

GREEN GABLES METROPOLITAN DISTRICT NO. 2 **DISCLOSURE TO PURCHASERS**

This Disclosure to Purchasers has been prepared by Green Gables Metropolitan District No. 2 (the “**District**”) to provide prospective property owners with general information regarding the District and its operations. This Disclosure to Purchasers is intended to provide an overview of pertinent information related to the District and does not purport to be comprehensive or definitive. You are encouraged to independently confirm the accuracy and completeness of all statements contained herein.

DISTRICT’S ORGANIZATION / SERVICE PLAN

The Property within the Green Gables Development is located within the boundaries of the District. The District is a quasi-municipal corporation and political subdivision of the State of Colorado organized in the City of Lakewood (“**City**”), County of Jefferson (“**County**”). The District operates pursuant to its Service Plan, as approved by the Jefferson County Board of County Commissioners on September 11, 2012 (the “**Service Plan**”), and by the powers authorized by Section 32-1-1004, of the Colorado Revised Statutes (the “**C.R.S.**”).

Concurrently with the organization of the District, Green Gables Metropolitan District No. 1 (“**District No. 1**”) was also organized and encompasses adjacent property to serve single-family residential portions of the Green Gables Development. Services will be provided to the Green Gables Development by the District and District No. 1 (collectively, the “**Districts**”). Although the Districts will operate as distinct and separate entities, it is anticipated that the Districts will enter into one or more intergovernmental agreements to coordinate efforts in the financing and construction of facilities and provision of improvements to the Green Gables Development in order that the improvements and services are provided in an efficient and cost effective manner.

The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop, and finance certain public improvements, including, but not limited to, water, sanitary sewer and storm sewer, street, and safety protection, and park and recreation improvements and services as defined in the Service Plan.

The Service Plan, which can be amended from time to time, includes a description of the District’s powers and authority. A copy of the Service Plan is available from the Division of Local Government in the State Department of Local Affairs (the “**Division**”).

DISTRICT BOARD OF DIRECTORS

The District is governed by a five-member Board of Directors, who must be qualified as eligible electors of the District. The Board’s regular meeting dates may be obtained from the District Manager, Denise Denslow, CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Suite 300, Greenwood Village, CO 80111; (303) 779-5710.

DEBT AUTHORIZATION

Pursuant to its Service Plan, the District has authority to issue up to Forty-Nine Million Dollars (\$49,000,000) of debt to provide and pay for public infrastructure improvement costs.

Any debt issued by the District will be repaid through ad valorem property taxes, from a District imposed debt service mill levy on all taxable property of the District, together with any other legally available revenues of the District.

TAXES AND FEES IMPOSED ON PROPERTIES WITHIN THE DISTRICT

Ad Valorem Property Taxes

The District's primary source of revenue is from property taxes imposed on property within the District. Along with other taxing entities, the District certifies a mill levy by December 15th of each year which determines the taxes paid by each property owner in the following year. The District imposed a total combined Mill Levy of 64.139 mills for tax collection year 2020 (as described below). The total anticipated overlapping mill levy for the property within the District for tax collection year 2021 is 162.173 mills (inclusive of the District's Mill Levy), as described in the "Overlapping Mill Levy" section below.**

****These mill levy figures are provided as an example only and may change from year to year. You are encouraged to independently confirm the accuracy and completeness of this information.**

Debt Service Mill Levy

The maximum debt service mill levy the District is permitted to impose under the Service Plan ("**Debt Mill Levy Cap**") for the portion of any aggregate District's Debt which exceeds fifty percent (50%) of the District's assessed valuation shall be fifty (50) mills less the number of mills necessary to pay the unlimited mill levy Debt. The Debt Mill Levy Cap may be adjusted due to changes in the statutory or constitutional method of assessing property tax or in the assessment ratio. The purpose of such adjustment is to assure, to the extent possible, that the actual tax revenues generated by the mill levy are neither decreased nor increased, as shown in the example below.

Operations Mill Levy

In addition to imposing a debt service mill levy, the District is also authorized by the Service Plan to impose a separate mill levy to generate revenues for the provision of administrative, operations, and maintenance services (the "**Operations and Maintenance Mill Levy**"). The amount of the Operations and Maintenance Mill Levy may be increased as necessary, separate and apart from the Debt Mill Levy Cap.

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

District Property Tax Calculation Example-Reduction in Residential Assessment Ratio

Tax Collection Year	Actual Value (V)	Assessment Ratio (R)	Assessed Value (AV) [V x R = AV]	Mill Levy ¹ /Rate ² (M)	Amount of District Tax Due [AV x M]
(a) 2019	\$500,000	7.20%	\$36,000	50.360/0.050360	\$1,812.96
(b) 2020	\$500,000	7.15%	\$35,750	50.712/0.050712	\$1,812.96

¹Based on a projected mill levy, not a representation of any actual current or future mill levy

²Each mill is equal to 1/1000th of a dollar

(a) If in 2019 the Actual Value of the Property is \$500,000, and the Residential Assessment Ratio established by the State Legislature for that year is 7.20%, the Assessed Value of the Property is \$36,000 (i.e., \$500,000 x 7.20% = \$36,000). If the District certifies a combined debt and operations mill levy of 50.360 mills, it would generate approximately \$1,812.96 in revenue for the District.

(b) If in 2020 the Actual Value of the Property remains at \$500,000, *but if the State Legislature should determine to change the Residential Assessment Ratio for that year to 7.15%*, the Assessed Value would be \$35,075 (i.e., \$500,000 x 7.15% = \$35,750). Therefore, the District would need to certify a 50.712 mill levy in order to generate the same revenue as in 2019.

Overlapping Mill Levies

In addition to the District's imposed mill levies for debt and operations as described above, the property located within the District is also subject to additional "overlapping" mill levies from additional taxing authorities. The overlapping mill levy **for tax collection year 2020**, for the property within the District, exclusive of the District's imposed mill levies was 98.055. Mill levies are certified in December of each year, and generally published by the County by the end of the first quarter. Therefore, we are unable to provide more detailed information on the anticipated overlapping mill levy for 2021 at this time. The breakdown of the estimated overlapping mill levies is as follows:

****These mill levy figures are provided as an example only and may change from year to year. You are encouraged to independently confirm the accuracy and completeness of this information.**

Taxing Authority	Levy
Jefferson County School District (2020)	47.0750
Jefferson County (2020)	23.3320
Bancroft-Clover Water & Sanitation District (2020)	1.2950
Foothills Park & Recreation District Sub A (2020)	9.5390
Law Enforcement Authority (2020)	2.5490
Urban Drainage & Flood (S Platte) (2020)	0.0970
Urban Drainage & Food Control District (2020)	0.9000
West Metro Fire Protection – G	12.5390

West Metro Fire Protection Sub	0.7290
TOTAL OVERLAPPING MILL LEVY (2020)	98.055
Green Gables Metropolitan District No. 2 (2020)	64.1390
TOTAL WITH DISTRICT MILL LEVY	162.1940

Overlapping Mill Levy Property Tax Calculation Example

Tax Collection Year	Actual Value (V)	Assessment Ratio (R)	Assessed Value (AV) [V x R = AV]	Mill Levy ¹ /Rate ² (M)	Amount of Total Property Tax Due [AV x M]
(a) 2020	\$500,000	7.20%	\$36,000	98.055/0.098055	\$3,529.98

¹Based on a projected mill levy, not a representation of any actual current or future mill levy

²Each mill is equal to 1/1000th of a dollar

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

If in 2021, all other overlapping entities maintain their 2020 mill levies, the total mill levy with all overlapping entities for tax collection year 2021 is anticipated to be 162.173 mills (inclusive of the District's 64.118 mill levy imposition). Note, as stated above, mill levies are certified in December of each year, therefore, we are unable to provide more detailed information regarding the 2021 overlapping mill levies at this time.

Fees

In addition to property taxes, the District may also rely upon various other revenue sources authorized by law to offset the expenses of capital construction and district management, operations, and maintenance. Pursuant to its Service Plan, the District has the power to assess fees, rates, tolls, penalties, or charges as provided in Title 32 of the Colorado Revised Statutes, as amended.

DISTRICT BOUNDARIES

This Disclosure shall apply to the property within the boundaries of the District, which property is described on **Exhibit A** and **Exhibit B**, both attached hereto and incorporated herein by this reference.

CONTACT INFORMATION

Should you have any questions with regard to these matters, please contact:

District Manager:
CliftonLarsonAllen LLP
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Attn: Denise Denslow
Phone: (303) 779-5710
Fax: (303) 773-2050
Email: denise.denslow@CliftonLarsonAllen.com

Dated this 26th day of March, 2021.

EXHIBIT A

Map of District Boundaries

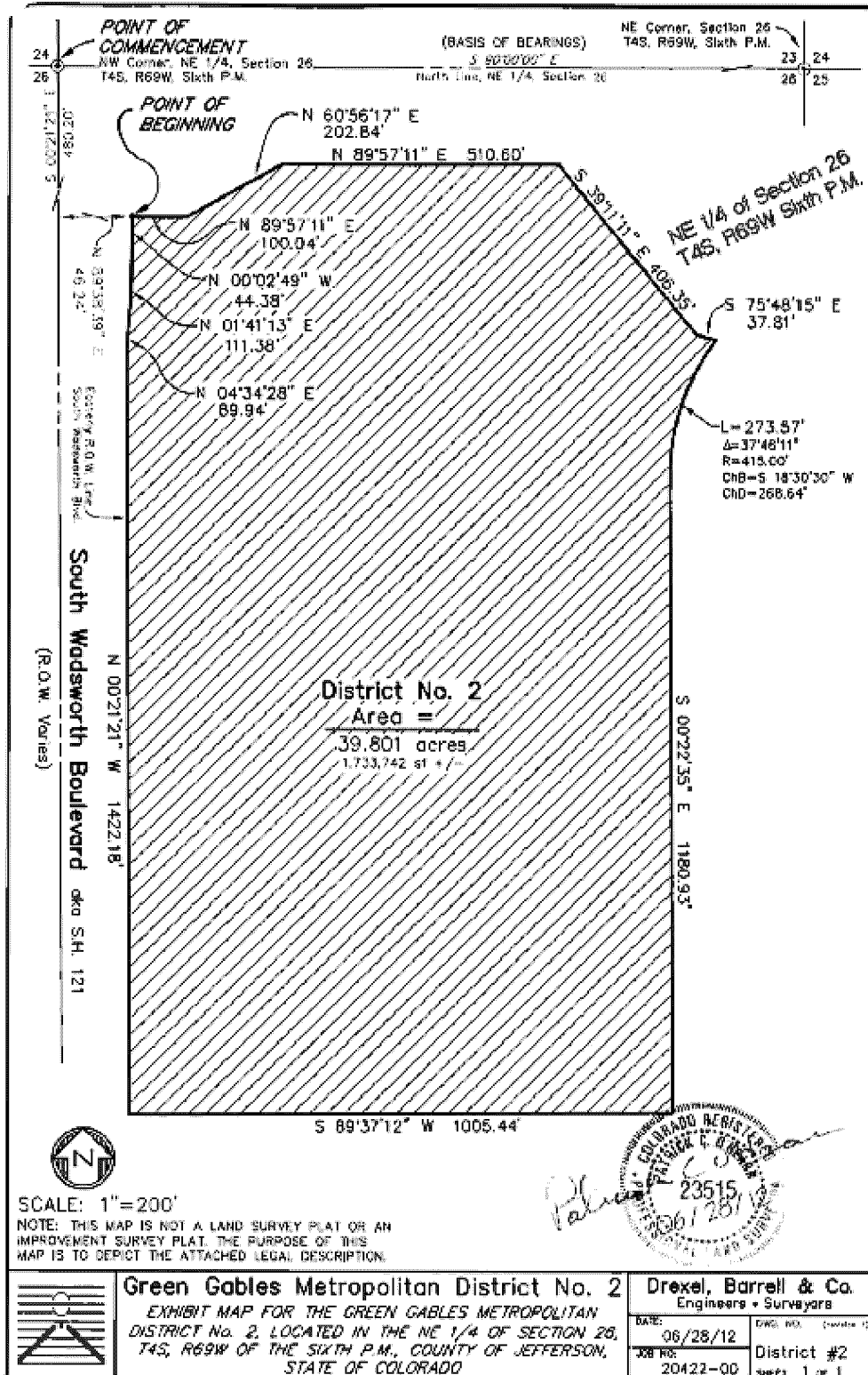


EXHIBIT B

Legal Description of District Boundaries

LEGAL DESCRIPTION – Green Gables Metropolitan District No. 2

(rev) June 28, 2012

A TRACT OF LAND BEING A PART OF THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 4 SOUTH, RANGE 69 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF JEFFERSON, STATE OF COLORADO, DESCRIBED AS FOLLOWS:

“COMMENCING” AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 26, AND CONSIDERING THE NORTH LINE OF SAID NORTHEAST QUARTER TO BEAR NORTH 90°00’00” EAST, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO; THENCE SOUTH 00°21’21” EAST, ALONG THE WEST LINE OF SAID NORTHEAST QUARTER, A DISTANCE OF 480.20 FEET; THENCE NORTH 89°38’39” EAST, A DISTANCE OF 46.24 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF SOUTH WADSWORTH BOULEVARD AS DESCRIBED IN THAT DEED RECORDED AT RECEPTION NUMBER 45064188 IN THE RECORDS OF THE OFFICE OF THE CLERK AND RECORDER OF JEFFERSON COUNTY, SAID POINT BEING THE “POINT OF BEGINNING”; THENCE NORTH 89°57’11” EAST, A DISTANCE OF 100.04 FEET; THENCE NORTH 60°56’17” EAST, A DISTANCE OF 202.84 FEET; THENCE NORTH 89°57’11” EAST, A DISTANCE OF 510.60 FEET; THENCE SOUTH 39°11’11” EAST, A DISTANCE OF 406.35 FEET; THENCE SOUTH 75°48’15” EAST, A DISTANCE OF 37.81 FEET TO A NON-TANGENT POINT OF CURVE, FROM WHICH, THE RADIAL LINE BEARS SOUTH 52°36’25” EAST; THENCE SOUTHWESTERLY 273.57 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 37°46’11”, A RADIUS OF 415.00 FEET AND A CHORD WHICH BEARS SOUTH 18°30’30” WEST, A DISTANCE OF 268.64 FEET TO A POINT TANGENT; THENCE SOUTH 00°22’35” EAST, A DISTANCE OF 1180.93 FEET; THENCE SOUTH 89°37’25” WEST, A DISTANCE OF 1005.44 FEET TO SAID EASTERLY RIGHT-OF-WAY LINE; THENCE NORTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE, THE FOLLOWING FOUR (4) COURSES:

- 1) NORTH 00°21’21” WEST, A DISTANCE OF 1422.18 FEET;
- 2) NORTH 04°34’28” EAST, A DISTANCE OF 89.94 FEET;
- 3) NORTH 01°41’13” EAST, A DISTANCE OF 111.38 FEET;
- 4) NORTH 00°02’49” WEST, A DISTANCE OF 44.38 FEET TO THE “POINT OF BEGINNING”.

CONTAINING 39.801 ACRES OR 1,733,742 SQUARE FEET, MORE OR LESS.

I, PATRICK C. O’HEARN, A PROFESSIONAL LAND SURVEYOR, LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.



PATRICK C. O’HEARN PLS No. 23515
FOR AND ON BEHALF OF
DREXEL, BARRELL & CO.
1800 38th STREET
BOULDER, COLORADO 80301
303.442.4338