RESOLUTION NO. 2013-11-

RESOLUTION OF VISTA RIDGE METROPOLITAN DISTRICT REGARDING APPROPRIATION OF OPERATION & MAINTENANCE MILL LEVY TO DEBT SERVICE OF TAXABLE SUBORDINATE NON-AD VALOREM TAX REVENUE BONDS, SERIES 2006D AND 2008D

WHEREAS, Vista Ridge Metropolitan District (the "District") has heretofore issued its $35,000,000 Vista Ridge Metropolitan District, Weld County, Colorado Limited Tax General Obligation Improvement and Refunding Bonds, Series 2006 A ("Series A Bonds"), $5,000,000 Vista Ridge Metropolitan District, Weld County, Colorado Limited Tax General Obligation Subordinate Refunding Bonds, Series 2006 B ("Series B Bonds"), $3,060,115 Vista Ridge Metropolitan District, Weld County, Colorado Subordinate Non-Ad Valorem Tax Revenue Bonds, Series 2006 C ("Series 2006C Bonds"), $678,481 Vista Ridge Metropolitan District, Weld County, Colorado Taxable Subordinate Non-Ad Valorem Tax Revenue Bonds, Series 2006 D ("Series 2006D Bonds" and collectively with the Series A Bonds, Series B Bonds and Series 2006C Bonds, the "2006 Bonds"), $1,121,768 Vista Ridge Metropolitan District, Weld County, Colorado Subordinate Non-Ad Valorem Tax Revenue Bonds, Series 2008 C ("Series 2008C Bonds"), and $251,669 Vista Ridge Metropolitan District, Weld County, Colorado Taxable Subordinate Non-Ad Valorem Tax Revenue Bonds, Series 2008 D ("Series 2008D Bonds" and together with the Series 2008C Bonds, the "2008 Bonds," which, together with the 2006 Bonds, are referred to in this Resolution as the "Bonds"); and

WHEREAS, the 2006 Bonds were issued under and subject to that certain Trust Indenture, dated as of August 1, 2006, by and between the District and American National Bank, a national banking association, as the Trustee (the " 2006 Indenture"); and

WHEREAS, the 2008 Bonds were issued under and subject to that certain First Supplemental Trust Indenture, dated as of February 1, 2008, by and between the District and American National Bank, a national banking association, as the Trustee (the "Supplemental Indenture" and together with 2006 Indenture, the "Indenture); and

WHEREAS, debt service on the Bonds is also subject to that certain District Bonds Restructure Agreement, dated as of August 1, 2006, by and among the District, Vista Ridge LLC, a Colorado limited liability company, and Vista Ridge Development Corporation, a Colorado corporation (the "Restructure Agreement"); and

WHEREAS, Section 5 of the Restructure Agreement requires that the District make a determination whether the revenue expected to be available under the Indenture for payment of the Series 2006D Bonds in the immediately succeeding year will be sufficient to pay the principal of and interest on such bonds when due and, if the District determines that such available revenue will not be sufficient, the officer of the District who is at such time charged with the responsibility of formulating budget proposals shall include, in the annual budget proposal submitted to the Board of Directors for consideration, a budget which reflects the amount of the insufficiency and reflects revenue derived from an operations mill levy applied to cover such insufficiency. Only to the extent approved by the Board of Directors in its discretion, the District shall certify an operations mill levy to the County in such fiscal year that takes into account the amount of such insufficiency. The District's covenant to certify an operations mill levy sufficient to pay such shortfall amount and to appropriate ad valorem property tax revenue derived from such levy for the payment of the Series 2006D Bonds shall be from year to year only and shall not constitute a multiple-fiscal year direct or indirect debt or other financial obligation of the District within the meaning of Article X, Section 20 of the Colorado

Constitution. All revenue derived from such operations mill levy as described in Section 5 of the Restructure Agreement shall be Restructure Agreement Revenue (as this term is defined in the Indenture), and shall be deposited by the District in the Non-Property Tax Account of the Bond Fund (as these terms are defined in the Indenture), held under the Indenture and applied solely to the payment of the principal of and interest on the Series 2006D Bonds pursuant to Section 5.6(c)(ix) and 5.6(d)(ix) of the Indenture; and

WHEREAS, the Supplemental Indenture provides that the Series 2008C Bonds and the Series 2008D Bonds shall be issued, respectively, on a parity basis with the Series 2006C Bonds and the Series 2006D Bonds; and

WHEREAS, in computing the amount of District funds available to pay the debt service due on the Series 2006D Bonds and the Series 2008D Bonds, the Board of Directors determined that insufficient revenues would be available to make the debt service payment due on the Series 2006D Bonds and the Series 2008D Bonds; and

WHEREAS, as required by the Supplemental Indenture, Restructure Agreement Revenue shall be applied to the payment of the principal of and interest on both the Series 2006D Bonds and the Series 2008D Bonds; and

WHEREAS, the District has certified an operations mill levy of 15 mills to the County for fiscal year 2013, which the District expects to produce revenue of approximately $753,298 (the "Operations Mill Levy Revenue"); and

WHEREAS, it is the District's desire to use up to $400,000, but not less than $200,000, of the Operations Mill Levy Revenue as "Restructure Agreement Revenue" to make debt service

payments due on the Series 2006D Bonds and the Series 2008D Bonds, but before reaching an amount, the District needs to consider and appropriate amounts for operating costs that vary due to circumstances beyond the District's control and to accumulate a reasonable replacement reserve for the District's facilities; and

WHEREAS, the District will decide on or before November 30, 2014 on the amount of the Operations Mill Levy Revenue that will be used as "Restructure Agreement Revenue" to make debt service payments due on the Series 2006D Bonds and the Series 2008D Bonds (such amount, the "Restructure Agreement Operations Mill Levy Revenue"); and

WHEREAS, it is in the best interests of the District, its constituents and its bondholders to adopt this Resolution to appropriate the Restructure Agreement Operations Mill Levy Revenue in amount up to $400,000, but not less than $200,000, (which revenue shall be "Restructure Agreement Revenue") for the payment of debt service on the Series 2006D Bonds and the Series 2008D Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VISTA RIDGE METROPOLITAN DISTRICT, AS FOLLOWS:

1. The Board of Directors hereby acknowledges receipt from the officers and staff of the District, at a public meeting of the District's Board of Directors held on November 21, 2013, data with regard to the amount of the Operations Mill Levy Revenue, the District's operating costs and required replacement reserves, and other relevant data and information to allow the Board of Directors to determine the Restructure Agreement Operations Mill Levy Revenue, which will be an amount up to $400,000, but not less than $200,000.

2. The Board of Directors has determined the amount of the Restructure Agreement Operations Mill Levy Revenue to be $_____ and the Board of Directors hereby authorizes and directs the officers of the District to undertake all actions necessary, and to finalize, execute and deliver on behalf of the District, all documents or instruments necessary to appropriate the Restructure Agreement Operations Mill Levy Revenue for the payment of debt service on the Series 2006D Bonds and the Series 2008D Bonds.

APPROVED AND ADOPTED AS OF THIS 21st day of November, 2013.

VISTA RIDGE METROPOLITAN DISTRICT

By: _____

James Spehalski, President

Attest:

By: _____

Its: _____