

**JOINT RESOLUTION OF HEADWATERS METROPOLITAN DISTRICT  
AND GRANBY RANCH METROPOLITAN DISTRICT  
TO ESTABLISH A CAPITAL FACILITIES FEE**

**WHEREAS**, the Headwaters Metropolitan District (“Headwaters”) and Granby Ranch Metropolitan District (“Granby Ranch”; Headwaters and Granby Ranch collectively, the “Districts”) were organized to provide services, programs and facilities, including the construction, completion, maintenance and operation of public infrastructure within and without the boundaries of the Districts, in accordance with the Service Plans of the Districts; and

**WHEREAS**, the Districts have determined that it is in the best interest of the Districts to acquire, finance, construct, maintain, provide and administer certain improvements and services benefiting the property within the Districts, including, without limitation, services, streets and roadways, traffic safety and control, transportation, drainage, water and sanitary sewer transmission improvements and offsite capacity improvements, non-potable water facilities, storm drainage, park and recreation improvements, and right-of-way landscaping (collectively the “Improvements”); and

**WHEREAS**, the Districts will incur significant expenses for the financing, acquisition, construction, installation, maintenance, operation and/or administration of the Improvements; and

**WHEREAS**, pursuant to the authority set forth in Section 32-1-1001(1)(j), C.R.S., the Districts may establish fees and charges for the use and the funding of expenses incurred for such services, programs and facilities of the Districts; and

**WHEREAS**, the establishment of a fair and equitable capital facilities fee (the “Facilities Fee”) will provide a source of funding to pay for costs incurred by the Districts for the financing, acquisition, construction, installation, maintenance, operation and/or administration of the Improvements, which are generally attributable to the persons subject to such charges, and such fees and charges are necessary to provide for the health, safety, prosperity, security and general welfare of the Districts and their inhabitants and for the orderly and uniform administration of the Districts’ affairs; and

**WHEREAS**, Headwaters will impose and collect the Facilities Fee as set forth herein relative to real property within the District (the “Property”).

**WHEREAS**, Headwaters will also impose and collect the Facilities Fee in one or more Capital Facilities Fee Agreements (collectively, the “Capital Facilities Agreement”) between Headwaters and Granby Realty Holdings, LLC or Aspen Meadows Condominiums, LLC, which are incorporated herein by reference relative to real property within the District (the “Property”).

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Headwaters Metropolitan District and the Board of Directors of the Granby Ranch Metropolitan District hereby adopt and establish a Capital Facilities Fee as follows:

Section 1. Facilities Fee. A Facilities Fee is hereby established to be collected by Headwaters in coordination with Granby Ranch. The Boards of Directors of the Districts find that the Facilities Fee calculation contained herein is fair and equitable, and approximates a pro rata calculation of a portion of the appraised value of the Improvements, which are not otherwise funded by the Districts. The Facilities Fee shall be paid to Headwaters by the owner of each lot or parcel of land within the Property ("Lot") on or before the date (the "Due Date") of issuance of a building permit by the Town of Granby, Colorado ("Town"), for any buildings on such Lot. The Facilities Fee shall be payable in the amount, initially, of:

- (a) Six Thousand Two Hundred Fifty Five Dollars (\$6,255) for each residential dwelling unit (including, without limitation, condominiums, townhouses, apartments and any other attached dwelling units, and detached single family dwelling units) being constructed on such Lot; and
- (b) Six Thousand Two Hundred Fifty Five Dollars (\$6,255) per single family equivalent as set forth in Exhibit A attached hereto, and for property utilized for commercial, office or industrial use being constructed on a Lot;

and shall hereafter be in such amounts as are determined from time to time by the Boards of Directors of the Districts to fund the actual costs of the Improvements, not to exceed a cumulative increase of ten percent (10%) per year. The owner or owners of a Lot is/are referred to in this Resolution as the "Responsible Party," and if the Responsible Party consists of more than one party, then the obligation to pay the Facilities Fee shall be the joint and several obligation of all of the parties constituting the Responsible Party. No Lot or Responsible Party shall be exempt from the Facilities Fee.

Section 2. Method of Payment and Use of Facilities Fee. The Facilities Fee shall be payable by the Responsible Party to Headwaters in cash or other acceptable funds pursuant to the terms of this Resolution and the Capital Facilities Agreement. Headwaters shall collect, or cause the collection of, the Facilities Fee from each Responsible Party on or before the date of issuance of a building permit by the Town for the construction of any buildings on such Lot. The imposition of the Facilities Fees by Headwaters is solely for the purpose of financing the acquisition, reimbursement, construction, replacement, maintenance and repair of Improvements, which may include, without limitation: (1) the issuance of bonds or (2) reimbursement of amounts advanced by other parties.

Section 3. Late Fees. Until paid, all Facilities Fees shall be subject to accrual of interest at a rate of 12% per annum from the Due Date, and Headwaters shall have the following rights and remedies: (i) if the default is a failure to pay, to declare by written notice such defaulted Facilities Fee immediately due and payable in full; (ii) to collect or foreclose its lien against the Lot for which such Facilities Fee is in default pursuant to Section 32-1-1001(1)(j), C.R.S. or as otherwise provided by Colorado law; or (iii) to initiate an action at law or in equity for actual (but not punitive or consequential) damages arising from any breach of the Capital Facilities Fee Agreement or for specific performance. The prevailing Party shall be entitled to recover its costs and expenses, including reasonable attorneys' fees, in connection with any

enforcement action, and such costs and expenses incurred by Headwaters shall be secured by its lien against the Lot to which such costs and expenses are allocable.

Section 4. Fees Constitute Lien. The Facilities Fee imposed hereunder is imposed by Headwaters pursuant to Section 32-1-1001(1)(j), C.R.S., for the purpose of furnishing public facilities serving properties within the Districts and is deemed by the Districts to be necessary in order to fulfill their governmental purposes. As a result, the Facilities Fee, together with any late fees or penalty interest due thereon, constitutes a valid, perpetual lien on and against the Property, such lien securing the payment of such Facilities Fee until paid in full. All such liens shall be in a senior position as against all other liens, whether or not of record, affecting the Property, other than the lien created by the imposition of the Amenity Fee established by a joint resolution of the Boards of Directors of the Districts on the date hereof, which lien is *pari passu* to that of the Facilities Fee. Upon request by the owner of any Lot, Headwaters shall issue a certificate stating the amount(s) of the Facilities Fee(s) that have been paid with respect to such Lot. Such certificate shall be furnished within 30 days after receipt of such request. All interested parties shall be entitled to rely upon such certificate. Headwaters acknowledges and agrees that each Responsible Party shall be obligated to pay only the Facilities Fee payable with respect to the Lot or residential unit owned by such Responsible Party, and the lien referenced herein with respect to such Lot or residential unit secures payment of only such Facilities Fee (together with any late fees or penalty interest thereon).

Section 5. Collection Provisions. All Facilities Fees, late fees and penalty interest shall be paid to Headwaters, in cash or an equivalent form made payable to "Headwaters Metropolitan District." In the event that any such amount is not paid when due, Headwaters shall direct its General Counsel to undertake collection efforts for any and all outstanding amounts, in accordance with the following procedures. Headwaters (or, if so directed, its General Counsel) shall send, by certified mail, a delinquency notice to the Responsible Party for which Headwaters has not received Facilities Fees five days after the due date thereof. In the event that such delinquent Facilities Fees have not been received by Headwaters 35 days after the mailing of such notice, Headwaters (or, if so directed, its General Counsel) shall send to such Responsible Party, by certified mail, a notice of intent to lien. In the event that the delinquent Facilities Fees have not been paid ten days after the mailing of such notice of intent to lien, Headwaters (or, if so directed, its General Counsel) shall record a lien statement with respect to such unpaid Facilities Fees and shall immediately commence foreclosure proceedings with respect to the subject property. Headwaters shall be entitled to charge reasonable legal fees and costs to the Responsible Party for said collections efforts.

This Joint Resolution was duly adopted by the Board of Directors of the Headwaters Metropolitan District and the Board of Directors of the Granby Ranch Metropolitan District at their coordinated special meeting held on May 26, 2005, to become effective immediately.

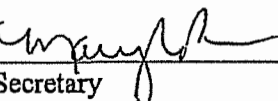
ATTEST:

By   
Secretary

GRANBY RANCH METROPOLITAN DISTRICT

By   
President

ATTEST:

By   
Secretary

**EXHIBIT A**  
**HEADWATERS METROPOLITAN DISTRICT**  
**SINGLE-FAMILY EQUIVALENT (SFE) SCHEDULE**  
**FOR COMMERCIAL USES**

1. Residential Dwelling Unit (including, without limitation, condominiums, townhouses, apartments and any other attached dwelling units, and detached single family dwelling units) - 1.0 SFE
2. Hotels and Motels (per double person room, but not including restaurant, bar, swimming pool areas, etc. – at their respective fees:
  - (c) without kitchens - .5 SFE
  - (d) with kitchens - 1.0 SFE
3. Mobile Home - 1.0 SFE
4. Cafes, Restaurants, Bars, Private Clubs - 4.0 SFE
5. Drive-in Restaurants, per car space - .25 SFE
6. Filling Stations and Garages
  - (a) without washing racks - 2.0 SFE
  - (b) Additional – each washing rack - 1.0 SFE
7. Laundry (self-service; per washer) - .25 SFE
8. Schools – per student or faculty member (w/o pool)
  - (a) without cafeteria - .02 SFE
  - (b) with cafeteria - .04 SFE
9. Hospitals – per bed - 1.0 SFE
10. Auto Dealers (per 1,000 sq. ft. of building; minimum one times single family rate) - .3 SFE
11. Barber Shops (per chair, minimum = one times single family rate) - .25 SFE
12. Beauty Shops (per chair, minimum = one times single family rate) - .4 SFE
13. Boarding House (per bed) - .25 SFE
14. Boarding School (per bed) - .25 SFE
15. Bowling Alleys (per lane, excluding bars, restaurants, etc.) - .15 SFE
16. Car Wash, Do-It-Yourself (per stall, coin operated, at 10 gallons or less per car) - 1.0 SFE
17. Car Wash, Mechanical (per stall w/o conveyor, over 10 gallons per car) - 1.5 SFE

18. Car Wash, Conventional - 10.0 SFE
19. Churches (per 1,000 sq. ft.; not including kitchens and dining rooms) - .4 SFE
20. Cleaners
  - (a) per 1,000 sq. ft. plus (b) – 1.0 SFE
  - (b) per press – 1.5 SFE
21. Convalescent Homes (per bed) - .25 SFE
22. Convents (per bed) - .25 SFE
23. Country Clubs (per 1,000 sq. ft. of general building area plus restaurant, bars, pools, etc., at their respective rates) – 1.5 SFE
24. Drug Stores, w/o fountain service (per 1,000 sq. ft.) – 1.0 SFE
25. Drug Stores, with fountain service (Add (a) and (b))
  - (a) per 1,000 sq. ft. - .8 SFE
  - (b) per chair - .1 SFE
26. Factories (per 1,000 sq. ft.; not including industrial wastes which shall be assigned a rate appropriate to each case) - .75 SFE
27. Fraternal Organizations (per 1,000 sq. ft. of general building; plus extras) - .5 SFE
28. Grocery Stores and Super Markets (per 1,000 sq. ft.) - .8 SFE
29. Office Buildings and Clinics (per 1,000 sq. ft.) - .75 SFE
30. Public Institutions – Other than Hospitals (per 1,000 sq. ft.) - .75 SFE
31. Auxiliary Dining Room – open not more than 20 hours per week (per 1,000 sq. ft.) – 2.0 SFE
32. Stores (other than specifically listed and without restrooms or water – per 1,000 sq. ft.) - .5 SFE
33. Stores (other than specifically listed, with restrooms – per 1,000 sq. ft., minimum – one times single family rate) - .5 SFE
34. Drive-thru Drive-ins (per drive-thru lane) – 2.0 SFE
35. Public Swimming Pool (when connected to the system – 1.0 SFE per 1,000 sq. ft. of net area of pool; see Country Club for building unit)
36. Theater (includes snack bar; per seat) - .02 SFE
37. Theater/Drive-in (per car space; includes snack bar) - .04 SFE
38. Warehouse (per 1,000 sq. ft.) - .15 SFE
39. Private Swimming Pools (home pools, per 1,000 sq. ft. net area) – 1.0 SFE

40. **Public Restrooms (per restroom) – 1.0 SFE**  
**\*\*\*Note: The minimum Fee for all users is one times the single family rate**
41. **Hot Tubs or Spas – No Fee assessment will be made for Hot Tubs installed on Single Family Lots. Hot Tubs in Multi-Family and Commercial properties shall be assessed a Fee at the rate of .2 SFE per 300 gallons**
42. **Saunas (per 500 sq. ft.) – 1.0 SFE**
43. **Health Clubs (per shower stall) - .30 SFE**  
**\*\*\*Note: The minimum Fee for all users is one times the single family rate**
44. **Other Uses: as determined by the Board of Directors**