

COPY

CONSOLIDATED SERVICE PLAN

FOR

ALPINE METROPOLITAN DISTRICT

AND

BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT

Final Submittal
September 3, 2002

Approved by the Town of Breckenridge,
Summit County, Colorado on August 27, 2002

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I. INTRODUCTION

A. General Overview. This consolidated service plan ("Service Plan") for Alpine Metropolitan District and Breckenridge Mountain Metropolitan District constitutes a combined Service Plan for two special districts proposed to be organized to serve the needs of a new community to be known as "The Development". The Development is located on the western edge of the Town of Breckenridge (the "Town"). It consists of approximately 217 acres divided into several development areas. It is anticipated that four additional parcels, commonly known as the Tosco/Purdy Parcel and Tracts A, B and C, will be included into Breckenridge Mountain Metropolitan District after they are annexed into the Town. For purposes of this Service Plan and as used herein, the term "The Development" pertains to, and consists of, Alpine Metropolitan District, Breckenridge Mountain Metropolitan District, Tosco/Purdy Parcel and Tracts A, B and C.

Considerable public infrastructure will be constructed to provide the required water and sanitary sewer lines, streets and other improvements needed for the area. This Service Plan addresses the improvements, which will be provided by the special districts, and demonstrates how the two special districts proposed to serve The Development will work in tandem to provide the necessary public improvements.

1. Dual District Structure. This Service Plan is submitted in accordance with Part 2 of the Special District Act (§32-1-201, et seq., C.R.S.). It defines the powers and authorities of, as well as the limitations and restrictions on, Breckenridge Mountain Metropolitan District and Alpine Metropolitan District. Alpine Metropolitan District, hereinafter known as "Service District," and Breckenridge Mountain Metropolitan District, hereinafter known as "Financing District," are sometimes collectively referred to herein as "Districts" and individually as "District."

The use of a consolidated Service Plan for the two Districts will help assure proper coordination of the powers and authorities of the independent Districts, and will help avoid confusion regarding the separate, but coordinated, purposes of both Districts which could arise if separate service plans were used. Unless otherwise specifically noted herein, general provisions of this Service Plan apply to both Districts. Where possible, however, specific reference is made to an individual District to help distinguish the powers and authorities of each District. The "Financing Plan" discussed in Section VI herein refers to separate financial plans for each District which are intended to be read as separate parts of a unified Financing Plan which may be used for public improvements for The Development.

The Service District will be responsible for managing the construction and operation of facilities and improvements needed for The Development. The Financing District will be responsible for providing the funding and tax base needed to support the Financing Plan for capital improvements. Various agreements are expected to be executed by both Districts clarifying the nature of the functions and services to be provided by each District. The agreements will be designed to help assure the orderly development of essential services and

recreation facilities in The Development resulting in a community which will be both an aesthetic and economic asset to the Town of Breckenridge.

The establishment of Alpine Metropolitan District as the Service District, which will own and operate the public facilities throughout The Development which are not conveyed to the Town of Breckenridge or another entity, and the establishment of Breckenridge Mountain Metropolitan District as the Financing District, which will generate the tax revenue sufficient to pay the costs of the capital improvements, will create several benefits for the inhabitants of the community and the Town of Breckenridge. In general, those benefits are: (a) coordinated administration of construction and operation of public improvements and delivery of those improvements in a timely manner; (b) maintenance of a uniform mill levy and reasonable tax burden on all residential and commercial areas of The Development through controlled management of the financing and operation of public improvements; and (c) proper control of regional transportation systems. Each of these concepts is addressed in greater detail in the following paragraphs.

2. Benefits of Dual District Structure.

a. Build-out and Debt. As presently planned, development of The Development will proceed in several phases, each of which will require the extension of public services and facilities. The dual district structure will assure that the construction and operation of each phase of public facilities will be primarily administered by a single board of directors consistent with a long-term construction and operations program. Use of Service District as the entity responsible for construction of each phase of improvements and for management of operations will facilitate a well-planned financing effort through all phases of construction and will assist in assuring coordinated extension of services to all areas in The Development.

The dual district structure will also help assure that facilities and services needed for future build-out of The Development will be provided when they are needed, and not sooner. Absent an appropriate mechanism to assure timely completion of future improvements, some districts in the past have caused improvements to be completed well before they are needed simply to assure that they can be provided with tax exempt financing. Appropriate development agreements between the Service District and the developer will allow the postponement of financing for improvements which are not needed until well into the future, thereby helping residents avoid the long term carrying costs associated with financing improvements too early.

This, in turn, allows the full costs of public improvements to be allocated over the full build-out of The Development and helps avoid disproportionate cost burdens on the early phases of development.

b. Uniform Mill Levy. The use of two districts to serve the separate areas of The Development will allow infrastructure to be provided, as demand for services requires. In order to maintain a long-term financing, construction and operating plan, it is essential that a single board of directors oversee these efforts.

In order to assure that infrastructure is provided to all areas when it is needed, it is necessary that bonds are issued and facilities constructed according to a long-term financing and construction schedule, which must be administered by the Service District's board of directors. Use of the Service District to manage these activities will assure proper control of these efforts and will enable the Financing District to impose a uniform mill levy throughout The Development so each part of the project pays its fair share of the overall infrastructure needs.

Future property owners will be responsible for the mill levy required to fund the capital and operating costs of the Financing District. A detailed written disclosure statement summarizing the anticipated mill levy obligations of the Financing District will be provided to all initial purchasers of property within the Financing District so such purchasers can make an informed decision to acquire property within the Financing District. The relationship of the Districts shall be set forth in a "Master Intergovernmental Agreement" as discussed in Section V.D. hereof.

c. Regional Transportation. The Service District may attempt to finance the construction of regional transportation facilities serving the Town of Breckenridge and The Development. A gondola system is anticipated for construction which will connect the Town of Breckenridge and The Development. The financial viability of a gondola is demonstrated in the Financing Plan in Exhibit D of this Service Plan. The Districts shall be permitted, without amendment to this Service Plan, to finance, construct and operate such facilities when and if it is determined feasible. It is currently anticipated that funding for these types of facilities may be received under various intergovernmental agreements with other governmental entities existing in the area, or from contributions from property owner associations or other entities interested in developing regional transportation facilities, or from the creation of a non-profit corporation organized to provide public improvements. In order to prevent a single residential area from disrupting or controlling the financing and construction program for regional facilities, or from unduly burdening users in surrounding areas, it is critical that ownership, operation and maintenance of the anticipated gondola or other transportation system be administered by the Service District.

d. Other Benefits. Other key services will be provided for The Development such as water service, to the extent possible, by regional service contracts between the Service District and existing governmental entities. This will enable The Development to take advantage of existing service providers without the need to create new service organizations.

3. Location and Configuration of Districts. The Development will be located in the Town of Breckenridge. In order to implement the dual district structure, the boundaries of the Service District and the Financing District need to be carefully configured. A map showing the boundaries of both Districts and the legal description of the property within the Districts is provided in Exhibit B. The Financing District will contain approximately 216 acres and the Service District will contain approximately .06 acres.

The combined acreage of the two Districts covers all acreage within The Development. The "service area" (the area legally permitted to be served by Service District)

will consist of the entire community of The Development, including the property within the Financing District's boundaries. The Service District will have power to impose taxes only within its legal boundaries, but will be permitted to provide public services to the entire community of The Development as well as to property or individuals outside of The Development. The Financing District will have power to assess taxes and other charges permitted by law.

It is currently anticipated that no residential units will be located within the Service District, and that at build-out the Service District will include little or no developed property. The Financing District will contain residential and non-residential properties within The Development. Projected build-out and population estimates of The Development are presented in Exhibit C.

Under Colorado law, the fee owner or owners of one hundred percent of any property proposed for inclusion may petition the boards of directors of the Districts for inclusion of property into either District. Additionally, less than one hundred percent of the owners of an area may petition Districts for inclusion, or the boards may adopt a Resolution calling for an election on inclusion of the property. It is possible that additional property may be included in either District. The boards of directors will have discretion to permit inclusions without amending this Service Plan. The Districts agree to provide the Town with administrative review and approval of any inclusions or exclusions filed with the Districts that are not contemplated by this Service Plan.

4. Long-Term District Plan. After all bonds have been issued by the Districts, and adequate provisions have been made for payment of all debts of the Service District and the Financing District, the electorate of both Districts will have the opportunity to consider either the consolidation of the Service District and the Financing District into a single entity, or the dissolution of the Service District and/or the Financing District in accordance with state law. The Service District and the Financing District may consider consolidation and/or dissolution at the time each District's debt has been paid and adequate provisions have been made for operation of all District facilities. Ultimately, control of these decisions will rest with the electorate in each District. Additionally, it is anticipated that after bonds of the Service District have been paid, control over ownership and operation of services and facilities financed by the Financing District will be turned over to the Financing District pursuant to the terms of the master intergovernmental agreement discussed in Section V.D. herein.

The Districts shall not commence dissolution proceedings without the Town's consent, and any attempt to dissolve without the Town's consent shall be a material modification of this Service Plan and the Town shall have the right to enjoin the dissolution process.

5. Need for Districts. There are currently no other entities in existence within The Development area which have the ability and/or desire to undertake the design, financing and construction of improvements needed for The Development. It is also the developer's understanding that the Town of Breckenridge does not consider it feasible or practicable for the Town to construct certain of the necessary services and facilities for The Development.

Consequently, formation of the new Districts is deemed necessary for the provision of public improvements in The Development.

6. Intergovernmental Cooperation. In order to minimize the proliferation of new governmental structures and personnel, the Service District intends to provide key services by intergovernmental agreement ("IGA") with existing entities as much as possible. IGA's are expected to be obtained for the following services:

- a. A water system with the Town of Breckenridge;
- b. Transportation services with the Town of Breckenridge.

Consequently, while the Service District and the Financing District will exist to finance capital improvements and coordinate the provision of services, they are expected to utilize existing entities and personnel in order to avoid the proliferation of local governmental structures.

7. Property Owner Associations. Certain services will be provided within The Development by the Development Association ("Association"), a Colorado non-profit, private membership organization comprised of all property owners in the Development. Association is anticipated to provide architectural control services, community organization, community events and activities, community marketing, intra-village gondola funding, transportation, common area maintenance, and other programs, which may be beyond the scope of the Districts.

B. General Financial Information and Assumptions

The 2002 certified assessed valuation of all taxable property within the boundaries of The Development was approximately \$3,501,000. The initial assessed valuation of property within the Service District is expected to be approximately \$1,000, and the initial assessed valuation within the Financing District is expected to be approximately \$3,500,000. The anticipated cost of improvements necessary to provide access to and appropriate services within The Development are substantial and are estimated in Exhibit C.

The Districts may obtain financing for the capital improvements needed for The Development through the issuance of general obligation bonds by the Financing District and from revenue bonds issued by the Service District. General obligation bonds will be payable from revenues derived from ad valorem property taxes and from other sources. It is currently anticipated that significant credit enhancement and security for bonds issued by the Service District will be provided by the developer. The Financing District will issue general obligation bonds after determination that the assessed valuation is sufficient to pay debt service with reasonable mill levies, thereby reducing risk to property owners. The financial forecasts for both Districts are contained in Exhibit D to this Service Plan. These "Financing Plans" demonstrate one method, which might be used by the Districts to finance the cost of infrastructure. At the time bonds are proposed to be issued, alternative-financing plans may be employed and be utilized by the Districts, upon administrative review and approval by the Town.

Due to the credit enhancement and other support expected to be received from the developer, the Financing Plans demonstrate that the cost of infrastructure described herein can be provided with reasonable mill levies. The same holds true for regional transportation facilities, which may be financed in the future. The figures contained herein depicting costs of infrastructure and operations shall not constitute legal limits on the financial powers of the Districts; provided, however, that neither District shall be permitted to issue bonds which are not in compliance with the bond registration and issuance requirements of Colorado law. The Districts are being organized with the express understanding that financing of certain public transportation improvements will be accomplished through partial funding with revenues provided to the District by the Town of Breckenridge through tax increment financing, use of a non-profit corporation, or other sources of revenue.

The assumptions contained within this Service Plan were derived from a variety of sources. Information regarding the present status of property within both Districts, as well as the current status and projected future level of similar services was obtained from the developer. Construction cost estimates were assembled by the developer who has experience in the costing and construction of similar facilities. Operations cost estimates and the Financing Plans were assembled by Stan Bernstein & Associates, Inc. based upon information supplied by the developer. Projections of growth and market values were prepared by the developer. Legal advice in the preparation of this Service Plan was provided by the law firm of White and Associates Professional Corporation, developer's counsel, which represents numerous special districts in the State.

C. Contents of Service Plan

This Service Plan consists of a financial analysis and an engineering plan showing how the facilities and services for The Development can be provided and financed by the proposed Districts. Numerous items are included in this Service Plan in order to satisfy the requirements of law for formation of special districts. Those items are listed in Exhibit E attached hereto. It is believed that each of the requirements of law is satisfied by this Service Plan.

D. Modification of Service Plan

This Service Plan has been designed with sufficient flexibility to enable the Districts to provide required services and facilities for The Development under evolving circumstances without the need for numerous amendments. While the assumptions upon which this Service Plan are generally based are reflective of current zoning for the property within The Development, the cost estimates and Financing Plans are sufficiently flexible to enable the Districts to provide necessary services and facilities without the need to amend this Service Plan. Modification of the general types of services and facilities, and changes in proposed configurations, locations, or dimensions of various facilities and improvements shall be permitted to accommodate development needs consistent with then current zoning for the property. Town approval shall be required only with regard to changes of a basic or essential nature, including but not limited to the following:

1. any addition to the types of services provided;
2. a decrease in level of services;
3. decrease in the financial ability of the Districts to discharge the existing or proposed indebtedness; or
4. a decrease in the existing or projected need for the organized service in the area.

Approval for modification shall not be required for changes necessary only for the execution of the original service plan or for changes in the boundary of the Districts. The inclusion of the Tosco/Purdy Parcel and Tracts A, B and C is specifically contemplated by this Service Plan and shall not be deemed to be a material modification requiring Town approval.

II. NEED FOR NEW DISTRICTS AND GENERAL POWERS

A. Need for Metropolitan Districts

1. Water Service. The Development is, or will be, within the boundary of the Town of Breckenridge. The Town has indicated that water services and facilities are needed in The Development, but does not desire to either construct or finance those facilities. It will accept facilities for operations and maintenance upon completion of all required water facilities by the Service District. The Districts are necessary for the funding and construction of certain water facilities.

2. Other Services. The only entity with sufficient resources to finance all public improvements needed for The Development will be the Financing District, and the only entity with sufficient authority and financial resources to operate and maintain those facilities that are not acquired by other entities and to provide potential regional water and drainage facilities will be the Service District. It is presently contemplated that street, water and public drainage improvements financed and constructed by the Districts will be conveyed to other service providing entities.

B. General Powers of Each District

Both Districts will have power and authority to provide the services and facilities described in this section within and outside their boundaries in accordance with law; however, the powers and authorities of each District will be allocated and further refined in an intergovernmental agreement ("Master IGA") between Districts, which may be voted upon and approved by their respective electorates. For purposes of the Control Act, the execution of the Master IGA shall not constitute an amendment of this Service Plan. It will, however, constitute a binding agreement between the Districts regarding implementation of the powers contained in this consolidated Service Plan.

Currently it is contemplated that the Districts will provide services and facilities as more specifically set forth in Section IV and Exhibit C of this Service Plan. Notwithstanding, each

District shall have authority to provide the following services and facilities as it may deem necessary in the future:

1. Water. The design, acquisition, installation, construction, operation, and maintenance of a complete water and irrigation water system, including but not limited to, water rights, water supply, treatment, storage, transmission and distribution systems for domestic and other public or private purposes, together with all necessary and proper reservoirs, treatment works and facilities, wells, equipment and appurtenances incident thereto which may include, but shall not be limited to, transmission lines, distribution mains and laterals, storage facilities, land and easements, together with extensions of and improvements to said systems.

2. Streets. The design, acquisition, installation, construction, operation, and maintenance of street and roadway improvements, including but not limited to curbs, gutters, signage, culverts, storm sewers and other drainage facilities, detention ponds, retaining walls and appurtenances, as well as sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, snow removal equipment, ski-ways and ski-bridges or tunnels and other street improvements, together with all necessary, incidental, and appurtenant facilities, land and easements, together with extensions of and improvements to said facilities.

3. Transportation. The design, acquisition, installation, construction, operation and maintenance of public transportation system improvements such as a gondola system, chairlifts, buses, automobiles and other means of conveyance, including transportation equipment, park and ride facilities and parking lots, parking structures, roofs, covers, and facilities, including, but not limited to facilities for the commercial structures and terminal buildings, public restrooms and structures for repair, operations and maintenance of such facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

4. Parks and Recreation. The design, acquisition, installation, construction, operation and maintenance of public park and recreation facilities or programs including, but not limited to, swimming pools and spas, tennis courts, exercise facilities, bike paths, hiking trails, snowshoe trails, pedestrian trails, pedestrian bridges, pedestrian malls, public fountains and sculpture, art, and botanical gardens, equestrian trails and centers, picnic areas, skating areas and facilities, ski-ways including snow-making for ski-ways specially designated for use of the general public from time to time, common area landscaping and weed control, outdoor lighting of all types, community events, and other facilities, together with all necessary, incidental and appurtenant facilities, land and easements, and all necessary extensions of and improvements to said facilities or systems.

5. Legal Powers. The powers of Districts will be exercised by their boards of directors to the extent necessary to provide the services contemplated in this Service Plan. The foregoing improvements and services, along with all other activities permitted by law, will be undertaken in accordance with, and pursuant to, the procedures and conditions contained in the Special District Act, other applicable statutes, and this Service Plan, as any or all of the same may be amended from time to time.

6. Other. In addition to the powers enumerated above, the boards of directors of Districts shall also have the following authority:

a. To amend this Service Plan, subject to the appropriate statutory procedures including, but not limited to, written notice to the Town of actions which either District believes are permitted by this Service Plan but which may be unclear pursuant to §32-1-207, C.R.S., as amended from time to time. In the event the Town elects not to seek to enjoin any such activities under said statute, such election shall constitute agreement by the Town that such activities are within the scope of this Service Plan. Both Districts shall have the right to amend this Service Plan independent of participation of the other District; provided, that neither District shall be permitted to amend those portions of this Service Plan which effect, impair, or impinge upon the rights or powers of the other District without such District's consent; and

b. Subject to the Town's administrative review and approval, to forego, reschedule, or restructure the financing and construction of certain improvements and facilities, in order to better accommodate the pace of growth, resource availability, and potential inclusions of property within either District, or if the development of the improvements and facilities would best be performed by another entity; and

c. To provide all such additional services and exercise all such powers as are expressly or impliedly granted by Colorado law, and which Districts are required to provide or exercise or, in their discretion, choose to provide or exercise; and

d. To exercise all necessary and implied powers under Title 32, C.R.S. in the reasonable discretion of the boards of directors of Districts.

III. POPULATION AND VALUATION ESTIMATES

A. Population

At build-out, the year round population of The Development is expected to be less than 50 persons in the off season, and approximately 2000 persons in the peak season. The estimated timing for construction of residential units, and corresponding population estimates, is contained in Exhibit C.

B. Assessed Valuation

As noted above, the 2002 assessed valuation for The Development was approximately \$3,501,000. The average actual valuation for a residential unit at The Development is expected to be approximately \$660,000. An estimate of projected assessed valuation within the proposed Districts is set forth in Exhibit D.

IV. DESCRIPTION OF FACILITIES AND IMPROVEMENTS

The Service District and the Financing District will each be permitted to exercise their statutory powers and their respective authority set forth herein to finance, construct, acquire, operate and maintain the public facilities and improvements described herein and, as necessary, to provide the public services set forth in Section II. of this Service Plan either directly or by contract. Where appropriate, the Districts will contract with various public and/or private entities to undertake such functions.

The following descriptions of improvements expected to be constructed by the Service District are preliminary only and will be subject to modification and revision as engineering plans, financial factors and construction scheduling may require subject to the overall limitations on the powers of both Districts set forth in Section II. hereof. The following sections contain general descriptions of the contemplated facilities and improvements, which will be financed by the Financing District. Cost estimates are contained in Exhibit C.

The Service District shall ensure that any proposed improvements set forth in this Section IV will be designed and constructed in accordance with the standards and specifications set forth by the Town, if applicable, as well as other regulatory agencies. The Service District will obtain approval of civil engineering plans and all necessary permits for the construction and installation of improvements from the Town and any other requisite regulatory agency.

A. Water Quality System

All facilities will be constructed by the Service District. Operations and maintenance will be provided by the Town of Breckenridge which will charge fees for its services. The anticipated phasing schedule for the improvements is contained in Exhibit C. The exact configuration of the water system is currently being designed. Water system components will be installed in accordance with the applicable standards of all entities with jurisdiction over either District.

B. Roads and Drainage

The Financing District will be responsible for financing the internal street, road and drainage system within The Development.

1. Roadway Infrastructure. The roadway infrastructure is expected to be constructed by the Service District with financing from the Financing District. Public roadway infrastructure will be operated and maintained by the Town of Breckenridge.

2. Drainage Facilities. Storm drainage facilities are expected to be constructed by the Service District with financing from the Financing District. The public storm drainage facilities will be operated and maintained by the Town of Breckenridge.

C. Public Parks and Recreation Facilities

It is expected that much of The Development will be open space or will be used for organized recreation. Community facilities such as public parks with open space and a plaza will be important to the well being of the community. Funding the construction of most of these facilities through the Financing District will ensure that these recreation and environmental amenities will be provided for the benefit of the residents and visitors of The Development.

Exhibit C indicates the location of public parks and recreation facilities, which may be provided by the Districts. The public parks are currently planned to include open space, picnic areas, an ice skating facility, and a network of other hiking, bike and leisure trails, pedestrian bridges, pedestrian malls, among other improvements. The facilities will be for the use of the residents of The Development as well as the general public, although different fees will be assessed for resident and non-resident use. Availability of park improvements will help ensure that levels of activity in The Development during the spring, summer and fall are high, and will help support property values and assessed valuations.

D. Transportation Facilities

It is expected that public transportation facilities, which may include, but are not limited to, a gondola system, terminal buildings, buses, vans or other vehicles, and other transportation equipment, bus stops, dispatch facilities, maintenance buildings, parking lots, parking structures, public restrooms, information areas, and incidental land and easements will be a part of The Development. Transportation facilities will be constructed, leased or acquired by the Service District with financing from the Financing District, with a portion of the financing to be provided through the use of tax increment financing, use of a non-profit corporation or other sources of revenue. Transportation facilities will be operated and maintained by the Service District with funds from the Financing District.

V. PROPOSED AND EXISTING INTERGOVERNMENTAL AGREEMENTS

A. Water Service Agreement

Pursuant to applicable Town ordinances, upon conveyance of the water facilities to the Town, the Town shall provide water service to The Development.

B. Transportation

It is contemplated that a regional transportation agreement may be executed by the Town of Breckenridge and the Districts to provide for coordination of various public transportation facilities for the region. It is possible that such agreement may result in the creation of a regional transportation authority pursuant to state statute. A gondola servicing the Town of Breckenridge, The Development and the Shock Hill Subdivision may become the principal transportation facility of such authority.

C. Coordination of Services by Districts

As noted extensively in this Service Plan, the relationship between the Service District and the Financing District, including the means for approving, financing, constructing, and operating the public services and improvements needed to serve The Development, will be established by means of the Master IGA to be negotiated after formation of the Districts. Funding will be provided largely by the Financing District. The agreements between the Districts will establish extensive procedures and standards for the approval of the design of facilities, transfer of funds between the Districts, and operation and maintenance of the facilities. IGA's will also be prepared providing for coordinated administration of management services for the Districts. The terms of such agreements may be submitted to the electors of both Districts for approval. The Master IGA shall provide for optional termination of such agreement by the Financing District at such time as the bonds of both Districts have been issued and the facilities contemplated herein have been constructed. At such time, facilities needed for the Financing District will be conveyed by the Service District to the Financing District.

D. Other Agreements

To the extent practicable, the Service District may enter into additional intergovernmental and private agreements when it is in the best interest of the Service District to better ensure long-term provision of the improvements and services and effective management. Agreements may be executed with property owner associations and other service providers.

VI. FINANCIAL PLAN SHOWING HOW FACILITIES MAY BE FINANCED

A. General

Attached to this Service Plan as Exhibit D are Financing Plans which show how the proposed services and facilities may be financed and operated by the Districts. The Financing Plans include the proposed operating revenue derived from ad valorem property taxes for the first budget year to be used by the Service District. It is presently anticipated that the Districts will enter into an intergovernmental agreement discussed in Section V. D. That agreement is expected to provide that the obligation of the Financing District to pay the Service District for operating expenses incurred for provision of services to property within the Financing District shall constitute "debt" of the Financing District. Accordingly, mill levies certified to make necessary payments to the Service District will be characterized as debt service mill levies notwithstanding that they are imposed to pay contractual obligations for operations and maintenance services provided by the Service District. The Service District anticipates borrowing its initial operating funds from private entities until such time as it is able to generate operating revenues from the Financing District.

The Financing Plans identify the proposed debt issuance schedules of the Service District and the Financing District. Both Districts' plans are included for purposes of showing how the financial operations of the two Districts will be coordinated. The Financing District is expected to issue general obligation bonds supported by ad valorem mill levies. It is presently anticipated

that the Service District will issue revenue bonds secured by the developer and by financial commitments received from the Financing District. This mechanism will help assure the transition of appropriate tax revenue to the payment of bonds issued to provide services for The Development. Other structures may be used.

The balance of the information contained in this section of this Service Plan is preliminary in nature. All dollars are stated in 2002 dollars, and are anticipated to inflate at a rate of 3% per year. Upon approval of this Service Plan, both Districts will continue to develop and refine cost estimates contained herein and prepare for bond issuances. All cost estimates will be inflated to then-current dollars at the time of bond issuance and construction. Engineering and other contingencies, as well as capitalized interest and other costs of financing will be added. All construction cost estimates assume construction to applicable local, state or federal requirements.

The maximum general obligation bonded indebtedness for the Financing District shall not exceed \$28,000,000 exclusive of bonds which may be issued to reimburse the developer for advances made to the Districts which shall not exceed \$13,033,000. Reasonable modifications of facilities and cost estimates shall be permitted. After administrative review and approval by the Town, final determination of the amount of bonded debt for which approval will be sought from each District's electorate will be made by the Board of Directors of each District based on then current estimates of construction costs, issuing costs, and contingencies. Authorization to issue bonds and enter into various agreements described herein will be sought from each District's electorate pursuant to the terms of the Special District Act, and the Colorado Constitution as amended from time to time.

Assuming a general obligation bonded indebtedness of \$28,000,000, exclusive of the items denoted above, and assuming the estimated operating costs shown in Exhibit C, the total mill levy for the improvements and services proposed for The Development is expected initially to be approximately 20 mills. This mill levy will be in addition to approximately 53 mills that will also be levied on taxpayers for other overlapping taxing jurisdictions. Assuming an average market value of a \$660,000 residence, the estimated initial tax burden for the community under these assumptions would average \$4,408 per year. The actual mill levy will vary from this depending on final costs, variations in the total assessed valuation within the Districts under the current method of valuation, and the amount of revenue, which may be generated from user fees.

In addition to ad valorem property taxes, and in order to offset the expenses of the anticipated construction and the Service District operations and maintenance costs, the Districts will also rely upon various other revenue sources authorized by law. These will include the power to assess fees, rates, tolls, penalties, or charges as provided in §32-1-1001(1), C.R.S., as amended. The Districts will obtain administrative approval from the Town prior to imposing, or thereafter increasing, any fee on the use of the Gondola. The Financing Plans assume various sources of revenue, including ad valorem property taxes, specific ownership taxes, facility impact fees, developer tap fees, together with interest earnings on retained amounts.

The Financing Plans do not project any significant accumulation of fund balances, which might represent receipt of revenues in excess of expenditures under the TABOR Amendment. It

is anticipated that the operations of the Service District will qualify as "enterprises" under the TABOR Amendment. If its operations do not qualify as enterprises under TABOR, revenues from all sources, which exceed the permitted level of expenditures in a given year, will be refunded to taxpayers, unless a vote approving the retention of such revenues is obtained. To the extent annual district revenues exceed expenditures in this manner, the Districts will comply with the provisions of TABOR and either refund the excess or obtain voter approval to retain such amounts.

The estimated costs of the facilities and improvements to be constructed and installed by the Districts, including the costs of engineering services, legal services, administrative services, initial proposed indebtedness, and other major expenses related to the facilities and improvements to be constructed and installed, are set forth in Exhibits C and D of this Service Plan. The estimated costs of the organization and initial operation of the Districts, including legal, engineering, administrative and financial services, are expected to be approximately \$150,000. These organizational costs will be reimbursed to the developer by the Districts out of their initial revenue sources including bond issue proceeds.

The maximum voted interest rate for bonds will be 18%. The proposed maximum underwriting discount will be 5%. It is estimated that the general obligation bonds, when issued, will mature not more than thirty (30) years from date of issuance.

In the discretion of the Boards of Directors, the Districts may set up other qualifying entities such as a non-profit corporation to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by either the District will remain under the control of its board of directors.

The Financing Plans demonstrate that each District will have the financial capability to discharge the proposed indebtedness with reasonable mill levies assuming reasonable increases in assessed valuation and assuming the rate of build-out estimated in the Financing Plans.

B. Combined Elections: Other Requirements

Following approval of this Service Plan by the Town, and after acceptance of the organizational petition and issuance of orders from Summit County District Court, elections on the questions of organizing both Districts and approving bonded indebtedness and various agreements described herein will be scheduled. All elections will be conducted as provided in the Court orders, the Uniform Election Code of 1992 (as substantially amended by House Bill 93-1255), and the TABOR Amendment, and are currently planned for November 5, 2002 election. The election questions will include whether to organize Service District and Financing District, election of initial directors, and TABOR Amendment ballot questions. Thus, the ballot may deal with the following topics (in several questions, but not necessarily using the exact divisions shown here):

1. Whether to organize the Districts,
2. Membership and terms of the initial board members,

3. Approval of new taxes,
4. Approval of maximum operational mill levies,
5. Approval of bond and other indebtedness limits,
6. Approval of an initial property tax revenue limit,
7. Approval of an initial total revenue limit,
8. Approval of an initial fiscal year spending limit.

Ballot issues may be consolidated as approved in Court orders. The Town should be assured that the organizers of both Districts intend to follow both the letter and the spirit of the Special District Act, the Uniform Election Code, and the TABOR Amendment during organization of Districts. Future elections to comply with the TABOR Amendment are anticipated, and may be held as determined by the elected boards of directors of both Districts.

The Financing District and the Service District, once organized, shall be subject to the following additional requirements:

1. Submission of annual reports as described in §32-1-207(3), C.R.S., in the form prescribed by the Town.
2. At such time as either District ceases to operate public facilities, has no outstanding debt, and is subject to administrative dissolution pursuant to then applicable Colorado law, such District shall be subject to dissolution.
3. Material modifications of this Service Plan, except as contemplated herein, shall be subject to approval by the Town in accordance with the provisions of §32-1-207, C.R.S.

VII. CONCLUSIONS

It is submitted that this Service Plan for the proposed Alpine Metropolitan District and Breckenridge Mountain Metropolitan District, as required by §32-1-203(2), C.R.S., has established that:

- (a) There is sufficient existing and projected need for organized service in the area to be serviced by the proposed Districts;
- (b) The existing service in the area to be served by the proposed Districts is inadequate for present and projected needs;
- (c) The proposed Districts are capable of providing economical and sufficient service to the area within their proposed boundaries;
- (d) The area to be included in the proposed Districts does have, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

Therefore, it is requested that the Town Council of the Town of Breckenridge, Colorado, which has jurisdiction to approve this Service Plan by virtue of Sections 32-1-201, C.R.S., et seq., as amended, adopt a resolution which approves this Service Plan for Alpine Metropolitan District and Breckenridge Mountain Metropolitan District as submitted and designating, or

ratifying Districts' initial polling place at the address of White and Associates Professional Corporation, 8005 S. Chester, Suite 125, Englewood, CO 80112.

Respectfully submitted,

WHITE AND ASSOCIATES

By: Todd Wallace

Todd W. Wallace, #031477

Counsel to Proponents of Districts

EXHIBIT A
(Resolution of Approval)

RESOLUTION-NO. 38

SERIES 2002

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF BRECKENRIDGE
SUMMIT COUNTY, COLORADO, APPROVING THE SERVICE PLAN FOR
ALPINE METROPOLITAN DISTRICT AND BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT

WHEREAS, pursuant to Sections 32-1-204.5 & 205, C.R.S., as amended, the Consolidated Service Plan for Alpine Metropolitan District and Breckenridge Mountain Metropolitan District (the "Service Plan") has been submitted to the Town Council of the Town of Breckenridge (the "Council"); and

WHEREAS, the Council ordered a public hearing to be held on the Service Plan on August 27, 2002, as required by law; and

WHEREAS, notice of the hearing before the Council was duly published in the Summit Daily News on August 2, 2002, as required by law; and

WHEREAS, notice of the hearing before the Council was provided as required by Section 32-1-204, C.R.S.; and

WHEREAS, pursuant to the provisions of Title 32, Article 1, C.R.S., as amended, the Council held a public hearing on the Service Plan for the Alpine Metropolitan District and the Breckenridge Mountain Metropolitan District (the "Special Districts") on August 27, 2002; and

WHEREAS, the Council has considered the Service Plan, and all other testimony and evidence presented at the hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF BRECKENRIDGE, COLORADO, as follows:

Section 1. That the hearings before the Council were extensive and complete; that all pertinent facts, matters and issues were submitted; that all interested parties were heard or had the opportunity to be heard; and, that evidence satisfactory to the Council of each of the following was presented:

- a. There is sufficient existing and projected need for organized service in the area to be served by the Special Districts.
- b. Existing service in the area to be served by the Special Districts are inadequate for present and projected needs.
- c. The Special Districts are capable of providing economical and sufficient service to the area they intend to serve.
- d. The within the Special Districts has or will have the financial ability to discharge the proposed indebtedness on a reasonable basis.

Section 2. That the Town Council of the Town of Breckenridge, Colorado does hereby determine that the requirements of Sections 32-1-202 (1), (2) and (3), C.R.S., relating to the filing of a service plan for Alpine Metropolitan District and Breckenridge Mountain Metropolitan District and the requirements of Sections 32-1-204 (1) and (1.5), C.R.S., relating to notice of the hearing by the City, have been fulfilled in a timely manner.

Section 3. That the Town Council of the Town of Breckenridge, Colorado, does hereby approve the Service Plan for Alpine Metropolitan District and Breckenridge Mountain Metropolitan District.

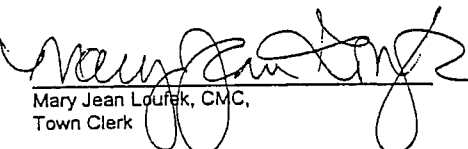
Section 4. That all resolutions or parts thereof, in conflict with the provisions hereof, be, and the same are, repealed.

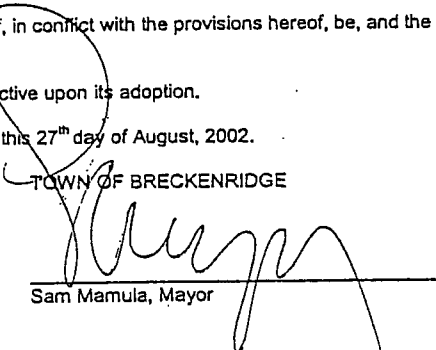
Section 5. This Resolution shall become effective upon its adoption.

RESOLUTION APPROVED AND ADOPTED this 27th day of August, 2002.

ATTEST:

TOWN OF BRECKENRIDGE


Mary Jean Loufek, CMC,
Town Clerk


Sam Mamula, Mayor

APPROVED IN FORM:


Town Attorney

8/27/02
Date

EXHIBIT B
(Legal Descriptions)

**ALPINE METROPOLITAN DISTRICT
LEGAL DESCRIPTION**

A parcel of land within the Ada Placer, U.S. Mineral Survey No. 13774, located in the NE $\frac{1}{4}$ of Section 2, Township 7 South, Range 78 West of the Sixth Principal Meridian, Town of Breckenridge, Summit County, Colorado, being more particularly described as follows:

Beginning at a point on the 5-6 line of the Ada Placer from which corner No. 6 bears
N 53°39'22" W, 420.00 feet; thence along the 5-6 line of the Ada Placer S 53°39'22" E, 250.00 feet;
thence departing the 5-6 line of the Ada Placer N 06°20'38" E, 250.00 feet; thence
S 66°20'38" W, 250.00 feet to the Point of Beginning, said parcel containing 0.621 acres, more or less.

**BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT
LEGAL DESCRIPTION**

**CONSISTING OF PARCELS I, V and VI, SAWMILL AND WATSON LOTS,
PARKWAY CENTER AND MOUNTAIN THUNDER LODGE
CONTAINING APPROXIMATELY 217 ACRES**

PARCEL I

ALL THOSE PORTIONS OF THE CUCUMBER PATCH PLACER, U.S. MINERAL SURVEY NO. 2630, THE LOMAX GULCH PLACER, U.S. MINERAL SURVEY NO. 1807, AND THE SAW MILL PATCH PLACER, U.S. MINERAL SURVEY NO. 2533, AND THE TYRA PLACER, U.S. MINERAL SURVEY NO. 13343, AND ALL OF THE ADA PLACER, U.S. MINERAL SURVEY NO. 13774, LOCATED IN THE SE1/4 OF THE SE1/4 OF SECTION 35 AND SECTION 36, T6S, R78W, AND IN THE N1/2 OF SECTION 1 AND THE NE1/4 OF SECTION 2, T7S, R78W ALL OF THE 6TH P.M., COUNTY OF SUMMIT, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

COMMENCING AT CORNER NO. 8 OF SAID CUCUMBER PATCH PLACER, (A 2½" PIPE WITH BLM BRASS CAP) FROM WHICH CORNER NO. 2 OF SAID LOMAX GULCH PLACER (A 2½" PIPE WITH BLM BRASS CAP) BEARS S14°57'01"W, 1390.15 FEET, THENCE S84°36'58"E, 181.01 FEET ALONG LINE 8-7 OF SAID CUCUMBER PATCH PLACER TO THE EASTERLY RIGHT-OF-WAY LINE OF SKI HILL ROAD (SUMMIT COUNTY ROAD NO. 3) AS DESCRIBED IN DEED RECORDED JUNE 8, 1967, IN BOOK 186 AT PAGE 893 OF THE RECORDS OF SUMMIT COUNTY, COLORADO, AND THE TRUE POINT OF BEGINNING;

THENCE CONTINUING S84°36'58"E, 2313.68 FEET ALONG LINE 8-7 OF SAID CUCUMBER PATCH PLACER TO THE NORTHWEST CORNER OF PARCEL D IN A REPLAT OF CHRISTIE HEIGHTS FILING NO. 1, A SUBDIVISION IN THE COUNTY OF SUMMIT, STATE OF COLORADO, ACCORDING TO THE PLAT RECORDED MARCH 20, 1985, AT RECEPTION NO. 293888;

THENCE S42°20'22"W, 1552.04 FEET ALONG THE NORTHWESTERLY LINE OF SAID PARCEL D;

THENCE S61°48'51"W, 242.47 FEET ALONG THE NORTHWESTERLY LINE OF SAID PARCEL D TO LINE 1-2 OF SAID LOMAX GULCH PLACER;

THENCE N84°29'25"W, 718.57 FEET ALONG LINE 1-2 OF SAID LOMAX GULCH PLACER TO THE NORTHWEST CORNER OF THAT TRACT OF LAND CONVEYED BY JOHN J. RANDALL TO DAVID H. GROLL AND NETTIE B. GROLL AS DESCRIBED IN DEED RECORDED SEPTEMBER 3, 1954, IN BOOK 147 AT PAGE 76 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THENCE S07°14'40"W, 475.97 FEET ALONG THE WESTERLY LINE OF THAT TRACT OF LAND AS DESCRIBED IN SAID BOOK 147 AT PAGE 76 TO THE NORTHWEST CORNER OF SUMMIT PARCEL D CONVEYED BY ASPEN SKIING COMPANY TO VICTORIA BRECKENRIDGE CORP.,

PARCEL I (cont'd.)

AS DESCRIBED IN EXHIBIT B IN DEED RECORDED JUNE 30, 1988, AT RECEPTION NO. 355647 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THENCE S84°22'59"E, 367.00 FEET ALONG THE NORTH LINE OF SAID SUMMIT PARCEL D;

THENCE S07°14'40"W, 322.00 FEET ALONG THE EAST LINE OF SAID SUMMIT PARCEL D;

THENCE S84°22'59"E, 116.59 FEET ALONG THE NORTH LINE OF SAID SUMMIT PARCEL D;

THENCE S07°14'40"W, 76.63 FEET ALONG THE EAST LINE OF SAID SUMMIT PARCEL D TO THE NORTHWESTERLY RIGHT-OF-WAY LINE OF SKI HILL ROAD AS DESCRIBED IN DEED RECORDED SEPTEMBER 24, 1962, IN BOOK 165 AT PAGE 37 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THENCE S68°30'44"W, 270.72 FEET ALONG THE NORTHWESTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AS DESCRIBED IN SAID BOOK 165 AT PAGE 37 TO LINE 4-5 OF SAID SAW MILL PATCH PLACER;

THENCE N84°22'59"W, 10.75 FEET ALONG LINE 4-5 OF SAID SAW MILL PATCH PLACER TO THE NORTHWESTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AS DESCRIBED IN DEED RECORDED SEPTEMBER 24, 1962, IN BOOK 165 AT PAGE 34 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THENCE S68°24'42"W, 181.64 FEET ALONG THE NORTHWESTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AS DESCRIBED IN SAID BOOK 165 AT PAGE 34;

THENCE S21°35'18"E, 60.00 FEET ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AS DESCRIBED IN SAID BOOK 165 AT PAGE 34;

THENCE N68°24'42"E, 298.36 FEET ALONG THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AS DESCRIBED IN SAID BOOK 165 AT PAGE 34 TO LINE 4-5 OF SAID SAW MILL PATCH PLACER;

THENCE N84°22'59"W, 10.75 FEET ALONG LINE 4-5 OF SAID SAW MILL PATCH PLACER TO THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AS DESCRIBED IN SAID BOOK 165 AT PAGE 37;

THENCE N68°30'44"E, 287.41 FEET ALONG THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AS DESCRIBED IN SAID BOOK 165 AT PAGE 37 TO THE EAST LINE OF THAT TRACT OF LAND AS DESCRIBED IN SAID BOOK 147 AT PAGE 76;

PARCEL I (cont'd.)

THENCE S07°14'40"W, 131.00 FEET ALONG THE EAST LINE OF THAT TRACT OF LAND AS DESCRIBED IN SAID BOOK 147 AT PAGE 46 TO LINE 5-4 OF SAID SAW MILL PATCH PLACER;

THENCE S84°22'59"E, 48.99 FEET ALONG LINE 5-4 OF SAID SAW MILL PATCH PLACER TO THE WEST LINE OF THE FOUR O'CLOCK, A SUBDIVISION IN THE COUNTY OF SUMMIT, STATE OF COLORADO, ACCORDING TO THE PLAT RECORDED JANUARY 5, 1967, AT RECEPTION NO. 106336;

THE FOLLOWING COURSES AND DISTANCES ARE ALONG THE WEST AND SOUTHERLY LINES OF SAID THE FOUR O'CLOCK:

THENCE S05°37'33"W, 882.61 FEET;

THENCE N81°29'13"E, 419.38 FEET;

THENCE S77°04'17"E, 517.52 FEET;

THENCE S34°45'17"E, 159.98 FEET;

THENCE N68°58'43"E, 169.75 FEET;

THENCE N52°25'43"E, 34.12 FEET TO THE SOUTHEASTERLY LINE OF A REPLAT OF GRANDVIEW AT BRECKENRIDGE, A SUBDIVISION IN THE COUNTY OF SUMMIT, STATE OF COLORADO, ACCORDING TO THE PLAT RECORDED NOVEMBER 2, 1981, AT RECEPTION NO. 231124;

THE FOLLOWING COURSES AND DISTANCES ARE ALONG THE SOUTHEASTERLY LINE OF SAID A REPLAT OF GRANDVIEW AT BRECKENRIDGE:

THENCE N75°36'44"E, 340.46 FEET;

THENCE N74°11'44"E, 465.64 FEET;

THENCE N55°26'58"E, 421.79 FEET;

THENCE N53°57'31"E, 320.88 FEET;

THENCE N70°34'57"E, 198.89 FEET;

THENCE N89°17'55"E, 113.37 FEET TO LINE 5-4 OF SAID SAW MILL PATCH PLACER;

PARCEL I (cont'd.)

THENCE, LEAVING THE SOUTHERLY LINE OF SAID A REPLAT OF GRANDVIEW AT BRECKENRIDGE, S84°22'59"E, 184.42 FEET ALONG LINE 5-4 OF SAID SAW MILL PATCH PLACER TO THE MOST WESTERLY CORNER OF THAT TRACT OF LAND CONVEYED BY THE BRECKENRIDGE SKI CORPORATION TO THE TOWN OF BRECKENRIDGE AS DESCRIBED IN DEED RECORDED MARCH 21, 1975, IN BOOK 263 AT PAGE 296 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THENCE S69°21'44"E, 115.92 FEET ALONG THE SOUTHWESTERLY LINE OF THAT TRACT OF LAND AS DESCRIBED IN SAID BOOK 263 AT PAGE 296 TO LINE 2-1 OF SAID TYRA PLACER, ALSO BEING THE WESTERLY LINE OF THE 4 O'CLOCK RUN IN FOUR SEASONS OF BRECKENRIDGE VILLAGE FILING NO. 2, A SUBDIVISION IN THE COUNTY OF SUMMIT, STATE OF COLORADO, ACCORDING TO THE AMENDED PLAT THEREOF, RECORDED FEBRUARY 23, 1972, AT RECEPTION NO. 124904;

THENCE S19°54'46"E, 68.14 FEET ALONG LINE 2-1 OF SAID TYRA PLACER TO THE NORTHERLY LINE OF TYRA FILING NO. 1, A SUBDIVISION IN THE COUNTY OF SUMMIT, STATE OF COLORADO, ACCORDING TO THE PLAT RECORDED JULY 26, 1972, AT RECEPTION NO. 127465;

THE FOLLOWING COURSES AND DISTANCES ARE ALONG THE NORTHERLY LINE OF SAID TYRA FILING NO. 1:

THENCE N74°19'24"W, 216.17 FEET;

THENCE N87°18'56"W, 224.69 FEET;

THENCE S66°46'57"W, 179.33 FEET;

THENCE S54°52'06"W, 305.99 FEET;

THENCE S54°09'14"W, 422.15 FEET;

THENCE S71°27'32"W, 200.00 FEET TO THE MOST WESTERLY CORNER OF SAID TYRA FILING NO. 1;

THENCE, LEAVING THE NORTHERLY LINE OF SAID TYRA FILING NO. 1, CONTINUING S71°27'32"W, 284.18 FEET ALONG THE NORTHERLY LINE OF THAT TRACT OF LAND CONVEYED BY ROUNDS & PORTER LUMBER COMPANY, INC. TO ROBERT E. CHANCELLOR, AS DESCRIBED IN DEED RECORDED MAY 8, 1970, IN BOOK 199 AT PAGE 562 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THENCE S75°31'32"W, 120.32 FEET ALONG THE NORTHERLY LINE AND THE NORTHERLY LINE EXTENDED WESTERLY OF THAT TRACT OF LAND AS DESCRIBED IN SAID BOOK 199 AT PAGE 562;

PARCEL I (cont'd.)

THENCE S14°06'46"E, 143.62 FEET TO THE NORTHWESTERLY LINE OF THAT TRACT OF LAND CONVEYED BY ROUNDS & PORTER LUMBER COMPANY, INC. TO ROBERT E. CHANCELLOR, ROBERT D. COWDERY AND JOSEPH B. OBERING, AS DESCRIBED IN DEED RECORDED MARCH 30, 1970, IN BOOK 199 AT PAGE 263 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THENCE S27°41'46"W, 1342.31 FEET ALONG THE NORTHWESTERLY LINE OF THAT TRACT OF LAND AS DESCRIBED IN SAID BOOK 199 AT PAGE 263 TO CORNER NO. 4 OF THE F & D PLACER, U.S. MINERAL SURVEY NO. 16786;

THENCE S70°29'19"W, 973.53 FEET ALONG LINE 10-9 OF SAID TYRA PLACER TO CORNER NO. 9 OF SAID TYRA PLACER, ALSO BEING CORNER NO. 3 OF SAID ADA PLACER;

THENCE S82°30'08"W, 653.11 FEET ALONG LINE 3-4 OF SAID ADA PLACER TO CORNER NO. 4 OF SAID ADA PLACER;

THENCE N81°11'07"W, 1114.08 FEET ALONG LINE 4-5 OF SAID ADA PLACER TO CORNER NO. 5 OF SAID ADA PLACER;

THENCE N53°39'22"W, 974.82 FEET ALONG LINE 5-6 OF SAID ADA PLACER TO CORNER NO. 6 OF SAID ADA PLACER;

THENCE N23°35'00"E, 1522.83 FEET ALONG LINE 6-7 OF SAID ADA PLACER TO CORNER NO. 7 OF SAID ADA PLACER;

THENCE N78°34'45"E, 1270.76 FEET ALONG LINE 7-8 OF SAID ADA PLACER TO CORNER NO. 8 OF SAID ADA PLACER, ALSO BEING CORNER NO. 5 OF SAID TYRA PLACER;

THENCE N53°46'15"W, 844.40 FEET ALONG LINE 5-4 OF SAID TYRA PLACER TO CORNER NO. 4 OF SAID TYRA PLACER, ALSO BEING CORNER NO. 5 OF SAID SAW MILL PATCH PLACER;

THENCE N76°40'28"E, 201.66 FEET ALONG THE SOUTHEASTERLY LINE OF SKIWATCH AND THE FIRST SUPPLEMENT TO THE MAP OF SKIWATCH, A CONDOMINIUM IN THE COUNTY OF SUMMIT, STATE OF COLORADO, ACCORDING TO THE MAPS RECORDED NOVEMBER 17, 1971, AT RECEPTION NO. 123325 AND NOVEMBER 13, 1972, AT RECEPTION NO. 129668;

THENCE N39°55'14"E, 319.08 FEET ALONG THE SOUTHEASTERLY LINE OF SAID SKIWATCH TO THE MOST EASTERLY CORNER THEREOF;

PARCEL I (cont'd.)

THENCE N36°12'24"W, 27.29 FEET ALONG THE NORTHEASTERLY LINE AND THE NORTHEASTERLY LINE EXTENDED NORTHWESTERLY OF SAID SKIWATCH TO THE SOUTHERLY RIGHT-OF-WAY LINE OF SKI HILL ROAD AS DESCRIBED IN DEED RECORDED JUNE 8, 1967, IN BOOK 186 AT PAGE 893 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THE FOLLOWING COURSES AND DISTANCES ARE ALONG THE SOUTHERLY, WESTERLY, SOUTHERLY, EASTERLY AND NORTHERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AS DESCRIBED IN SAID BOOK 186 AT PAGE 893:

THENCE NORTHEASTERLY, 73.02 FEET ALONG THE ARC OF A CURVE CONCAVE TO THE NORTHWEST TO A POINT TANGENT, SAID ARC HAVING A RADIUS OF 130.00 FEET, A CENTRAL ANGLE OF 32°10'55" AND BEING SUBTENDED BY A CHORD THAT BEARS N34°17'16"E, 72.06 FEET;

THENCE N18°11'49"E, 161.16 FEET TO A POINT OF CURVE TO THE RIGHT;

THENCE NORTHEASTERLY, 76.16 FEET ALONG THE ARC OF SAID CURVE TO A POINT TANGENT, SAID ARC HAVING A RADIUS OF 70.00 FEET, A CENTRAL ANGLE OF 62°20'00" AND BEING SUBTENDED BY A CHORD THAT BEARS N49°21'49"E, 72.45 FEET;

THENCE N80°31'49"E, 9.72 FEET TO A POINT OF CURVE TO THE RIGHT;

THENCE SOUTHEASTERLY, 188.17 FEET ALONG THE ARC OF SAID CURVE TO A POINT TANGENT, SAID ARC HAVING A RADIUS OF 120.00 FEET, A CENTRAL ANGLE OF 89°50'35" AND BEING SUBTENDED BY A CHORD THAT BEARS S54°32'54"E, 169.47 FEET;

THENCE S09°37'36"E, 560.17 FEET TO LINE 5-4 OF SAID SAW MILL PATCH PLACER;

THENCE S84°22'59"E, 62.19 FEET ALONG LINE 5-4 OF SAID SAW MILL PATCH PLACER;

THENCE N09°37'36"W, 576.52 FEET TO A POINT OF CURVE TO THE LEFT;

THENCE NORTHWESTERLY, 249.48 FEET ALONG THE ARC OF SAID CURVE TO A POINT OF COMPOUND CURVE AND THE EASTERLY LINE OF THAT TRACT OF LAND CONVEYED BY BRECKENRIDGE SKI CORPORATION TO BRECKENRIDGE NORDIC VILLAGE CORPORATION, AS DESCRIBED IN DEED RECORDED MAY 12, 1980, AT RECEPTION NO. 206513 OF THE RECORDS OF SUMMIT COUNTY, COLORADO, SAID ARC HAVING A RADIUS OF 180.00 FEET, A CENTRAL ANGLE OF 79°24'41" AND BEING SUBTENDED BY A CHORD THAT BEARS N49°19'56"W, 229.98 FEET;

PARCEL I (cont'd.)

THENCE WESTERLY, 32.77 FEET ALONG THE ARC OF SAID COMPOUND CURVE AND ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SKI HILL ROAD TO A POINT TANGENT, SAID ARC HAVING A RADIUS OF 180.00 FEET, A CENTRAL ANGLE OF 10°25'54" AND BEING SUBTENDED BY A CHORD THAT BEARS S85°44'46"W, 32.73 FEET;

THENCE S80°31'49"W, 9.72 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO A POINT OF CURVE TO THE LEFT;

THENCE SOUTHWESTERLY, 92.38 FEET ALONG A NORTHWESTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AND ALONG THE ARC OF SAID CURVE TO THE SOUTH LINE OF THAT TRACT OF LAND AS DESCRIBED AT RECEPTION NO. 550810 OF THE RECORDS OF SUMMIT COUNTY, COLORADO, SAID ARC HAVING A RADIUS OF 130.00, A CENTRAL ANGLE OF 40°42'47" AND BEING SUBTENDED BY A CHORD THAT BEARS S60°10'25"W, 90.44 FEET;

THENCE N89°45'26"W, 367.61 FEET ALONG THE SOUTH LINE OF THAT TRACT OF LAND AS DESCRIBED AT SAID RECEPTION NO. 550810 TO THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD;

THENCE N07°14'40"E, 348.30 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO A POINT OF CURVE TO THE RIGHT;

THENCE NORTHEASTERLY, 23.81 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AND ALONG THE ARC OF SAID CURVE TO A POINT TANGENT, SAID ARC HAVING A RADIUS OF 170.00 FEET, A CENTRAL ANGLE OF 08°01'25" AND BEING SUBTENDED BY A CHORD THAT BEARS N11°15'23"E, 23.79 FEET;

THENCE N15°16'05"E, 935.59 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO A SOUTHWESTERLY CORNER OF SUMMIT PARCEL A AS DESCRIBED AT RECEPTION NO. 355647 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THENCE CONTINUING N15°16'05"E, 20.81 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO A POINT OF CURVE TO THE RIGHT;

THENCE NORTHEASTERLY, 57.75 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AND ALONG THE ARC OF SAID CURVE TO A POINT TANGENT, SAID ARC HAVING A RADIUS OF 170.00 FEET, A CENTRAL ANGLE OF 19°27'50" AND BEING SUBTENDED BY A CHORD THAT BEARS N25°00'00"E, 57.47 FEET;

THENCE N34°43'55"E, 465.00 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO THE TRUE POINT OF BEGINNING.

AREA = 255.269 ACRES, MORE OR LESS.

EXCEPTING THERE FROM THE FOLLOWING TRACTS OF LAND: TRACT A 1.577 ACRES, TRACT B 35.428 ACRES, TRACT C 17.778 ACRES AND TOSCO / PURDY 16.436 ACRES.

TRACT A

ALL THAT PORTION OF THE TYRA PLACER, U.S. MINERAL SURVEY NO. 13343, LOCATED IN THE SW1/4 OF SECTION 36, T6S, R78W OF THE 6TH P.M., AND IN THE NW1/4 OF SECTION 1, T7S, R78W OF THE 6TH P.M., COUNTY OF SUMMIT, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

PARCEL I (cont'd.)

BEGINNING AT CORNER NO. 6 OF SAID TYRA PLACER, THENCE N47°44'25"W, 128.79 FEET ALONG LINE 6-5 OF SAID TYRA PLACER;

THENCE N18°09'28"W, 372.45 FEET;

THENCE N83°55'54"E, 246.88 FEET;

THENCE S04°10'52"W, 467.86 FEET TO CORNER NO. 6 OF SAID TYRA PLACER AND THE TRUE POINT OF BEGINNING.

TRACT B

ALL THAT PORTION OF THE ADA PLACER, U.S. MINERAL SURVEY NO. 13774, LOCATED IN THE NW1/4 OF SECTION 1 AND IN THE NE1/4 OF SECTION 2, ALL IN T7S, R78W OF THE 6TH P.M., COUNTY OF SUMMIT, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

BEGINNING AT CORNER NO. 9 OF SAID ADA PLACER, THE FOLLOWING SIXTEEN (16) COURSES AND DISTANCES ARE ALONG A SOUTHEASTERLY LINE OF TRACT A OF ASPEN SKIING COMPANY PHASE 3 ANNEXATION PLAT AS RECORDED AT RECEPTION NO. 270155 OF THE RECORDS OF SUMMIT COUNTY, COLORADO:

THENCE S08°04'22"W, 364.50 FEET;

THENCE N33°27'19"W, 150.61 FEET;

THENCE N57°40'05"W, 205.17 FEET;

THENCE N25°45'47"W, 233.74 FEET;

THENCE S16°55'10"W, 199.98 FEET;

THENCE S34°43'47"W, 150.71 FEET;

THENCE S64°36'06"W, 230.73 FEET;

THENCE S50°06'28"W, 180.20 FEET;

THENCE S41°38'24"W, 94.52 FEET;

THENCE N79°26'36"W, 112.19 FEET;

THENCE S45°52'11"W, 98.65 FEET;

PARCEL I (cont'd.)

THENCE S29°30'29"W, 241.63 FEET;

THENCE S49°59'37"W, 207.65 FEET;

THENCE S42°46'34"W, 294.06 FEET;

THENCE S26°41'00"W, 212.69 FEET;

THENCE S44°15'49"W, 253.32 FEET TO LINE 6-5 OF SAID ADA PLACER;

THENCE S53°39'22"E, 75.31 FEET ALONG LINE 6-5 OF SAID ADA PLACER TO THE NORTHWESTERLY LINE OF 4 O'CLOCK RUN AS SHOWN ON SAID ASPEN SKIING COMPANY PHASE 3 ANNEXATION PLAT;

THE FOLLOWING NINE (9) COURSES AND DISTANCE ARE ALONG THE NORTHWESTERLY LINE OF SAID 4 O'CLOCK RUN:

THENCE S83°28'59"E, 667.98 FEET;

THENCE N66°31'01"E, 85.00 FEET;

THENCE N52°31'01"E, 125.00 FEET;

THENCE N41°31'01"E, 260.00 FEET;

THENCE N68°35'47"E, 272.40 FEET;

THENCE N54°16'47"E, 490.66 FEET;

THENCE N29°46'09"E, 258.42 FEET;

THENCE N57°54'04"E, 212.34 FEET;

THENCE N63°26'13"E, 198.57 FEET TO LINE 1-9 OF SAID ADA PLACER;

THENCE N32°30'15"W, 591.18 FEET ALONG 1-9 OF SAID ADA PLACER TO CORNER NO. 9 OF SAID ADA PLACER AND THE TRUE POINT OF BEGINNING.

TRACT C

ALL THAT PORTION OF THE ADA PLACER, U.S. MINERAL SURVEY NO. 13774, LOCATED IN THE NW1/4 OF SECTION 1, T7S, R78W OF THE 6TH P.M., COUNTY OF SUMMIT, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

PARCEL I (cont'd.)

COMMENCING AT CORNER NO. 1 OF SAID ADA PLACER, THENCE S03°16'30"W, 12.22 FEET ALONG LINE 1-2 OF SAID ADA PLACER TO THE SOUTHEASTERLY LINE OF 4 O'CLOCK RUN AS SHOWN ON ASPEN SKIING COMPANY PHASE 3

ANNEXATION PLAT AS RECORDED AT RECEPTION NO. 270155 OF THE RECORDED OF SUMMIT COUNTY, COLORADO AND THE TRUE POINT OF BEGINNING;

THE FOLLOWING EIGHT (8) COURSES AND DISTANCE ARE ALONG THE SOUTHEASTERLY LINE OF SAID 4 O'CLOCK RUN:

THENCE S77°48'09"W, 109.16 FEET;

THENCE S60°35'30"W, 224.34 FEET;

THENCE S42°09'54"W, 152.65 FEET;

THENCE S27°57'34"W, 203.22 FEET;

THENCE S56°15'21"W, 475.13 FEET;

THENCE S64°37'01"W, 239.63 FEET;

THENCE S47°58'21"W, 404.11 FEET;

THENCE S84°03'53"W, 272.16 FEET TO LINE 5-4 OF SAID ADA PLACER;

THENCE S81°11'07"E, 661.35 FEET ALONG LINE 5-4 OF SAID ADA PLACER TO CORNER NO. 4 OF SAID ADA PLACER;

THENCE N82°30'08"E, 653.11 FEET ALONG LINE 4-3 OF SAID ADA PLACER TO CORNER NO. 3 OF SAID ADA PLACER;

THENCE N33°10'51"E, 636.61 FEET ALONG LINE 3-2 OF SAID ADA PLACER TO CORNER NO. 2 OF SAID ADA PLACER;

THENCE N03°16'30"E, 575.46 FEET ALONG LINE 2-1 OF SAID ADA PLACER TO THE TRUE POINT OF BEGINNING.

TOSCO/PURDY

KNOW ALL MEN BY THESE PRESENTS: THAT VAIL SUMMIT RESORTS, INC., BEING THE OWNER OF ALL THOSE PORTIONS OF THE SAWMILL PATCH PLACER, U.S. MINERAL SURVEY NO. 2533, THE LOMAX GULCH PLACER, U.S. MINERAL SURVEY NO. 1807, AND THE CUCUMBER PATCH PLACER, U.S. MINERAL SURVEY NO. 2630, LOCATED IN THE SE1/4 OF SECTION 35 AND THE W1/2 OF SECTION 36, ALL IN T6S, R78W OF THE 6TH P.M.,

PARCEL I (cont'd.)

COUNTY OF SUMMIT, STATE OF COLORADO, DESCRIBED AS FOLLOWS: COMMENCING AT CORNER NO. 6 OF SAID SAWMILL PATCH PLACER, FROM WHICH CORNER NO. 8 OF SAID CUCUMBER PATCH PLACER BEARS N14°57'01"E, THENCE S07°14'40"W, 54.54 FEET ALONG LINE 6-5 OF SAID SAWMILL PATCH PLACER TO A POINT OF CURVE IN THE EASTERLY RIGHT-OF-WAY LINE OF SKI HILL ROAD AS DESCRIBED IN BOOK 186 AT PAGE 893 OF THE RECORDS OF SUMMIT COUNTY, COLORADO AND THE TRUE POINT OF BEGINNING THENCE NORTHEASTERLY, 23.81 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD AND ALONG THE ARC OF A CURVE CONCAVE TO THE EAST TO A POINT TANGENT, SAID ARC HAVING A RADIUS OF 170.00 FEET, A CENTRAL ANGLE OF 08°01'25" AND BEING SUBTENDED BY A CHORD THAT BEARS N11°15'23"E, 23.79 FEET; THENCE N15°16'05"E, 935.59 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO A SOUTHWESTERLY CORNER OF SUMMIT PARCEL A AS DESCRIBED AT RECEPTION NO. 355647 OF THE RECORDS OF SUMMIT COUNTY, COLORADO; THENCE S84°29'25"E, 593.85 FEET ALONG A SOUTHERLY LINE OF SAID SUMMIT PARCEL A; THENCE S14°57'01"W, 868.18 FEET ALONG A WESTERLY LINE OF SAID SUMMIT PARCEL A AND ALONG THE EASTERLY LINE OF SUMMIT PARCEL C AS DESCRIBED AT RECEPTION NO. 355647 OF THE RECORDS OF SUMMIT COUNTY, COLORADO; THENCE S39°08'21"W 300.00 FEET ALONG THE SOUTHEASTERLY LINE OF SAID SUMMIT PARCEL C TO THE MOST SOUTHERLY CORNER THEREOF; THENCE S03°33'33"W, 55.00 FEET ALONG THE EASTERLY LINE OF THAT TRACT OF LAND AS DESCRIBED AT RECEPTION NO. 206513 OF THE RECORDS OF SUMMIT COUNTY, COLORADO; THENCE S25°04'58"E, 44.80 FEET ALONG THE EASTERLY LINE OF THAT TRACT OF LAND AS DESCRIBED AT SAID RECEPTION NO. 206513 TO THE NORTHERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD; THENCE WESTERLY, 32.77 FEET THE ARC OF A CURVE CONCAVE TO THE SOUTH AND ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO A POINT TANGENT, SAID ARC HAVING A RADIUS OF 180.00 FEET, A CENTRAL ANGLE OF 10°25'54" AND BEING SUBTENDED BY A CHORD THAT BEARS S85°44'46"W, 32.73 FEET; THENCE S80°31'49"W, 9.72 FEET ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO A POINT OF CURVE TO THE LEFT; THENCE SOUTHWESTERLY, 92.38 FEET ALONG A NORTHWESTERLY RIGHT-OF-WAY OF SAID SKI HILL ROAD AND ALONG THE ARC OF SAID CURVE TO THE SOUTH LINE OF THAT TRACT OF LAND AS DESCRIBED AT RECEPTION NO. 550810 OF THE RECORDS OF SUMMIT COUNTY, COLORADO, SAID ARC HAVING A RADIUS OF 130.00 FEET, A CENTRAL ANGLE OF 00°07'08" AND BEING SUBTENDED BY A CHORD THAT BEARS S39°52'36"W, 0.27 FEET; THENCE N89°45'26"W, 367.61 FEET ALONG THE SOUTH LINE OF THAT TRACT OF LAND AS DESCRIBED AT SAID RECEPTION NO. 550810 TO THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD; THENCE N07°14'40"E, 348.30 FEET ALONG THE EASTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO THE TRUE POINT OF BEGINNING. AREA = 16.436 ACRES, MORE OR LESS

PARCEL V

ALL THAT PORTION OF THE "4 O'CLOCK RUN" AS SHOWN AND DESCRIBED ON THE AMENDED PLAT OF FOUR SEASONS OF BRECKENRIDGE VILLAGE FILING NO. 2, A SUBDIVISION IN THE COUNTY OF SUMMIT, STATE OF COLORADO, RECORDED FEBRUARY 23, 1972, AT RECEPTION NO. 124904;

EXCEPT THAT PORTION THEREOF CONVEYED BY ASPEN SKIING COMPANY, A PARTNERSHIP, TO THE TOWN OF BRECKENRIDGE BY QUIT CLAIM DEED RECORDED MARCH 30, 1982, AT RECEPTION NO. 237857.

AREA = 1.697 ACRES, MORE OR LESS.

PARCEL VI

ALL THAT PORTION OF THE CUCUMBER PATCH PLACER, U.S. MINERAL SURVEY NO. 2630, LOCATED IN THE SW1/4 OF THE NW1/4 OF SECTION 36, T6S, R78W OF THE 6TH P.M., COUNTY OF SUMMIT, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

BEGINNING AT CORNER NO. 8 OF SAID CUCUMBER PATCH PLACER (A 2½" PIPE WITH BLM BRASS CAP), FROM WHICH CORNER NO. 2 OF THE LOMAX GULCH PLACER, U.S. MINERAL SURVEY NO. 1807, (A 2½" PIPE WITH BLM BRASS CAP) BEARS S14°57'01"W, 1390.15 FEET, THENCE S84°36'58"E, 112.17 FEET ALONG LINE 8-7 OF SAID CUCUMBER PATCH PLACER TO THE WESTERLY RIGHT-OF-WAY LINE OF SKI HILL ROAD (SUMMIT COUNTY ROAD NO. 3) AS DESCRIBED IN DEED RECORDED JUNE 8, 1967, IN BOOK 186 AT PAGE 893 OF THE RECORDS OF SUMMIT COUNTY, COLORADO;

THENCE S34°43'55"W, 326.83 FEET ALONG THE WESTERLY RIGHT-OF-WAY LINE OF SAID SKI HILL ROAD TO LINE 9-8 OF SAID CUCUMBER PATCH PLACER;

THENCE N14°57'01"E, 288.90 FEET ALONG LINE 9-8 OF SAID CUCUMBER PATCH PLACER TO THE POINT OF BEGINNING.

AREA = 0.367 ACRES, MORE OR LESS.

SAWMILL

LOTS 1A, 1B, 1C, 3A, 3B, 4 SAWMILL STATION SQUARE, FILING NO. 3, COUNTY OF SUMMIT, STATE OF COLORADO.

AREA = 6.434 acres, more or less

WATSON

LOT 1, BLOCK 3, PARKWAY CENTER SUBDIVISION FILING NO. 1 AMENDED, COUNTY OF SUMMIT, STATE OF COLORADO.

AREA = 7.439 acres, more or less

PARKWAY CENTER

LOT 1, BLOCK 4, PARKWAY CENTER SUBDIVISION FILING NO. 1, AMENDED, COUNTY OF SUMMIT, STATE OF COLORADO.

AREA = 12.571 acres, more or less

TRACT Q, SHOCK HILL, COUNTY OF SUMMIT, STATE OF COLORADO.

AREA = 4.730 acres, more or less

MOUNTAIN THUNDER LODGE

LOT 3, MOUNTAIN SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED ON SEPTEMBER 4, 2002 AT RECEPTION NO. 694610, SUMMIT COUNTY, COLORADO.

AREA = 4 acres, more or less

P8MDSERVPLANLEGALDESCRIPTIONTWW1000090302
0349.0003

EXHIBIT C
(Description of Facilities, Phasing, and Cost Estimates)

Exhibit C
Facilities - Phasing and Cost Estimate
8/6/02

2003	
Streets/Drainage	1,217,376
Water	198,184
Sewer	219,483
Parks & Recreation	
Transportation	
	<u>1,635,042</u>
2004	
Streets/Drainage	3,454,020
Water	198,184
Sewer	219,483
Parks & Recreation	750,000
Transportation	4,000,000
	<u>8,621,687</u>
2005	
Streets/Drainage	3,036,453
Water	198,184
Sewer	219,483
Parks & Recreation	750,000
Transportation	16,000,000
	<u>20,204,120</u>
2006	
Streets/Drainage	1,846,345
Water	148,588
Sewer	124,212
Parks & Recreation	-
Transportation	-
	<u>2,119,145</u>
2007	
Streets/Drainage	2,874,566
Water	37,147
Sewer	31,053
Parks & Recreation	-
Transportation	-
	<u>2,942,766</u>
2008	
Streets/Drainage	387,446
Water	-
Sewer	-
Parks & Recreation	-
Transportation	-
	<u>387,446</u>
Total	
Streets/Drainage	12,816,206
Water	780,286
Sewer	813,714
Parks & Recreation	1,500,000
Transportation	20,000,000
Total	<u><u>35,910,206</u></u>

EXHIBIT D
(Financing Plan)

Stan Bernstein and Associates, Inc.

Financial Planners and Consultants

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

8400 East Prentice Ave., Penthouse

Greenwood Village, Colorado 80111

Telephone: 303-409-7611; Fax: 303-409-7612; Email: stanplan@earthlink.net

September 10, 2002

Mr. Jim Thompson, President
Mr. Rick MacCutcheon, Vice President Administration
Ms. Lisa M. Annaheim, Director of Finance
Vail Resorts Development Company
Mr. Steve West, Esq.
P.O. Box 1058
Breckenridge, Colorado 80424

**RE: FINANCING PLANS FOR BRECKENRIDGE MOUNTAIN AND ALPINE
METROPOLITAN DISTRICTS – 3%-INFLATED SCENARIO - ASSUMES
PHASE II MOUNTAIN THUNDER IS INCLUDED**

Dear Jim, Lisa, Steve and Rick:

Enclosed are revised 3% inflated financing plans for Breckenridge Mountain Metropolitan District (Financing District) and Alpine Metropolitan District (Service District). The financing plans have been revised to reflect your most current land use and buildout plans (including Mountain Thunder Phase II residential units) and capital improvement costs. Additionally, the revised financing plans include the capital and operational impacts associated with a \$21.7 million gondola system and related skiway.

I have assumed a Breckenridge Mountain Metropolitan District mill levy of 20.00 mills, which after paying basic administrative expenditures, could service general obligation bonds in amount of approximately \$14.25 million expected to be issued on December 1, 2007 (\$6.5 million), December 1, 2009 (\$1.25 million), and December 1, 2015 (\$6.5 million). The net proceeds of these general obligation bonds (\$13,825,000) could refund the \$13.825 million developer enhanced revenue bonds expected to be issued by Alpine Metropolitan District on June 1, 2003.

It is assumed that Alpine Metropolitan District issues \$13.825 million of developer enhanced variable rate demand notes on June 1, 2003 (net proceeds of \$13,133,750) for the purposes of funding a portion of the infrastructure costs required during the next five years. Total estimated infrastructure costs in amount of \$38.3 million include: roads and water system utilities \$15.0 million, park and recreation related (plaza) improvements \$1.6 million, and the gondola and related skiway \$21.7 million. Additionally, it is

assumed that approximately (i) \$3.0 million of gondola system and related skiway capital costs will be funded from the Breckenridge Mountain Resort Association, (ii) \$15.5 million of capital costs will be funded by advances (\$12.2 million) and contributions (\$3.3 million) from VRI, and (iii) \$6.7 million of gondola capital costs will be funded from revenue bonds issued by a proposed tax increment district (TIF) or a public improvement corporation (PIC).

It is assumed that Developer Capital Improvement Fees (contributed by VRI to Breckenridge Mountain Metropolitan District and transferred to Alpine Metropolitan District) in amount of \$4,328,300 (NPV @ 8% = \$ 2,548,922) will pay interest on the variable rate demand notes (combined with \$275,000 of interest earned during the construction period). It is assumed that the variable rate demand notes will be redeemed from net general obligation bond proceeds transferred from Breckenridge Mountain Metropolitan District.

The key assumptions that the Financing Plans have been based upon are set forth below:

- Assessed valuation is based upon land use and buildout rates and values as set forth on Schedules 1 and 2 (including Mountain Thunder Phase II) of the Breckenridge Mountain Metropolitan District (pages 2 and 3). The existing assessed valuation in amount of approximately \$3.5 million is based upon information provided by VRI.
- Breckenridge Mountain Metropolitan District will levy 20.00 mills. This mill levy will be in addition to approximately 53.00 mills that will also be levied on taxpayers for other overlapping taxing jurisdictions that will currently service property owners located within the boundaries of Breckenridge Mountain Metropolitan District. The combined mill levy of approximately 73.00 mills will result in annual property taxes of approximately \$3,340 for a residence valued at \$500,000.
- Breckenridge Mountain Metropolitan District will transfer approximately 29% of its property tax revenues annually (i.e., approximately 5.75 mills) to Alpine Metropolitan District. Alpine Metropolitan District will use these property tax transfers to fund basic administrative costs as set forth on Exhibit I, page 1, of Alpine Metropolitan District's financing plan. It is assumed that Alpine Metropolitan District will incur administrative costs and not basic operating costs such as road maintenance, snow plowing, water and sewer related costs, landscaping, transportation, and recreation because these costs will be paid by other municipal entities.
- It is assumed that a one-time Facility Impact Fee in amount of \$2,000 per residence will be collected by Alpine Metropolitan District and be used to help defray administrative and operating costs. This approach will enable mill levies to be maintained at 20 mills during the early years of the development.

September 10, 2002

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- Alpine Metropolitan District will fund capital infrastructure costs as presented on Schedule 4, page 6. It is assumed that Alpine Metropolitan District will issue \$13.825 million of credit enhanced variable rate demand notes on June 1, 2003 (3% interest rates and 1% annual letter of credit fees have been assumed). The interest on these variable rate demand notes will be paid from Developer Fees collected from VRI and from interest earnings during the construction period. It is assumed that the variable rate demand notes will be redeemed from general obligation bonds expected to be issued by Breckenridge Mountain Metropolitan District in amounts of \$6.305 million on December 1, 2007; \$1.215 million on December 1, 2009, and \$6.305 million on December 1, 2015 (it is assumed that these general obligation bonds will mature serially over a 30-year period and have annual average interest coupons of 6.5%).
- Beginning in 2006, VRI will contribute \$1.4 million annually for gondola operating and maintenance costs.
- It is assumed that VRI will advance approximately \$12.2 million to Alpine Metropolitan District for infrastructure improvements during 2004 through 2008. As presented on Schedule 8, page 10, it is assumed that these cost recovery advances will accrue simple interest (not compounded interest) at a rate of 5.00% annually. Schedule 8 indicates that by the end of 2039 a total of approximately \$33 million of unpaid VRI advances and accrued interest will remain outstanding. Exhibit I indicates that beginning in 2040, when all general obligation bonds are redeemed, approximately \$1.7 million will be available annually to repay VRI advances and accrued interest. It is likely that all of the VRI advances and accrued interest will be fully redeemed within 20 to 25-years after all general obligation bonds are redeemed.

The financing plans have been assembled by Stan Bernstein and Associates, Inc. based upon information and key assumptions provided by Vail Resorts, Inc. The information presented in the financing plans have not been independently audited, examined, reviewed, or tested for reasonableness by Stan Bernstein and Associates, Inc. There will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. Stan Bernstein and Associates, Inc. does not vouch for the achievability of the information presented in the financing plans, nor does Stan Bernstein and Associates, Inc. express any type of assurance or opinion regarding the information presented in the financing plans.

Very truly yours,

Stan Bernstein

Stan Bernstein and Associates, Inc.

BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2040
 INFLATED @ 3%

FINAL DRAFT 9-10-2002

EXHIBIT I - FORECASTED REVENUES, EXPENDITURES,
 AND FUND BALANCES - INFLATED

SCH. REF.	DESCRIPTION	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	BEGINNING FUND BALANCE - JANUARY 1	0	0	0	50,575	136,928	236,462	456,187	367,786	368,762	381,493	463,701
	REVENUES:											
2	PROPERTY TAX REVENUES @ 20.00 MILLS	0	0	70,000	117,420	134,846	297,068	449,015	576,391	711,997	807,181	991,814
	SPEC. OWNER TAXES @ 6% OF PROP TAXES	0	0	4,200	7,045	8,091	17,824	26,941	34,583	42,720	48,431	59,509
	INTEREST EARNED ON CONTINGENCY FUNDS @ 3%	0	0	0	1,517	4,108	7,094	13,686	11,034	11,063	11,445	13,911
	DEVELOPER CAPITAL IMPROVEMENT FEES	0	126,500	453,000	528,000	553,000	553,000	300,800	300,800	252,200	252,200	252,200
3	GENERAL OBLIGATION BOND ISSUES	0	0	0	0	0	6,500,000	0	1,250,000	0	0	0
	TOTAL REVENUES	0	126,500	527,200	653,982	700,044	7,374,966	790,441	2,172,808	1,017,980	1,119,257	1,317,434
	TOTAL REVENUES AND FUND BALANCE	0	126,500	527,200	704,557	836,972	7,611,448	1,246,628	2,540,594	1,386,742	1,500,750	1,781,135
	OPERATING EXPENDITURES:											
	TRANSFER OF PROP. TAXES TO ALPINE METRO DISTRICT	0	0	20,125	33,758	38,768	85,407	129,092	165,712	204,699	232,064	285,147
	TRANSFER OF DEVELOPER CAPITAL IMPROV. FEES TO AMD	0	126,500	453,000	528,000	553,000	553,000	300,800	300,800	252,200	252,200	252,200
	TRANSFER OF NET G.O. BONDS TO ALPINE METRO DISTRICT	0	0	0	0	0	6,305,000	0	1,215,000	0	0	0
	COSTS OF BOND ISSUANCE	0	0	0	0	0	195,000	0	35,000	0	0	0
3	COUNTY TREASURER FEES @ 5% OF PROP. TAXES	0	0	3,500	5,871	6,742	14,853	22,451	28,820	35,600	40,359	49,591
	PAYING AGENT FEES	0	0	0	0	2,000	2,000	4,000	4,000	4,000	4,000	4,000
	TOTAL OPERATING EXPENDITURES	0	126,500	476,625	567,629	600,510	7,155,260	456,342	1,749,332	496,499	528,624	590,937
	GENERAL OBLIGATION BONDS DEBT SERVICE @ 6.5%:											
3	SERIES 12/1/2007 GENERAL OBLIGATION BONDS	0	0	0	0	0	0	422,500	422,500	427,500	427,175	426,850
3	SERIES 12/1/2009 GENERAL OBLIGATION BONDS	0	0	0	0	0	0	0	0	81,250	81,250	81,250
3	SERIES 12/1/2015 GENERAL OBLIGATION BONDS	0	0	0	0	0	0	0	0	0	0	0
	TOTAL G.O. BONDS DEBT SERVICE	0	0	0	0	0	0	422,500	422,500	508,750	508,425	508,100
	TOTAL EXPENDITURES	0	126,500	476,625	567,629	600,510	7,155,260	878,842	2,171,832	1,005,249	1,037,049	1,099,037
	EXCESS ANNUAL REVENUES OVER EXPENDITURES	0	0	50,575	86,353	99,534	219,725	(88,401)	976	12,731	82,208	218,397
	ENDING FUND BALANCE - DECEMBER 31	0	0	50,575	136,928	236,462	456,187	367,786	368,762	368,762	381,493	463,701
	RESTRICTED CAPITALIZED INTEREST	0	0	0	0	0	0	0	0	0	0	0
	UNRESTRICTED	0	0	50,575	136,928	236,462	456,187	367,786	368,762	368,762	381,493	463,701
	TOTAL BONDS OUTSTANDING @ DECEMBER 31	0	0	0	0	0	6,500,000	6,500,000	7,750,000	7,745,000	7,740,000	7,735,000
	% OF G.O. BONDS OUTSTAND. @ 12/31/ASSESSED VALUATION						0.00%	22.55%	21.77%	19.19%	15.61%	14.74%
	PROPERTY TAX TRANSFER TO ALPINE METRO DISTRICT:											
	PROJECTED ASSESSED VALUE BRECK MTN METRO DISTRICT	3,500,000	3,500,000	3,500,000	5,871,000	6,742,285	14,853,395	22,450,727	28,819,565	35,599,861	40,359,043	49,590,716
	MILL LEVY TRANSFER TO ALPINE METRO DISTRICT	0.00	0.00	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
	PROPERTY TAX TRANSFER TO ALPINE METRO DISTRICT	0	0	20,125	33,758	38,768	85,407	129,092	165,712	204,699	232,064	285,147
	NPV OF DEVELOPER FEES @ 8%						\$2,548,922					

SEE ACCOMPANYING REPORT AND DISCLAIMER

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BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT
CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2040
INFLATED @ 3%

EXHIBIT 1 - FORECASTED REVENUES, EXPENDITURES,
AND FUND BALANCES - INFLATED

SCH. REF.	DESCRIPTION	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	BEGINNING FUND BALANCE - JANUARY 1	682,098	844,015	1,059,115	1,278,143	1,128,355	977,849	873,899	766,581	711,580	650,979	649,079
	REVENUES:											
2	PROPERTY TAX REVENUES @ 20.00 MILLS	1,049,451	1,113,363	1,113,363	1,181,167	1,181,167	1,253,100	1,253,100	1,329,414	1,329,414	1,410,375	1,410,375
	SPEC. OWNER TAXES @ 6% OF PROP TAXES	62,967	66,802	66,802	70,870	70,870	75,186	75,186	79,765	79,765	84,623	84,623
	INTEREST EARNED ON CONTINGENCY FUNDS @ 3%	20,463	25,320	31,773	38,344	33,851	29,335	26,217	22,997	21,347	19,529	19,472
	DEVELOPER CAPITAL IMPROVEMENT FEES	252,200	252,200	252,200	0	0	0	0	0	0	0	0
	GENERAL OBLIGATION BOND ISSUES	0	0	6,500,000	0	0	0	0	0	0	0	0
3	TOTAL REVENUES	1,385,081	1,457,685	7,964,138	1,290,381	1,285,889	1,357,621	1,354,503	1,432,176	1,430,526	1,514,527	1,514,470
	TOTAL REVENUES AND FUND BALANCE	2,067,179	2,301,700	9,023,253	2,568,524	2,414,243	2,335,471	2,228,402	2,198,757	2,142,106	2,165,505	2,163,549
	OPERATING EXPENDITURES:											
	TRANSFER OF PROP. TAXES TO ALPINE METRO DISTRICT	301,717	320,092	320,092	339,585	339,585	360,266	360,266	382,206	382,206	405,483	405,483
	TRANSFER OF DEVELOPER CAPITAL IMPROV. FEES TO AMD	252,200	252,200	252,200	0	0	0	0	0	0	0	0
	TRANSFER OF NET G.O. BONDS TO ALPINE METRO DISTRICT	0	0	6,305,000	0	0	0	0	0	0	0	0
	COSTS OF BOND ISSUANCE	0	0	195,000	0	0	0	0	0	0	0	0
3	COUNTY TREASURER FEES @ 5% OF PROP. TAXES	52,473	55,668	55,668	59,058	59,058	62,655	62,655	66,471	66,471	70,519	70,519
	PAYING AGENT FEES	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
	TOTAL OPERATING EXPENDITURES	610,390	631,960	7,131,960	402,644	402,644	426,921	426,921	452,677	452,677	480,002	480,002
	GENERAL OBLIGATION BONDS DEBT SERVICE @ 6.5%:											
3	SERIES 12/1/2007 GENERAL OBLIGATION BONDS	531,525	529,375	531,900	533,775	530,000	530,900	531,150	530,750	534,700	532,675	530,000
3	SERIES 12/1/2009 GENERAL OBLIGATION BONDS	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250
3	SERIES 12/1/2015 GENERAL OBLIGATION BONDS	0	0	0	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500
	TOTAL G.O. BONDS DEBT SERVICE	612,775	610,625	613,150	1,037,525	1,033,750	1,034,650	1,034,900	1,034,500	1,038,450	1,036,425	1,033,750
	TOTAL EXPENDITURES	1,223,165	1,242,585	7,745,110	1,440,169	1,436,394	1,461,571	1,461,821	1,487,177	1,491,127	1,516,427	1,513,752
	EXCESS ANNUAL REVENUES OVER EXPENDITURES	161,917	215,100	219,028	(149,788)	(150,506)	(103,950)	(107,318)	(55,001)	(60,601)	(1,900)	718
	ENDING FUND BALANCE - DECEMBER 31	844,015	1,059,115	1,278,143	1,128,355	977,849	873,899	766,581	711,580	650,979	649,079	649,797
	RESTRICTED CAPITALIZED INTEREST	0	0	0	0	0	0	0	0	0	0	0
	UNRESTRICTED	844,015	1,059,115	1,278,143	1,128,355	977,849	873,899	766,581	711,580	650,979	649,079	649,797
	TOTAL BONDS OUTSTANDING @ DECEMBER 31	7,625,000	7,510,000	13,885,000	13,750,000	13,610,000	13,460,000	13,300,000	13,130,000	12,945,000	12,750,000	12,545,000
	% OF G.O. BONDS OUTSTAND. @ 12/31/ASSESSED VALUATION	13.70%	13.49%	23.51%	23.28%	21.72%	21.48%	20.01%	19.75%	18.36%	18.08%	16.77%
	PROPERTY TAX TRANSFER TO ALPINE METRO DISTRICT:											
	PROJECTED ASSESSED VALUE BRECK MTN METRO DISTRICT	52,472,573	55,668,152	55,668,152	59,058,343	59,058,343	62,654,996	62,654,996	66,470,685	66,470,685	70,518,750	70,518,750
	MILL LEVY TRANSFER TO ALPINE METRO DISTRICT	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
	PROPERTY TAX TRANSFER TO ALPINE METRO DISTRICT	301,717	320,092	320,092	339,585	339,585	360,266	360,266	382,206	382,206	405,483	405,483
	NPV OF DEVELOPER FEES @ 8%				\$2,548,922							

SEE ACCOMPANYING REPORT AND DISCLAIMER

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BRECKENRICE MOUNTAIN METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2040
 INFLATED @ 3%

EXHIBIT I - FORECASTED REVENUES, EXPENDITURES,
 AND FUND BALANCES - INFLATED

SCH.	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
REF.											
	<u>649,197</u>	<u>710,919</u>	<u>773,174</u>	<u>903,408</u>	<u>1,038,800</u>	<u>1,209,884</u>	<u>1,389,626</u>	<u>1,486,201</u>	<u>1,541,874</u>	<u>1,641,614</u>	<u>1,709,971</u>
2	1,496,267	1,496,267	1,587,389	1,587,389	1,635,011	1,635,011	1,734,583	1,734,583	1,840,219	1,840,219	1,952,289
	89,776	89,776	95,243	95,243	98,101	98,101	104,075	104,075	110,413	110,413	117,137
	19,494	21,328	23,195	27,102	31,164	36,297	41,689	44,586	46,256	49,248	51,299
	0	0	0	0	0	0	0	0	0	0	0
3	1,605,537	1,607,370	1,705,828	1,709,735	1,784,276	1,789,408	1,880,347	1,883,244	1,996,889	1,999,881	2,120,725
	2,255,334	2,318,289	2,479,002	2,613,143	2,803,075	2,979,292	3,269,973	3,369,446	3,538,763	3,641,495	3,830,696
TOTAL REVENUES AND FUND BALANCE											
OPERATING EXPENDITURES:											
	430,177	430,177	456,374	456,374	470,066	470,066	498,693	498,693	529,063	529,063	561,283
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
3	74,813	74,813	79,369	79,369	81,751	81,751	86,729	86,729	92,011	92,011	97,614
	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
	508,990	508,990	539,744	539,744	555,816	555,816	589,422	589,422	625,074	625,074	662,897
TOTAL OPERATING EXPENDITURES											
GENERAL OBLIGATION BONDS DEBT SERVICE @ 6.5%:											
	531,675	532,375	532,100	530,850	533,625	530,100	530,600	534,800	532,375	533,650	533,300
	81,250	81,250	81,250	81,250	81,250	81,250	141,250	137,350	133,450	129,550	125,650
	422,500	422,500	422,500	422,500	422,500	422,500	522,500	566,000	606,250	643,250	677,000
	1,035,425	1,036,125	1,035,850	1,034,600	1,037,375	1,033,850	1,194,350	1,238,150	1,272,075	1,306,450	1,335,950
TOTAL EXPENDITURES											
	1,544,415	1,545,115	1,575,594	1,574,344	1,593,191	1,589,666	1,783,772	1,827,572	1,897,149	1,931,524	1,998,847
	61,122	62,255	130,234	135,391	171,085	179,742	96,575	55,673	99,740	68,367	121,878
EXCESS ANNUAL REVENUES OVER EXPENDITURES											
	710,919	773,174	903,408	1,038,800	1,209,884	1,389,626	1,486,201	1,541,874	1,641,614	1,709,971	1,831,849
	0	0	0	0	0	0	0	0	0	0	0
	710,919	773,174	903,408	1,038,800	1,209,884	1,389,626	1,486,201	1,541,874	1,641,614	1,709,971	1,831,849
TOTAL BONDS OUTSTANDING @ DECEMBER 31											
	12,325,000	12,090,000	11,840,000	11,575,000	11,290,000	10,990,000	10,510,000	9,955,000	9,330,000	8,630,000	7,855,000
	15.47%	15.23%	14.92%	14.16%	13.81%	12.67%	12.12%	10.82%	10.14%	8.84%	8.05%
% OF G.O. BONDS OUTSTAND. @ 12/31/ASSESSED VALUATION											
PROPERTY TAX TRANSFER TO ALPINE METRO DISTRICT:											
	74,813,342	74,813,342	79,369,474	79,369,474	81,750,559	81,750,559	86,729,168	86,729,168	92,010,974	92,010,974	97,614,442
	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
MILL LEVY TRANSFER TO ALPINE METRO DISTRICT											
	430,177	430,177	456,374	456,374	470,066	470,066	498,693	498,693	529,063	529,063	561,283
NPV OF DEVELOPER FEES @ 8% \$2,548,922											

SEE ACCOMPANYING REPORT AND DISCLAIMER

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BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2040
 INFLATED @ 3%

EXHIBIT I - FORECASTED REVENUES, EXPENDITURES,
 AND FUND BALANCES - INFLATED

SCH. REF.	DESCRIPTION	2035	2036	2037	2038	2039	2040	TOTALS
	BEGINNING FUND BALANCE - JANUARY 1	1,831,849	1,882,758	1,949,595	1,185,438	546,564	18,523	0
	REVENUES:							
2	PROPERTY TAX REVENUES @ 20.00 MILLS	1,952,289	2,071,183	2,071,183	2,197,318	2,197,318	2,331,135	49,139,677
	SPEC. OWNER TAXES @ 6% OF PROP TAXES	117,137	124,271	124,271	131,839	131,839	139,868	2,948,381
	INTEREST EARNED ON CONTINGENCY FUNDS @ 3%	54,955	56,483	58,488	35,563	16,397	556	976,607
	DEVELOPER CAPITAL IMPROVEMENT FEES	0	0	0	0	0	0	4,328,300
3	GENERAL OBLIGATION BOND ISSUES	0	0	0	0	0	0	14,250,000
	TOTAL REVENUES	2,124,382	2,251,937	2,253,942	2,364,721	2,345,554	2,471,559	71,642,965
	TOTAL REVENUES AND FUND BALANCE	3,956,230	4,134,695	4,203,537	3,550,159	2,892,118	2,490,082	71,642,965
	OPERATING EXPENDITURES:							
	TRANSFER OF PROP. TAXES TO ALPINE METRO DISTRICT	561,283	595,465	595,465	631,729	631,729	670,201	14,127,657
	TRANSFER OF DEVELOPER CAPITAL IMPROV. FEES TO AMD	0	0	0	0	0	0	4,328,300
	TRANSFER OF NET G.O. BONDS TO ALPINE METRO DISTRICT	0	0	0	0	0	0	13,825,000
	COSTS OF BOND ISSUANCE	0	0	0	0	0	0	425,000
3	COUNTY TREASURER FEES @ 5% OF PROP. TAXES	97,614	103,559	103,559	109,866	109,866	116,557	2,456,984
	PAYING AGENT FEES	4,000	4,000	4,000	2,000	2,000	2,000	130,000
	TOTAL OPERATING EXPENDITURES	662,897	703,024	703,024	743,595	743,595	788,758	35,292,941
	GENERAL OBLIGATION BONDS DEBT SERVICE @ 6.5%:							
3	SERIES 12/1/2007 GENERAL OBLIGATION BONDS	531,325	532,725	532,125	0	0	0	15,424,900
3	SERIES 12/1/2009 GENERAL OBLIGATION BONDS	121,750	117,850	883,950	0	0	0	3,415,800
3	SERIES 12/1/2015 GENERAL OBLIGATION BONDS	757,500	831,500	899,000	2,260,000	2,130,000	0	15,808,000
	TOTAL G.O. BONDS DEBT SERVICE	1,410,575	1,482,075	2,315,075	2,260,000	2,130,000	0	34,648,700
	TOTAL EXPENDITURES	2,073,472	2,185,099	3,018,099	3,003,595	2,873,595	788,758	69,941,641
	EXCESS ANNUAL REVENUES OVER EXPENDITURES	50,909	56,838	(764,157)	(638,874)	(528,041)	1,682,801	1,701,324
	ENDING FUND BALANCE - DECEMBER 31	1,882,758	1,949,595	1,185,438	546,564	18,523	1,701,324	1,701,324
	RESTRICTED CAPITALIZED INTEREST	0	0	0	0	0	0	0
	UNRESTRICTED	1,882,758	1,949,595	1,185,438	546,564	18,523	1,701,324	1,701,324
	TOTAL BONDS OUTSTANDING @ DECEMBER 31	5,955,000	5,925,000	4,000,000	2,000,000	0	0	0
	% OF G.O. BONDS OUTSTAND. @ 12/31/ASSESSED VALUATION	6.72%	5.72%	3.64%	1.82%	0.00%	0.00%	0.00%
	PROPERTY TAX TRANSFER TO ALPINE METRO DISTRICT:							
	PROJECTED ASSESSED VALUE BRECK MTN METRO DISTRICT	97,614,442	103,559,162	103,559,162	109,865,915	109,865,915	116,556,749	
	MILL LEVY TRANSFER TO ALPINE METRO DISTRICT	5.75	5.75	5.75	5.75	5.75	5.75	
	PROPERTY TAX TRANSFER TO ALPINE METRO DISTRICT	561,283	595,465	595,465	631,729	631,729	670,201	14,127,657
	NPV OF DEVELOPER FEES @ 8%						\$2,548,922	

SEE ACCOMPANYING REPORT AND DISCLAIMER

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BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT
 CASH FLOW FORECAST
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2012
 NON-INFLATED

FINAL DRAFT 9-10-2002

SCHEDULE 1 - DEVELOPER'S ESTIMATED SINGLE FAMILY LOT SALES SCHEDULE,
 OF ASSESSED VALUATION GENERATED FROM LOT SALES

Description of Lot	Planned Number of Lots	Average Per Lot Price	Total Gross Land Volume
Peak 7 SF Lots:	0	0	0
Peak 8 SF Lots:	22	550,000	12,100,000
Total Project	22	550,000	12,100,000

Estimated Value of Lots Sold By Year - Peak 7 Lots
 Estimated Value of Lots Sold By Year - Peak 8 Lots
 Estimated Value of Lots Sold By Year - Total Single Family Lots
 Proj. Assess Value By Year - Increm. @ 29% (Peak 7 Lots)
 Proj. Assess Value By Year - Increm. @ 29% (Peak 8 Lots)
 Proj. Assess Value By Year - Increm. @ 29% (Total Single Family Lots)

Proj. Decrease In Land Assessed Value By Year Caused By Buildout
 Projected Value Of Land Built Upon (Peak 7 SF Lots)
 Projected Assessed Valuation Of Such Land @ 29%
 Projected Net Increase (decrease) in Peak 7 Lots Land A.V.

Projected Value Of Land Built Upon (Peak 8 SF Lots)
 Projected Assessed Valuation Of Such Land @ 29%
 Projected Net Increase (decrease) in Peak 8 Lots Land A.V.

Projected Net Increase (decrease) in all Project Land A.V.

Proj. Assessed Value By Year - Land Only - Cumulative

Year Assessed Valuation Certified To District

Year Taxes Received By District

Source for Land Sales: Vall Resorts Development Co.

SEE ACCOMPANYING REPORT AND DISCLAIMER

	2002	2003	2004	2005	2006	2007	2008	2009
Proj. Assess Value By Year - Peak 7 Lots	0	0	0	0	0	0	0	0
Proj. Assess Value By Year - Peak 8 Lots	0	18	4	0	0	0	0	0
Proj. Assess Value By Year - Total Single Family Lots	0	18	4	0	0	0	0	0
Proj. Assess Value By Year - Increm. @ 29% (Peak 7 Lots)	0	0	0	0	0	0	0	0
Proj. Assess Value By Year - Increm. @ 29% (Peak 8 Lots)	0	9,900,000	2,200,000	0	0	0	0	0
Proj. Assess Value By Year - Increm. @ 29% (Total Single Family Lots)	0	9,900,000	2,200,000	0	0	0	0	0
Proj. Decrease In Land Assessed Value By Year Caused By Buildout	0	0	0	0	0	0	0	0
Projected Value Of Land Built Upon (Peak 7 SF Lots)	0	0	0	0	0	0	0	0
Projected Assessed Valuation Of Such Land @ 29%	0	0	0	0	0	0	0	0
Projected Net Increase (decrease) in Peak 7 Lots Land A.V.	0	0	0	0	0	0	0	0
Projected Value Of Land Built Upon (Peak 8 SF Lots)	0	0	2,750,000	2,750,000	2,750,000	2,750,000	1,100,000	0
Projected Assessed Valuation Of Such Land @ 29%	0	0	797,500	797,500	797,500	797,500	319,000	0
Projected Net Increase (decrease) in Peak 8 Lots Land A.V.	0	2,871,000	(159,500)	(797,500)	(797,500)	(797,500)	(319,000)	0
Projected Net Increase (decrease) in all Project Land A.V.	0	2,871,000	(159,500)	(797,500)	(797,500)	(797,500)	(319,000)	0
Proj. Assessed Value By Year - Land Only - Cumulative	0	2,871,000	2,711,500	1,914,000	1,116,500	319,000	0	0
Year Assessed Valuation Certified To District	2003	2004	2005	2006	2007	2008	2009	2010
Year Taxes Received By District	2004	2005	2006	2007	2008	2009	2010	2011

BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT
 CASH FLOW FORECAST
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2014
 INFLATED @ 3%

FINAL DRAFT 9-10-2002

SCHEDULE 2 CONTINUED - ASSESSED VALUE
 GENERATED FROM BUILDOUT

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Estimated Value Of Residential Buildout - Peak 7	0	0	0	0	0	0	0	43,560,000	33,577,500	0	0
Estimated Value Of Residential Buildout - Peak 8	0	0	12,500,000	56,060,000	59,360,000	64,970,000	54,945,500	0	0	0	0
Estimated Value Of Residential Buildout - Mountain Thunder	0	0	0	0	0	0	0	0	24,863,000	24,863,000	24,863,000
Estimated Value Of Residential Buildout - Entire Project	0	0	12,500,000	56,060,000	59,360,000	64,970,000	54,945,500	43,560,000	58,440,500	24,863,000	24,863,000
Est. Value of Retail/Rest. - Peak 7	0	0	0	0	0	1,787,500	0	0	0	0	0
Est. Value of Conference - Peak 7	0	0	0	0	0	0	0	0	0	0	0
Est. Value of Office/Gondola Bldg.- Peak 7	0	0	0	3,300,000	0	0	0	0	0	0	0
Est. Value of Retail/Rest. - Peak 8	0	0	0	6,250,000	6,250,000	1,700,000	0	0	0	0	0
Est. Value of Fitness Club - Peak 8	0	0	0	3,600,000	0	0	0	0	0	0	0
Est. Value of Office/Gondola Bldg.- Peak 8	0	0	0	0	0	0	0	0	0	0	0
Estimated Value Of Commercial Buildout - Entire Project	0	0	13,150,000	6,250,000	6,250,000	3,487,500	0	0	0	0	0
Estimated Value Of Comm. & Resid. Buildout - Entire Project	0	0	12,500,000	59,210,000	65,610,000	68,457,500	54,945,500	43,560,000	58,440,500	24,863,000	24,863,000
Proj. Assessed Value - Incremental:											
Total Proj. Assessed Value From Buildout @ 9.15% (Residential)	0	0	1,143,750	5,129,490	5,431,440	5,944,755	5,027,513	3,985,740	5,347,306	2,274,965	2,274,965
Total Proj. Assessed Value From Land (SF Lots)	0	2,871,000	(159,500)	(797,500)	(797,500)	(797,500)	(319,000)	0	0	0	0
Total Proj. Ass. Value From Land & Buildout (Residential)	0	2,871,000	984,250	4,331,990	4,633,940	5,147,255	4,708,513	3,985,740	5,347,306	2,274,965	2,274,965
Total Proj. Assessed Value From Commercial Buildout @ 29%	0	0	0	3,813,500	1,812,500	1,011,375	0	0	0	0	0
Total Proj. Ass. Value From Existing Land and Facilities	3,500,000	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	0	0	0	0
Total Incremental Assessed Valuation - All Sources	3,500,000	2,371,000	484,250	7,645,490	5,946,440	5,658,630	4,208,513	3,985,740	5,347,306	2,274,965	2,274,965
Proj. Assessed Value By Year - Cumulative:	3,500,000	5,871,000	6,355,250	14,000,740	19,947,180	25,605,810	29,814,323	33,800,063	39,147,369	41,422,334	41,422,334
Proj. Assessed Value By Year - Cumulative - w/3% Inflation:	3,500,000	5,871,000	6,742,285	14,853,385	22,450,727	28,819,565	35,599,861	40,359,043	49,590,716	52,472,573	52,472,573
Year Assessed Valuation Certified To District	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2012
Year Taxes Received By District	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2013

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BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT
 CASH FLOW FORECAST
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2014
 INFLATED @ 3%

SCHEDULE 2 CONTINUED - ASSESSED VALUE
 GENERATED FROM BUILDOUT

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>TOTALS</u>
Estimated Value Of Residential Buildout - Peak 7	0	0	0	77,137,500
Estimated Value Of Residential Buildout - Peak 8	0	0	0	247,835,500
Estimated Value Of Residential Buildout - Mountain Thunder	0	0	0	49,726,000
Estimated Value Of Residential Buildout - Entire Project	0	0	0	374,699,000
Est. Value of Retail/Rest. - Peak 7	0	0	0	1,787,500
Est. Value of Conference - Peak 7	0	0	0	0
Est. Value of Office/Gondola Bldg.- Peak 7	0	0	0	3,300,000
Est. Value of Retail/Rest. - Peak 8	0	0	0	14,200,000
Est. Value of Fitness Club - Peak 8	0	0	0	3,600,000
Est. Value of Office/Gondola Bldg.- Peak 8	0	0	0	0
Estimated Value Of Commercial Buildout - Entire Project	0	0	0	22,887,500
Estimated Value Of Comm. & Resid. Buildout - Entire Project	0	0	0	397,586,500
Proj. Assessed Value - Incremental:				
Total Proj. Assessed Value From Buildout @ 9.15% (Residential)	0	0	0	34,284,959
Total Proj. Assessed Value From Land (SF Lots)	0	0	0	0
Total Proj. Ass. Value From Land & Buildout (Residential)	0	0	0	34,284,959
Total Proj. Assessed Value From Commercial Buildout @ 29%	0	0	0	6,637,375
Total Proj. Ass. Value From Existing Land and Facilities	0	0	0	500,000
Total Incremental Assessed Valuation - All Sources	0	0	0	41,422,334
<u>Proj. Assessed Value By Year - Cumulative:</u>	<u>41,422,334</u>	<u>41,422,334</u>	<u>41,422,334</u>	
<u>Proj. Assessed Value By Year - Cumulative - w/3% Inflation:</u>	<u>55,668,152</u>	<u>55,668,152</u>	<u>59,058,343</u>	
<u>Year Assessed Valuation Certified To District</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	
<u>Year Taxes Received By District</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	

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SEE ACCOMPANYING REPORT AND DISCLAIMER

BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT
 CASH FLOW FORECAST
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2040
 INFLATED @ 3%

SCHEDULE 3 - FORECASTED GENERAL OBLIGATION
 BOND ISSUES AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

DATE OF PROPOSED BOND ISSUE	NET PROCEEDS	CAPITAL INTEREST	SIZE OF BOND ISSUE	
			COSTS OF ISSUANCE	GROSS BOND ISSUE
12/1/2007	6,305,000	0	195,000	6,500,000
12/1/2009	1,215,000	0	35,000	1,250,000
12/1/2015	6,305,000	0	195,000	6,500,000
TOTALS	13,825,000	0	425,000	14,250,000

ANNUAL DEBT SERVICE REQUIREMENTS

12/1/2007	140,000	150,000	160,000	170,000	185,000	195,000	205,000	220,000	235,000	250,000	265,000	285,000
	390,000	380,900	371,150	360,750	349,700	337,675	325,000	311,675	297,375	282,100	265,850	248,625
	530,000	530,900	531,150	530,750	534,700	532,675	530,000	531,675	532,375	532,100	530,850	533,625
	5,860,000	5,710,000	5,550,000	5,380,000	5,195,000	5,000,000	4,795,000	4,575,000	4,340,000	4,090,000	3,825,000	3,540,000
12/1/2009	0	0	0	0	0	0	0	0	0	0	0	0
	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250
	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250	81,250
	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
12/01/2015	0	0	0	0	0	0	0	0	0	0	0	0
	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500
	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500	422,500
	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
TOTAL BONDS OUTSTANDING END OF YEAR - ALL ISSUES	13,610,000	13,460,000	13,300,000	13,130,000	12,945,000	12,750,000	12,545,000	12,325,000	12,090,000	11,840,000	11,575,000	11,290,000

SEE ACCOMPANYING REPORT AND DISCLAIMER

BRECKENRIDGE MOUNTAIN METROPOLITAN DISTRICT
 CASH FLOW FORECAST
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2040
 INFLATED @ 3%

SCHEDULE 3 - FORECASTED GENERAL OBLIGATION
 BOND ISSUES AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

DATE OF PROPOSED BOND ISSUE	NET PROCEEDS	CAPITAL INTEREST	SIZE OF BOND ISSUE		2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	TOTALS
			ISSUANCE	GROSS BOND ISSUE													
12/1/2007	6,305,000	0	195,000	6,500,000	530,100	530,600	534,800	532,375	533,650	533,300	531,325	532,725	532,125	0	0	0	15,424,900
12/1/2009	1,215,000	0	35,000	1,250,000	81,250	141,250	137,350	133,450	129,550	125,650	121,750	117,850	883,950	0	0	0	3,415,800
12/1/2015	6,305,000	0	195,000	6,500,000	422,500	522,500	566,000	606,250	643,250	677,000	757,500	831,500	899,000	2,260,000	2,130,000	0	15,808,000
TOTALS	13,825,000	0	425,000	14,250,000	1,033,850	1,194,350	1,238,150	1,272,075	1,306,450	1,335,950	1,410,575	1,482,075	2,315,075	2,260,000	2,130,000	0	34,648,700

ANNUAL DEBT SERVICE REQUIREMENTS

12/1/2007	PRINCIPAL REDUCTION	300,000	320,000	345,000	365,000	390,000	415,000	440,000	470,000	495,000	0	0	0	0	0	0	6,500,000
	INTEREST @ 6.50%	230,100	210,600	189,800	167,375	143,650	118,300	91,325	62,725	37,125	0	0	0	0	0	0	8,924,900
	TOTAL DEBT SERVICE REQUIREMENTS	530,100	530,600	534,800	532,375	533,650	533,300	531,325	532,725	532,125	0	0	0	0	0	0	15,424,900
	BONDS OUTSTANDING END OF YEAR	3,240,000	2,920,000	2,575,000	2,210,000	1,820,000	1,405,000	965,000	495,000	0	0	0	0	0	0	0	0
12/1/2009	PRINCIPAL REDUCTION	0	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	830,000	0	0	0	1,250,000
	INTEREST @ 6.50%	81,250	81,250	77,350	73,450	69,550	65,650	61,750	57,850	53,950	0	0	0	0	0	0	2,165,800
	TOTAL DEBT SERVICE REQUIREMENTS	81,250	141,250	137,350	133,450	129,550	125,650	121,750	117,850	883,950	0	0	0	0	0	0	3,415,800
	BONDS OUTSTANDING END OF YEAR	1,250,000	1,190,000	1,130,000	1,070,000	1,010,000	950,000	890,000	830,000	0	0	0	0	0	0	0	0
12/01/2015	PRINCIPAL REDUCTION	0	100,000	150,000	200,000	250,000	300,000	400,000	500,000	600,000	600,000	600,000	2,000,000	2,000,000	2,000,000	0	6,500,000
	INTEREST @ 6.50%	422,500	422,500	416,000	406,250	393,250	377,000	357,500	331,500	299,000	260,000	260,000	130,000	130,000	130,000	0	9,308,000
	TOTAL DEBT SERVICE REQUIREMENTS	422,500	522,500	566,000	606,250	643,250	677,000	757,500	831,500	899,000	860,000	860,000	2,130,000	2,130,000	2,130,000	0	15,808,000
	BONDS OUTSTANDING END OF YEAR	6,500,000	6,400,000	6,250,000	6,050,000	5,800,000	5,500,000	5,100,000	4,600,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	0	0
	TOTAL BONDS OUTSTANDING END OF YEAR - ALL ISSUES	10,990,000	10,510,000	9,955,000	9,330,000	8,630,000	7,855,000	6,955,000	5,925,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	0	0

SEE ACCOMPANYING REPORT AND DISCLAIMER

ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2017
 INFLATED @ 3%

FINAL DRAFT 9-10-2002

EXHIBIT II - FORECASTED REVENUES, EXPENDITURES,
 AND FUND BALANCES - INFLATED

SCH. REF.	DESCRIPTION	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	BEGINNING FUND BALANCE - JANUARY 1	0	0	11,681,993	4,513,694	70,112	37,212	73,874	132,365	227,046	417,042	495,931
	REVENUES:											
	PROPERTY TAXES @ 20 MILLS X \$1,000 A.V.	0	0	20	20	20	20	20	20	20	20	20
	SPEC. OWNER TAXES @ 6% OF PROP TAXES	0	0	1	1	1	1	1	1	1	1	1
	FACILITY IMPACT FEES @ \$2,000 AVERAGE PER UNIT	0	0	10,609	215,736	207,415	206,318	191,048	196,780	258,421	122,649	0
6	PROPERTY TAX TRANSFERS FROM BRECK MTN METRO DISTRICT	0	0	20,125	33,758	38,768	85,407	129,092	165,712	204,699	232,064	285,147
	TRANSFER OF NET BOND PROCEEDS FROM BRECK MTN METRO DISTRICT	0	0	0	0	0	6,305,000	0	1,215,000	0	0	0
	REVENUE BOND ISSUES SECURED BY VRI LOC'S	0	13,825,000	0	0	0	0	0	0	0	0	0
5	TRANSFER OF NOTE PROCEEDS FROM BRECK, MTN RESORT ASSOC.	0	0	0	3,000,000	0	0	0	0	0	0	0
7	CONTRIB. FROM VRI FOR GONDOLA CONSTRUCTION	0	0	0	3,300,000	0	0	0	0	0	0	0
7	"TIF", "PIC" NET BOND PROCEEDS FOR GONDOLA	0	0	0	382,454	1,406,866	1,449,093	1,492,565	1,537,342	1,583,463	1,630,966	1,679,895
7	DEVELOPER CAPITAL IMPROVEMENT FEE TRANSFERS FROM BMMD	0	126,500	453,000	528,000	553,000	553,000	300,800	300,800	252,200	252,200	252,200
	DEVELOPER COST RECOVERY ADVANCES FOR INFRASTRUCTURE	0	0	1,721,907	4,354,120	2,245,315	3,375,473	462,631	0	0	0	0
	DEVELOPER ADVANCES (REPAYMENTS) - OPERATIONS	0	100,000	100,000	(100,000)	(100,000)	0	0	0	0	0	0
	INTEREST EARNINGS OPERATING FUNDS @ 3%	0	0	188	902	2,103	1,116	2,216	3,971	6,811	12,511	14,878
	INTEREST EARNINGS CONSTRUCTION FUNDS	0	150,000	100,000	25,000	0	0	0	0	0	0	0
	TOTAL REVENUES	0	14,201,500	2,405,751	18,439,992	4,353,509	11,975,428	2,578,374	3,419,627	2,305,615	2,250,412	2,232,141
	TOTAL REVENUES AND FUND BALANCE	0	14,201,500	14,087,744	22,953,685	4,423,621	12,012,640	2,652,247	3,551,991	2,532,662	2,667,454	2,728,073
	OPERATING EXPENDITURES:											
	LEGAL	0	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598
	ACCOUNTING, ADMINISTRATION	0	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
	AUDIT	0	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
	INSURANCE	0	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032
	DIRECTORS FEES	0	0	0	382,454	1,406,886	1,449,093	1,492,565	1,537,342	1,583,463	1,630,966	1,679,895
7	GONDOLA OPERATIONS	0	0	1	1	1	1	1	1	1	1	1
	COUNTY TREASURER FEES @ 5% OF PROP. TAXES	0	51,500	63,654	65,564	135,061	208,669	214,929	221,377	228,019	234,859	241,905
	ADMINISTRATIVE/OPERATING CONTINGENCY	0	93,730	107,152	492,821	1,588,094	1,705,293	1,756,452	1,809,145	1,863,420	1,919,322	1,976,902
	TOTAL OPERATING EXPENDITURES	0	1,458,027	9,913,898	21,897,752	2,245,315	3,375,473	462,631	0	0	0	0
	CAPITAL IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
	COSTS OF BOND ISSUANCE	0	691,250	0	0	0	0	0	0	0	0	0
	SERIES 2003 LOC SUPPORTED DEBT SERVICE @ 4% (INCLUD. 1% L.C. FEE)	0	276,500	553,000	553,000	553,000	553,000	300,800	1,515,800	252,200	252,200	252,200
	TOTAL EXPENDITURES	0	2,519,507	9,574,050	22,883,573	4,386,409	11,938,767	2,519,883	3,324,945	2,115,620	2,171,522	2,229,102
	EXCESS ANNUAL REVENUES OVER EXPENDITURES	0	11,681,993	(7,166,300)	(4,443,582)	(32,900)	36,662	58,491	94,681	189,996	78,890	3,039
	ENDING FUND BALANCE - DECEMBER 31	0	11,681,993	4,513,694	70,112	37,212	73,874	132,365	227,046	417,042	495,931	498,971
	OPERATING FUNDS	0	6,270	30,062	70,112	37,212	73,874	132,364	227,046	417,042	495,931	498,971
	CONSTRUCTION FUNDS	0	11,675,723	4,483,632	0	0	0	0	0	0	0	0
	TOTAL BONDS OUTSTANDING @ DECEMBER 31	0	13,825,000	13,825,000	13,825,000	13,825,000	13,825,000	7,520,000	6,305,000	6,305,000	6,305,000	6,305,000
	PROPERTY TAX TRANSFER FROM BMMD:											
	PROJECTED ASSESSED VALUE BRECK MTN METRO DISTRICT	3,500,000	3,500,000	3,500,000	5,871,000	5,742,285	14,853,385	22,450,727	28,819,565	35,599,861	40,359,043	49,550,716
	MILL LEVY TRANSFER FROM BRECK MTN METRO DISTRICT	0.00	0.00	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
	PROPERTY TAX TRANSFER FROM BRECK MTN METRO DISTRICT	0	0	20,125	33,758	38,768	85,407	129,092	165,712	204,699	232,064	285,147

ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2017
 INFLATED @ 3%

EXHIBIT II - FORECASTED REVENUES, EXPENDITURES,
 AND FUND BALANCES - INFLATED

SCH. REF.	DESCRIPTION	2013	2014	2015	2016	2017 TOTALS
	BEGINNING FUND BALANCE - JANUARY 1	499,971	509,762	530,073	541,542	563,111
	REVENUES:					
	PROPERTY TAXES @ 20 MILLS X \$1,000 A.V.	20	20	20	20	280
	SPEC. OWNER TAXES @ 6% OF PROP TAXES	1	1	1	1	17
	FACILITY IMPACT FEES @ \$2,000 AVERAGE PER UNIT					1,408,975
6	PROPERTY TAX TRANSFERS FROM BRECK MTN METRO DISTRICT	301,717	320,092	320,092	339,585	2,815,845
	TRANSFER OF NET BOND PROCEEDS FROM BRECK MTN METRO DISTRICT	0	0	6,305,000	0	13,825,000
5	REVENUE BOND ISSUES SECURED BY VRI LOC'S	0	0	0	0	13,825,000
7	TRANSFER OF NOTE PROCEEDS FROM BRECK. MTN RESORT ASSOC.	0	0	0	0	3,000,000
7	CONTRIB. FROM VRI FOR GONDOLA CONSTRUCTION	0	0	0	0	3,300,000
7	"TIF" - "PIC" NET BOND PROCEEDS FOR GONDOLA	1,730,292	1,782,201	1,835,667	1,890,737	20,349,022
	DEVELOPER CAPITAL IMPROVEMENT FEE TRANSFERS FROM BMMMD	252,200	252,200	252,200	0	4,328,300
	DEVELOPER COST RECOVERY ADVANCES FOR INFRASTRUCTURE	0	0	0	0	12,159,346
	DEVELOPER ADVANCES (REPAYMENTS) - OPERATIONS	14,969	15,293	15,902	16,246	124,001
	INTEREST EARNINGS OPERATING FUNDS @ 3%	0	0	0	0	275,000
	INTEREST EARNINGS CONSTRUCTION FUNDS	2,299,200	2,369,807	8,728,882	2,246,590	82,110,786
	TOTAL REVENUES	2,798,171	2,879,569	9,258,956	2,788,132	82,110,786
	TOTAL REVENUES AND FUND BALANCE					
	OPERATING EXPENDITURES:					
	LEGAL	34,606	35,644	36,713	37,815	476,922
	ACCOUNTING, ADMINISTRATION	6,921	7,129	7,343	7,563	95,784
	AUDIT	6,921	7,129	7,343	7,563	95,784
	INSURANCE	4,153	4,277	4,406	4,538	57,471
	DIRECTORS FEES	4,153	4,277	4,406	4,538	57,471
	GONDOLA OPERATIONS	1,730,292	1,782,201	1,835,667	1,890,737	20,349,022
7	COUNTY TREASURER FEES @ 5% OF PROP. TAXES	1	1	1	1	14
	ADMINISTRATIVE/OPERATING CONTINGENCY	249,162	258,637	264,336	272,266	2,988,373
	TOTAL OPERATING EXPENDITURES	2,036,209	2,097,295	2,160,214	2,225,020	24,122,841
	CAPITAL IMPROVEMENTS	0	0	0	0	38,293,056
	COSTS OF BOND ISSUANCE	0	0	0	0	691,250
5	SERIES 2003 LOC SUPPORTED DEBT SERVICE @ 4% (INCLUD. 1% L.C. FEE)	252,200	252,200	6,557,200	0	18,428,300
	TOTAL EXPENDITURES	2,288,409	2,349,495	8,717,414	2,225,020	81,535,468
	EXCESS ANNUAL REVENUES OVER EXPENDITURES	10,791	20,312	11,468	21,570	575,299
	ENDING FUND BALANCE - DECEMBER 31	509,762	530,073	541,542	563,111	575,300
	OPERATING FUNDS	509,762	530,073	541,542	563,111	575,300
	CONSTRUCTION FUNDS	0	0	0	0	0
	TOTAL BONDS OUTSTANDING @ DECEMBER 31	6,305,000	6,305,000	0	0	0
	PROPERTY TAX TRANSFER FROM BMMMD:					
	PROJECTED ASSESSED VALUE BRECK MTN METRO DISTRICT	52,472,573	55,668,152	55,668,152	59,058,343	59,058,343
	MILL LEVY TRANSFER FROM BRECK. MTN METRO DISTRICT	5,75	5,75	5,75	5,75	5,75
	PROPERTY TAX TRANSFER FROM BRECK MTN METRO DISTRICT	301,717	320,092	320,092	339,585	339,585
	TOTAL	53,279,045	57,009,999	57,653,996	64,863,763	64,863,763

ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2008

FINAL DRAFT 9-10-2002

SCHEDULE 4 - FORECASTED CAPITAL IMPROVEMENTS COSTS

INFLATED @ 3%

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008 TOTALS</u>
<u>CAPITAL IMPROVEMENTS</u>							
STREETS/DRAINAGE IMPROVEMENTS	0	1,253,897	3,664,370	3,318,014	2,078,078	3,332,410	462,631 14,109,399
WATER IMPROVEMENTS	0	204,130	210,253	216,561	167,237	43,064	0 841,245
WASTEWATER IMPROVEMENTS	0	0	0	0	0	0	0 0
PARK AND RECREATION IMPROVEMENTS	0	0	795,675	819,545	0	0	0 1,615,220
GONDOLA TRANSIT SYSTEM AND RELATED SKIWAY	0	0	4,243,600	17,483,632	0	0	0 21,727,232
TOTAL INFRASTRUCTURE	0	1,458,027	8,913,898	21,837,752	2,245,315	3,375,473	462,631 38,293,096
<u>FUNDING SOURCES</u>							
CONTRIB. FROM BRECK. MTN RESORT ASSOC. FOR GONDOLA (NOTE 1)	0	0	0	3,000,000	0	0	0 3,000,000
CONTRIB. FROM VRI FOR GONDOLA	0	0	0	3,300,000	0	0	0 3,300,000
BOND PROCEEDS FROM "TIF" OR "PIC" FOR GONDOLA	0	0	0	6,700,000	0	0	0 6,700,000
REVENUE BOND PROCEEDS ISSUED BY ALPINE METRO DISTRICT	0	1,458,027	7,192,091	4,483,632	0	0	0 13,133,750
COST RECOVERY ADVANCES FROM VRI	0	0	1,721,807	4,354,120	2,245,315	3,375,473	462,631 12,159,346
TOTAL FUNDING SOURCES	0	1,458,027	8,913,898	21,837,752	2,245,315	3,375,473	462,631 38,293,096

NOTE 1: A cash flow forecast assembled for Breck Mtn. Resort Association indicates that these funds could be available.

SOURCE: VAIL RESORTS DEVELOPMENT COMPANY

SEE ACCOMPANYING REPORT AND DISCLAIMER

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ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2015

FINAL DRAFT 9-10-2002

SCHEDULE 5 - FORECASTED LETTER OF CREDIT ENHANCED REVENUE
 BOND ISSUES AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

DATE OF PROPOSED BOND ISSUE	NET PROCEEDS	CAP. INTEREST	COSTS OF ISSUANCE	GROSS BOND ISSUE
6/1/2003	13,133,750	0	691,250	13,825,000
TOTALS	13,133,750	0	691,250	13,825,000

	2002	2003	2004	2005	2006	2007	2008	2009	2010
	0	276,500	553,000	553,000	553,000	6,858,000	300,800	1,515,800	252,200
	0	276,500	553,000	553,000	553,000	6,858,000	300,800	1,515,800	252,200

ANNUAL DEBT SERVICE REQUIREMENTS

6/1/2003	0	0	0	0	0	6,305,000	0	1,215,000	0
PRINCIPAL REDUCTION	0	276,500	553,000	553,000	553,000	553,000	300,800	300,800	252,200
INTEREST @ 4% (INCLUDING 1% L.C. FEE)	0	276,500	553,000	553,000	553,000	6,858,000	300,800	1,515,800	252,200
TOTAL DEBT SERVICE REQUIREMENTS	0	276,500	553,000	553,000	553,000	6,858,000	300,800	1,515,800	252,200
BONDS OUTSTANDING END OF YEAR	0	13,825,000	13,825,000	13,825,000	13,825,000	7,520,000	7,520,000	6,305,000	6,305,000

TOTAL BONDS OUTSTANDING VRDN LOC ENHANCED BONDS

	0	13,825,000	13,825,000	13,825,000	13,825,000	7,520,000	7,520,000	6,305,000	6,305,000
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SEE ACCOMPANYING REPORT AND DISCLAIMER

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ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2015

SCHEDULE 5 - FORECASTED LETTER OF CREDIT ENHANCED REVENUE
 BOND ISSUES AND DEBT SERVICE REQUIREMENTS

BOND ISSUES

DATE OF PROPOSED BOND ISSUE	NET PROCEEDS	CAP. INTEREST	COSTS OF ISSUANCE	GROSS BOND ISSUE
6/1/2003	13,133,750	0	691,250	13,825,000
TOTALS	13,133,750	0	691,250	13,825,000

2011	2012	2013	2014	2015	TOTALS
252,200	252,200	252,200	252,200	6,557,200	18,428,300
252,200	252,200	252,200	252,200	6,557,200	18,428,300

ANNUAL DEBT SERVICE REQUIREMENTS

6/1/2003	0	0	0	6,305,000	13,825,000
PRINCIPAL REDUCTION	252,200	252,200	252,200	252,200	4,603,300
INTEREST @ 4% (INCLUDING 1% L.C. FEE)	252,200	252,200	252,200	252,200	1,825,000
TOTAL DEBT SERVICE REQUIREMENTS	6,305,000	6,305,000	6,305,000	6,305,000	18,428,300
BONDS OUTSTANDING END OF YEAR	0	0	0	0	0

TOTAL BONDS OUTSTANDING VRDN LOC ENHANCED BONDS

6,305,000	6,305,000	6,305,000	6,305,000	6,305,000	0
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SEE ACCOMPANYING REPORT AND DISCLAIMER

ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MOD ACCRUAL
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2012
 INFLATED @ 3%

FINAL DRAFT 9-10-2002

SCHEDULE 6 - PROJECTED \$2,000 PER SFE
 FACILITY IMPACT FEE REVENUE

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012 TOTALS</u>
INCREMENTAL RESIDENTIAL UNITS COMPLETED	0	0	5	85	85	85	80	80	102	47	569
INCREMENTAL SFE'S - NON RESID. (1 SFE/3500 SQ. FT.)	0	0	0	14	7	4	0	0	0	0	25
TOTAL SFE'S	0	0	5	99	92	89	80	80	102	47	594
FACILITY IMPACT FEE RATE/SFE	<u>2,000</u>	<u>2,060</u>	<u>2,122</u>	<u>2,185</u>	<u>2,251</u>	<u>2,319</u>	<u>2,388</u>	<u>2,460</u>	<u>2,534</u>	<u>2,610</u>	<u>2,688</u>
PROJECTED FACILITY IMPACT FEE REVENUE	0	0	10,609	215,736	207,415	206,318	191,048	196,780	258,421	122,649	1,408,975

SEE ACCOMPANYING REPORT AND DISCLAIMER

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ALPINE METROPOLITAN DISTRICT
 SUMMARY OF GONDOLA FINANCING - CONSTRUCTION & OPERATIONS
 FOR THE YEARS ENDING DECEMBER 31 2002 THROUGH 2007
 INFLATED @ 3%

FINAL DRAFT 9-10-2002

SCHEDULE 7 - GONDOLA FINANCING PLAN - CONSTRUCTION & OPERATIONS

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>TOTALS</u>
<u>GONDOLA CONSTRUCTION</u>							
SOURCES OF FUNDS:							
CONTRIBUTION FROM BRECKENRIDGE MTN RESORT ASSOC. (NOTE 1)	0	0	0	3,000,000	0	0	3,000,000
CONTRIBUTION FROM VRI	0	0	0	3,300,000	0	0	3,300,000
BOND PROCEEDS FROM "TIF", "PIC"	0	0	0	6,700,000	0	0	6,700,000
REVENUE BONDS ISSUED BY ALPINE METROPOLITAN DISTRICT	0	0	4,243,600	4,483,632	0	0	8,727,232
TOTAL SOURCES OF FUNDS	0	0	4,243,600	17,483,632	0	0	21,727,232
USES OF FUNDS:							
GONDOLA SYSTEM & RELATED SKIWAY CONSTRUCTION	0	0	4,243,600	17,483,632	0	0	21,727,232
<u>GONDOLA OPERATIONS AND MAINTENANCE</u>							
SOURCES OF FUNDS:							
CONTRIBUTION FROM VRI	0	0	0	382,454	1,406,886	1,449,093	3,238,433
TOTAL SOURCES OF FUNDS	0	0	0	382,454	1,406,886	1,449,093	3,238,433
USES OF FUNDS:							
GONDOLA OPERATIONS AND MAINTENANCE	0	0	0	382,454	1,406,886	1,449,093	3,238,433
SOURCE: Vail Resorts Development Company							

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NOTE 1: A cash flow forecast assembled for Breck Mtn. Resort Association indicates that these funds could be available.

SEE ACCOMPANYING REPORT AND DISCLAIMER

ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2015

FINAL DRAFT 9-10-2002

SCHEDULE 8 - DEBT RE: DEVELOPER INFRASTRUCTURE ADVANCES
 & DEBT SERVICE REQUIREMENTS @ 5.5% SIMPLE INTEREST

NOTE ISSUES

DATE OF NOTE ISSUE	NET PROCEEDS	CAP. INTEREST	COSTS OF ISSUANCE	GROSS NOTE ISSUE
JAN. 1, 2005	1,721,807	0	0	1,721,807
INTEREST @ 5%	86,090			86,090
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	1,807,898			1,893,898
JAN. 1, 2006	4,354,120	0	0	4,354,120
INTEREST @ 5%				
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	4,354,120			4,354,120
JAN. 1, 2007	2,245,315	0	0	2,245,315
INTEREST @ 5%				
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	2,245,315			2,245,315
JAN. 1, 2008	3,375,473	0	0	3,375,473
INTEREST @ 5%				
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	3,375,473			3,375,473
JAN. 1, 2009	462,631	0	0	462,631
INTEREST @ 5%				
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	462,631			462,631
TOTAL OUTSTANDING ALL ISSUES				12,159,346
PRINCIPAL				
INTEREST @ 5%				
TOTAL PRINCIPAL AND INTEREST OUTSTANDING				

SEE ACCOMPANYING REPORT AND DISCLAIMER

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	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
JAN. 1, 2005	0	0	0	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807
INTEREST @ 5%	0	0	0	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	0	0	0	1,807,898	1,893,898	1,960,078	2,066,169	2,152,259	2,238,349	2,324,440	2,410,530	2,496,620
JAN. 1, 2006	0	0	0	0	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120
INTEREST @ 5%	0	0	0	0	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	0	0	0	0	4,571,826	4,789,532	5,007,239	5,224,945	5,442,651	5,660,357	5,878,053	6,095,769
JAN. 1, 2007	0	0	0	0	0	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315
INTEREST @ 5%	0	0	0	0	0	112,266	112,266	112,266	112,266	112,266	112,266	112,266
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	0	0	0	0	0	2,357,580	2,469,846	2,582,112	2,694,378	2,806,643	2,918,909	3,031,175
JAN. 1, 2008	0	0	0	0	0	0	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473
INTEREST @ 5%	0	0	0	0	0	0	168,774	168,774	168,774	168,774	168,774	168,774
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	0	0	0	0	0	0	3,544,247	3,713,021	3,881,794	4,050,569	4,219,342	4,388,115
JAN. 1, 2009	0	0	0	0	0	0	0	462,631	462,631	462,631	462,631	462,631
INTEREST @ 5%	0	0	0	0	0	0	0	23,132	23,132	23,132	23,132	23,132
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	0	0	0	0	0	0	0	485,763	508,894	532,026	555,157	578,289
TOTAL OUTSTANDING ALL ISSUES	0	0	0	1,721,807	6,075,928	8,321,242	11,696,716	12,159,346	12,159,346	12,159,346	12,159,346	12,159,346
PRINCIPAL	0	0	0	86,090	303,796	416,062	584,836	607,967	607,967	607,967	607,967	607,967
INTEREST @ 5%	0	0	0	1,807,898	6,463,814	9,127,191	13,087,500	14,156,099	15,374,033	15,982,001	16,589,960	16,589,960

ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2015

SCHEDULE 8 - DEBT RE: DEVELOPER INFRASTRUCTURE ADVANCES
 & DEBT SERVICE REQUIREMENTS @ 5.5% SIMPLE INTEREST

NOTE ISSUES

DATE OF NOTE ISSUE	NET PROCEEDS	CAP. INTEREST	COSTS OF ISSUANCE	GROSS NOTE ISSUE
JAN. 1, 2005	1,721,807	0	0	1,721,807
INTEREST @ 5%	86,090			
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	2,582,711			
JAN. 1, 2006	4,354,120	0	0	4,354,120
INTEREST @ 5%	217,706			
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	5,313,475			
JAN. 1, 2007	2,245,315	0	0	2,245,315
INTEREST @ 5%	112,266			
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	3,143,441			
JAN. 1, 2008	3,375,473	0	0	3,375,473
INTEREST @ 5%	168,774			
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	4,556,889			
JAN. 1, 2009	462,631	0	0	462,631
INTEREST @ 5%	23,132			
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	601,420			
TOTAL OUTSTANDING ALL ISSUES				12,159,346
PRINCIPAL				
INTEREST @ 5%				
TOTAL PRINCIPAL AND INTEREST OUTSTANDING				

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
JAN. 1, 2005	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807
INTEREST @ 5%	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	2,582,711	2,668,801	2,754,892	2,840,982	2,927,072	3,013,163	3,099,253	3,185,343	3,271,434	3,357,524	3,443,614	3,529,705
JAN. 1, 2006	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120
INTEREST @ 5%	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	5,313,475	5,531,181	5,748,887	5,966,593	6,184,299	6,402,005	6,619,711	6,837,417	7,055,123	7,272,829	7,490,535	7,708,241
JAN. 1, 2007	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315
INTEREST @ 5%	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	3,143,441	3,255,706	3,367,972	3,480,238	3,592,503	3,704,769	3,817,035	3,929,301	4,041,566	4,153,832	4,266,098	4,378,364
JAN. 1, 2008	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473
INTEREST @ 5%	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	4,556,889	4,725,663	4,894,436	5,063,210	5,231,984	5,400,757	5,569,531	5,738,305	5,907,078	6,075,852	6,244,626	6,413,399
JAN. 1, 2009	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631
INTEREST @ 5%	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	601,420	624,552	647,683	670,815	693,947	717,078	740,210	763,341	786,473	809,604	832,736	855,867
TOTAL OUTSTANDING ALL ISSUES												
PRINCIPAL												
INTEREST @ 5%												
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	17,197,935	17,805,903	18,413,870	19,021,837	19,629,805	20,237,772	20,845,739	21,453,707	22,061,674	22,669,641	23,277,609	23,885,576

SEE ACCOMPANYING REPORT AND DISCLAIMER

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ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2015

SCHEDULE 8 - DEBT RE: DEVELOPER INFRASTRUCTURE ADVANCES
 & DEBT SERVICE REQUIREMENTS @ 5.5% SIMPLE INTEREST

NOTE ISSUES

DATE OF NOTE ISSUE	NET PROCEEDS	CAP. INTEREST	COSTS OF ISSUANCE	GROSS NOTE ISSUE	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
JAN. 1, 2005	1,721,807	0	0	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807
INTEREST @ 5%	86,090			86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090	86,090
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	3,615,795			3,701,898	3,701,898	3,787,976	3,874,066	3,960,157	4,046,247	4,132,337	4,218,428	4,304,518	4,390,608	4,476,699	4,562,789	
JAN. 1, 2006	4,354,120	0	0	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120
INTEREST @ 5%	217,706			217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706	217,706
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	8,925,947			9,143,653	9,361,359	9,579,065	9,796,771	10,014,477	10,232,183	10,449,889	10,667,595	10,885,301	11,103,007	11,320,713		
JAN. 1, 2007	2,245,315	0	0	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315
INTEREST @ 5%	112,266			112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266	112,266
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	4,490,629			4,602,895	4,715,161	4,827,427	4,939,692	5,051,958	5,164,224	5,276,489	5,388,755	5,501,021	5,613,287	5,725,552		
JAN. 1, 2008	3,375,473	0	0	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473
INTEREST @ 5%	168,774			168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774	168,774
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	6,582,173			6,750,947	6,919,720	7,088,494	7,257,268	7,426,041	7,594,815	7,763,589	7,932,362	8,101,136	8,269,910	8,438,683		
JAN. 1, 2009	462,631	0	0	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631	462,631
INTEREST @ 5%	23,132			23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132	23,132
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	878,999			902,130	925,262	948,394	971,525	994,657	1,017,789	1,040,920	1,064,051	1,087,183	1,110,314	1,133,446		
TOTAL OUTSTANDING ALL ISSUES				12,159,346	12,159,346	12,159,346	12,159,346	12,159,346	12,159,346	12,159,346	12,159,346	12,159,346	12,159,346	12,159,346	12,159,346	12,159,346
PRINCIPAL				607,967	607,967	607,967	607,967	607,967	607,967	607,967	607,967	607,967	607,967	607,967	607,967	607,967
INTEREST @ 5%				24,493,543	25,101,511	25,709,478	26,317,445	26,925,413	27,533,380	28,141,347	28,749,315	29,357,282	29,965,249	30,573,217	31,181,184	

SEE ACCOMPANYING REPORT AND DISCLAIMER

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ALPINE METROPOLITAN DISTRICT
 CASH FLOW FORECAST - BUDGETARY BASIS - MODIFIED ACCRUAL BASIS
 FOR THE YEARS ENDING DECEMBER 31, 2002 THROUGH 2015

SCHEDULE 8 - DEBT RE: DEVELOPER INFRASTRUCTURE ADVANCES
 & DEBT SERVICE REQUIREMENTS @ 5.5% SIMPLE INTEREST

NOTE ISSUES

DATE OF NOTE ISSUE	NET PROCEEDS	CAP. INTEREST	COSTS OF ISSUANCE	GROSS NOTE ISSUE	2008	2009	2010	TOTALS
JAN. 1, 2005	1,721,807	0	0	1,721,807	1,721,807	1,721,807	1,721,807	1,721,807
INTEREST @ 5%	86,090				86,090	86,090	86,090	3,099,253
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	4,648,660				4,734,970	4,821,060	4,907,150	4,821,060
JAN. 1, 2006	4,354,120	0	0	4,354,120	4,354,120	4,354,120	4,354,120	4,354,120
INTEREST @ 5%	217,706				217,706	217,706	217,706	7,619,711
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	11,538,419				11,756,125	11,973,831	12,190,870	11,973,831
JAN. 1, 2007	2,245,315	0	0	2,245,315	2,245,315	2,245,315	2,245,315	2,245,315
INTEREST @ 5%	112,266				112,266	112,266	112,266	3,817,035
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	5,837,818				5,950,084	6,062,350	6,174,616	6,062,350
JAN. 1, 2008	3,375,473	0	0	3,375,473	3,375,473	3,375,473	3,375,473	3,375,473
INTEREST @ 5%	168,774				168,774	168,774	168,774	5,589,531
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	8,607,457				8,776,231	8,945,004	9,113,778	8,945,004
JAN. 1, 2009	462,631	0	0	462,631	462,631	462,631	462,631	462,631
INTEREST @ 5%	23,132				23,132	23,132	23,132	740,210
TOTAL PRINCIPAL AND INTEREST OUTSTANDING	1,156,578				1,179,709	1,202,841	1,225,973	1,202,841
TOTAL OUTSTANDING ALL ISSUES				12,159,346	12,159,346	12,159,346	12,159,346	12,159,346
PRINCIPAL				607,967	607,967	607,967	607,967	20,845,739
INTEREST @ 5%				31,789,151	32,397,119	33,005,086	33,005,086	33,005,086

SEE ACCOMPANYING REPORT AND DISCLAIMER

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EXHIBIT E
(Statutory Contents of Service Plan)

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed;
3. A preliminary engineering or architectural survey showing how the proposed services are to be provided;
4. A map of the Districts' boundaries and an estimate of the population and valuation for assessment of the Districts;
5. A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility and service standards of the Districts are compatible with facility and service standards of the County and of municipalities and special districts which are interested parties pursuant to § 32-1-204(1), C.R.S.;
6. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the Districts;
7. A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the Districts and such other political subdivisions;
8. Information satisfactory to establish that each of the following criteria as set forth in § 32-1-203, C.R.S., has been met:
 - (a) That there is sufficient existing and projected need for organized service in the area to be served by the Districts;
 - (b) That the existing service in the area to be served by the Districts is inadequate for the present and projected needs;
 - (c) That the Districts are capable of providing economical and sufficient service to the area within their boundaries;
 - (d) That the area to be included in the Districts has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;