

After Recording, Return to:
White, Bear & Ankele Professional Corporation
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122

**AMENDED AND RESTATED RESOLUTION
OF THE BOARD OF DIRECTORS OF
SOUTHLANDS METROPOLITAN DISTRICT NO. 1**

CONCERNING THE IMPOSITION OF A GENERAL OPERATIONS FEE

WHEREAS, Southlands Metropolitan District No. 1 (the "District") is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 32-1-1001(1)(h) C.R.S., the Board of Directors of the District (the "Board") shall have the management, control and supervision of all the business and affairs of the District; and

WHEREAS, consistent with the purposes of the District's organization and the Service Plan for the District dated September 3, 2002, the Board has determined it to be in the best interests of the District, and the property owners, taxpayers, and residents of the District, to acquire, construct, install, operate and maintain certain public improvements benefiting the property within the District, which improvements generally include street improvements, storm drainage improvements, park and recreation improvements, landscaping and other improvements, facilities, appurtenances, and rights-of-way (collectively, the "Public Improvements"); and

WHEREAS, the District owns, leases, operates and maintains certain additional facilities and improvements throughout the District for the benefit of the property owners, taxpayers, and residents of the District and the general public (collectively with the Public Improvements, the "Public Facilities"); and

WHEREAS, the District provides certain ongoing services throughout the District for the benefit of the property owners, taxpayers, and residents of the District and the general public (the "Services"); and

WHEREAS, the District incurs certain costs associated with the acquisition, construction, installation, upkeep, repair, operation, maintenance, improvement, replacement and reconstruction of the Public Facilities, as necessary, inclusive of the costs of utilities, funding an operations reserve and capital reserve, and capital replacement costs, as well as costs associated with providing the Services, in order that the Public Facilities may be properly provided and maintained and that the health, safety, and welfare of the District and its inhabitants may be safeguarded (collectively, the "Maintenance Expenses"); and

WHEREAS, on August 4, 2011, the Board adopted a "Resolution of the Board of Directors of Southlands Metropolitan District No. 1 Concerning the Imposition of a General Operations Fee," establishing a fair and equitable fee to provide a source of funding to pay, inter alia, the Maintenance Expenses (the "Prior Resolution"); and

WHEREAS, the Board desires to amend and restate the Prior Resolution to clarify certain provisions thereof; and

WHEREAS, pursuant to § 32-1-1001(1)(j), C.R.S., the District is authorized to fix and impose fees, rates, tolls, charges and penalties for services or facilities provided by the District which, until such fees, rates, tolls, charges and penalties are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the establishment and continuation of a fair and equitable fee to provide a source of funding for Maintenance Expenses (which costs are generally attributable to the persons subject to such fees and charges) (the "General Operations Fee") is necessary to provide for the common good and for the prosperity and general welfare of the District its property owners and occupants and for the orderly and uniform administration of the District's affairs; and

WHEREAS, the District finds that the General Operations Fee as set forth in this Resolution is reasonably related to the overall cost of the Maintenance Expenses and that imposition thereof is necessary and appropriate.

NOW, THEREFORE, be it resolved by the Board of Directors of the District as follows:

1. General Operations Fee. The Board has determined, and does hereby determine, that it is in the best interests of the District and its respective taxpayers and property owners to impose a recurring General Operations Fee to fund the Maintenance Expenses. The General Operations Fee is hereby established and imposed at the rate set forth in **Exhibit A**, attached hereto and incorporated herein by this reference.

2. Late Fees and Penalty Interest. Any General Operations Fee not paid in full within fifteen (15) days after the scheduled due date will be assessed a late fee of Fifteen Dollars (\$15.00) or up to five percent per month, or fraction thereof, not to exceed a total of twenty-five percent of the amount due, pursuant to § 29-1-1102(3), C.R.S. Interest will also accrue on any outstanding General Operations Fees, exclusive of assessed late fees and interest, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S. The District may institute such remedies and collection proceedings as authorized under Colorado law including but not limited to foreclosure of its perpetual lien. The defaulting property owner shall pay all costs, including attorneys' fees, incurred by the District in connection with the foregoing.

3. Payment. Payment for all fees, interest and delinquent charges shall be by check or equivalent form acceptable to the District, made payable to "Southlands Metropolitan District No. 1" and sent to the following address, on or before the due date: Southlands Metropolitan District No. 1, 8390 East Crescent Parkway, Suite 600, Greenwood Village, CO 80111. The District may change the payment address from time and time and such change shall not require an amendment to this Resolution.

4. Fees Constitute Lien. The fees imposed hereunder shall, until paid, constitute a statutory, perpetual lien on and against the property served, and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j), C.R.S., such lien being a charge imposed for the provision of services and facilities to the property. Said lien may be foreclosed at such times as the District in its sole discretion may determine. The lien shall be perpetual in nature (as defined by the laws of the State of Colorado) on the property and shall run with the land.

5. Collection Procedures. The District will process all delinquent accounts in accordance with any applicable collections resolution or other rules and regulations of the District as may be adopted and amended from time to time.

6. Severability. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

7. The Property. This Resolution shall apply to all property within the District's boundary, including but not limited to the property set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, and any additional property included into the District after the date of this Resolution.

8. Effective Date. This Resolution shall become effective immediately upon its adoption and shall replace and supersede the Prior Resolution in its entirety.

APPROVED and ADOPTED this 13th day of March, 2014.

Signature page follows.

**SOUTHLANDS METROPOLITAN DISTRICT
NO. 1**, a quasi-municipal corporation and political
subdivision of the State of Colorado



President

ATTEST:



Acting Secretary

APPROVED AS TO FORM:

WHITE, BEAR & ANKELE,
Professional Corporation



General Counsel to the District

*Signature page to Resolution of Southlands No. 1 Concerning the Imposition of a
General Operations Fee*

EXHIBIT A
Fee Schedule

Unless otherwise defined in the Resolution Concerning the Imposition of a General Operations Fee to which this Exhibit is a part, or herein, capitalized terms used herein shall have the meanings given them in the Master Declaration of Easements, Covenants, Conditions and Restrictions, dated June 2, 2004, and recorded in the real property records of Arapahoe County, Colorado at Reception # B4112093.

The General Operations Fee on each subject Property shall be due and payable in monthly installments, upon the first day of each month, commencing upon the first day of the first month following the date on which construction is commenced upon such Property (the "Constructed Property"). (For the purposes of this section, construction shall be deemed to be commenced at such time that the subject Property Owner or Occupant begins site preparation and/or the foundation and/or footings work for the Building to be constructed on its Property.) Each Property Owner or Occupant shall notify the District, in writing, of the date construction is commenced upon its Property, which notification shall be given within ten (10) days of the construction commencement date. Such notification shall be in recordable form, and may be recorded against the subject Property by either the District or the Property Owner or Occupant. The General Operations Fee shall be collected on the basis of a calendar year; accordingly, unless a Property Owner's or Occupant's obligation to pay the General Operations Fee commences on January 1 of any given year, the General Operations Fee to be paid by any Property Owner or Occupant in the year in which the obligation to pay commences shall be prorated on the basis of the number of days remaining in the then-current calendar year.

The annual General Operations Fee to be charged against each Property Owner or Occupant for each year shall be equal to such Property Owner's or Occupant's "Proportionate Share" of all of the Maintenance Expenses (including any operations reserve or capital reserve as determined by the Board of the District is its sole and absolute discretion) incurred by the District in such year, defined as follows.

(i) Each Property Owner's or Occupant's "Proportionate Share" of such Maintenance Expenses in any year shall be calculated by multiplying (x) all such Maintenance Expenses incurred in such year by (y) a fraction, the numerator of which shall be the square footage of such Property Owner's Property and the denominator of which shall be the total of the square footage of all Constructed Property within (i) the Value Retail District, (ii) the High Visibility District, (iii) the Large Format District, and (iv) the Life-style/Entertainment District (excluding, the Detention Pond, any dedicated areas or any areas subject to a Project Area Lease, or any roads, streets, highways or rights of way, including without limitation the Project Roads).

(ii) For each year, the District shall advise each Property Owner or Occupant, during or after the subject year, of the total amount of the Maintenance Expenses incurred in such year, together with the Proportionate Share thereof (which will be the General Operations Fee for such year) attributable to each such Property Owner or Occupant. Any monthly installments of a Property Owner's or Occupant's General Operations Fee that become due and payable prior to the date on which such Property Owner or Occupant is advised by the District as to the amount of such General Operations Fee for such year shall be based upon the District's reasonable estimate of the General Operations Fee for such year or, in the absence of such estimate, upon the General Operations Fee payable by such Property Owner or Occupant for the immediately prior year (or which would have been payable for the immediately preceding year, had the Property Owner or Occupant been obligated to pay such General Operations Fee); provided, however, that there shall be an adjustment if the amount paid by any Property Owner or Occupant during any year differs from the actual amount of such Property Owner's or Occupant's General Operations Fee for such year, calculated as provided above. Any amount due the District or any amount due a Property Owner or Occupant pursuant to such adjustment shall be paid to the District or credited to such Property Owner's or Occupant's account, as the case may be, at the time that the next monthly installment of such Property Owner's or Occupant's General Operations Fee is due and payable to the District.

EXHIBIT B

