

**CAROUSEL FARMS METROPOLITAN DISTRICT
GENERAL INFORMATION AND DISCLOSURE SHEET**

GENERAL INFORMATION

In conformance with Section IX of the Carousel Farms Metropolitan District Services Plan (defined below), this General Information Sheet has been prepared by Carousel Farms Metropolitan District (the "District") to provide prospective property owners with general information regarding the District and its operations. This information sheet is intended to provide an overview of pertinent information related to the District and does not purport to be comprehensive or definitive. You are encouraged to independently confirm the accuracy and completeness of all statements contained herein.

ORGANIZATION OF DISTRICT

The property within Carousel Farms ("Development") is located within the boundaries of the District as described in the attached **Exhibit A**. A map of the District is attached hereto as **Exhibit A**. The District is a quasi-municipal corporation and political subdivision of the State of Colorado organized in the Town of Parker ("Town"). The District operates pursuant to a Service Plan which was approved by the Town on September 15, 2014 ("Service Plan").

DISTRICT BOARD OF DIRECTORS

The District is governed by a five-member Board of Directors. Board members are elected by the property owners within the District and are elected to staggered four-year terms of office. Any individual who resides within the boundaries of the District, or who owns taxable real or personal property situated within the boundaries of the District and is a registered voter in Colorado, is eligible to serve on the District's Board of Directors. The Board's regular meeting dates and meeting location, as well as a copy of the Districts' Service Plans may be obtained from the Districts' General Counsel, McGeady Sisneros, P.C. at: 450 E. 17th Avenue, Suite 400, Denver, Colorado 80203; (303) 592-4380.

DISTRICT POWERS, IMPROVEMENTS AND SERVICES

The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop, and finance certain Public Improvements, as defined in the Service Plan. The District intends to dedicate the Public Improvements to the Town or other appropriate jurisdictions or owners association in a manner consistent with the Approved Development Plan, other rules and regulations of the Town, and applicable provisions of the Town Code, all as directed by the Town. The District shall not be authorized to operate and maintain any part or all of the Public Improvements or any other improvements, public or private, unless specifically provided for in the Intergovernmental Agreement between the Town and the District required under the Service Plan ("Service Plan IGA").

Under the Service Plan, the District has authority to issue debt in the amount of Three Million One Hundred Sixty-Two Thousand Five Hundred Dollars (\$3,162,500) to provide and pay for public infrastructure improvement costs. Any issue of bonds will mature not more than

30 years from the date of issuance and the maximum interest rate is 12%. All bonds will be repaid through ad valorem property taxes imposed by the District on all taxable property located within the District, together with any rates, fees, tolls, and charges imposed by the District.

TAXES AND FEES IMPOSED ON PROPERTIES WITHIN THE DISTRICT

Ad Valorem Property Taxes

The District’s primary source of revenue is from property taxes imposed on property within the District. Along with other taxing entities, the District certifies a mill levy by December 15th of each year which determines the taxes paid by each property owner in the following year. The maximum combined mill levy for debt service and operations and maintenance the District may impose under its Service Plan is 35.000 mills/Gallagherized at 42.827 as of the date of the Service Plan, less the amount needed for operations and administration, subject to adjustment as described below (“Mill Levy Cap”). For the portion of any aggregate District Debt which is equal to or less than 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.

The mill levy may also be adjusted due to changes in the statutory or constitutional method of assessing property tax or in the assessment ratio. The purpose of such adjustment is to assure, to the extent possible, that the actual tax revenues generated by the mill levy are neither decreased nor increased, as shown in the example below.

Example

| Tax Collection Year | Actual Value (V) | Assessment Ratio (R) | Assessed Value (AV) [V x R = AV] | Mill Levy/Rate ¹ (M) | Amount of District Tax Due [AV x M] |
|---------------------|------------------|----------------------|-------------------------------------|---------------------------------|-------------------------------------|
| (a) 2015 | \$370,000 | 7.96% | \$29,452 | 42.827/0.042827 | \$1,261.34 |
| (b) 2016 | \$370,000 | 7.49% | \$27,713 | 45.514/0.045514 | \$1,261.33 |

¹ Each mill is equal to 1/1000th of a dollar

(a) If in 2015 the Actual Value of the Property is \$370,000, and the Assessment Ratio established by the State Legislature for that year is 7.96%, the Assessed Value of the Property is \$29,452 (i.e., \$370,000 x 7.96% = \$29,452). The District certifies a 42.827 mill levy, which would generate approximately \$1,261.34 in revenue.

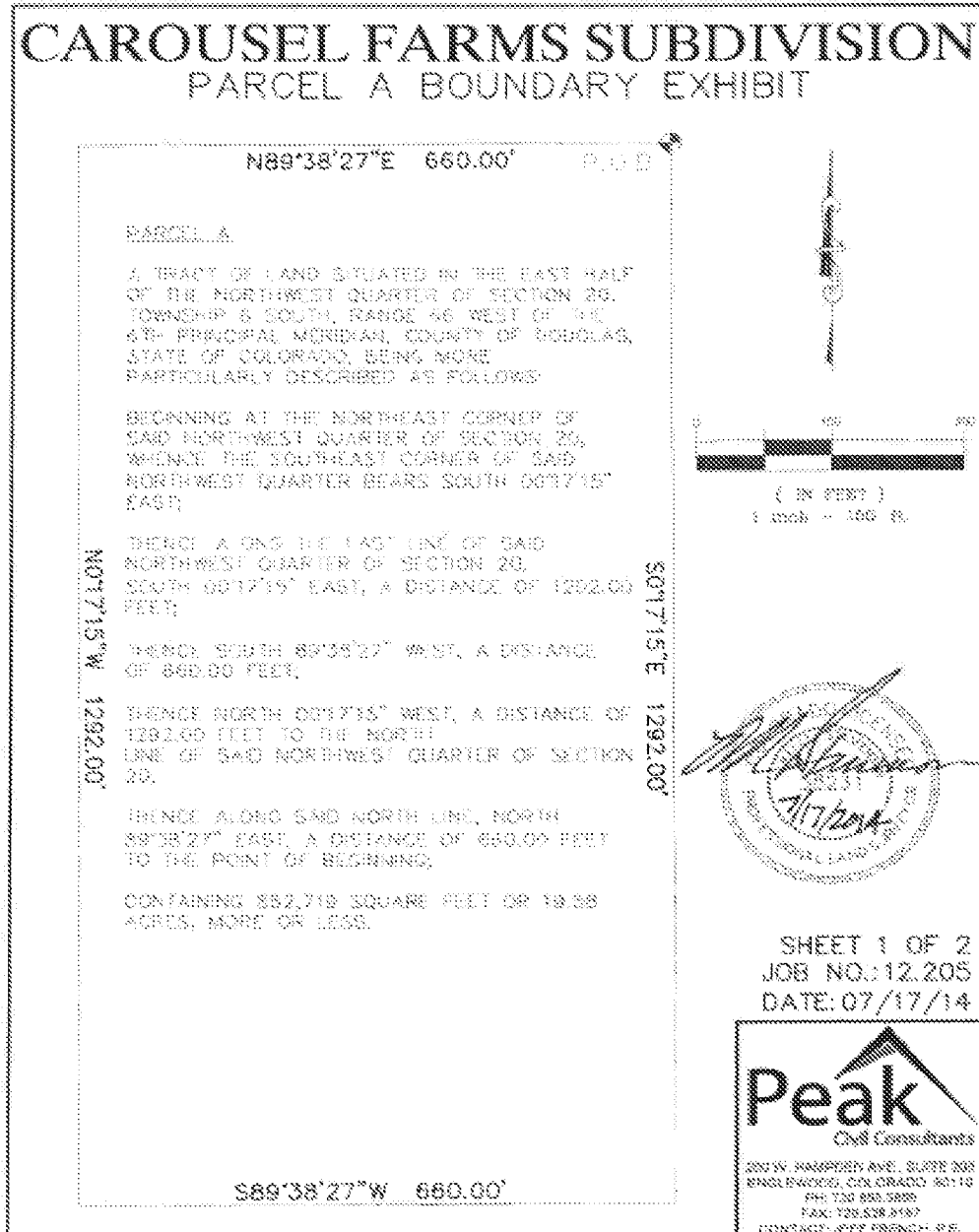
(b) If in 2016 the Actual Value of the Property remains at \$370,000, but the Assessment Ratio established by the State Legislature for that year is 7.49%, the Assessed Value would be \$27,713 (i.e., \$370,000 x 7.49% = \$27,713). The District would need to certify a 45.514 mill levy in order to generate the same revenue as in 2015.

THE ABOVE EXAMPLE IS PROVIDED SOLELY FOR THE PURPOSE OF ILLUSTRATION AND IS NOT TO BE INTERPRETED AS A REPRESENTATION OF ANY ACTUAL CURRENT OR FUTURE VALUE INCLUDING, BUT NOT LIMITED TO, ANY ACTUAL VALUE, ASSESSMENT RATIO, OR MILL LEVY.

Should you have any questions with regard to these matters, please contact District's General Counsel at the address and phone number listed above.

EXHIBIT A

LEGAL DESCRIPTIONS AND MAPS



CAROUSEL FARMS SUBDIVISION PARCEL B BOUNDARY EXHIBIT

N89°18'37"E 665.10'

PARCEL B

A TRACT OF LAND SITUATED IN THE EAST HALF NORTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 86 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER OF SECTION 20, WHENCE THE NORTHEAST CORNER OF SAID NORTHWEST QUARTER BEARS NORTH 00°17'15" WEST;

THENCE ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, NORTH 00°17'15" WEST, A DISTANCE OF 59.74 FEET, TO THE POINT OF BEGINNING;

THENCE SOUTH 88°58'42" WEST, A DISTANCE OF 617.86 FEET;

THENCE NORTH 87°41'18" WEST, A DISTANCE OF 46.08 FEET;

THENCE NORTH 00°20'36" WEST, A DISTANCE OF 1274.28 FEET;

THENCE NORTH 89°18'37" EAST, A DISTANCE OF 665.10 FEET;

THENCE SOUTH 00°17'15" EAST, A DISTANCE OF 1273.2 FEET, TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 847,153 SQUARE FEET OR 19.45 ACRES, MORE OR LESS.

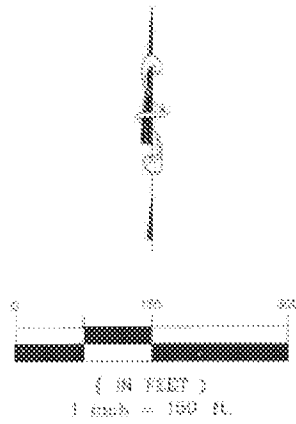
PARCEL B
847,153 S.F.
19.45 AC.

N02°20'36"W 1274.28'

S01°17'15"E 1273.12'

N87°41'18"W 46.08 S88°58'42"W 617.86' P.O.B.

S01°17'15"E 59.74' P.O.C.



SHEET 2 OF 2
JOB NO.: 12.205
DATE: 07/17/14

Peak
Civil Consultants

209 W. HARRISON AVE., SUITE 202
BROOKWOOD COLLEGE 80145
PH: 703.655.3824
FAX: 703.628.2187
CONTACT: BOB FRENCH, P.E.

CAROUSEL FARMS SUBDIVISION

PARCEL C EXHIBIT

P.O.B. *

PARCEL C

A TRACT OF LAND SITUATED IN THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 66 WEST OF THE 8TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 20, WHENCE THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER BEARS SOUTH 00°17'15" EAST;

THENCE ALONG THE EAST LINE OF SAID NORTHWEST QUARTER OF SECTION 20, SOUTH 00°17'15" EAST, A DISTANCE OF 1292.00 FEET, TO THE POINT OF BEGINNING;

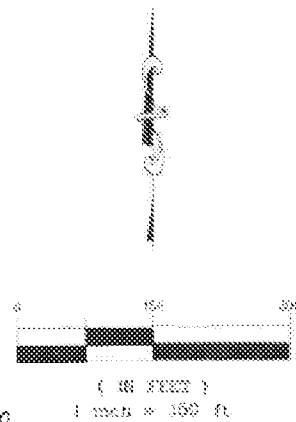
THENCE CONTINUING SOUTH 00°17'15" EAST, A DISTANCE OF 40.86 FEET;

THENCE SOUTH 89°18'37" WEST, A DISTANCE OF 660.02 FEET;

THENCE NORTH 00°17'15" WEST, A DISTANCE OF 44.87 FEET;

THENCE NORTH 89°38'27" EAST, A DISTANCE OF 660.00 FEET, TO THE POINT OF BEGINNING;

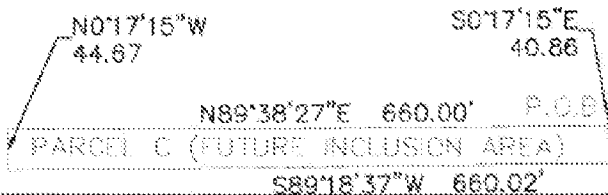
SAID PARCEL CONTAINING 28,224 SQUARE FEET OR 0.65 ACRES, MORE OR LESS.



S01°17'15"E 1292.00'



SHEET 1 OF 1
JOB NO.: 12.205
DATE: 07/17/14



Peak
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