

# RECORD OF PROCEEDINGS

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MINUTES OF THE SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
BERKLEY SHORES METROPOLITAN DISTRICT  
(THE "DISTRICT")  
HELD  
SEPTEMBER 16, 2020

A special meeting of the Board of Directors of the Berkley Shores Metropolitan District (referred to hereafter as the "Board") was convened on Wednesday, September 16, 2020, at 10:00 a.m. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held via conference call. The meeting was open to the public via conference call.

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Directors In Attendance Were:

Paul Malone  
Natalie Satt  
Michael Martines  
Victoria Almagno

Following discussion, upon motion duly made by Director Malone seconded by Director Martines and, upon vote, unanimously carried, the absence of Director Philip Clow was excused.

Also In Attendance Was:

David Solin; Special District Services, Inc. ("SDMS")

Megan M. Becher; McGeady Becher P.C.

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DISCLOSURE OF  
POTENTIAL  
CONFLICTS OF  
INTEREST

The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Becher requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Becher noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes. It was noted that disclosure statements had been filed for all Directors.

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## RECORD OF PROCEEDINGS

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### ADMINISTRATIVE MATTERS

**Agenda:** The Board reviewed the distributed Agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Malone, seconded by Director Martines and, upon vote unanimously carried, the Agenda for the special meeting was approved.

**Approval of Meeting Location:** The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, upon motion duly made by Director Malone, seconded by Director Martines and, upon vote unanimously carried, the Board determined that due to concerns regarding the spread of COVID-19 and the benefit to the control of the spread of the virus by limiting in-person contact, the Board determined to conduct this meeting via conference call and encouraged public participation via conference call. The Board further noted that notice of the videoconference was duly posted and that it had not received any objections to the format of the meeting or any requests that the meeting format be changed by taxpaying electors within the District's boundaries.

**Public Comments:** There were no public comments at this time.

### LEGAL MATTERS

#### **Reimbursement for Verified District Eligible Costs**

*Engineering and Cost Verification Report:* The Board discussed the Engineering and Cost Verification Report from Ranger Engineering, LLC, dated September 4, 2020 in the amount of \$493,879.41.

Following discussion, upon motion duly made by Director Martines, seconded by Director Malone and, upon vote, unanimously carried, the Board accepted the Engineering and Cost Verification Report from Ranger Engineering, LLC, dated September 4, 2020 in the amount of \$493,879.41.

*Reimbursement to HDC 6300 Lowell Boulevard, LLLP under Facilities Funding and Acquisition Agreement:* The Board discussed reimbursement to HDC 6300 Lowell Boulevard, LLP under the Facilities Funding and Acquisition Agreement in the amount of costs verified by Ranger Engineering, LLC.

Following discussion, upon motion duly made by Director Martines, seconded by Director Malone and, upon vote, unanimously carried, the Board approved reimbursement to HDC 6300 Lowell Boulevard, LLP under the Facilities Funding and Acquisition Agreement in the amount of \$493,879.41 as verified by Ranger Engineering, LLC.

## RECORD OF PROCEEDINGS

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Requisition of Funds Pursuant to the 2020 Bonds: The Board discussed a requisition of funds pursuant to the 2020 Bonds.

Following discussion, upon motion duly made by Director Martines, seconded by Director Malone and, upon vote, unanimously carried, the Board approved the requisition of funds in the amount of \$493,879.41 to HDC 630 Lowell Boulevard, LLLP pursuant to the 2020 Bonds and authorized necessary actions in conjunction therewith.

**Resolution Regarding Continuing Disclosure Policies and Procedures:** The Board discussed a Resolution Regarding Continuing Disclosure Policies and Procedures.

Following discussion, upon motion duly made by Director Malone, seconded by Director Martines and, upon vote, unanimously carried, the Board adopted the Resolution Regarding Continuing Disclosure Policies and Procedures.

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### OTHER BUSINESS

There was no other business for discussion at this time.

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### ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Almagno, seconded by Director Malone and, upon vote unanimously carried, the meeting was adjourned.

Respectfully submitted,

By Natalie Satt  
Secretary for the Meeting

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**RESOLUTION NO. 2020-09-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
BERKLEY SHORES METROPOLITAN DISTRICT REGARDING CONTINUING  
DISCLOSURE POLICIES AND PROCEDURES**

A. The Berkley Shores Metropolitan District, Adams County, Colorado (the “**District**”) has entered into the continuing disclosure undertaking(s) set forth in **Exhibit A** attached hereto (referred to collectively herein, whether one or more than one, the “**Continuing Disclosure Undertaking**”).

B. The Board of Directors of the District (the “**Board**”) desires to adopt policies and procedures in an effort to ensure compliance by the District with its obligations set forth in the Continuing Disclosure Undertaking (the “**Continuing Disclosure Policy**”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BERKLEY SHORES METROPOLITAN DISTRICT, ADAMS COUNTY, COLORADO:

1. The Continuing Disclosure Policy, as hereby approved, adopted and made a part of the public records of the District, shall be to impose the procedures set forth in **Exhibit B** attached hereto (the “**Compliance Procedures**”).

2. The Board hereby delegates the tasks and responsibilities set forth in the Compliance Procedures to the responsible parties as set forth therein.

3. The Continuing Disclosure Policy is intended to supplement any previous post-issuance compliance procedures that may have been adopted by the District and any procedures evidenced in writing by any Official Statement or continuing disclosure undertaking heretofore or hereafter issued, entered into or executed and delivered by the District or on its behalf.

4. The Board may revise the Continuing Disclosure Policy from time to time as the Board deems necessary or desirable to comply with federal and state securities laws or otherwise as the Board may determine in its sole discretion.

5. Prior to the engagement of the responsible parties listed in the Compliance Procedure, and other consultants as may be applicable with respect to the Continuing Disclosure Undertaking, such responsible parties and consultants shall be required to review and comply with the Continuing Disclosure Policy, including, without limitation, the responsibilities set forth in the Compliance Procedures.

6. Within thirty (30) days, or earlier if necessary, of entering into any new continuing disclosure undertaking and/or with respect to any changes or modifications to the Continuing Disclosure Undertaking, the responsible parties and consultants shall meet with bond counsel and disclosure counsel to review the continuing disclosure compliance requirements and develop a process for compliance with respect to such new and/or changed continuing disclosure undertaking.

RESOLUTION APPROVED AND ADOPTED on September 16, 2020.

**BERKLEY SHORES METROPOLITAN  
DISTRICT**

By: Paul Malone  
President

Digitally signed by Paul Malone  
DN: C=US,  
E=pmalone@highlanddevelopmentco.com,  
CN=Paul Malone  
Date: 2020.12.01 08:51:25-0700'

Attest:

By: Natalie Satt  
Secretary

Digitally signed by Natalie Satt  
DN: C=US,  
E=nsatt@highlanddevelopmentco.com,  
O=Highland Development Company,  
OU=Natalie Satt  
Date: 2020.10.21 08:20:09-0500'

## EXHIBIT A

### Continuing Disclosure Undertaking

BERKLEY SHORES METROPOLITAN DISTRICT  
ADAMS COUNTY, COLORADO

\$2,312,000  
LIMITED TAX (CONVERTIBLE TO UNLIMITED TAX)  
GENERAL OBLIGATION BONDS  
SERIES 2020A<sup>(1)</sup>

This Continuing Disclosure Agreement (this "Agreement") is entered into as of September 3, 2020, by and between Berkley Shores Metropolitan District, Adams County, Colorado (the "District"), HDC 6300 Lowell Boulevard, LLLP, a Colorado registered limited liability limited partnership (the "Developer"), and UMB Bank, n.a., Denver, Colorado, as trustee (the "Trustee") under the Indenture (defined below) and as dissemination agent hereunder relating to the Berkley Shores Metropolitan District Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2020A<sup>(1)</sup>, issued in the original aggregate principal amount of \$2,312,000 (the "Bonds").

**Section 1. Purpose.** This Agreement is being executed and delivered by the parties hereto for the benefit of the holders of the Bonds, in order to enable the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12, if applicable, and in consideration for the purchase by D.A. Davidson & Co. (the "Underwriter") of the Bonds pursuant to the terms of a Bond Purchase Agreement between the Underwriter and the District dated as of August 26, 2020.

**Section 2. Definitions.** Capitalized terms used and not otherwise defined in this Agreement shall have the respective meanings set forth in the Indenture (defined below) and the Limited Offering Memorandum (defined below). The capitalized terms set forth below shall have the following respective meanings for purposes of this Agreement:

*"Annual Budget Report"* means the report attached hereto as Appendix B.

*"Annual Financial Report"* means the form of the report attached hereto as Appendix A to be filed following the Annual Report Conversion Date.

*"Annual Report Conversion Date"* means the date upon which, within the District (as the boundaries existed on the date of issuance of the Bonds), Certificates of Occupancy have been issued for at least 80 single family detached or attached homes (such amount being approximately equal to 90% of the planned single family detached and attached homes in the District), and after which the District shall be obligated by this Agreement to file Annual Financial Reports instead of Quarterly Reports.

*"Audited Financial Statements"* means the District's most recent annual financial statements, prepared in accordance with generally accepted accounting principles for governmental units as prescribed by the Governmental Accounting Standards Board, which financial statements shall have been audited by such auditor as shall be then required or permitted by the laws of the State of Colorado.

*"Beneficial Owner"* means any person for which a Participant acquires an interest in the Bonds.

*"Indenture"* means the Indenture of Trust dated as of September 1, 2020, between the Trustee and the District, pursuant to which the Bonds were issued.

*"Limited Offering Memorandum"* means the Limited Offering Memorandum prepared in connection with the offer and sale of the Bonds dated August 26, 2020.

"MSRB" means the Municipal Securities Rulemaking Board. As of the date hereof, the MSRB's required method of filing is electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at <http://emma.msrb.org>.

"Participant" means any broker-dealer, bank, or other financial institution from time to time for which DTC (as defined in the Indenture) or another Depository (as defined in the Indenture) holds the Bonds.

"Quarterly Report" means the form of the report attached hereto as Appendix A to be filed prior to the Annual Report Conversion Date.

"Report" means a Quarterly Report, an Annual Financial Report or an Annual Budget Report, as applicable.

**Section 3. Periodic Reporting Requirements.**

**a. Timing of Reports.**

i. *Quarterly Reports.* Prior to the Annual Report Conversion Date, unless such report is filed directly with the MSRB by the District, the Developer and the District shall provide their respective portions of the Reports to the Trustee as follows:

Last Day of Quarterly Reporting Period	Date Trustee Sends Notice to the District and Fund Balance Information for Section 2 ("Trustee Notice Date")	Date Quarterly Report is Due to the Trustee ("Due Date")	Date Quarterly Report is Due to be Filed with the MSRB ("Filing Date")
March 31	March 31	May 5	May 15
June 30	June 30	August 5	August 15
September 30	September 30	November 5	November 15
December 31	December 31	February 5	February 15

The first Quarterly Report will be due for the quarter ending September 30, 2020.

ii. *Annual Financial Reports.* After the Annual Report Conversion Date, unless such report is filed directly with the MSRB by the District, the District shall provide Annual Financial Reports to the Trustee as follows:

Last Day of Annual Reporting Period	Date Trustee Sends Notice to the District and Fund Balance Information for Section 2 ("Trustee Notice Date")	Date Annual Financial Report is Due to the Trustee ("Due Date")	Date Annual Financial Report is Due to be Filed with the MSRB ("Filing Date")
December 31	September 30	November 5	November 15

iii. *Annual Budget Reports.* Unless such report is filed directly with the MSRB by the District, the District shall provide Annual Budget Reports to the Trustee as follows:

First Day of Annual Budget Reporting Period	Date Trustee Sends Notice to District ("Trustee Notice Date")	Date Annual Budget Report is Due to the Trustee ("Due Date")	Date Annual Budget Report is Due to be Filed with the MSRB ("Filing Date")
January 1	January 15	January 31	February 15

The first Annual Budget Report will be due for the year beginning January 1, 2021.

b. Contents of Reports.

i. *Quarterly Reports.* The Developer shall complete Section 1 of each Quarterly Report, and the District shall complete all other sections of each Quarterly Report.

ii. *Annual Financial Reports.* The District shall complete all sections of each Annual Financial Report.

iii. *Annual Budget Reports.* The District shall complete all sections of each Annual Budget Report.

iv. *Incorporation by Reference.* Any or all of the items required to be updated may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB's internet website or filed with the SEC. The District and the Developer, as applicable, shall clearly identify each such document incorporated by reference.

c. Trustee's Duties. Unless such report is filed directly with the MSRB by the District, the Trustee shall:

i. determine prior to each Filing Date the appropriate electronic format prescribed by the MSRB;

ii. on or before each Trustee Notice Date, send written notice to the District which: (A) states that the Quarterly Report, Annual Financial Report or Annual Budget Report, as applicable, will be due by the applicable Due Date; and (B) for Quarterly Reports and Annual Financial Reports, provides the information required by Section 2 of such Reports;

iii. on or before each Filing Date, provide to the MSRB (in an electronic format as prescribed by the MSRB) the completed Quarterly Report, Annual Financial Report or Annual Budget Report, as applicable. Each such Report may be submitted as a single document or as separate documents comprising a package, and may cross reference other information as provided in Section 3(b)(iv) above;

iv. if necessary, file the Notice of Failure to File Report form attached hereto as Appendix C with the MSRB as required by Section 3(d);



v. file the Notice of Annual Report Conversion Date attached hereto as Appendix D with the MSRB if required by Section 5(a); and

vi. upon request, file a report with the District at the address in the following paragraph certifying that the Quarterly Report, Annual Financial Report, Annual Budget Report, Notice of Failure to File Report or Notice of Annual Report Conversion Date, as applicable, has been provided to the MSRB pursuant to this Agreement, stating the date it was provided and listing all the entities to which it was provided.

d. Failure to File Reports. Unless such report is filed directly with the MSRB by the District, with filing confirmation provided to Trustee, if the District or the Developer fail to provide to the Trustee their respective portions of each Quarterly Report by the applicable Due Date, or if the District fails to provide to the Trustee the Annual Financial Report or the Annual Budget Report by the applicable Due Date, which results in the Trustee's inability to provide a Quarterly Report, Annual Financial Report or Annual Budget Report to the MSRB by the applicable Filing Date, the Trustee shall file or cause to be filed a notice in substantially the form attached hereto as Appendix C with the MSRB and shall submit a copy of such filing to the District and the Developer, as follows:

To the District: Berkley Shores Metropolitan District  
c/o McGeady Becher P.C.  
Attention: Megan Becher  
450 E. 17<sup>th</sup> Avenue, Suite 400  
Denver, Colorado 80203  
Phone (303) 592-4380  
Email: mbecher@spectaldistrictlaw.com

To the Developer: HDC 6300 Lowell Boulevard, L.L.P.  
c/o Highland Development Company  
Attention: Paul T. Malone  
2100 North Downing Street  
Denver, Colorado 80203  
Phone: (303) 926-4949  
Email: pmalone@highlanddevelopmentco.com

Upon receipt of such a notice regarding a failure to file by the Developer, the District has additional duties pursuant to Section 8(b) hereof.

e. Means of Transmitting Information. Subject to technical and economic feasibility, the District and the Developer shall employ such methods of information transmission as the Trustee shall reasonably request. All documents provided to the MSRB pursuant to this Agreement shall be in the format prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

As of the date of this Agreement, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images and other non-textual elements are not required to be word-searchable.

**Section 4. Notice of Material Events.** Whenever the District obtains actual knowledge of the occurrence of any of the following events, the District shall cause the Trustee to provide, in a timely

manner not in excess of ten business days after the occurrence of the event, a notice of such event to the MSRB:

- a. If the Unlimited Tax Receipt Date (as defined in the Indenture) has occurred, principal and interest payment delinquencies on the Bonds;
- b. The failure or refusal by the District to impose or collect the Required Mill Levy (as defined in the Indenture) or to collect and apply the other components of the Pledged Revenue (as defined in the Indenture) as required by the Indenture;
- c. Non-payment related defaults under the Indenture, *if material*, including a description of such default;
- d. Unscheduled draws on the Reserve Fund reflecting financial difficulties;
- e. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- f. Modifications to rights of bondholders, *if material*;
- g. Bond calls, *if material*, and tender offers;
- h. Defeasances;
- i. Release, substitution, or sale of property securing repayment of the Bonds, *if material*;
- j. Bankruptcy, insolvency, receivership or similar event of the District;<sup>7</sup>
- k. The consummation of a consolidation or dissolution of the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, *if material*; and
- l. Appointment of a successor or additional trustee or the change of name of a trustee, *if material*.

Whenever the Trustee obtains actual knowledge of the occurrence of any of the aforementioned events, the Trustee shall promptly notify the District of such event. For purposes of this paragraph, "actual knowledge" of the Trustee means actual knowledge by an officer of the Trustee having responsibility for matters regarding the Indenture or the Bonds.

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<sup>7</sup> For the purposes of this event, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

## Section 5. Termination

a. The obligations of the Developer as to the information in Section 1 of the Reports shall terminate after the Annual Report Conversion Date. Upon the occurrence of the Annual Report Conversion Date, the Developer shall complete the Notice of Annual Report Conversion Date attached hereto as Appendix D and provide such notice to the District and the Trustee. The Trustee shall then file the Notice of Annual Report Conversion Date with the MSRB within 10 days of receipt.

b. The obligations of the District as to information in Sections 2-4 of the Reports, the obligations of the Trustee as to Section 2 of the Reports, and the obligations of the District as to the Annual Budget Reports, shall terminate at such time as none of the Bonds are Outstanding under the Indenture, respectively.

Section 6. Liability for Content of Information Provided. So long as the parties to this Agreement act in good faith, such entities shall not be liable for any errors, omissions or misstatements in the information provided pursuant to this Agreement. Without limiting the foregoing, the District makes no representation as to the accuracy of any information provided by the Developer.

Section 7. Amendment. Notwithstanding any other provision of this Agreement, this Agreement may only be amended with the consent of the majority of the Owners of the Bonds then Outstanding.

## Section 8. Default.

a. Any failure by the District to perform in accordance with this Agreement shall not constitute an Event of Default under the Indenture, and the rights and remedies provided by the Indenture upon the occurrence of an Event of Default shall not apply to any such failure. If the District fails to comply with this Agreement, any Beneficial Owner of the Bonds may take such action as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District to comply with its obligations hereunder.

b. If the Developer fails to comply with this Agreement, the District, within 10 business days of receipt of notice in substantially the form attached as Appendix C from the Trustee, shall be obligated to update Section 1 of Appendix A, but only to the extent such information is publicly available. Furthermore, if the Developer fails to comply with this Agreement, any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Developer to comply with its obligations hereunder.

Section 9. Severability. If any section, paragraph, clause, or provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Agreement, the intent being that the same are severable.

Section 10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

Section 11. Compensation. As compensation for its services under this Agreement, the Trustee shall be compensated or reimbursed by the District for its reasonable fees and expenses in performing the services specified under this Agreement.

Section 12. Beneficiaries: This Agreement shall inure solely to the benefit of the District, the Developer, the Trustee, the Underwriter, and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Trustee's Duties; Removal or Resignation as Dissemination Agent. The Trustee shall have only such duties as are specifically set forth in this Agreement, and the District agrees, to the extent permitted by law, to indemnify and save the Trustee, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim or liability, but excluding liabilities due to the Trustee's gross negligence or willful misconduct. The Trustee may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the District. The Trustee shall not be responsible in any manner for the content of any notice or Report prepared by the District or the Developer pursuant to this Agreement. The obligations of the District under this Section shall survive resignation or removal of the Trustee and payment of the Bonds.

Section 14. Electronic Transactions. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, teletypes, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15. Assignment. The covenants and conditions herein contained apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their respective names, all as of the date first above written.

*[Signature Page Follows]*

This CONTINUING DISCLOSURE AGREEMENT is executed as of the date first set forth above

**BERKLEY SHORES METROPOLITAN  
DISTRICT, Adams County, Colorado**

By  \_\_\_\_\_  
Authorized Officer

**UMB BANK, n.a., as Trustee**

By \_\_\_\_\_  
Authorized Officer

**HDC 6300 LOWELL BOULEVARD, LLP, a  
Colorado registered limited liability limited  
partnership**

By  \_\_\_\_\_  
Authorized Signatory

APPENDIX A  
TO  
CONTINUING DISCLOSURE AGREEMENT

FORM OF QUARTERLY/ANNUAL FINANCIAL REPORT

BERKLEY SHORES METROPOLITAN DISTRICT  
ADAMS COUNTY, COLORADO

\$2,312,000  
LIMITED TAX (CONVERTIBLE TO UNLIMITED TAX)  
GENERAL OBLIGATION BONDS  
SERIES 2020A(1)

Date of Report: \_\_\_\_\_, 20\_\_

All capitalized terms used and not otherwise defined in this report shall have the respective meanings assigned in the Continuing Disclosure Agreement ("Agreement") entered into as of September 5, 2020, by and among Berkley Shores Metropolitan District, in Adams County, Colorado (the "District"), HDC 6500 Lowell Boulevard, LLLP, a Colorado registered limited liability limited partnership (the "Developer"), and UMB Bank, n.a., Denver, Colorado, as trustee ("Trustee") for the above captioned bonds (the "Bonds"). Unless otherwise stated, all information contained herein is the most current information available as of the Date of Report specified above.

**Section 1. Development Activity** *[Developer to complete for each Quarterly Report until the Annual Report Conversion Date].*

*[The following is to be included in the Quarterly Reports only]*

(a) **Building Permit Activity.** *The Developer is to update the number of building permits ("BP") issued within the District (as the boundaries existed on the Issue Date) by completing the following table. For each new quarter, the Developer is to add a new row.*

**Building Permits Issued in the District**

Quarterly Period	BPs Issued	
	Period	Total
As of the Issue Date <sup>1</sup>	0	0
Issue Date - 9/30/2020		
10/1/2020 - 12/31/2020		
1/1/2021 - 3/31/2021		
4/1/2021 - 6/30/2021		
7/1/2021 - 9/30/2021		
10/1/2021 - 12/31/2021		
[Additional quarters to be added:]		

<sup>1</sup> This represents the date for the status of development which is described in the Limited Offering Memorandum. For each successive Quarterly Report, the date is as of the last day of the applicable quarter.

<sup>2</sup> Successive rows should be added for each quarter for which a Quarterly Report is filed.

(b) Certificate of Occupancy Activity. The Developer is to update the number of certificates of occupancy ("CO") issued within the District (as the boundaries existed on the date of issuance of the Bonds) by completing the following table. For each new quarter, the Developer is to add a new row.

Certificates of Occupancy Issued in the District

Quarterly Period	COs Issued	
	Period	Total
As of the Issue Date <sup>1</sup>	0	0
Issue Date - 9/30/2020		
10/1/2020 - 12/31/2020		
1/1/2021 - 3/31/2021		
4/1/2021 - 6/30/2021		
7/1/2021 - 9/30/2021		
10/1/2021 - 12/31/2021		
[Additional quarters to be added <sup>2</sup> ]		

<sup>1</sup> This represents the date for the status of development which is described in the Limited Offering Memorandum. For each successive Quarterly Report, the date is as of the last day of the applicable quarter.

<sup>2</sup> Successive rows should be added for each quarter for which a Quarterly Report is filed.

(c) Land Entitlements. Since the date of the last Quarterly Report (or, in the case of the first Quarterly Report, since the Issue Date), have any land entitlements pertaining to property in the District (e.g., zoning, platting, etc.) been changed or put into place by the Town? If so, describe.

(d) Land Sales. Since the date of the last Quarterly Report (or, in the case of the first Quarterly Report, since the Issue Date), has the Developer conveyed any of its property to any other unrelated entity, other than parcels sold in the ordinary course of its business? If so, state the amount of property, its location in the District, the name of the purchaser and the sales price.

*[The following is to be included in the Annual Financial Reports only]*

The Annual Report Conversion Date occurred on \_\_\_\_\_, 20\_\_, and pursuant to the Continuing Disclosure Agreement, no development activity is required to be provided in this Report.

**Section 2. Fund Balances** *[District to complete based upon information received from the Trustee].* The amount on deposit in each of the following funds for the Bonds is as set forth below:

- (i) Project Fund: \$\_\_\_\_\_;
- (ii) Bond Fund: \$\_\_\_\_\_;
- (iii) Reserve Fund: \$\_\_\_\_\_; and
- (iv) Surplus Fund: \$\_\_\_\_\_.

**Section 3. Debt to Assessed Ratio; Conversion of Bonds to Unlimited Tax Obligations** *[District to complete].*

(a) The Debt to Assessed Ratio (as defined in the Limited Offering Memorandum) is \_\_\_\_\_%.

(b) The conditions for Conversion of the Bonds from Limited Tax Obligations to Unlimited Tax Obligations  have occurred  have not occurred.

Section 4. Authorized Denominations [District to complete]. The Bonds are presently outstanding in Authorized Denominations of:

- \$500,000 and any integral multiple of \$1,000 in excess thereof; or
- Pursuant to paragraph (b) of the definition of Authorized Denomination in the Indenture, the Authorized Denominations of the Bonds were reduced to \$1,000 or any integral multiple thereof on \_\_\_\_\_, 20\_\_.

Section 5. Additional District Information to be Provided [District to complete]. The following information is to be provided (i) if prior to the Annual Report Conversion Date, annually as part of the Quarterly Report due on or before November 15, and (ii) if after the Annual Report Conversion Date, as part of the Annual Financial Report:

(a) The District shall attach its Audited Financial Statements<sup>1</sup> (or if Audited Financial Statements are not required by State statute and the Indenture, then unaudited annual financial statements shall be attached) for the previous year (20\_\_).

(b) The District shall provide or update the following information annually:

**History of Assessed Valuation and Statutory  
"Actual" Value of Taxable Property in the District**  
(Letter of past 5 years or since the District was organized)

Assessment Year/ Collection Year <sup>1</sup>	Assessed Valuation	Statutory "Actual" Valuation
20__/20__	\$ _____	\$ _____
20__/20__		
20__/20__		
20__/20__		
20__/20__		

<sup>1</sup> See the sections of the Limited Offering Memorandum captioned "DISTRICT FINANCIAL INFORMATION - Ad Valorem Property Taxes - Determination of Assessed Value - Statutory Actual Value".  
Source: Adams County Assessor's Office

**Current Year (20\_\_) Assessed Valuation of Classes of Property in the District**

Property Class <sup>1</sup>	Assessed Valuation	Percent of Total Assessed Valuation
	\$	%
Total	\$ _____	100%

<sup>1</sup> Describe the classification of property as determined by the County Assessor (vacant, residential, commercial, agricultural, etc.)  
Source: Adams County Assessor's Office

<sup>1</sup> If Audited Annual Financial Statements are not available by the Filing Date, unaudited annual financial statements shall be provided with the Report and Audited Annual Financial Statements shall be provided when available.



**History of Mill Levies and Property Tax Collections for the District**  
(Letter of past 5 years or since the District was organized)

Levy Year/ Collection Year	Mill Levies <sup>1,2</sup>			Property Taxes Levied and Collected			
	General Fund	Bond Redemption	Other	Total Levy	Amount Levied	Amount Collected <sup>3</sup>	Percent <sup>3</sup>
20__/20__					\$	\$	%
20__/20__							
20__/20__							
20__/20__							
20__/20__							

<sup>1</sup> Edit, add or subtract columns as necessary.

<sup>2</sup> One mill equals 1/10 of 1%.

<sup>3</sup> Collections are rounded. They include current taxes and both current year and prior year delinquent taxes, but not interest or the deduction of County Treasurer's fees, and therefore may exceed the amount levied.

Source: The District's financial statements; District management records; Colorado Department of Local Affairs, Division of Property Taxation, Annual Reports; and the Adams County Treasurer's Office.

**Ten Largest Owners of Taxable Property within the District (Until Annual Report Conversion Date)**

<u>Taxpayer Name</u>	20__ <u>Assessed Valuation</u>	Percentage of Total Assessed <u>Valuation</u> <sup>1</sup>
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<b>Total</b>	\$ _____	% _____
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<sup>1</sup> Based on a 20\_\_ certified gross assessed valuation of \$ \_\_\_\_\_.

Source: Adams County Assessor's Office

**Mill Levies Applicable to Property in the District**

<u>Taxing Entity</u> <sup>1</sup>	20__ <u>Mill Levies</u> <sup>2</sup>
Adams County	
Westminster Public Schools	
Adams County Fire Protection District	
Crestview Water and Sanitation District	
Hyland Hills Park and Recreation District	
Rangaview Library District	
Urban Drainage & Flood Control District	
Urban Drainage & Flood Control District - South Plane	
Regional Transportation District	
Other [Describe]	
The District	
Total mill levy applicable in the District	_____

<sup>1</sup> One mill equals 1/10 of 1%. These mill levies are for the collection of ad valorem property taxes in 20\_\_.

Source: Adams County Assessor's Office

**General Obligation Debt Ratios of the District**

District Direct Debt	\$	
Overlapping Debt <sup>2/</sup>		
Total Direct Debt and Overlapping Debt	\$	
<hr/>		
20__ Assessed Valuation <sup>1/</sup>	\$	
Ratio of Direct Debt to 20__ District Assessed Valuation		%
Ratio of Direct Debt Plus Overlapping Debt to 20__ District Assessed Valuation		%
20__ District Statutory "Actual" Value <sup>1/</sup>	\$	
Ratio of Direct Debt to 20__ District Statutory "Actual" Value		%
Ratio of Direct Debt Plus Overlapping Debt to 20__ District Statutory "Actual" Value		%

- <sup>1/</sup> This amount constitutes the outstanding amount of the District's general obligation debt, including limited tax obligations.
- <sup>2/</sup> Overlapping debt means the allocable portion of another taxing authority's outstanding debt that the District is liable for due to the fact that such taxing authority's boundaries are entirely within, contemporaneous with or only partially within the District. The percentage of an overlapping entity's outstanding debt attributable to properties in the District is calculated by dividing the current gross assessed valuation (i.e., not reduced by amounts attributable to a tax increment district) of the overlapping property to the total current gross assessed valuation of the overlapping entity. This percentage is subject to fluctuation in accordance with future changes in assessed valuations. The overlapping debt in this table is an estimate based on information supplied by other taxing authorities, and may not be accurate, for which the District assumes no liability. It does not include general obligation debt that is normally payable from non-property tax revenues such as system revenues.
- See the sections of the Limited Offering Memorandum captioned "DISTRICT FINANCIAL INFORMATION - Ad Valorem Property Taxes - Determination of Assessed Value - Statutory Actual Value."

Sources: Adams County Assessor's Office, the District, and information obtained from individual overlapping entities.

The information contained in this Report has been obtained from sources that are deemed to be reliable, but is not guaranteed as to accuracy or completeness. The information contained in this Report is neither intended nor shall be construed as a document updating the Limited Offering Memorandum for the Bonds, and is neither intended to nor shall it be used by the Owners or Beneficial Owners of the Bonds for the purpose of making a subsequent investment decision with respect to the Bonds.

Receipt of this Report by any person or entity shall create no obligation or liability of the District, the Developer or the Trustee.

[Signature/certification page follows]

The undersigned hereby certify, respectively, that they are authorized representatives of the District and the Developer, and further certify on behalf of the following entities that the information contained in the foregoing Report (for the Developer, with respect to Section 1 only, and for the District, with respect to Sections 2-5 only) is, to their actual knowledge, true, accurate and complete. This Report may be executed below on counterpart signature pages.

BERKLEY SHORES METROPOLITAN  
DISTRICT, Adams County, Colorado

By: \_\_\_\_\_  
Authorized Officer

HDC 6300 LOWELL BOULEVARD, LLLP, a  
Colorado registered limited liability limited  
partnership

By: \_\_\_\_\_  
Authorized Signatory

[Signature/Certification Page to Report]

APPENDIX B  
TO  
CONTINUING DISCLOSURE AGREEMENT

FORM OF ANNUAL BUDGET REPORT

BERKLEY SHORES METROPOLITAN DISTRICT  
ADAMS COUNTY, COLORADO

\$2,312,000  
LIMITED TAX (CONVERTIBLE TO UNLIMITED TAX)  
GENERAL OBLIGATION BONDS  
SERIES 2020A<sup>(3)</sup>

Date of Report: \_\_\_\_\_, 20\_\_

All capitalized terms used and not otherwise defined in this report shall have the respective meanings assigned in the Continuing Disclosure Agreement ("Agreement") entered into as of September 3, 2020, by and among Berkley Shores Metropolitan District, in Adams County, Colorado (the "District"), HDC 6300 Lowell Boulevard, LLLP, a Colorado registered limited liability limited partnership (the "Developer"), and UMB Bank, n.a., Denver, Colorado, as trustee ("Trustee") for the above captioned bonds (the "Bonds"). Unless otherwise stated, all information contained herein is the most current information available as of the Date of Report specified above.

**Section 1. Adopted Budget.** Attached hereto is the annual budget for the District for the fiscal (calendar) year 20\_\_ adopted by the Board of Directors of the District on \_\_\_\_\_, 20\_\_. Included in, or attached to, such budget is evidence of the certification by the District of the mill levies specified in Section 3 below.

**Section 2. Assessed Value and Statutory "Actual" Value.**

(a) *District Assessed Value.* The final assessed value of taxable property in the District, as published or certified by the County Assessor on or about December 10, 20\_\_, is \$\_\_\_\_\_.

(b) *District Statutory "Actual" Value.* The statutory "actual" value of taxable property in the District from which the certified assessed value in (a) was calculated is \$\_\_\_\_\_.

**Section 3. Mill Levies.**

The District certified to Adams County a total levy of \_\_\_\_\_ mills on \_\_\_\_\_, 20\_\_, comprised of the following:

- (i) \_\_\_\_\_ mills for debt service;
- (ii) \_\_\_\_\_ mills for operations; and
- (iii) \_\_\_\_\_ mills for \_\_\_\_\_ [describe].

The information contained in this Annual Budget Report has been obtained from sources that are deemed to be reliable, but is not guaranteed as to accuracy or completeness. The information contained in this Annual Budget Report is neither intended nor shall be construed as a document updating the Limited

Offering Memorandum for the Bonds, and is neither intended to, nor shall it be, used by the owners or beneficial owners of the Bonds for the purpose of making a subsequent investment decision with respect to the Bonds.

Receipt of this Annual Budget Report by any person or entity shall create no obligation or liability of the District or the Trustee.

The undersigned certifies that he or she is the authorized representative of the District, and further certifies on behalf of the District that the information contained in the foregoing Annual Budget Report is, to their actual knowledge, true, accurate and complete.

BERKLEY SHORES METROPOLITAN  
DISTRICT, Adams County, Colorado

By: \_\_\_\_\_  
Authorized Officer

APPENDIX C  
TO  
CONTINUING DISCLOSURE AGREEMENT

NOTICE OF FAILURE TO FILE REPORT

Name of Issuer: Berkley Shore Metropolitan District, Adams County, Colorado (the "District")  
Bond Issue: Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2020A(1), in the original aggregate principal amount of \$2,312,000 (the "Bonds")  
CUSIP No.: 08450T AA2  
Date of Issuance: September 3, 2020

NOTICE IS HEREBY GIVEN that the following information with respect to the Bonds was not provided to UMB Bank, n.a. (the "Trustee"), as required by the Continuing Disclosure Agreement dated as of September 3, 2020, with respect to the Bonds entered into by and among the District, HDC 6300 Lowell Boulevard, LLLP (the "Developer"), and the Trustee:

the Developer did not provide its portion of the Quarterly Report due \_\_\_\_\_, 20\_\_, by the applicable Due Date;

the District did not provide  its portions of the Quarterly Report  the Annual Financial Report  the Annual Budget Report due \_\_\_\_\_, 20\_\_, by the applicable Due Date.

The  District  Developer anticipate(s) that the applicable Report will be filed by \_\_\_\_\_, 20\_\_.

Dated: \_\_\_\_\_, 20\_\_

UMB BANK, n.a., as Trustee

By: \_\_\_\_\_  
Authorized Officer

APPENDIX D  
TO  
CONTINUING DISCLOSURE AGREEMENT

NOTICE OF REPORT CONVERSION DATE

Name of Issuer: Berkley Shores Metropolitan District, Adams County, Colorado (the "District")  
Bond Issue: Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2020A, in the original aggregate principal amount of \$2,312,000 (the "Bonds")  
CUSIP No.: 08450T AA2  
Date of Issuance: September 3, 2020

NOTICE IS HEREBY GIVEN that the Annual Report Conversion Date as defined in the Continuing Disclosure Agreement dated as of September 3, 2020, with respect to the Bonds entered into by and among the District, HDC 6300 Lowell Boulevard, LLLP (the "Developer"), and UMB Bank, n.a. (the "Trustee"), occurred on \_\_\_\_\_, 20\_\_. Pursuant to Sections 3(a) and 3(a) of the Continuing Disclosure Agreement, the Developer and the District are no longer obligated to provide Quarterly Reports to the Trustee. However, the District remains obligated to provide Annual Financial Reports and Annual Budget Reports to the Trustee pursuant to Sections 3(a)(ii) and 3(a)(iii) of the Continuing Disclosure Agreement.

Dated: \_\_\_\_\_, 20\_\_

HDC 6300 LOWELL BOULEVARD, LLLP, a  
Colorado registered limited liability limited  
partnership

By: \_\_\_\_\_  
Authorized Signatory

This CONTINUING DISCLOSURE AGREEMENT is executed as of the date first set forth above.

**BERKLEY SHORES METROPOLITAN  
DISTRICT**, Adams County, Colorado

By \_\_\_\_\_  
Authorized Officer

**UMB BANK, n.a.**, as Trustee

By  \_\_\_\_\_  
Authorized Officer

**HDC 6300 LOWELL BOULEVARD, L.L.P.**, a  
Colorado registered limited liability limited  
partnership

By: **Paul Malone**  
Authorized Signatory

Digitally signed by Paul Malone  
DN: c=US  
E=malone@rightanddevelopmentco.com  
CN=Paul Malone  
Date: 2020.10.21 09:03:46-0600



## EXHIBIT B

### COMPLIANCE PROCEDURE

Berkley Shores Metropolitan District, Adams County, Colorado  
 \$2,312,000 General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2020A(3) and  
 Subject to SEC Rule 15c2-12: NO

<b>FINANCIAL DISCLOSURES</b>	
<b>Submittal Date to Trustee</b>	<b>Required Documentation Prepared By:</b>
<p><b>Quarterly Reports Due:</b></p> <ul style="list-style-type: none"> <li>• <b>May 5</b> (for quarter ending March 31)</li> <li>• <b>August 5</b> (for quarter ending June 30)</li> <li>• <b>November 5</b> (for quarter ending September 30)</li> <li>• <b>February 5</b> (for quarter ending December 31)</li> </ul> <p>Commencing for quarter ending September 30, 2020 (report due <b>November 5, 2020</b>)</p>	<p><b>Section 1 of the Quarterly Report: Development Activity</b>                      HDC 6300 Lowell Boulevard, LLLP ("<i>Developer</i>") to provide to Special District Management Services, Inc. ("<i>Accountant</i>") at least thirty (30) days prior to submittal date with the following:</p> <ul style="list-style-type: none"> <li>• Building Permit Activity (for each new quarter, the Developer will add a new row and complete the row for each table under Section 1(a) of the Quarterly Report);</li> <li>• Certificate of Occupancy Activity (for each new quarter, the Developer will add a new row and complete the row for each table under Section 1(b) of the Quarterly Report);</li> <li>• Land Entitlements; and</li> <li>• Land Sales.</li> </ul> <p><b>Section 2 of the Quarterly Report: Fund Balances</b>                      UMB Bank, n.a. ("<i>Trustee</i>") to provide to <i>Accountant</i> by March 31, June 30, September 30, and December 31, respectively.</p> <p><b>Section 3 of the Quarterly Report: Debt-to-Assessed Ratio; Conversion of Bonds to Unlimited Tax Obligations</b>  <i>Accountant</i> to complete</p> <p><b>*Section 4 of the Quarterly Report: Additional District Information</b>  <i>Accountant</i> to update/include the following:</p> <ul style="list-style-type: none"> <li>• Various tables included in the Limited Offering Memorandum; and</li> <li>• Audited Annual Financial Statements for the previous year.</li> </ul> <p><b>*ONLY FOR THE QUARTERLY REPORT DUE NOVEMBER 5 (FOR THE QUARTER ENDING SEPTEMBER 30)</b></p>
<p><b>Annual Financial Report</b>                      Due November 5 of each year (commencing after the Annual Report Conversion Date, as defined in <b>Exhibit A</b>, Continuing Disclosure Agreement)</p>	<p><i>Accountant</i> to complete Sections 2 through 4 of the Report (see above) annually.</p> <p>Due November 5.</p>
<p><b>Annual Budget Report</b>                      Due January 31 of each year, commencing for the year beginning January 1, 2021 (report due <b>January 31, 2021</b>)</p>	<p><b>Annual Budget Report:</b>  <i>Accountant</i> to complete/include the following:</p> <ul style="list-style-type: none"> <li>• Annual Budget;</li> <li>• Assessed Value and Actual Value; and</li> <li>• Mill Levies.</li> </ul> <p>Due January 31</p>

\*If any submittal date falls on a day which is not a Business Day (as defined in **Exhibit A**, Continuing Disclosure Agreement), the report will be provided to the Trustee on the Next succeeding Business Days.

**Procedure:**

1. *Accountant* will prepare the report due and will submit the report to *Trustee* on applicable submittal date.
2. *Accountant* will copy McGeady Becher P.C. and Special District Management Services, Inc. on the transmittal of the report to the *Trustee*.

<b>NOTICE OF MATERIAL EVENT</b>		
<b>Reporting / Submittal Deadlines</b>	<b>Responsible Party to Report Event of Default</b>	<b>Party Responsible to Notify Trustee of Event of Default</b>
District shall cause the Trustee to provide, in a timely manner not in excess of ten business days after the occurrence of the event, a notice of such event to the MSRB	McGeady Becher P.C., Special District Management Services, Inc., or anyone who has actual knowledge of an material event	Special District Management Services, Inc.