

**MEMORANDUM OF APPROVAL BY THE BOARD OF COUNTY COMMISSIONERS OF
THE COUNTY OF DOUGLAS, COLORADO OF THE SECOND AMENDMENT TO THE
RAVENNA METROPOLITAN DISTRICT SERVICE PLAN**

Pursuant to § 32-1-207(2), C.R.S., material modifications to the Ravenna Metropolitan District Service Plan (the "Service Plan"), as originally approved by the Board of County Commissioners of the County of Douglas, Colorado (the "County Commissioners") on April 7, 2004 via Resolution No. R-004-049, may be made by the board of directors of the Ravenna Metropolitan District (the "District") by petition to and approval by the County Commissioners.

On February 24, 2016, the District filed a Second Amendment to the Service Plan (the "Second Amendment") with the Douglas County Department of Community Development, Planning Services Division, for formal review and subsequent consideration by the County Commissioners at a public hearing. The purpose of the Second Amendment is to modify the Service Plan to allow the District to restructure its long term debt obligations in a manner that will allow the District to provide the services that it was organized to provide.

On February 25, 2016, notice of the date, time, location, and purpose of a public hearing on the Second Amendment was published in the *Douglas County News-Press*, and notice of the date, time, and location of the public hearing was mailed to required governmental entities and property owners pursuant to § 32-1-204(1) and (1.5), C.R.S. Following a public hearing on the Second Amendment held on March 22, 2016, the County Commissioners adopted Resolution No. R-016-037 approving the Second Amendment without conditions. A copy of Resolution No. R-016-037 is attached hereto as Exhibit A and incorporated herein. This memorandum is intended to serve as further notice of this action and to affirm that it is applicable to all property within the boundaries of the District. A map of the current boundaries of the District is attached hereto as Exhibit B and incorporated herein.



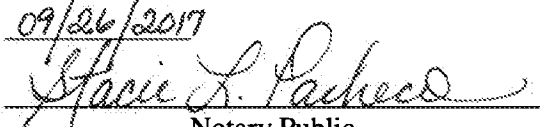
Alan D. Pogue, General Counsel
Icenogle Seaver Pogue, P.C.

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

April The foregoing instrument was acknowledged before me this 13th day of _____, 2016 by Alan D. Pogue, as general counsel to Ravenna Metropolitan District.

WITNESS my hand and official seal.

My commission expires:

09/26/2017

Notary Public

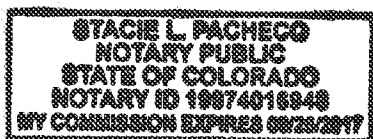


Exhibit A
(to Memorandum of Approval)
Board of County Commissioners Resolution No. R-016-037

RESOLUTION NO. R-016- 037

THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO

A RESOLUTION APPROVING A SECOND AMENDMENT TO THE RAVENNA
METROPOLITAN DISTRICT SERVICE PLAN

WHEREAS, on April 7, 2004, the Douglas County Board of County Commissioners ("Board") approved, via Resolution No. R-004-049, that certain Ravenna Metropolitan District Service Plan ("Service Plan"); and

WHEREAS, on August 2, 2014, the Board approved, via Resolution No. R-014-083, that certain First Amendment to the Ravenna Metropolitan District Service Plan; and

WHEREAS, on February 24, 2016, the Ravenna Metropolitan District (the "District") filed a Second Amendment to the Ravenna Metropolitan District Service Plan ("Second Amendment"), with the Douglas County Clerk and Recorder ("Clerk"), and the Clerk, on behalf of the Board, mailed a Notice of Filing of Special District Service Plan to the Division of Local Government in the Department of Local Affairs on February 25, 2016; and

WHEREAS, due to the financial nature of the Second Amendment, a public meeting before the Douglas County Planning Commission was not required; and

WHEREAS, on February 9, 2016, the Board set a public hearing on the Second Amendment, for March 22, 2016 ("Public Hearing"), and (1) caused publication of the notice of the date, time, location and purpose of such Public Hearing, which was published in *The Douglas County News-Press* on February 25, 2016; and (2) caused notice of the date, time and location of the Public Hearing to be mailed on February 25, 2016, to the governing body of the existing municipalities and special districts which have levied an *ad valorem* tax within the next preceding tax year and which have boundaries within a radius of three miles of the District and, on February 25, 2016, to the property owners, pursuant to the provisions of § 32-1-204 (1.5), C.R.S.; and

WHEREAS, on March 22, 2016, a Public Hearing on the Second Amendment was opened at which time all interested parties, as defined in § 32-1-204 (1), C.R.S., were afforded an opportunity to be heard, and all testimony and evidence relevant to the Second Amendment were heard, received and considered.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO, THAT:

Section 1. The Board does hereby determine that all procedural requirements of §§ 32-1-201, *et seq.*, C.R.S., relating to the Second Amendment have been fulfilled and that the Board has jurisdiction in the matter.

Section 2. The Board does hereby find that the Second Amendment demonstrates:

(a) that there is sufficient existing and projected need for organized service in the area to be served by the District; and

(b) that the existing service in the area to be served by the District is inadequate for present and projected needs; and

(c) that the District is capable of providing economical and sufficient service to the area within its boundaries; and

(d) that the District will have the financial ability to discharge the proposed indebtedness on a reasonable basis as set forth in the Second Amendment; and

(e) that adequate service is not, or will not be, available to the area through Douglas County or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis; and

(f) that the facility and service standards of the proposed District are compatible with the facility and service standards of Douglas County within which the District is located; and

(g) that the Second Amendment is in compliance with the Douglas Comprehensive Master Plan adopted by the County pursuant to § 30-28-106, C.R.S.; and

(h) that the Second Amendment is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area; and

(i) that the ongoing existence of the District is in the best interests of the area being served; and

(j) that, based upon statements set forth in the Second Amendment and upon all evidence presented at the Public Hearing on the Second Amendment, meets all conditions and requirements of §§ 32-1-201, *et seq.*, C.R.S.

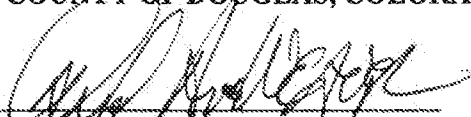
Section 3. The Board hereby approves the Second Amendment, without conditions.

Section 4. The legal description of the District is provided in Exhibit A, attached hereto and incorporated herein by reference.

Section 5. A certified copy of this resolution shall be filed in the records of Douglas County.

PASSED AND ADOPTED this 22nd day of March, 2016, in Castle Rock, Douglas County, Colorado.

THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO

BY: 
David A. Weaver, Chair

ATTEST:


Meghan McCann, Clerk to the Board



EXHIBIT A
LEGAL DESCRIPTION OF
RAVENNA METROPOLITAN DISTRICT

LEGAL DESCRIPTION OF RAVENNA METROPOLITAN DISTRICT:

LEGAL DESCRIPTIONS:

PARCEL 1:

THOSE PORTIONS OF SECTIONS 33, 34 AND 35, TOWNSHIP 6 SOUTH, RANGE 69 WEST, AND SECTIONS 2 AND 3, TOWNSHIP 7 SOUTH, RANGE 69 WEST OF THE SIXTH PRINCIPAL MERIDIAN IN THE COUNTY OF DOUGLAS, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 2; THENCE ALONG THE SOUTH LINE OF SAID EAST HALF SOUTH 89°43'40" WEST 1312.28 FEET TO THE SOUTHWEST CORNER OF SAID EAST HALF; THENCE ALONG THE WEST LINE OF SAID EAST HALF NORTH 01°01'16" WEST 2628.59 FEET TO THE NORTHWEST CORNER OF SAID EAST HALF; THENCE ALONG THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 2 SOUTH 89°41'57" WEST 1316.22 FEET TO THE SOUTHWEST CORNER OF SAID NORTHWEST QUARTER; THENCE ALONG THE WEST LINE OF SAID NORTHWEST QUARTER NORTH 01°25'43" WEST 1313.51 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 3; THENCE ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER NORTH 89°40'57" WEST 1332.62 FEET TO THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 3; THENCE ALONG THE EAST LINE OF SAID SOUTHWEST QUARTER SOUTH 01°37'23" EAST 1313.70 FEET TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 3; THENCE ALONG THE EAST LINE OF SAID NORTHWEST QUARTER SOUTH 01°27'26" EAST 1313.92 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER; THENCE ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER NORTH 89°40'15" WEST 1319.87 FEET TO THE SOUTHWEST CORNER OF SAID NORTHWEST QUARTER; THENCE ALONG THE WEST LINE OF SAID NORTHWEST QUARTER AND THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 3 NORTH 01°49'02" WEST 3996.40 FEET TO THE SOUTHEAST CORNER OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 34; THENCE ALONG THE SOUTH LINE OF SAID SOUTH HALF SOUTH 89°11'11" WEST 2598.67 FEET TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 33; THENCE ALONG THE SOUTH, WEST AND NORTH LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33 THE FOLLOWING (3) COURSES: (1) SOUTH 89°24'44" WEST 1316.06 FEET; (2) THENCE NORTH 00°29'29" WEST 1319.75 FEET; (3) THENCE NORTH 89°24'44" EAST 1316.72 FEET TO THE NORTHWEST CORNER OF SAID SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 34; THENCE ALONG THE NORTH LINE OF SAID SOUTH HALF NORTH 89°15'08" EAST 2606.77 FEET TO THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 34; THENCE ALONG SAID WEST LINE NORTH 00°04'39" WEST 791.84 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF THE HIGHLINE CANAL, AS DESCRIBED IN BOOK 93, PAGE 64, DOUGLAS COUNTY RECORDS, SAID

POINT BEING ALSO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 265.49 FEET, A RADIAL LINE FROM SAID POINT BEARS NORTH 06°47'32" WEST; THENCE ALONG SAID SOUTHERLY RIGHT-OF WAY LINE OF THE HIGHLINE CANAL THE FOLLOWING (11) COURSES: (1) EASTERLY 34.49 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 07°26'33"; (2) THENCE NORTH 75°45'55" EAST 180.69 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 334.26 FEET; (3) THENCE EASTERLY 166.99 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 28°37'25"; (4) THENCE SOUTH 75°36'40" EAST 105.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 1885.08 FEET; (5) THENCE EASTERLY 191.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 05°49'00"; (6) THENCE SOUTH 69°47'40" EAST 340.87 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 388.26 FEET; (7) THENCE EASTERLY 185.80 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°42'17"; (8) THENCE NORTH 82°30'03" EAST 491.14 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 312.94 FEET; (9) THENCE EASTERLY, AND NORTHEASTERLY 170.00 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 31°07'10"; (10) THENCE NORTH 51°22'33" EAST 1526.50 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 1407.69 FEET; (11) THENCE NORTHEASTERLY 41.59 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 01°41'35" TO THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF RAMPART ROAD (60.00 FEET WIDE); THENCE ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY THE FOLLOWING (2) COURSES: (1) NON-TANGENT TO SAID CURVE SOUTH 66°00'55" EAST 77.51 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 330.00 FEET; (2) THENCE SOUTHEASTERLY, AND EASTERLY 44.20 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 07°40'25" TO THE NORTHERLY LINE OF THAT PARCEL OF LAND TO ROBINSON BRICK COMPANY, AS DESCRIBED IN BOOK 1070, PAGE 1123, DOUGLAS COUNTY RECORDS; THENCE ALONG THE NORTHERLY AND SOUTHWESTERLY LINE OF SAID PARCEL THE FOLLOWING (7) COURSES: (1) NON-TANGENT TO LAST MENTIONED CURVE SOUTH 57°34'08" WEST 216.44 FEET; (2) THENCE SOUTH 47°05'08" WEST 255.00 FEET; (3) THENCE SOUTH 19°57'08" WEST 333.21 FEET TO THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 34; (4) THENCE SOUTH 19°56'46" WEST 166.81 FEET; (5) THENCE SOUTH 23°19'14" EAST 860.00 FEET; (6) THENCE SOUTH 27°56'14" EAST 2775.00 FEET; (6) THENCE SOUTH 22°35'44" EAST 3003.55 FEET TO THE EAST LINE OF SAID EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 2; THENCE ALONG SAID EAST LINE SOUTH 00°56'07" EAST 1536.98 FEET TO THE POINT OF BEGINNING.

CONTAINING 616.108 ACRES (26,837,664 SQUARE FEET), MORE OR LESS.

EXCEPTING THEREFROM THE 100.00 FEET BY 100.00 FEET PARCEL GRANTED TO US WEST BY BOOK 151, PAGE 199.

NET AREA CONTAINING 615.878 ACRES (26,827,664 SQUARE FEET), MORE OR LESS.

PARCEL 2:

THOSE PORTIONS OF SECTIONS 34 AND 35, TOWNSHIP 6 SOUTH, RANGE 69 WEST, OF THE SIXTH PRINCIPAL MERIDIAN IN THE COUNTY OF DOUGLAS, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 34, WHENCE THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 34 BEARS NORTH 89°30'26" EAST 1328.01 FEET; THENCE ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34 NORTH 00°19'30" WEST 387.17 FEET; THENCE NORTH 64°57'30" EAST 268.20 FEET; THENCE NORTH 71°41'55" EAST 150.86 FEET; THENCE NORTH 64°07'02" EAST 593.73 FEET; THENCE SOUTH 32°37'58" EAST 100.00 FEET; THENCE SOUTH 59°29'58" EAST 200.00 FEET; THENCE SOUTH 13°29'58" EAST 140.00 FEET; THENCE NORTH 44°51'51" EAST 195.98 FEET; THENCE SOUTH 37°34'07" EAST 273.31 FEET TO THE NORTHWESTERLY RIGHT-OF-WAY LINE OF THE HIGHLINE CANAL, AS DESCRIBED IN BOOK 93, PAGE 64, DOUGLAS COUNTY RECORDS; THENCE ALONG SAID NORTHWESTERLY LINE SOUTH 51°22'33" WEST 689.08 FEET TO THE NORTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 34; THENCE ALONG SAID NORTH LINE SOUTH 89°30'26" WEST 467.56 FEET; THENCE LEAVING SAID NORTH LINE SOUTH 78°45'13" WEST 239.30 FEET; THENCE SOUTH 78°26'56" WEST 342.75 FEET TO THE WEST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 34; THENCE ALONG SAID WEST LINE NORTH 00°17'07" WEST 110.39 FEET TO THE POINT OF BEGINNING.

CONTAINING 20.122 ACRES (876,492 SQUARE FEET), MORE OR LESS.

EXCEPTING THEREFROM:

THOSE PORTIONS OF SECTIONS 34 AND 35, TOWNSHIP 6 SOUTH, RANGE 69 WEST, OF THE SIXTH PRINCIPAL MERIDIAN IN THE COUNTY OF DOUGLAS, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 34, WHENCE THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 34 BEARS NORTH 89°30'26" EAST 1328.01 FEET; THENCE NORTH 06°52'30" EAST 285.77 FEET TO THE TRUE POINT OF

BEGINNING, SAID POINT BEING ALSO THE MOST SOUTHERLY CORNER OF THAT PARCEL OF LAND TO ROBERT CHARLES GRESKA, AS DESCRIBED IN BOOK 545, PAGE 448, DOUGLAS COUNTY RECORDS; THENCE ALONG THE PERIMETER OF SAID PARCEL THE FOLLOWING (4) COURSES: (1) NORTH 41°21'49" WEST 210.00 FEET; (2) THENCE NORTH 44°03'11" EAST 240.00 FEET; (3) THENCE SOUTH 41°21'49" EAST 239.30 FEET; (4) THENCE SOUTH 51°03'33" WEST 239.45 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 1.234 ACRES (53,744 SQUARE FEET), MORE OR LESS.

Excluding the following real property pursuant to that certain Order for Inclusion recorded in the Douglas County Clerk and Recorder's Office on November 16, 2007 at Reception No. 2007088932:

- Tract A
- Tract S
- Tract R
- Tract J
- Tract C
- Tract E
- Tract D
- Tract L

River Canyon Filing No. 1A, County of Douglas, State of Colorado

**SECOND AMENDMENT TO
RAVENNA METROPOLITAN DISTRICT
SERVICE PLAN
DOUGLAS COUNTY, COLORADO**

SUBMITTED:

February 24, 2016

APPROVED:

March 22, 2016

I. INTRODUCTION

The Ravenna Metropolitan District Service Plan was approved by the Douglas County Board of County Commissioners (“BOCC”) on April 7, 2004. The Ravenna Metropolitan District (the “District”) was organized by order of the District Court for Douglas County, Colorado, dated May 18, 2004, and recorded in the Douglas County Clerk and Recorder’s office on May 28, 2004 at Reception No. 2004055084, after approval of the eligible electors of the District at an organizational election held on May 4, 2004. The District was organized to finance, construct, operate, and maintain certain public improvements for the use and benefit of the District’s residents, property owners, and taxpayers. The BOCC approved the First Amendment to the Service Plan on August 12, 2014, (the “First Amendment”) which empowered the District to provide security services, covenant enforcement, and design review services within the District’s boundaries. A map depicting the current boundaries of the District is attached hereto as **Attachment 1**.

As described below, recent events have affected the District’s ability to service the District’s debt and to provide adequate operation and maintenance services of its public improvements as provided in the District’s Service Plan. Therefore, the Board of Directors of the District (the “Board”) has determined that the Service Plan requires this Second Amendment to allow the District to restructure its long term debt obligations in a manner that will allow the District to provide the services that it was organized to provide. This Second Amendment to the Service Plan (“Second Amendment”) is intended to be read in conjunction with the Service Plan and the First Amendment, referred to collectively herein as the “Service Plan.”

A. Basis for Second Amendment to Service Plan: District Finances.

a. Summary of Current Financial Condition.

On May 23, 2012, River Canyon Real Estate Investments, LLC, the developer of the property within the District’s boundaries, (“RCREI”) filed a petition pursuant to Chapter 11 of the U.S. Bankruptcy Code. The Bankruptcy Court confirmed RCREI’s plan of reorganization, effective as of August 16, 2013. RCREI currently owns approximately 60% to 65% of the lots located within the District’s boundaries and is therefore responsible for making payment of all fees, rates, tolls, and charges imposed by the District for services or facilities provided to those lots.

Owing in part to RCREI’s bankruptcy and the residential real estate recession of 2008-2013, the District effectively ran out of funds as of March 2014. Anticipating this, in February 2014, the District began formulating a comprehensive plan of adjustment to address its insolvency, and on April 2, 2014, the District filed a voluntary petition pursuant to Chapter 9 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Colorado (Case No. 14-14207-EEB), seeking approval of a plan for the adjustment of the District’s debts. Ultimately, the Bankruptcy Court dismissed the case, holding that the District was not eligible to seek relief pursuant to Chapter 9. Subsequently, since the dismissal of the case, the District has been negotiating a potential debt restructuring plan with its bondholder. The District and the bondholder are pursuing a restructuring plan (the “Restructure”) that will allow the District to meet its

obligations without unduly impairing the ability of property within the District to be sold and built upon, such that the District's assessed value will increase, and the District can eventually satisfy its long-term obligations out of tax revenues, as originally intended. The Restructure includes an increase in the District's mill levy, as described below.

b. Service Plan Modifications as to Financial Information.

Section XIII of the Service Plan ("Financial Information") describes how the District Services will be financed. However, the District's financial difficulties have necessitated changes to Section XIII. To implement the Restructure and to continue to provide the District Services, the Board has determined it is in the best interests of the residents, property owners, and taxpayers of the District to amend Section XIII of the Service Plan as described herein.

The Restructure contemplates the District refunding its outstanding obligations with a new long-term obligation secured by a District pledge of property taxes from a debt-service mill levy not to exceed 70 mills. A levy of 70 mills is anticipated to give the District capacity to issue new refunding bonds to satisfy all of its outstanding obligations in the approximate amount of \$22,000,000, subject to adjustment as part of the Restructure. In addition, the District is projected to have the ability to borrow additional funds, in an amount currently estimated to be \$4,000,000, to provide the capital needed for procuring a renewable water supply in lieu of its existing nonrenewable water supply received from Bell Mountain Ranch or making upgrades to the District's Water Treatment Plant. The Service Plan currently allows a mill levy for debt repayment of 60 mills and limits the amount of funds the District may borrow to \$16,000,000. Therefore, voter approval will be needed to implement any proposed mill levy increase and to issue the refunding bonds.

II. SECOND AMENDMENT TO SERVICE PLAN

Service Plan, Section XIII. is hereby amended and restated in full with the following:

A. General.

The Financing Plan, attached hereto as Exhibit A and incorporated herein by this reference, presents the Restructure. The Restructure will be primarily secured by the *ad valorem* taxing authority of the District, subject to the limitations set forth herein. As shown in the Financing Plan, the Restructure is based on the projected development within the District's boundaries and demonstrates that the District will be capable of discharging its indebtedness on a reasonable basis.

B. Proposed General Obligation Indebtedness.

Subject to voter authorization for the purpose of implementing the Restructure, the total general obligation debt of the District shall not exceed Thirty Million Dollars (\$30,000,000).

The District shall have the authority to issue one or more series of general obligation bonds to implement the Restructure and to provide for its current and future capital infrastructure

requirements. The proposed maximum voted interest rate is estimated at eighteen percent (18%) and the maximum underwriting discount at five percent (5%). The actual interest rates and discounts will be determined at the time the bonds are sold by the District and will reflect market conditions at the time of sale. Refunding bonds may be issued to defease original issue bonds in compliance with applicable law. In addition to bonds, the District may issue notes, certificates, debentures, or other evidences of indebtedness.

C. Identification of District Revenue and Mill Levy.

The District anticipates that the mill levy needed to support the Restructure and the District's operations and maintenance expenses and administrative costs is seventy-three (73.000) mills until the Restructure is complete. The anticipated mill levy for debt service is seventy (70.000) mills and the anticipated mill levy for operations and maintenance is three (3.000) mills until the District's assessed value reaches a level where the full 70 mills are not needed for debt service, at which time the mill levy for operations and maintenance may increase.

Any and all contractual obligations to levy general *ad valorem* property taxes for the payment of any bonds or other obligations payable from the District's property taxes (such bonds or other obligations, referred to herein as "General Obligation Debt") shall be limited to an annual *ad valorem* mill levy (a mill being equal 1/10 of 1¢) not to exceed seventy (70.000) mills (the "Limited Debt Mill Levy"). The Limited Debt Mill Levy may be adjusted to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation, and 2015 shall be the base year for calculation of any adjustments (the "Gallagher Adjustment").

The District intends to rely on property taxes as a source of revenue, together with facility fees in the amount of Five Thousand Dollars (\$5,000) per single family unit, payable at the time of building permit, as set forth in the Financing Plan. The District will not pledge any County funds or assets for security for the indebtedness set forth in the Financing Plan of the District.

D. Financing Plan.

The Financing Plan includes the following, and demonstrates the District's plan to restructure its debts while allowing for continued provision of services:

1. The total debt limit and debt obligations for the District;
2. The total amount of debt to be issued commencing with the closing of the Restructure;
3. All proposed sources of revenue and projected District expenses, as well as the assumptions upon which they are based, for at least a ten (10) year period from the date of approval of the Second Amendment;
4. The dollar amount of any anticipated financing, including capitalized interest, costs of issuance, estimated maximum rates and discounts, and any expenses related to the operation of the District;

5. A detailed repayment plan, including the frequency and amounts expected to be collected from all sources; and

6. The amount of any reserve fund and the expected level of annual debt service coverage that will be maintained for any financing.

E. Operating Funds.

The District will require sufficient operating funds to provide for the public improvements. The costs may include, without limitation, County review and permit fees, legal, engineering, accounting, and debt issuance costs, compliance with state reporting, and other administrative requirements. Additionally, the District requires operations and maintenance expenses for roadway improvements, emergency access roads, street landscaping, street lighting, monumentation, signage, park and recreation facilities, television relay, mosquito control, water, sanitary sewer, and stormwater facilities. Operations and maintenance expenses for the District may be reduced in the event that a homeowners' association undertakes some or all of the operations and maintenance obligations for street landscaping, street lighting, monumentation, signage, and park and recreation facilities. The District expects to impose three (3.000) mills on property located within its boundaries to pay for costs associated with the operation and maintenance of the District until the District's assessed value reaches a level where the full 70 mills are not needed for debt service, at which time the mill levy for operations and maintenance may increase. The District's operating revenue will increase as the District's assessed valuation increases. The Financing Plan shows the anticipated operating costs, phasing of bond issues and related matters.

III. EFFECT OF SECOND AMENDMENT

Except as otherwise set forth in this Second Amendment, all other provisions of the Service Plan shall remain in full force and effect.

ATTACHMENT 1

MAP OF THE DISTRICT'S BOUNDARIES

EXHIBIT A
FINANCIAL PLAN

RAVENNA METROPOLITAN DISTRICT
Development Projection at 70,000 (target) Mills for Debt Service

Sen. Cash Flow Bonds, Pay & Cancel Refg at Series 2007+*B* Int. Capex, (Non-Current Projections), * Ser '07 Water Activity Revs + Ser '09 Water Activity Revs + Ser 08 State + New Money

YEAR	Total Res't Units	Mkt Value @ 2.0%	Manual Ag. 1	Cumulative Market Value	Actual Value @ 7.0%	Cumulative at Market (2-yr lag)	Actual Value @ 20.0%	Cumulative at Market (2-yr lag)	Platted/Developed Lots	Total Commit SF	Biennial Reassess Int @ 3.0%	Manual Ag. 2	Cumulative Market Value	Actual Value @ 20.0%	Cumulative at Market (2-yr lag)	Manual Ag. 3	Cumulative Market Value	Actual Value @ 20.0%	District Assessed Value	District MFR Levy (70,000 Target)	District MFR Levy @ 34%	District S.D. Taxes Collected @ 9%	Total Facility Fees Collections	Transf. Out to Other Fund	Total Available Revenue
2007	***	8,718,050	8,718,050	8,718,050	8,718,050	8,718,050	8,718,050	8,718,050	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2008	***	14,064,472	23,712,563	23,712,563	14,064,472	23,712,563	39,085,069	39,085,069	106,379	106,379	39,085,069	106,379	106,379	39,085,069	106,379	106,379	106,379	106,379	30,000	503,188	0	0	0	0	533,379
2009	***	11,028,392	34,740,855	68,780	34,740,855	68,780	34,740,855	68,780	37,139	132,517	37,139	132,517	132,517	37,139	132,517	37,139	132,517	132,517	30,000	503,188	0	0	0	0	533,379
2010	***	10,795,402	45,446,557	1,887,820	45,446,557	1,887,820	22,022,887	11,234,830	(33,310)	100,207	(33,310)	100,207	100,207	30,850	133,257	30,850	133,257	133,257	30,000	503,188	0	0	0	0	533,379
2011	***	6,212,090	51,558,417	2,768,380	51,558,417	2,768,380	22,022,887	11,676,680	4,207	104,414	4,207	104,414	104,414	38,720	141,934	38,720	141,934	141,934	30,000	503,188	0	0	0	0	533,379
2012	***	(12,722,739)	38,935,618	3,877,450	38,935,618	3,877,450	10,406,331	6,386,640	807	105,021	807	105,021	105,021	39,060	145,981	39,060	145,981	145,981	30,000	503,188	0	0	0	0	533,379
2013	***	1,199,307	44,131,281	4,121,985	44,131,281	4,121,985	10,574,443	3,048,010	(62,814)	105,820	(62,814)	105,820	105,820	39,280	149,261	39,280	149,261	149,261	30,000	503,188	0	0	0	(250,000)	0
2014	30	854,626	47,731,291	3,693,710	47,731,291	3,693,710	17,847,195	3,088,760	1,724	106,544	1,724	106,544	106,544	39,486	152,747	39,486	152,747	152,747	30,000	503,188	0	0	0	0	0
2015	3	87,138,867	3,612,880	17,359,022	4,272,766	0	879	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2016	27	139,975,667	3,789,410	14,972,222	5,175,878	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2017	33	182,789,613	3,639,337	12,821,333	5,033,827	0	896	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2018	28	225,014,467	10,903,215	10,494,595	4,254,844	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2019	19	4,909,269	295,178,567	14,559,848	8,415,033	3,718,187	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2020	15	293,893,708	17,911,152	7,268,018	3,043,432	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2021	15	328,983,097	21,108,085	6,136,482	2,440,360	0	932	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2022	15	358,940,381	23,393,938	4,965,915	2,113,525	0	961	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2023	15	386,594,049	20,183,420	3,768,018	1,780,154	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2024	15	427,878,467	20,571,654	1,440,115	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2025	15	459,231,975	31,869,898	0	1,033,218	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2026	0	436,231,975	34,643,351	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2027	0	444,856,815	34,724,065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2028	0	444,856,815	34,724,065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2029	0	444,856,815	34,724,065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2030	0	453,855,747	35,418,547	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2031	0	453,855,747	35,418,547	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2032	0	462,932,862	36,126,617	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2033	0	462,932,862	36,126,617	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2034	0	472,191,518	36,848,458	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2035	0	472,191,518	36,848,458	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2036	0	481,935,350	37,588,445	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2037	0	481,935,350	37,588,445	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2038	0	491,298,057	38,338,174	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2039	0	491,298,057	38,338,174	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2040	0	501,093,418	38,164,837	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2041	0	501,093,418	38,164,837	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2042	0	511,115,286	39,887,036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2043	0	511,115,286	39,887,036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2044	0	521,337,582	40,594,777	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2045	0	521,337,582	40,594,777	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2046	0	531,794,344	41,498,472	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2047	0	531,794,344	41,498,472	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2048	0	542,399,631	42,328,442	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2049	0	542,399,631	42,328,442	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2050	0	552,537,923	43,175,011	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30,000	503,188	0	0	0	0	0
2050	240	148,820,314	44,131,281	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	82,000	1,528,046	0	0	0	(250,000)	87,632,144

[1] Ag. to actual/mfrn Av. ind. S.A.

[1] Ag. to actual/mfrn Av



SOURCES AND USES OF FUNDS

**RAVENNA METROPOLITAN DISTRICT
SENIOR CASH-FLOW REFUNDING BONDS, SERIES 2016
Pay & Cancel Refunding of all o/s debt (Assumes Negotiated Tender)
Non-Rated, Annual Pay, 12/15/50 (Stated) Final maturity
[Preliminary -- for discussion only]**

Dated Date 06/01/2016
Delivery Date 06/01/2016

Sources:

Bond Proceeds:	
Par Amount	27,085,000.00
	27,085,000.00

Uses:

Project Fund Deposits:	
Project Fund (Avail to Redeem Existing Debt)	22,000,000.00
Project Fund (New Money-Water Project)	4,000,000.00
	26,000,000.00

Cost of Issuance:	
Other Cost of Issuance	1,083,400.00

Other Uses of Funds:	
Bond Rounding	1,600.00
	27,085,000.00

Exhibit B
(to Memorandum of Approval)
Map of Boundaries of Ravenna Metropolitan District

