Stanley DePue
William Paris
Nancy Boehler
Eric Kubly

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

MaryAnn M. McGeady, Esq., Suzanne Meintzer, Esq. and Kate Olson, Esq.;
McGeady Becher P.C.

Jason Carroll; CliftonLarsonAllen, LLP (for a portion of the meeting)

Aliraza Hassan, Simon Wirecki and Michael Baldwin; Jefferies LLC

Leslie, Dennis Barrett and Ed Meserko; members of the public (for a portion of the meeting)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Finn noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and

RECORD OF PROCEEDINGS

incorporated for the record those disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney McGeady noted that all Directors' Disclosure Statements have been filed, and no additional disclosures were made at the meeting.

ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Agenda was approved, as amended.

Meeting Location/Manner and Posting of Meeting Notice: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board noted that due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Public Health and Environment, and the threat posed by the COVID-19 coronavirus, the meeting was held via Zoom Video Conferencing.

Ms. Finn reported that notice was duly posted and that no objections to the telephonic manner of the meeting or any requests that the video conferencing manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Paris, seconded by Director DePue, and upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District as least 24 hours prior to each meeting at the following location: Recreation Center, 7846 Oasis Drive, Castle Rock, Colorado 80108. It was also noted that the notice was also posted on the website for the Cobblestone Ranch Owners Association (the "HOA").

Minutes: The Board reviewed the Minutes of the October 12, 2020 Special Meeting.

Following discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Minutes of the October 12, 2020 Special Meeting were approved, as presented.

RECORD OF PROCEEDINGS

McGeady Becher P.C. Document Retention Policy: Attorney McGeady presented to the Board an update to the McGeady Becher P.C. Document Retention Policy.

Following discussion, the Board acknowledged the update and directed a copy of the approved McGeady Becher P.C. Records Retention Policy be attached to the Minutes. Accordingly, a copy of the updated McGeady Becher P.C. Document Retention Policy is attached hereto and incorporated herein by reference.

PUBLIC COMMENT There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of payment of claims as follows:

Fund	Period ending Oct. 15, 2020	Period ending Nov. 16, 2020	Period ending Dec. 14, 2020	Period ending January 13, 2021
General	\$ 3,207.32	\$ 5,692.39	\$ 16,331.73	\$ 2,453.14
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 3,207.32	\$ 5,692.39	\$ 16,331.73	\$ 2,453.14

Fund	Period ending Feb. 10, 2021
General	\$ 1,853.41
Debt	\$ -0-
Capital	\$ 340,530.37
Total	\$ 342,383.78

Following review and discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Board ratified approval of the payment of the claims, as presented.

The Board deferred review and approval of the December 31, 2020 financial statements until the end of the Board meeting.

FINANCE COMMITTEE

Finance Committee Report Concerning the District's Limited Tax General Obligation Capital Appreciation Bonds, Series 2007 and Subordinate Limited Tax General Obligation Bonds, Series 2007 (the "Outstanding Bonds"): Directors Martin and Paris discussed with the Board the Finance Committee Report concerning a possible tender and refinancing of the District's Outstanding Bonds and noted they have been working with Mr. Baldwin from Jefferies LLC

RECORD OF PROCEEDINGS

(“Jefferies”) and his team on a potential tender and refinancing of the District’s Outstanding Bonds.

Notice of Potential Refunding of the District’s Outstanding Bonds (the “Notice”), and the posting of the Notice on Electronic Municipal Market Access (“EMMA”): Director Martin noted for the Board that as a member of the Finance Committee, he authorized a Notice of Potential Refunding of the District’s Outstanding Bonds be posted on EMMA. The Board acknowledged the Notice and the posting of the Notice on EMMA.

Presentation by Jefferies LLC: Mr. Baldwin with Jefferies and his team made a Presentation to the Board regarding the potential tender and refunding of the Outstanding Bonds which included Terms and Conditions, Options/Alternatives, Financial Projections, Economic Benefits and Schedule of Events.

Public Comments and Questions Regarding the Potential Tender and Refunding of the Outstanding Bonds: There were no public comments.

Board Comments and Questions regarding the potential tender and refunding of the Outstanding Bonds: The District’s consultants responded to questions from the Board.

Board action regarding the potential tender and refunding of the Outstanding Bonds: The Board discussed the potential tender and refunding of the Outstanding Bonds.

Following review and discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Board authorized its Consultants to move forward with the tender and refunding of the Outstanding Bonds, and scheduled a special meeting to discuss status of same, to take place on April 5, 2021, from 2:00 to 3:00 p.m., via Zoom Video Conferencing.

Engagement Letter with Jefferies LLC for Investment Banking Services: The Board reviewed an Engagement Letter from Jefferies LLC for Investment Banking services.

Following review and discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Board approved the Engagement Letter from Jefferies LLC for Investment Banking

RECORD OF PROCEEDINGS

services, for an amount not to exceed 2% of the par amount of the Series 2021 bonds.

Engagement Letter with Kutak Rock LLP to Serve as Bond Counsel: The Board reviewed an Engagement Letter from Kutak Rock LLP to serve as Bond Counsel. Attorney McGeady noted for the Board that Kutak Rock LLP worked on prior bond issuances.

Following review and discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Board approved the Engagement Letter from Kutak Rock LLP to serve as Bond Counsel.

Proposals for Municipal Advisor Services: The Board reviewed proposals for Municipal Advisor services.

Following review and discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Board approved the proposal from North Slope Capital Advisors for Municipal Advisor services.

Proposal for Preparation of a Financial Forecast Consultant Report: Mr. Carroll advised the Board that CliftonLarsonAllen, LLP (“CLA”) could prepare the Financial Forecast/Cash Flow report for the proposed bond transaction.

Following review and discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Board approved the engagement of CLA to prepare Financial Forecast/Cash Flow report for the proposed bond transaction.

Tender and Refunding of the Outstanding Bonds: The Board discussed additional parameters for the Finance Committee and retained consultants for work on the potential tender and refunding of the Outstanding Bonds.

Following review and discussion, upon motion duly made by Director DePue, seconded by Director Paris and, upon vote, unanimously carried, the Board authorized the Finance Committee and consultants to prepare a schedule and phasing of the work to be performed prior to a majority of the costs being incurred on the tender and refunding of the Outstanding Bonds.

RECORD OF PROCEEDINGS

LEGAL MATTERS

There were no legal matters to discuss at this time.

OTHER BUSINESS

Unaudited Financial Statements: Mr. Carroll presented the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending December, 2020 and the schedule of cash position for the period ending December 31, 2020, updated as of February 10, 2021.

Following review and discussion, upon motion duly made by Director DePue, seconded by Director Paris and, upon vote, unanimously carried, the Board accepted the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending December 31, 2020 and the schedule of cash position for the period ending December 31, 2020, updated as of February 10, 2021, as presented.

There was no other business to come before the Board.

ADJOURNMENT

Following discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

McGeady Becher P.C.
Document Retention Policy

Types of Documents

In representing you we will or may take possession of, create, and/or keep various types of documents. These consist of documents you provide to us, documents which constitute the District's official public record, and internal documents we create to assist us in providing services to you.

Documents You Provide to Us

It is our policy to copy and return original documents you provide to us as soon as practicable. Exceptions to this policy are original documents which should be kept as part of the District's official public record, instances where we must have an original document to represent you, or cases where we have affirmatively agreed retain a document for safekeeping.

The District's Record

As a part our engagement, we will maintain the District's official public Record (the "**Record**"). The Record is a highly useful and detailed compilation of documents reflecting the official actions of the District and serves multiple functions. First, it collects those documents which the public is entitled to inspect and copy under various state and federal public records and freedom of information statutes. Second, it organizes the records of the District – such as its contracts, land and title records, and easements - in a manner which is useful in conducting the ongoing business of the District. Third, the Record helps expedite the District's annual audit process. Fourth, in the event you should change legal counsel or employ in-house counsel, the Record will enable that counsel to understand the status and assume representation of the District with maximum efficiency.

The Record includes the District's organizational documents, fully-executed agreements which are still in effect, rules, regulations, resolutions adopted by the District, official minutes books, meeting notices, agendas, insurance policies, District maps, election records, bond documents, audit documents, and many more. A comprehensive list of documents comprising the Record is available from us at any time upon request.

Creating and maintaining the Record is an important and complex task, and you agree to pay our actual costs and hourly fees associated with doing this.

Supplemental Documents

All other documents created in course of representing you are referred to as Supplemental Documents. These include our notes, drafts, memoranda, worksheets, electronic communications, and other electronic documents stored in various media or file servers.

Documents We Retain

Except as provided in this Document Retention Policy or an amendment thereto, we will keep the Record and any original documents accepted by us for safekeeping so long as we represent you.

Delivery of the Record

Once a matter is concluded or our representation terminated, we deliver the original, printed Record, together with any original documents we have accepted for safekeeping, to you or the District's designee, provided our fees and costs have been paid in full. If you do not designate someone to receive these records, we will deliver them to a then-current officer or director of the District. If we are unable to deliver these documents because of your failure to designate a recipient, we may retain, destroy, or otherwise dispose of them in manner which assures their continued confidentiality within thirty (30) days following the conclusion of a matter or the termination of our representation.

We will also confidentially destroy the Record of any District in our possession if a final order of dissolution of the District is entered.

All other documents, including all Supplemental Documents, are routinely, periodically, confidentially, and permanently purged by us once they are no longer useful to us in providing services to you.

March 11, 2021

Engagement Letter

THE VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 6

141 Union Boulevard, Suite 150
Lakewood, CO 80228

Attention: Mr. Bob Martin
President

Re: Financing Transaction

This agreement (this “Agreement”) will confirm the arrangements under which Jefferies LLC (“Jefferies”) has been engaged by The Villages at Castle Rock Metropolitan District No. 6, a political subdivision and quasi-municipal corporation of the State of Colorado, and its present and future affiliates and subsidiaries and any entity used thereby to facilitate the transactions contemplated hereby (collectively, the “District”), to act as set forth below in connection with a possible Transaction (as defined below).

1. Retention.

(a) The District hereby: (i) retains and authorizes Jefferies, during the term of this engagement, to act as sole and exclusive underwriter and tender agent in connection with its sale of tax-exempt Limited Tax General Obligation Refunding Bonds, Series 2021 (the “Series 2021 Bonds”) in an approximate par amount of \$65,000,000 (the “Transaction”); and (ii) expects that Jefferies will provide advice to the District on the structure, timing, terms, and other matters concerning the Series 2021 Bonds.

(b) In connection with the Transaction, the District shall enter into such underwriting agreement, with Jefferies as Jefferies deems necessary and as acceptable to the District, which agreement will be based on Jefferies’ customary form for the applicable Transaction (a “Bond Purchase Agreement”). It is understood and agreed that the District’s engagement of Jefferies pursuant to this Agreement is not an express or implied commitment by, nor shall this Agreement otherwise create any obligation on, Jefferies to underwrite, place or purchase any Bonds or otherwise provide or arrange any financing, and that any such obligation shall only exist as set forth in, and subject to the provisions of, such negotiated Bond Purchase Agreement.

2. Compensation and Expenses. The underwriting fee for our services for the Transaction will not exceed 2.0% of the par amount of the Series 2021 Bonds and will be specified in the Bond

Jefferies

Purchase Agreement. In addition, the allocation of expenses with respect to the Transaction will be specified in the Bond Purchase Agreement.

3. Disclaimer. (a) In connection with any Transaction involving the offer and sale by the District of any securities, (i) such sale, including the determination of the price of such securities, shall be an arm's-length commercial transaction between the District and the other parties to a Transaction (including Jefferies in the event that it acts as an underwriter or initial purchaser), (ii) Jefferies will not be the agent or fiduciary of the District or its securityholders, affiliates, creditors, employees or any other party, (iii) Jefferies shall not assume fiduciary responsibility in favor of the District (irrespective of whether Jefferies has advised or is currently advising the District on other matters) and Jefferies shall have no obligation to the District with respect to any Transaction except as may be set forth herein or in a Definitive Agreement (as applicable), and (iv) the District agrees that it will not hold Jefferies liable or responsible in the event that a Transaction is not successfully consummated, including but not limited to, as a result of an adverse change in the financial or securities markets, insufficient demand for instruments similar to the Instruments or lack of interest by investors in the Transaction.

4. Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Colorado.

5. Notices. Notice required to be given in writing pursuant to any of the provisions of this Agreement shall be mailed or delivered (a) if to the District, at the address set forth above, and (b) if to Jefferies, at 520 Madison Avenue, New York, New York 10022, Attention: General Counsel.

6. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be amended or modified except in writing signed by each party hereto. This Agreement may not be assigned by either party hereto without the prior written consent of the other, to be given in the sole discretion of the party from whom such consent is being requested. This Agreement is binding upon and inures to the benefit of each party's permitted successors and permitted assigns.

Jefferies

Please sign below and return to Jefferies to indicate your acceptance of the terms set forth herein, and once executed by each of Jefferies and the District, this Agreement shall constitute a binding agreement between the District and Jefferies as of the date first written above.

Sincerely,

JEFFERIES LLC



Name: Michael Baldwin

Title: Senior Vice President

Accepted and Agreed:

The Villages at Castle Rock Metropolitan District No. 6,

a political subdivision and quasi-municipal corporation of the State of Colorado
formed pursuant to C.R.S. Section 32-1-1001 and -1006

On behalf of its present and future affiliates and
subsidiaries and any entity used thereby to facilitate
the transactions contemplated hereby

Name: Mr. Bob Martin

Title: President, Board of Directors

March 18, 2021

Board of Directors
Villages at Castle Rock Metropolitan District No. 6
c/o McGeady Becher, P.C.
450 E. 17th Avenue
Suite 400
Denver, CO 80203

Re: Engagement as Bond Counsel to Villages at Castle Rock Metropolitan District No. 6

Dear Board of Directors:

This letter sets forth our understanding of the engagement of Kutak Rock LLP by Villages at Castle Rock Metropolitan District No. 6 (the “District”) to act as bond counsel in connection with the District’s proposed exchange (the “Exchange Refunding”) of its Senior Limited Tax General Obligation Bonds, Series 2021A and its Subordinate Limited Tax General Obligation Bonds, Series 2021B (collectively, the “Bonds”) for certain of the District’s outstanding Limited Tax General Obligation Capital Appreciation Bonds, Series 2007 and the District’s outstanding Subordinate Obligation issued to M.D.C. Land Corporation, a Colorado corporation (“MDC Corp.”) pursuant to that certain Capital Funding and Acquisition Agreement, dated December 27, 2007, by and between the District and MDC Corp (collectively, the “2007 Obligations”).

As Bond Counsel, Kutak Rock LLP either has provided or will provide all necessary and customary legal services traditionally performed by Bond Counsel, including:

1. Conducting due diligence on the District including, without limitation, review and analysis of the District’s service plan, electoral authorization, binding agreements, and other matters relating to the District’s authority to issue the Bonds and impose taxes for the payment thereof, including compliance with Article X Section 20 of the Colorado Constitution and other applicable State law.
2. Providing assistance and advice on all legal matters relating to the Bonds.
3. Participating in discussions with Jefferies LLC, the underwriter for the Bonds (the “Underwriter”), regarding, among other things, the proposed structure of the Bonds and the Exchange Refunding.

Villages at Castle Rock Metropolitan District No. 6

March 18, 2021

Page 2

4. Preparing the authorizing resolution for the Board of Directors of the District, the indentures securing the Bonds (the “Indentures”), the supplemental indenture to the indenture securing the 2007 Obligations in order to effectuate the Exchange Refunding, and all necessary agreements or documentation relating thereto, and closing documents.

5. Filing the appropriate notice of exemption and corresponding documents with the Securities Commissioner with respect to the exemption of the Bonds from the registration requirements under the Colorado Municipal Bond Supervision Act.

6. Upon satisfaction of all conditions precedent, delivering a legal opinion (the “Opinion”) in connection with the Bonds as to each of the following matters: the right and power of the District to issue the Bonds, that the Bonds are valid and binding obligations of the District, and that the sources for the repayment of the Bonds are properly secured and pledged to pay the Bonds. The Opinion will address standard tax matters. We will also make all necessary filings with the Internal Revenue Service to assure that interest on the Bonds is tax-exempt.

7. Reviewing all documents relating to the Bonds and the 2007 Obligations prepared by other participants in the transaction.

8. Consulting with the District’s Board members, the District’s General Counsel, the Underwriter and its counsel, and the District’s consultants and advisors regarding the issuance, security, and other matters relating to the Bonds.

9. Participating in meetings, including District Board meetings, as necessary.

Kutak Rock LLP’s Opinion will be executed and delivered in written form on the date the Bonds are delivered (the “Closing”), and will be based upon facts and law existing as of their date. As is customary, in rendering the Opinion, Kutak Rock LLP will rely upon the certified proceedings; certifications of District officials and other persons; opinions of general counsel to the District; opinions of other legal counsel involved in the transaction as to matters relevant to the Bonds; and certifications of other parties to the transaction, as appropriate.

Our fee to act as Bond Counsel for the District in connection with the proposed issuance of Bonds to the District will be \$100,000 to \$110,000, an amount set based on the size, structure and complexity of the financing, and our estimate of the amount and nature of the legal work necessary to achieve a Closing on the Bonds not later than August 31, 2021. The proposed fee includes routine out-of-pocket disbursements (such as photocopying charges, delivery expenses, and postage). Any extraordinary disbursements or expenses authorized by the District will be billed directly to the District. The attorneys who will be principally involved in this representation are Kamille Curylo, Kristine Lay, Joshua Kerstein and Matthias Edrich. Associate attorneys and paralegals may be added to the team as our work progresses. Unless

Villages at Castle Rock Metropolitan District No. 6

March 18, 2021

Page 3

other payment arrangements are made, our fee is contingent upon the Closing and will be due at Closing on the Bonds, prior to delivery of the Opinion.

If the Closing extends beyond August 31, 2021, or the structure of the Bonds is changed, we would expect our fees to increase and we will discuss any proposed increases with you, and mutually agree on a new Closing schedule and new fees. If closing on the Bonds does not occur for any reason by September 1, 2020 or the transaction is abandoned by the District prior to that date, Kutak Rock LLP will submit an invoice for our actual time and expenses incurred until the date on which we are directed by the District to stop our work on the Bonds, and such invoice will be due thirty (30) days after the date on which the invoice is delivered to you.

If we are asked to work on any matters for the District that are not described in the scope of work of this letter, either before or after Closing on the Bonds, those matters will be billed to the District at our then-current hourly rates unless other compensation arrangements are made. There may be post-Closing compliance matters of secondary market reporting or other issues that may require our involvement after Closing on the Bonds, and time spent on those matters will be billed to the District at our then-current hourly rates.

Kutak will perform its obligations in accordance with the standards of professional responsibility applicable to attorneys. We have represented, and currently do represent, in matters unrelated to the District, other entities that are involved in the District's financing transactions, including Jefferies LLC. We have concluded that such representations do not constitute a conflict of interest under the standards of professional responsibility applicable to attorneys, but we are disclosing these representations to you so that you can communicate to us any concerns or additional information you may have concerning actual or potential conflicts.

This engagement letter shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns. The District may terminate this agreement with respect to our engagement by notifying Kutak Rock LLP in writing. Conversely, Kutak Rock LLP may withdraw as counsel to the District and terminate this agreement in a manner that protects the interest of the District in the work being performed by Kutak Rock LLP by notifying the District in writing.

If the above sets forth our understanding to your satisfaction, please confirm the terms of our engagement by signing, dating and returning the enclosed copy of this letter. If the foregoing does not reflect your understanding or if you wish to discuss additional projects with us, please contact me.

Kutak Rock LLP will perform its obligations in accordance with the standards of professional responsibility applicable to attorneys.

KUTAKROCK

Villages at Castle Rock Metropolitan District No. 6

March 18, 2021

Page 4

Throughout our representation, we want you to be satisfied with our fees as well as the professional services we perform on your behalf. Accordingly, we invite your inquiry if you have any questions concerning any aspect of our representation.

This letter may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which shall constitute one and the same instrument.

Sincerely,

/s/ Kamille J. Curylo

Kutak Rock LLP

CONFIRMED AND AGREED TO AS OF THE
DATE INDICATED BELOW:

Villages at Castle Rock Metropolitan District No. 6

By: 
Authorized Officer

Date: March 25, 2021



CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
303-779-5710 | fax 303-779-0348
CLAconnect.com

March 25, 2021

The Board of Directors of
Villages at Castle Rock Metropolitan District No. 6
Douglas County, Colorado

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

Jason Carroll will be the engagement principal and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Dawn Herrington will also be assigned to your account. This arrangement ensures that other people you know will be familiar with your engagement. It also provides a person who can substitute for Jason should he not be available. We hope you will contact either of these people when you believe the firm can be of assistance.

We will compile, in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, from information provided by the members of the Board of Directors of Villages at Castle Rock Metropolitan District No. 6 (the "District") (collectively, "Management"), the forecasted surplus cash balances and cash receipts and disbursements and the summary of significant forecast assumptions and accounting policies of the District for the General Fund and the Debt Service Fund for the calendar years ending 2021 through 2051. A compilation is limited to presenting, in the form of a financial forecast, information that is the representation of Management. We will not examine the financial forecast and therefore will not express any form of assurance on the achievability of the forecast or the reasonableness of the underlying assumptions.

A compilation of a financial forecast involves assembling the forecast based on Management's assumptions and performing certain other procedures with respect to the forecast without evaluating the support for, or expressing an opinion or any form of assurance on, the assumptions underlying it.

If for any reason we are unable to complete our compilation of your financial forecast, we will not issue a report on it as a result of this engagement.

A financial forecast presents, to the best of Management's knowledge and belief, the District's expected surplus cash balances and cash receipts and disbursements for the forecast period. It is based on Management's assumptions, reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

Management is responsible for representations about the District's plans and expectations and for disclosure of significant information that might affect the ultimate realization of the forecasted results.

There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Our report will contain a statement to that effect.

We have no responsibility to update our report for events and circumstances occurring after the date of our report.

At the conclusion of the engagement, Management agrees to supply us with a signed representation letter that, among other things, will confirm Management's responsibility for the underlying assumptions and the appropriateness of the financial forecast and its presentation.

Management understands that the forecast must include disclosure of the summary of significant assumptions and that financial projections, if any are included, must identify the hypothetical assumptions and include a description of the limitations on the usefulness of the presentation. In order for us to complete the engagement, Management must provide assumptions that are appropriate for the forecast. If the assumptions provided are inappropriate and have not been revised to our satisfaction, we will be unable to complete the engagement and, accordingly, we will not issue a report on the forecast.

It is our understanding that the primary intent of engaging our professional services is for the benefit of the District. Our services are not intended to benefit or influence any other person or entity.

If Management intends to reproduce and publish the forecast and our report thereon, they must be reproduced in their entirety and both the first and subsequent corrected drafts of the document containing the forecast and any accompanying material must be submitted to us for approval.

We estimate that our fee for these services will be **\$15,000**, which includes a 5% Technology and Client Support Fee. This fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoice for this fee will be rendered upon completion of the work and is payable upon presentation.

You hereby agree that if any statement is not paid within 30 days from its date, that the balance remaining from time-to-time unpaid shall draw interest at the monthly rate of 1½%, which is an annual percentage rate of 18%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

This engagement is limited to that described in this letter. As such, you understand and agree that we are acting solely as accountants. We are not acting in any way as a fiduciary or assuming any fiduciary responsibilities for you.

CliftonLarsonAllen LLP certifies that as of the date of this letter, it does not knowingly employ or contract with an illegal alien to perform work under this Agreement. We have confirmed or attempted to confirm the employment eligibility of all employees who are newly hired for employment in the United States through participation in the Basic Pilot Program. The District may terminate this Agreement if we do not comply with the provisions of C.R.S. 8-17.5 – 102(2) and we shall be liable for actual and consequential damages to the District. We shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to C.R.S. 8-17.5-102(5).

The working papers for our engagement are the sole and exclusive property of CliftonLarsonAllen LLP and constitute confidential and proprietary information. We do not provide access to our work papers to you or anyone else in the normal course of business. Should we be ordered by a valid subpoena or other appropriate court order to provide access to or copies of our work papers, you agree to reimburse us for the time and out-of-pocket expense necessary to comply with such order.

We do not anticipate any difficulties in meeting the expectations recited in this letter. However, in the unlikely event that there are disagreements regarding our services, any claims against CliftonLarsonAllen LLP as a result of the engagement must be brought within two years from the date of our report, or if a report is not issued, within two years from the date of the acceptance of this letter. Any damages will be limited to the amount of fees paid to CliftonLarsonAllen LLP.

We believe this letter accurately summarizes the significant terms of our engagement. If the above terms are in accordance with your understanding and acceptable to you, please sign, date, and return the duplicate copy of this letter to us.

We very much appreciate the opportunity to serve you and will be pleased to discuss any questions you may have.

Very truly yours,

CliftonLarsonAllen LLP



Jason Carroll, CPA
Principal, Outsourcing Team
(303) 779-5710
jason.carroll@CLAconnect.com

This letter correctly sets forth the understanding of the Board of Directors of Villages at Castle Rock Metropolitan District No. 6.

Villages at Castle Rock Metropolitan District No. 6



Director's Signature

President

Title

3/25/2021

Date



North Slope Capital Advisors

1165 Delaware Street, Suite 140

Denver, CO 80204

303-953-4101

www.northslopecapital.com

STEPH CHICHESTER
steph@northslopecapital.com
(303) 953-4101

NICK TAYLOR
nick@northslopecapital.com
(303) 953-4101

March 16, 2021

Board of Directors
Villages at Castle Rock Metropolitan District No. 6
c/o Ann Finn, District Manager
SDMS
141 Union Blvd, Suite 150
Lakewood, CO 80228

Re: Financial Advisor Scope of Services Engagement Letter

Board of Directors:

The purpose of this letter is to set forth certain matters concerning the services North Slope Capital Advisors will perform as "External Financial Advisor" to the Villages at Castle Rock Metropolitan District No. 6 located in the Town of Castle Rock, Colorado (the "District"). North Slope is a consulting firm that advises Colorado governmental entities on matters relating to the issuance of securities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities. North Slope is listed as a public finance advisor in the Bond Buyer's Municipal Market Place and is registered with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010 as an *Independent Registered Municipal Advisor*.

North Slope has a fiduciary duty of loyalty and care, including a duty to put the financial interests of the District ahead of its business interests. North Slope's employees are not officers or employees of the District, and North Slope has not otherwise been engaged to provide financial services for the District in connection with the proposed bond issuance.

North Slope will be engaged by the District in accordance with industry best practices to perform the work outlined in the **Scope of Services** section below and shall be compensated for those services as provided in the **Fees** section below. For more information on the municipal advisory practices and protections, the District can access the municipal advisory client brochure on the MSRB's website at www.msrb.org.

NORTH SLOPE CAPITAL ADVISORS

Villages at Castle Rock Metropolitan District No. 6

March 16, 2021

Page 2

SCOPE OF SERVICES

In this engagement, we expect to perform the following duties:

- 1) Confirm the District's Financing Goals.** North Slope will work with the District to better understand the goal(s) of the proposed Series 2021 bond financing. As part of our engagement we will meet with the relevant professionals to learn the characteristics of the District's existing debt, financing and operations and maintenance needs, structuring constraints, and goals for the financing which may include: a lower bond mill levy, increasing revenue available for operations and maintenance of the District, lowering the District's cost of capital, financing new capital projects, reimbursing the developer for advances made for eligible infrastructure costs, changing the risk profile of the current debt structure, and any other financing objectives.
- 2) Plan of Finance Review and Independent Financial Modeling.** North Slope will independently model the proposed financing and compare the project cash flows and bond sizing to the underwriter's modeling of the same. North Slope will use development, biennial reassessment rates, interest rates, and other assumptions supplied by third parties (e.g. market study consultants, accountants, the underwriter, etc.) and will summarize the benefits and considerations of the proposed plan of refinancing from the perspective of District taxpayers.
- 3) Documentation Support.** During the documentation phase of the transaction, North Slope will assist the District in reviewing and commenting on each financing document and will work with the District, district counsel, bond counsel, and underwriter or purchaser to finalize the structure, repayment terms, call feature, sizing and closing date.
- 4) Transaction Support.** North Slope will attend District Board meetings, document review sessions, and any other financing team meetings as requested and provide general financial advisory support through the financing process as a fiduciary to the District. North Slope will provide board and/or community education on bond financing generally and the transaction specifically as requested. Transaction support will include advising the District during the lead-up to pricing about interest rates on other recent comparable rated and insured financings.
- 5) Pricing Comfort.** Prior to pricing the proposed bond issuance, North Slope will conduct market research in order to provide the District with an opinion that the interest rate(s), issue structure, and redemption provisions on the proposed bond issue and any privately placed debt are reasonable. If requested, North Slope will review and sign a "Financial Advisor" or "Pricing Certificate" as part of closing documentation for the proposed bond issuance.

NORTH SLOPE CAPITAL ADVISORS

Villages at Castle Rock Metropolitan District No. 6
March 16, 2021
Page 3

FEES

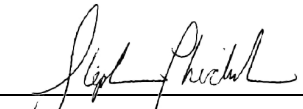
Contingent Fee Proposal

The fee below is payable only when the bond issue has successfully closed. The initial term of this engagement shall be in force from the date hereof and end when all services have been completed.

Fee
\$32,500

We look forward to working with you and your team on this engagement. Please do not hesitate to contact us with any questions. Please execute the enclosed copy of this letter and return it to the undersigned via email.

NORTH SLOPE CAPITAL ADVISORS

By 
Name: Stephanie Chichester
Title: President
Date: 03/16/2021

ACCEPTED AND AGREED TO:
VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 6

By _____
Name:
Title:
Date:

NORTH SLOPE CAPITAL ADVISORS

Villages at Castle Rock Metropolitan District No. 6

March 16, 2021

Page 4

DISCLOSURE STATEMENT

This Disclosure Statement is provided by North Slope to the District in connection with this engagement letter dated March 16, 2021. This Disclosure Statement provides information regarding conflicts of interest and legal or disciplinary events that North Slope is required to disclose to the District pursuant to MSRB Rule G-42(b) and (c)(ii). At this time, there are no known material conflicts of interest known to North Slope in connection with the Scope of Services under this engagement letter and there are no legal or disciplinary events that are material to the District's evaluation or the integrity of North Slope's management or advisory personnel disclosed, or that should be disclosed, on any "Form MA" or "Form MA-I" filed with the SEC. For reference, North Slope's Form MA and Form MA-I filed with the SEC, most recently updated on March 24, 2020, are available on the SEC's EDGAR system by clicking the following link: [North Slope Capital Advisors Filings](#).

The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by North Slope and North Slope has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC.

As required by MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of the North Slope. North Slope will provide the District with any such supplement or amendment as it becomes available throughout the term of the engagement.



PROPOSAL FOR PROFESSIONAL PLANNING AND ECONOMIC SERVICES

- TO:** Villages at Castle Rock Metropolitan District No. 6.
- FROM:** King & Associates, Inc.
- DATE:** March 23, 2021
- FOR:** Residential market and appreciation analysis.
- OBJECTIVE:** To prepare a residential market and appreciation analysis for Villages at Castle Rock Metropolitan District No. 6 located in the Town of Castle Rock, Douglas County, Colorado.
- BACKGROUND:** The Villages at Castle Rock Metropolitan District is located in the Town of Castle Rock. A market study addressing residential land uses within the District has been requested in consideration of bond financing anticipated in the District. Planned development is nearly completed and the market analysis will address remaining residential development in the District.

SCOPE OF SERVICES

Task 1: Market and Appreciation Analysis

King & Associates, Inc. will complete a real estate market analysis addressing remaining residential land uses planned in Villages at Castle Rock Metropolitan District No. 6, located in the Town of Castle Rock, Douglas County, Colorado. The analysis will address residential market supply and demand factors such as employment, demographics and development trends in the vicinity (trade area) of the project and will also address competitive residential development projects within the trade area. The market analysis will focus directly on project feasibility and likely absorption timing within the District. The District's homebuilder, Richmond American Homes, has provided sales data for Cobblestone Ranch, which is the residential project name for the District. An appreciation analysis will also be completed that addresses residential appreciation trends in the Town of Castle Rock and Metropolitan Denver.

Timing, Budget and Work Product

The work product for Tasks 1 will entail a market analysis memorandum detailing the findings outlined within the work scope. The project budget is \$7,500. Additional cost not to exceed \$1,000 is estimated for residential market data.



AGREEMENT FOR PROFESSIONAL PLANNING AND ECONOMIC SERVICES

Between: Villages at Castle Rock Metropolitan District No. 6.
And: King & Associates, Inc.
For: Residential market and appreciation analysis.
Objective: To prepare a residential market and appreciation analysis for Villages at Castle Rock Metropolitan District No. 6 located in the Town of Castle Rock, Douglas County, Colorado.
Budget: Tasks 1: \$7,500, plus potential market data costs not to exceed \$1,000.
Advance: \$1,000

Hourly rates for King & Associates, Inc.:

Bruce Martin \$150, Luke Kelly \$150, & Associates \$35-\$100

Direct Expenses:

All other expenses for printing, reproduction, computer time, telephone, photocopying, travel, etc., are in addition to labor charges and are charged at actual cost plus 10%.

Authorization to Proceed:

Services covered by this authorization shall be performed in accordance with provisions stated in the attached Exhibit A. Invoices will be submitted on a monthly basis and, beyond the Advance, are due and payable as indicated per each invoice.

This fee estimate is subject to revision if the project entails more time than estimated or if problems are encountered that are unforeseeable at the commencement of the project. In this event, we will discuss the matter with you so that a mutually acceptable revision may be made.

Approved by Client:

Date 3/30/2021

Approved by King & Associates, Inc.:

Date March 24, 2021



EXHIBIT A

ATTACHED TO PROFESSIONAL PLANNING SERVICES AGREEMENT BY AND BETWEEN KING & ASSOCIATES, INC. AND CLIENT

The terms and conditions contained in this Exhibit are attached to the referenced Agreement and are incorporated therein.

Payment: Should the Agreement provide for an advance fee, it shall be payable upon the execution of the Agreement.

Invoices for services, rendered and for costs and expenses will be submitted on a monthly basis. Final payment for all services and for all costs and expenses shall be due upon completion of the work contemplated by the Agreement.

Advances received by King & Associates, Inc. will be deducted from the first billing.

Invoices are due and payable upon receipt. Should payment not be made within thirty (30) days of the invoice date, the amount unpaid shall bear service charges at the rate of 1% per month commencing thirty (30) days from the statement date. If payment is not made within thirty (30) days of the invoice date, work may be suspended until payment has been received.

Arbitration: In the event of any dispute arising under the terms of this Agreement or in the event of nonpayment and the matter is turned over to another party for collection, the party prevailing in such dispute or action shall be entitled, in addition to other damages or costs, to receive reasonable attorneys' fees and court costs from the other party. Fees shall be awarded and paid whether such dispute is settled through litigation, arbitration, or through amicable settlement.

Termination: This Agreement may be terminated without cause by either party by written notice from one party to the other at least seven (7) days prior to termination. Upon termination, payment will be made to King & Associates, Inc. as covered above for all services authorized and performed, plus reimbursable expenses up to the date of termination.

Limitation of Liability: The Client agrees to limit King & Associates, Inc.'s liability for any cause or combination of causes in aggregate, to an amount no greater than the fee earned.