25 COMMERCE PARK METROPOLITAN DISTRICT

2024 ANNUAL REPORT

Pursuant to §32-1-207(3)(c) and the Service Plan for 25 Commerce Park Metropolitan District (the "**District**"), the District is required to provide an annual report to the City of Thornton with regard to the following matters:

For the year ending December 31, 2024, the District makes the following report:

Service Plan Requirements

1. **Boundary changes made or proposed to the District's boundary as of December 31 of the prior year.**

   There were no boundary changes made or proposed to the District's boundaries in 2024.

2. **Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year.**

   The District entered into the Amended and Restated Intergovernmental Agreement between the City of Thornton and 25 Commerce Park Metropolitan District Regarding the Service Plan for the District, dated July 23, 2024, attached hereto as **Exhibit A**.

3. **Copies of the District's rules and regulations, if any, as of December 31 of the prior year.**

   As of December 31, 2024, the District has not adopted any rules and regulations.

4. **A summary of any litigation which involves the District public improvements as of December 31 of the prior year.**

   To our actual knowledge, based on review of the court records in Adams County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2024.

5. **Status of the District's construction of the public improvements as of December 31 of the prior year.**

   The developer is constructing all public improvements in the District.

6. **A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.**

   As of December 31, 2024, the District has not constructed any facilities or improvements that were dedicated to and accepted by the City. The developer is constructing all public improvements in the District.

7. **A list of any pending or anticipated reimbursement agreements entered into by the District pursuant to Section 62-60 to 62-69 of the City Code, as may be amended from time to time.**

   None.

8. **The final assessed valuation of the District as of December 31 of the reporting year.**

The 2024 final assessed valuation as certified by the Adams County Assessor's Office is $3,030.

9. **Current year budget including a description of the public improvements to be constructed in such year.**

A copy of the 2025 Budget is attached hereto as **Exhibit B**.

10. **Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

The 2024 Audit is attached hereto as **Exhibit C.**

11. **Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.**

To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any Debt instrument.

12. **Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.**

To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

13. **A list of any and all filings made pursuant to SEC rule 15 c 2-12, together with copies of such filings.**

The District has not made any SEC Rule 15c2-12 filings.

§32-1-207(3) Statutory Requirements

1. Boundary changes made.

There were no boundary changes made in 2024.

2. Intergovernmental Agreements entered into or terminated with other governmental entities.

The District entered into the Amended and Restated Intergovernmental Agreement between the City of Thornton and 25 Commerce Park Metropolitan District Regarding the Service Plan for the District, dated July 23, 2024, attached hereto as **Exhibit A**.

3. Access information to obtain a copy of rules and regulations adopted by the board.

All pertinent information for the District is posted at 25commerceparkmetrodistrict.org. As of December 31, 2024, the District has not adopted any rules and regulations.

4. A summary of litigation involving public improvements owned by the District.

To our actual knowledge, based on review of the court records in Adams County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2024.

5. The status of the construction of public improvements by the District.

The developer is constructing all public improvements in the District.

6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.

As of December 31, 2024, the District has not constructed any facilities or improvements that were conveyed or dedicated to the City. The Developer is constructing all public improvements in the District.

7. The final assessed valuation of the District as of December 31st of the reporting year.

The 2024 final assessed valuation as certified by the Adams County Assessor's Office is $3,030.

8. A copy of the current year's budget.

A copy of the 2025 Budget is attached hereto as **Exhibit B**.

9. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.

The 2024 Audit is attached hereto as **Exhibit C.**

10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.

To our actual knowledge, the District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any Debt instrument.

11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.

To our actual knowledge, there was not any inability of the District to pay its obligations as they came due, in accordance with the terms of such obligations, which continued beyond a ninety (90) day period.

EXHIBIT A
Intergovernmental Agreements

AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF THORNTON AND 25 COMMERCE PARK METROPOLITAN DISTRICT REGARDING THE SERVICE PLAN FOR THE DISTRICT

THIS AGREEMENT (the "Agreement") is made and entered into as of this 23 day of July, 2024, by and between the **City of Thornton**, State of Colorado ("City") and the **25 Commerce Park Metropolitan District,** a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"). The City and the District are collectively referred to as the "Parties."

RECITALS

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District's Service Plan approved by the City on August 22, 2023, as amended and restated by the Amended and Restated Service Plan and approved by the City on July 23, 2024 (together, the "Service Plan"); and

WHEREAS, the Service Plan makes reference to the execution of an intergovernmental agreement between the City and the District, as required by the Thornton City Code; and

WHEREAS, the City and the District determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into the Intergovernmental Agreement Between the City of Thornton and 25 Commerce Park Metropolitan District Regarding the Service Plan for the District, dated December 12, 2023 (the "Original Agreement"); and

WHEREAS, the Parties desire to amend and restate the Original Agreement with this Agreement to align with the language of the Amended and Restated Service Plan.

NOW THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

1. Operations and Maintenance. The District shall dedicate the Public Improvements, as defined in the Service Plan, to the City or other appropriate jurisdiction or owners association in a manner consistent with the Approved Conceptual Site Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall not be authorized to operate and maintain any part or all of the Public Improvements without the consent of the City except as described in Section VI.I of the Service Plan. The District is required and obligated to operate and maintain park and recreation improvements within the District Boundaries, and all parks and trails shall be open to the general public free of charge.

2. Government Services Limitation. The District shall not be authorized to provide any ongoing governmental services without the consent of the City.

3. Fire Protection. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services without a modification of this Agreement by the Parties. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision.

4. Television Relay and Translation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services without a modification of this Agreement by the Parties, except for the installation of conduit as a part of a street construction project.

5. Telecommunication Facilities. The District agrees that no telecommunication facilities owned, operated or otherwise allowed by the District shall affect the ability of the City to expand its public safety telecommunication facilities or impair existing telecommunication facilities.

6. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

7. Zoning and Land Use Requirements. The District agrees that it shall be subject to all of the City's zoning, subdivision, building code and other land use requirements.

8. Growth Limitations. The District acknowledges that the City shall not be limited in implementing City Council- or voter-approved growth limitations, even though such actions may reduce or delay development within the District and the realization of District revenue. Approval of the Service Plan does not constitute an approval of building permit allocations or building permits. The District expressly understands and acknowledges that any expenditure of funds for the construction and installation of any Public Improvements in the District prior to approval of building permit allocations or building permits is exclusively at the District's risk. The District shall be subject to any residential growth limitations, including enactment of any ordinances limiting or slowing down growth, moratoriums, water and/or wastewater tap limitations, building permit limitations, or any other growth management requirements. The City reserves the right, in exercise of its police power, to choose not to grant building permits, or otherwise restrict or condition the granting of building permits within the District based on current or future ordinances of the City. The City does not guarantee capacity in its water or wastewater systems for proposed or future developments. System capacity must be verified throughout the development entitlement process and can be affected by drought, emergency, or infrastructure constraints.

9. Conveyance. The District agrees to convey to the City, at no cost to the City, any real property owned by the District that is necessary, in the City's sole discretion, for any City capital improvement projects for transportation, utilities, or drainage, upon written notification.

10. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

> We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.
>
> We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

11. Eminent Domain. The District agrees not to use eminent domain powers for any real property without a modification of this Agreement by the Parties.

12. Water Rights/Resources. The District agrees not to acquire, own, manage, adjudicate or develop water rights or resources without a modification of this Agreement by the Parties.

13. Inclusion Limitation. The District agrees not to include within any of its boundaries any property outside the Service Area without the prior written consent of the City Council. If an Inclusion Area is proposed, the District agrees not to include within any of its boundaries any property inside the Inclusion Area Boundaries without the prior written consent of the City Council except upon petition of the fee owner or owners of one hundred percent (100%) of such property as provided in Section 32-1-401(1)(a), C.R.S.

14. Exclusion Limitation. The District agrees not to exclude from its boundaries any property within the Service Area without the prior written consent of the City Council. The District also agrees to follow the procedure for exclusion of property as provided in Section 32-1-502, C.R.S.

15. Overlap Limitation. The District shall not consent to the organization of any other metropolitan district organized under the Special District Act that provides the same services as the District within the Service Area.

16. Initial Debt. On or before the effective date of approval by the City of an Approved Conceptual Site Plan and approval and execution of this Agreement, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by

transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any Fees used for the purpose of repayment of Debt.

17. Total Debt Issuance. The District shall not issue Debt in excess of Twelve Million Two Hundred Sixty-Four Thousand Dollars ($12,264,000).

18. Fee Limitation. The District may impose and collect Fees as a source of revenue for repayment of Debt, capital costs, and/or for operations and maintenance until Taxable Property is owned or occupied by an End User subsequent to the issuance of a Certificate of Occupancy for said Taxable Property. No Fee related to the repayment of, or intended to repay, Debt shall be imposed upon or collected from Taxable Property owned or occupied by an End User subsequent to the issuance of a Certificate of Occupancy for said Taxable Property. No Fee related to funding operation and maintenance costs shall be imposed upon or collected from Taxable Property owned or occupied by an End User subsequent to the issuance of a Certificate of Occupancy for said Taxable Property unless and until the majority of the Board are Residents, and a majority of the Board has voted in favor of imposing and collecting Fees for the purpose of funding operation and maintenance costs of the District.

19. Public Improvement Fee Limitation. The District shall not impose, collect, receive, spend or pledge to any Debt any fee, assessment, tax or charge which is collected by a retailer in the District on the sale of goods or services by such retailer and which is measured by the sales price of such goods or services, without a modification of this Agreement by the Parties.

20. Sales and Use Taxes. The District shall not exercise its City sales and use tax exemption.

21. Costs to be assumed by the City. The City will not be responsible for payment of any costs of construction of the Public Improvements within the District Boundaries except as itemized in Exhibit F of the Service Plan. Specifically, pursuant to the Infrastructure Reimbursement Agreement by and between the City of Thornton and Confluent Development, LLC, dated June 14, 2022 (the "TDA Agreement"), the Thornton Development Authority (the "TDA") has agreed to fund up to $3,304,569 for certain public improvements related to the Grant Street Extension project (as defined in the TDA Agreement). To the extent the public infrastructure costs related to the Grant Street Extension project exceed $3,304,569, the District shall be permitted to fund such costs. However, in no event shall the District be permitted to fund any Grant Street Extension project costs funded by the TDA pursuant to the TDA Agreement.

22. Monies from Other Governmental Sources. The District agrees not to apply for or accept Conservation Trust Funds, Great Outdoors Colorado Trust Funds, or other funds available from or through governmental or non-profit entities that the City is eligible to apply for without a modification of this Agreement by the Parties. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the district without any limitation.

23. Consolidation. The District shall not file a request with any Court to consolidate with another Title 32 district without prior approval of the City Council as evidenced by a resolution after a public hearing thereon.

24. Bankruptcy. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the City to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

(b) Are, together with all other requirements of Colorado law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S. and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Service Plan Amendment. The City shall be entitled to all remedies available at law to enjoin such actions of the District.

25. Reimbursement Agreements. If the District utilizes reimbursement agreements to obtain reimbursements from third-party developers or adjacent landowners, for costs of improvements that benefit third-party landowners, such agreements shall be done in accordance with City Code. All reimbursements shall be deposited in the District's Debt service fund and used for the purposes of retiring the District's Debt.

26. Community Engagement. To ensure Residents within the boundaries of a Residential District have an adequate opportunity to participate in the District and remain apprised of the District's operations and functions, the District shall:

(a) In accordance with the requirements of Section 32-1-104.5, C.R.S., as amended from time to time, within twelve (12) months of the date of District formation, establish, maintain and annually update a public website or provide information on a shared community website, on which the District will timely post all information and documents required by Section 32-1-104.5, C.R.S., as amended from time to time; and

(b) Within twelve (12) months after the issuance of the first certificate of occupancy within the District Boundaries, hold all regular and special Board meetings at a location within a five (5) mile radius of the District Boundaries or within the jurisdictional limits of the City if no feasible meeting venue is available within a

five (5) mile radius. If a Board meeting is held virtually using an online computer application, the District shall provide information on the District website accessible to all Residents on how to access and participate in the virtual meeting. If the District utilizes email to communicate with Residents, the District shall also send notification of the virtual meeting by email. The District shall provide notification via the District website and, if applicable, email, at least ten (10) days prior to the virtual Board meeting. If the Board schedules a virtual special meeting that will be convened in fewer than ten (10) days, the District shall provide notification via the District website and, if applicable, email, as soon as possible after scheduling the special meeting.

The District shall be exempt from the community engagement requirements set forth in this Section 26 so long as it is an Inactive District.

27. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event shall dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes.

28. Disclosure to Purchasers. The District will use reasonable efforts and due diligence to cause each developer to provide a written notice of disclosure to all initial purchasers of property in the District that describes the general purpose of the District and financial impact on each property at the time of entering into the purchase contract. Specifically, the written notice of disclosure shall provide the information required by the Colorado Revised Statutes, including without limitation Section 38-35.7-110, C.R.S., as amended from time to time. The District will use reasonable efforts and due diligence to cause each developer to require that each property buyer acknowledge receipt of such notice of disclosure at the time of entering into the purchase contract. The form of notice shall be substantially in the form of Exhibit H of the Service Plan. The District shall record the notice of disclosure in the form of Exhibit H of the Service Plan for each property within the District with Adams County at the time the subdivision plat is recorded, or record the notice of disclosure for each property prior to any building permits for the subdivision being issued if the subdivision plat has already been filed. The District shall provide the City with a copy of the recorded notice of disclosure.

29. Disclosure to Potential Buyers. The District will also provide the information required by Section 28 of this Agreement to the developer for prominent display at all sales offices, and inspect the sales offices within the District Boundaries on a quarterly basis to assure the information provided is accurate and prominently displayed.

30. Service Plan Amendment Requirement. Material modifications of the Service Plan may be made by the District only by petition to and approval by City Council. Such approval of modifications shall be required with regard to any changes of a basic or essential nature that the City deems, in its sole discretion, a material modification, whether or not they are deemed to be immaterial by the District, and shall include but not be limited to changes to the limitations set

forth in Sections V.A.1-26 or VI.B-J of the Service Plan. Changes to the Service Plan of a minor technical nature may be approved administratively by the City. The City shall determine if a change is minor or technical in nature.

31. City Remedies for Material Departure from Service Plan. Pursuant to C.R.S. § Section 32-1-207(3), C.R.S., as may be amended from time to time, the City may seek to enjoin any material departure from the Service Plan that the City deems, in its sole discretion, a material modification of this Service Plan. References to material modifications in the Service Plan, or District actions or inactions that expressly constitute material modifications pursuant to the terms of the Service Plan or the Special District Act, shall not limit the City's ability to enforce the entirety of the Service Plan, and the City may seek to enjoin any material departure as a material modification. Notwithstanding the foregoing, injunctive relief shall not be the City's exclusive remedy for a material departure the City deems a material modification of the Service Plan, and the City shall be entitled to exercise all remedies available by law or in equity, specifically including the remedies set forth in the City Code, and suits for specific performance and/or monetary damages.

32. Maximum Debt Mill Levy. The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt, and shall be determined as follows:

(a) If the total amount of aggregate District Debt exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy shall be fifty (50) mills; provided, however, that if the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement is changed by law; the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after the date upon which the City Council approves this Service Plan, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

(b) For Residential Districts, if the total amount of aggregate District Debt is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the Board, prior to being comprised of a Resident majority, may request City Council approval of a Service Plan Amendment to allow that the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate. As part of the Service Plan Amendment request, the Board shall submit detailed justification demonstrating how an unlimited Debt Mill Levy will result in a net present value savings for repayment of District Debt and benefit taxpayers within the District.

(c) For Residential Districts, at such time that the majority of the Board is comprised of Residents of the District, if the total amount of aggregate District Debt is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the Board may make a determination by majority vote at a properly noticed Board meeting, without City Council approval, that the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

(d) For Commercial Districts, if the total amount of aggregate District Debt is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

(e) For purposes of the foregoing, once the conditions described in Section 32(a), 32(b) or 32(c) have been met, so that the District is entitled to pledge to its payment an unlimited ad valorem mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S. and all other requirements of State law.

To the extent that the District is composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "District" as used herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

33. Maximum Debt Mill Levy Imposition Term. There shall be no Maximum Debt Mill Levy Imposition Term in the District because it is a Commercial District. In the event that any of the property contained within the District is rezoned to residential use, then the District shall not impose a mill levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) that exceeds forty (40) years after the year that the initial District Debt is issued unless a majority of the Board are Residents of the District and have voted in favor of a refunding of a part or all of the Debt and such refunding will result in a net present value savings as set forth in Section 11-56-101, *et seq*., C.R.S.

34. Maximum Operating Mill Levy. The "Maximum Operating Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt, and shall be determined as follows:

(a) If the District is a Residential District, unless and until the conditions of Sections 34(b) or 34(c) below are met, the Maximum Operating Mill Levy shall be 10 mills provided that if the method of calculating assessed valuation or any constitutionally

mandated tax credit, cut or abatement is changed by law, the Maximum Operating Mill Levy may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after the date upon which the City Council approved the Service Plan, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

(b) If the District is a Residential District, prior to the Board being comprised of a Resident majority, the Board may request City Council approval of a Service Plan Amendment and an amendment to this Agreement to increase the Maximum Operating Mill Levy to a specified amount necessary to fund eligible expenses for ongoing administration, operation and maintenance as described in Section VI.I of the Service Plan. The Board shall provide detailed justification for the increase as part of the amendment request. The Maximum Operating Mill Levy shall not exceed 10 mills without City Council approval of the amendment or until the conditions of Section 34(c) below are met.

(c) If the District is a Residential District, at such time that the majority of the Board is comprised of Residents of the District, the Board may make a determination by majority vote at a properly noticed Board meeting, without City Council approval, to increase the Maximum Operating Mill Levy to any amount necessary to fund eligible expenses for ongoing administration, operation and maintenance as described in Section VI.I of the Service Plan.

(d) If the District is a Commercial District, it shall not be subject to a Maximum Operating Mill Levy.

35. Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: 25 Commerce Park Metropolitan District
c/o WHITE BEAR ANKELE TANAKA & WALDRON
2154 E. Commons Ave., Suite 2000
Attn: Jennifer Gruber Tanaka, Esq.
Phone: (303) 858-1800
Fax: (303) 858-1801
E-mail: jtanaka@wbapc.com

To the City: City of Thornton
9500 Civic Center Drive
Thornton, CO 80229

Attn: City Development Department
Phone: 303-538-7295
Fax: 303-538-7373

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

36. Amendment. This Agreement may be amended, modified, changed or terminated in whole or in part by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Service Plan.

37. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

38. Default/Remedies. Upon the occurrence of any event of breach or default by either party, the non-defaulting party shall provide written notice to the other party. The defaulting party shall immediately proceed to cure or remedy such breach or default, and in any event, such breach or default shall be cured within 15 days after receipt of the notice. Following the cure period in the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available by law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

39. Governing Law and Venue. This agreement shall be governed and construed under the laws of the State of Colorado.

40. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

41. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

42. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions and provisions

in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

43. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provisions contained herein, the intention being that such provisions are severable.

44. Annual and Continued Five Year Review. The District shall submit an annual report to the City in every year following the year in which the Order and Decree creating the District has been issued until the year following the dissolution of the District. Such annual report shall be submitted electronically by October 1 of each year for the preceding calendar year, and shall include all information required pursuant to the Special District Act. If the District is an Inactive District, it shall not be required to submit an annual report for any year in which the District was in inactive status for the entire year pursuant to the Colorado Revised Statutes and the Service Plan. The District shall submit an application every five years for a finding of reasonable diligence in accordance with Section 32-1-1101.5. C.R.S., to the City.

45. No Liability of City. The City has no obligation whatsoever to construct any improvements that the District is required to construct, or pay any debt or liability of the District including any bonds.

46. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

47. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Service Plan.

[Remainder of Page Intentionally Left Blank].

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above.

25 COMMERCE PARK METROPOLITAN DISTRICT,
a quasi-municipal corporation and political subdivision of the State of Colorado

By: David Klebba
David Klebba (Jul 31, 2024 12:31 GMT+2)
Its: President

ATTEST:

By: Matthew Bruns
Matthew Bruns (Jul 29, 2024 18:18 MDT)
Its: Treasurer/Secretary

CITY OF THORNTON

DocuSigned by:
Brett Henry
B79224F6FC56419...
Name: Brett E. Henry
Title: Interim City Manager

ATTEST:

DocuSigned by:
D57962BD4ECE4A2...
Kristen N. Rosenbaum, City Clerk

APPROVED AS TO FORM:

DocuSigned by:
Tami Yellico
68AB059BB4C24C8...
Tami Yellico, City Attorney

EXHIBIT B
2025 Budget

25 COMMERCE PARK METROPOLITAN DISTRICT

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2025

25 COMMERCE PARK METROPOLITAN DISTRICT
SUMMARY
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/27/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ -	$ 5,077,493
REVENUES			
Property taxes	-	-	2
Specific ownership taxes	-	-	8
Interest Income	-	63,500	88,000
Developer advance	-	4,006,274	4,853,108
Other Revenue	-	-	78,964
Loan issuance proceeds	-	8,500,000	-
TIF Revenue	-	-	181
Total revenues	-	12,569,774	5,020,263
TRANSFERS IN	-	573,995	-
Total funds available	-	13,143,769	10,097,756
EXPENDITURES			
General Fund	-	48,069	127,000
Debt Service Fund	-	170,400	370,000
Capital Projects Fund	-	7,273,812	9,550,000
Total expenditures	-	7,492,281	10,047,000
TRANSFERS OUT	-	573,995	-
Total expenditures and transfers out requiring appropriation	-	8,066,276	10,047,000
ENDING FUND BALANCES	$ -	$ 5,077,493	$ 50,756
EMERGENCY RESERVE	$ -	$ -	$ 500
AVAILABLE FOR OPERATIONS	-	3,205	-
CAPITALIZED INTEREST	-	405,095	50,256
TOTAL RESERVE	$ -	$ 408,300	$ 50,756

No assurance provided. See summary of significant assumptions.

25 COMMERCE PARK METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/27/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
ASSESSED VALUATION			
Agricultural	$ -	$ 1,400	$ 1,400
State assessed	-	-	80
Personal property	-	-	1,550
	-	1,400	3,030
TIF Adjustments	-	(1,382)	(2,998)
Certified Assessed Value	$ -	$ 18	$ 32
MILL LEVY			
General	0.000	0.000	10.212
Debt Service	0.000	0.000	51.063
Total mill levy	0.000	0.000	61.275
PROPERTY TAXES			
General	$ -	$ -	$ -
Debt Service	-	-	2
Levied property taxes	-	-	2
Budgeted property taxes	$ -	$ -	$ 2
BUDGETED PROPERTY TAXES			
General	**$ -**	**$ -**	**$ -**
Debt Service	**-**	**-**	**2**
	$ -	**$ -**	**$ 2**

25 COMMERCE PARK METROPOLITAN DISTRICT
GENERAL FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/27/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ -	$ 3,205
REVENUES			
TIF Revenue	-	-	30
Developer advance	-	51,274	110,915
Other Revenue	-	-	13,350
Total revenues	-	51,274	124,295
Total funds available	-	51,274	127,500
EXPENDITURES			
General and administrative			
Accounting	-	15,500	30,000
Auditing	-	-	7,000
Dues and Membership	-	198	500
Insurance	-	1,721	3,000
Property Management	-	-	24,000
Legal	-	30,000	40,000
Banking fees	-	50	50
Election	-	-	5,000
Contingency	-	-	13,350
Website	-	600	1,000
Operations and maintenance			
Repairs and maintenance	-	-	600
Landscaping	-	-	2,000
Snow removal	-	-	500
Total expenditures	-	48,069	127,000
Total expenditures and transfers out requiring appropriation	-	48,069	127,000
ENDING FUND BALANCES	$ -	$ 3,205	$ 500
EMERGENCY RESERVE	$ -	$ -	$ 500
AVAILABLE FOR OPERATIONS	-	3,205	-
TOTAL RESERVE	$ -	$ 3,205	$ 500

No assurance provided. See summary of significant assumptions.

25 COMMERCE PARK METROPOLITAN DISTRICT
DEBT SERVICE FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/27/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ -	$ 405,095
REVENUES			
Property taxes	-	-	2
Specific ownership taxes	-	-	8
TIF Revenue	-	-	151
Interest Income	-	1,500	15,000
Total revenues	-	1,500	15,161
TRANSFERS IN			
Transfers from other funds	-	573,995	-
Total funds available	-	575,495	420,256
EXPENDITURES			
General and administrative			
Paying agent fees	-	-	5,500
Contingency	-	-	2,500
Debt Service			
Loan interest	-	170,400	362,000
Total expenditures	-	170,400	370,000
Total expenditures and transfers out requiring appropriation	-	170,400	370,000
ENDING FUND BALANCES	$ -	$ 405,095	$ 50,256
CAPITALIZED INTEREST	$ -	$ 405,095	$ 50,256
TOTAL RESERVE	$ -	$ 405,095	$ 50,256

25 COMMERCE PARK METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2025 BUDGET
WITH 2023 ACTUAL AND 2024 ESTIMATED
For the Years Ended and Ending December 31,

1/27/25

	ACTUAL 2023	ESTIMATED 2024	BUDGET 2025
BEGINNING FUND BALANCES	$ -	$ -	$ 4,669,193
REVENUES			
Interest Income	-	62,000	73,000
Developer advance	-	3,955,000	4,742,193
Loan issuance proceeds	-	8,500,000	-
Other Revenue	-	-	65,614
Total revenues	-	12,517,000	4,880,807
Total funds available	-	12,517,000	9,550,000
EXPENDITURES			
General and Administrative			
Accounting	-	5,000	10,000
Legal	-	12,000	20,000
Organization costs	-	55,553	-
Contingency	-	-	65,614
Capital Projects			
Repay developer advance	-	3,955,000	4,662,193
Capital outlay	-	2,898,574	4,742,193
Loan issuance costs	-	307,685	-
Engineering	-	40,000	50,000
Total expenditures	-	7,273,812	9,550,000
TRANSFERS OUT			
Transfers to other fund	-	573,995	-
Total expenditures and transfers out requiring appropriation	-	7,847,807	9,550,000
ENDING FUND BALANCES	$ -	$ 4,669,193	$ -

No assurance provided. See summary of significant assumptions.

25 COMMERCE PARK METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

25 Commerce Park Metropolitan District (the "District") is a quasi-municipal corporation and political subdivision of the State of Colorado located in the City of Thornton, County of Adams, Colorado and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized by order and decree of the District Court on November 20, 2023.

The District was organized to provide financing for the planning, design, acquisition, construction installation relocation, and redevelopment of public improvements, and operation and maintenance of the District.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The District has no employees and all administrative functions are contracted.

Revenue

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April, or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

25 COMMERCE PARK METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenue (Continued)

Property Taxes (Continued)

For property tax collection year 2025, SB22-238, SB 23B-001, SB 24-233, and HB24B-1001 set the assessment rates and actual value reductions as follows:

Category	Rate
Single-Family Residential	6.70%
Multi-Family Residential	6.70%
Commercial	27.90%
Industrial	27.90%
Lodging	27.90%

Category	Rate
Agricultural Land	26.40%
Renewable Energy Land	26.40%
Vacant Land	27.90%
Personal Property	27.90%
State Assessed	27.90%
Oil & Gas Production	87.50%

Actual Value Reduction	Amount
Single-Family Residential	$55,000
Multi-Family Residential	$55,000
Commercial	$30,000
Industrial	$30,000
Lodging	$30,000

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6.00% of the property taxes collected.

Developer Advance

The District is in the development state. As such, the operating and administrative expenditures will be mainly funded by the Developer. A portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

Expenditures

Administrative and Operating Expenditures

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, and meeting expense.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

25 COMMERCE PARK METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases

Limited Tax General Obligation Loan, Series 2024

On August 7, 2024, the District entered into a Loan Agreement with Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado (the Bank) pertaining to a loan in the amount of $8,500,000 (2024 Loan). The proceeds form the 2024 Loan were used to (i) finance certain improvement and facilities; and (ii) pay the costs of issuing the 2024 Loan.

Prior to the first Interest Reset Date, the Based Rate will be 5.3016%. The Interest rate will Reset on December 1, 2031 and every five-year anniversary thereafter until the 2024 Loan is repaid in full, as defined in the agreement.

Interest payments are due on June 1 and December 1 of each year, commencing December 1, 2024. All interest due and payable shall be calculated on the basis of a 360-day year and actual number of days elapsed in the applicable period. Interest not paid when due shall remain outstanding at the then-applicable interest rate but shall not compound.

Prior to the time when the Debt to Assessed Ratio is 50% of less, the Required Mill Levy means an ad valorem mill levy imposed on all taxable property of the District each year in an amount sufficient when combined with moneys held in the Loan Payment Fund, to pay the annual debt requirements for the next fiscal year, but not in excess of 50 mills (subject to adjustment).

Developer Advance

The District also has developer advances, which are not general obligation debt. As of December 31, 2025, the District is anticipated to have $265,126 in outstanding developer advances which includes accrued interest. Repayment of advances and accrued interest is subject to annual appropriation if and when eligible funds become available. See below for the anticipated developer advance activity.

	Balance 12/31/2023	Additions*	Retirements*	Balance 12/31/2024	Additions*	Retirements*	Balance 12/31/2025*
Developer Advances							
Operations	$ -	$ 51,274	$ -	$ 51,274	$ 110,415	$ -	$ 161,689
Capital	-	3,955,000	3,955,000	-	4,742,193	4,662,193	80,000
Accrued Interest - Operations	-	4,102	-	4,102	12,935	-	17,037
Accrued Interest - Capital	-	-	-	-	6,400	-	6,400
	$ -	$ 4,010,376	$ 3,955,000	$ 55,376	$ 4,871,943	$ 4,662,193	$ 265,126

* Estimated

25 COMMERCE PARK METROPOLITAN DISTRICT
2025 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Reserves

Emergency Reserve

The District has provided for an emergency reserve fund equal to at least 3% of fiscal year spending, as defined under Tabor.

This information is an integral part of the accompanying budget.

25 COMMERCE PARK METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE OBLIGATIONS AND INTEREST
REQUIREMENTS TO MATURITY
LONG TERM DEBT

Bonds and Interest Maturing in the Year Ending December 31,	$8,500,000 Limited Tax General Obligation Loan Series 2024 7 Year Fixed Rate - 5.3016% Dated August 7, 2024 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2025	$ -	$ 456,895	$ 456,895
2026	-	456,895	456,895
2027	60,000	456,895	516,895
2028	75,000	454,913	529,913
2029	90,000	449,638	539,638
2030	105,000	444,801	549,801
2031	110,000	439,157	549,157
2032	130,000	450,688	580,688
2033	140,000	442,208	582,208
2034	155,000	434,401	589,401
2035	165,000	425,757	590,757
2036	185,000	417,698	602,698
2037	195,000	406,240	601,240
2038	220,000	395,366	615,366
2039	230,000	383,098	613,098
2040	260,000	371,287	631,287
2041	270,000	355,774	625,774
2042	300,000	340,717	640,717
2043	315,000	323,988	638,988
2044	345,000	307,262	652,262
2045	365,000	287,184	652,184
2046	400,000	266,830	666,830
2047	420,000	244,525	664,525
2048	460,000	221,710	681,710
2049	485,000	195,452	680,452
2050	540,000	168,407	708,407
2051	570,000	138,294	708,294
2052	605,000	106,801	711,801
2053	635,000	72,772	707,772
2054	670,000	37,362	707,362
Total	$ 8,500,000	$ 9,953,013	$ 18,453,013

EXHIBIT C
2024 Audit

25 COMMERCE PARK METROPOLITAN DISTRICT
Adams County, Colorado

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2024

25 COMMERCE PARK METROPOLITAN DISTRICT
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024

BiggsKofford

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors and Management
25 Commerce Park Metropolitan District
Adams County, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of 25 Commerce Park Metropolitan District ("District") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2024, the respective changes in financial position, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such

information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information, as identified in the table of contents. The other information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

BiggsKofford, P.C.

Colorado Springs, Colorado
September 15, 2025

BASIC FINANCIAL STATEMENTS

25 COMMERCE PARK METROPOLITAN DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities
ASSETS	
Cash and Investments	$ 16,001
Cash and Investments - Restricted	4,141,955
Property Tax Receivable	2
Capital Assets:	
Capital Assets Not Being Depreciated	3,898,573
Total Assets	8,056,531
LIABILITIES	
Accounts Payable	24,978
Accrued Interest	38,075
Noncurrent Liabilities:	
Due in More Than One Year	8,558,307
Total Liabilities	8,621,360
DEFERRED INFLOWS OF RESOURCES	
Property Tax Revenue	2
Total Deferred Inflows of Resources	2
NET POSITION	
Restricted for:	
Capital Projects	52,822
Unrestricted	(617,653)
Total Net Position	$ (564,831)

See accompanying Notes to Basic Financial Statements.

25 COMMERCE PARK METROPOLITAN DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position: Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	$ 138,203	$ -	$ -	$ -	$ (138,203)
Interest on Long-Term Debt and Related Costs	495,750	-	-	-	(495,750)
Total Governmental Activities	$ 633,953	$ -	$ -	$ -	(633,953)
GENERAL REVENUES					
Interest Income					69,122
Total General Revenues					69,122
CHANGES IN NET POSITION					(564,831)
Net Position - Beginning of Year					-
NET POSITION - END OF YEAR					$ (564,831)

See accompanying Notes to Basic Financial Statements.

25 COMMERCE PARK METROPOLITAN DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and Investments	$ 16,001	$ -	$ -	$ 16,001
Cash and Investments - Restricted	-	435,751	3,706,204	4,141,955
Due from Other Funds	2,995	-	-	2,995
Property Tax Receivable	-	2	-	2
Total Assets	$ 18,996	$ 435,753	$ 3,706,204	$ 4,160,953
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 14,318	$ -	$ 10,660	$ 24,978
Due to Other Funds	-	-	2,995	2,995
Total Liabilities	14,318	-	13,655	27,973
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax	-	2	-	2
Total Deferred Inflows of Resources	-	2	-	2
FUND BALANCES				
Restricted for:				
Debt Service	-	435,751	-	435,751
Capital Projects	-	-	3,692,549	3,692,549
Unassigned	4,678	-	-	4,678
Total Fund Balances	4,678	435,751	3,692,549	4,132,978
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 18,996	$ 435,753	$ 3,706,204	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	3,898,573
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued Interest	(38,075)
Loans Payable	(8,500,000)
Developer Advance Payable	(58,307)
Net Position of Governmental Activities	$ (564,831)

See accompanying Notes to Basic Financial Statements.

25 COMMERCE PARK METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2024

	General	Debt Service	Capital Projects	Total Governmental Funds
REVENUES				
Interest Income	$ -	$ 6,961	$ 62,161	$ 69,122
Total Revenues	-	6,961	62,161	69,122
EXPENDITURES				
Current:				
Accounting	15,327	-	4,795	20,122
Banking Fees	41	-	-	41
Dues And Membership	198	-	-	198
Engineering	-	-	17,378	17,378
Insurance	1,392	-	-	1,392
Legal	29,836	-	11,633	41,469
Organization Costs	-	-	55,553	55,553
Website	2,050	-	-	2,050
Debt Service:				
Loan Interest	-	145,205	-	145,205
Loan Issuance Costs	-	-	307,685	307,685
Capital Projects:				
Capital Outlay	-	-	3,898,573	3,898,573
Total Expenditures	48,844	145,205	4,295,617	4,489,666
EXCESS OF REVENUES UNDER EXPENDITURES	(48,844)	(138,244)	(4,233,456)	(4,420,544)
OTHER FINANCING SOURCES (USES)				
Loan Issuance Proceeds	-	-	8,500,000	8,500,000
Developer Advance	53,522	-	3,954,126	4,007,648
Repay Developer Advance	-	-	(3,954,126)	(3,954,126)
Transfers In / (To) From Other Funds	-	573,995	(573,995)	-
Total Other Financing Sources	53,522	573,995	7,926,005	8,553,522
NET CHANGE IN FUND BALANCES	4,678	435,751	3,692,549	4,132,978
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	$ 4,678	$ 435,751	$ 3,692,549	$ 4,132,978

See accompanying Notes to Basic Financial Statements.

25 COMMERCE PARK METROPOLITAN DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

Net Change in Fund Balances - Total Governmental Funds	$	4,132,978
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset. Therefore, this is the amount of capital outlay, depreciation and dedication of capital assets to other governments, in the current period.		
Capital Outlay		3,898,573
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.		
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position.		
Loan Issuance		(8,500,000)
Developer Advance		(4,007,648)
Repay Developer Advance		3,954,126
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued Interest Payable - Change in Liability		(38,075)
Accrued Interest Payable Developer Advance - Change in Liability		(4,785)
Changes in Net Position of Governmental Activities	$	(564,831)

See accompanying Notes to Basic Financial Statements.

25 COMMERCE PARK METROPOLITAN DISTRICT
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Total Revenues	$ -	$ -	$ -	$ -
EXPENDITURES				
Accounting	35,000	20,000	15,327	4,673
Auditing	7,000	-	-	-
Banking Fees		-	41	(41)
Contingency	10,500	16,000	-	16,000
Dues And Membership	500	500	198	302
Insurance	5,000	2,500	1,392	1,108
Legal	40,000	20,000	29,836	(9,836)
Website	2,000	1,000	2,050	(1,050)
Total Expenditures	100,000	60,000	48,844	11,156
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(100,000)	(60,000)	(48,844)	11,156
OTHER FINANCING SOURCES (USES)				
Developer Advance	100,000	60,000	53,522	(6,478)
Total Other Financing Sources (Uses)	100,000	60,000	53,522	(6,478)
NET CHANGE IN FUND BALANCE	-	-	4,678	4,678
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ 4,678	$ 4,678

See accompanying Notes to Basic Financial Statements.

NOTE 1 DEFINITION OF REPORTING ENTITY

25 Commerce Park Metropolitan District (the District) is a quasi-municipal corporation and political subdivision of the State of Colorado located in the City of Thornton (the City), County of Adams, Colorado, and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized by order and decree of the District Court on November 20, 2023.

The District was organized to provide financing for the planning, design, acquisition, construction, installation, relocation, and redevelopment of public improvements, and operation and maintenance of the District.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District has no employees, and all operations and administrative functions are contracted.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Depreciation is computed and recorded as an operating expense.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and specific ownership taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred, or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2024.

Pooled Cash and Investments

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

Capital Assets

Capital assets, which include infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities' columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Deferred Inflow of Resources

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Equity

Net Position

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity (Continued)

Fund Balance (Continued)

Committed Fund Balance – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned Fund Balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

NOTE 3 CASH AND INVESTMENTS

Cash and investments as of December 31, 2024, are classified in the accompanying financial statements as follows:

Cash and Investments	$	16,001
Cash and Investments - Restricted		4,141,955
Total Cash and Investments	$	4,157,956

Cash and investments as of December 31, 2024, consist of the following:

Deposits with Financial Institutions	$	16,001
Investments		4,141,955
Total Cash and Investments	$	4,157,956

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits with Financial Institutions (Continued

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2024, the District's cash deposits had a bank and carrying balance of $16,001.

Investments

The District has adopted a formal investment policy to follow the state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

. Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
. General obligation and revenue bonds of U.S. local government entities
. Certain certificates of participation
. Certain securities lending agreements
. Bankers' acceptances of certain banks
. Commercial paper
. Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
. Certain money market funds
. Guaranteed investment contracts
* Local government investment pools

As of December 31, 2024, the District had the following investments:

Investment	Maturity	Amount
Morgan Stanley Liquid Government Money Market Trust (Zions)	Weighted-Average Under 60 Days	$ 4,141,955
Total		$ 4,141,955

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Morgan Stanley Liquid Government Money Market

The debt service money that is included in the trust accounts at Zions Bank (a division of Zions Bancorporation, NA.) is invested in the Morgan Stanley Liquid Government Portfolio Advisor Class Money Market. This portfolio is a money market mutual fund which invests in U.S. Treasury obligations, which are fully guaranteed as to principal and interest by the United States, with maturities of 180 days or less and repurchase agreements collateralized by U.S. Treasury obligations. The Fund is rated AAAm by Standard & Poor's, AAA-mf by Moodys, and AAAmmf by Fitch.

NOTE 4 CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2024 follows:

	Balance at December 31, 2023	Increases	Decreases	Balance at December 31, 2024
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	$ -	$ 3,898,573	$ -	$ 3,898,573
Total Capital Assets, Not Being Depreciated	-	3,898,573	-	3,898,573
Governmental Activities Capital Assets, Net	$ -	$ 3,898,573	$ -	$ 3,898,573

NOTE 5 LONG-TERM OBLIGATIONS

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2024:

	Balance at December 31, 2023	Additions	Reductions	Balance at December 31, 2024	Due Within One Year
Notes/Loans/Bonds from Direct Borrowings and Direct Placements:					
Series 2024 Loan Payable	$ -	$ 8,500,000	$ -	$ 8,500,000	$ -
Subtotal Notes/Loans/Bonds from Direct Borrowings and Direct Placements	-	8,500,000	-	8,500,000	-
Other Debts:					
Developer Advance - Operating	-	53,522	-	53,522	-
Developer Advance - Capital	-	3,954,126	3,954,126	-	-
Accrued Interest on:					
Developer Advance - Operating	-	1,289	-	1,289	-
Developer Advance - Capital	-	3,496	-	3,496	-
Subtotal Other Debts	-	4,012,433	3,954,126	58,307	-
Total Long-Term Obligations	$ -	$ 12,512,433	$ 3,954,126	$ 8,558,307	$ -

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

The details of the District's long-term obligations are as follows:

Limited Tax General Obligation Loan, Series 2024

On August 7, 2024, the District entered into a Loan Agreement with Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado (the Bank) pertaining to a loan in the amount of $8,500,000 (2024 Loan). The proceeds form the 2024 Loan were used to (i) finance certain improvement and facilities; and (ii) pay the costs of issuing the 2024 Loan.

Prior to the first Interest Reset Date, the Based Rate will be 5.3016%. The Interest rate will Reset on December 1, 2031, and every five-year anniversary thereafter until the 2024 Loan is repaid in full, as defined in the agreement. The 2024 Loan matures on December 1, 2054.

Interest payments are due on June 1 and December 1 of each year, commencing December 1, 2024. All interest due and payable shall be calculated on the basis of a 360-day year and actual number of days elapsed in the applicable period. Interest not paid when due shall remain outstanding at the then-applicable interest rate but shall not compound.

Prior to the time when the Debt to Assessed Ratio is 50% or less (Conversion Date), the Required Mill Levy means an ad valorem mill levy imposed on all taxable property of the District each year in an amount sufficient when combined with moneys held in the Loan Payment Fund, to pay the annual debt requirements for the next fiscal year, but not in excess of 50 mills (subject to adjustment).

On and after the Conversion Date, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient, when combined with moneys held in the Loan Payment Fund, to generate property tax revenues of not less than the Annual Debt Requirements for the next Fiscal Year and in amounts sufficient to make such payments when due, but not in excess of 99 mills, regardless of any subsequent increase in the Debt to Assessed Ratio.

Pledged Revenues

The Bonds are secured by and payable solely from and to the extent of "Pledged Revenue," which means the moneys derived by the District from the following sources: (a) Required Mill Levy; (b) the District Revenues, as and to the extent received by the District; (c) the portion of the Specific Ownership Taxes allocable to the amount of the Required Mill Levy; and (d) any other legally available moneys which the Board determines in its sole discretion to apply as Pledged Revenue.

Events of Default

The events of occur if the District, the District fails or refuses to impose the Required Mill Levy, or to transfer or cause the transfer of the Pledged Revenues to the Custodian, and do not comply with other customary terms and conditions consistent with normal municipal financing as described in the loan agreement.

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Limited Tax General Obligation Loan, Series 2024 (Continued)

Remedies for Events of Default

In addition to the application of the Default Rate in accordance with the terms hereof, upon the occurrence and during the continuance of any Event of Default, the Bank at its option, may do any one or more of the following: (a) exercise any and all remedies available under the Custodial Agreement; or (b) proceed by mandamus or any other suit, or take any other action or remedy available under the other Financing Documents or any other document, or at law or in equity.

Optional Prepayment/Redemption

Prior to December 1, 2029, the District may prepay all or any part of the principal of the Loan upon payment to the Bank of the principal amount so prepaid and accrued interest thereon to the prepayment date, with a prepayment fee of 3% of the principal amount so prepaid (the "Prepayment Fee"). On and after December 1, 2029, the District may prepay all or any part of the principal of the Loan upon payment to the Bank of the principal amount so prepaid and accrued interest thereon to the prepayment date, without a Prepayment Fee.

The District's long-term obligations will mature as follows:

Year Ending December 31,	Principal	Interest	Total
2025	$ -	$ 456,895	$ 456,895
2026	-	456,895	456,895
2027	60,000	456,895	516,895
2028	75,000	454,913	529,913
2029	90,000	449,638	539,638
2030-2034	640,000	2,211,255	2,851,255
2035-2039	995,000	2,028,159	3,023,159
2040-2044	1,490,000	1,699,028	3,189,028
2045-2049	2,130,000	1,215,701	3,345,701
2050-2054	3,020,000	523,636	3,543,636
Total	$ 8,500,000	$ 9,953,015	$ 18,453,015

Authorized Debt

On November 7, 2023, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed $189,360,000 for general obligation bonds at an interest rate equal to, lower or higher than the interest rate on the refunded debt per annum. As of December 31, 2024, the District had authorized but unissued general obligation indebtedness in the following amounts allocated for the following purposes:

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Authorized Debt (Continued)

	Amount Authorized on November 7, 2023	Authorization Used Series 2024 Loan	Authorized But Unused
Street Improvements	$ 11,460,000	$ 1,563,367	$ 9,896,633
Water	11,460,000	558,208	10,901,792
Sanitation/Storm Sewer	11,460,000	1,141,615	10,318,385
Transportation	11,460,000	-	11,460,000
Mosquito Control	1,000,000	-	1,000,000
Park and Recreation	11,460,000	690,937	10,769,063
Fire Protection	11,460,000	-	11,460,000
Television Relay and Translation	1,000,000	-	1,000,000
Security	1,000,000	-	1,000,000
Operations and Maintenance Debt	11,460,000	-	11,460,000
Refunding Debt	71,760,000	-	71,760,000
District Intergovernmental Agreements as Debt	11,460,000	-	11,460,000
District Private Agreements as Debt	11,460,000	-	11,460,000
Mortgage	11,460,000	-	11,460,000
Unallocated	-	4,545,873	(4,545,873)
Total	$ 189,360,000	$ 8,500,000	$ 180,860,000

Per the Amended and Restated Service Plan dated July 23, 2024, the District is limited to issuing $12,264,000 in debt. In addition, the maximum debt service mill levy for the District is 50 mills; provided, however, once any or all of the principal amount of any outstanding bonds is less than 50% of the assessed valuation of the property within the District, the maximum mill levy will no longer apply with respect to those outstanding bonds. The maximum debt service mill levy is also subject to adjustment based on any change in law, change in method of calculation, or changes in the ratio of actual value to assessed value of property within the District.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

NOTE 6 NET POSITION

The District has net position consisting of two components – restricted and unrestricted.

NOTE 6 NET POSITION (CONTINUED)

Restricted net position consists of assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had a restricted net position as of December 31, 2024, as follows:

	Governmental Activities
Restricted Net Position:	
Capital Projects	$ 52,822
Total Restricted Net Position	$ 52,822

The District has a deficit in unrestricted net position. This deficit amount is the result of the District being responsible for the financing and repayment of bonds issued for the construction of public improvements which were dedicated to other governmental entities and which costs were removed from the District's financial records.

NOTE 7 RELATED PARTIES

The primary developer of vacant property within the District is RG Commerce Park LLC (the Developer), a Delaware limited liability company. All members of the Board of Directors of the District are affiliated with the Developer, and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts of interest, if any, have been disclosed.

NOTE 8 AGREEMENTS

Funding and Reimbursement Agreement – Operations and Maintenance

The District and the Developer entered into a Funding & Reimbursement Agreement (FRA) dated December 12, 2023. Pursuant to the FRA, the Developer agrees to advance funds to the District for operations and maintenance expenses up to but not to exceed the aggregate of $50,000 per annum (the "Annual Loan Cap") for two years, up to $100,000 in the aggregate (as the same may be subsequently increased as set forth below, or by agreement of the Parties and execution of a supplement or addendum to this Agreement) (the "Maximum Loan Amount"). These funds shall be advanced to the District in one or a series of installments and shall be available to the District through December 31, 2024 (the "Loan Obligation Termination Date"). Thereafter, the Loan Obligation Termination Date will automatically extend for additional one (1) year terms (i) unless the Developer provides written notice to the District of termination at least thirty (30) days prior to December 31 of each year or (ii) the Parties mutually agree to terminate. Upon each automatic one (1) year extension of the Loan Obligation Termination Date, the Developer agrees to advance the District one or more sums of money up to the Annual Loan Cap, and the Maximum Loan Amount shall be automatically increased upon each one (1) year extension by the Annual Loan Cap. The District has agreed to reimburse the Developer for funds advanced under the OFA. Simple interest shall accrue from the date any such advance is made at the rate published by Municipal Market Data (MMD) "AAA" General Obligation Yield Curve, 30-Year constant maturity, published by Refinitiv + 325bps. The District's obligations under the agreement will terminate on December 12, 2043 (twenty years from the effective date), any amounts due and owing under this agreement as of December 31, 2043 shall be deemed forever discharged and deemed a contribution by the Developer. As of December 31, 2024, outstanding advances under this agreement totaled $53,522 in principal and $1,289 in interest.

Infrastructure Acquisition and Reimbursement Agreement

The District and the Developer entered into Infrastructure Acquisition and Reimbursement Agreement (IARA) dated December 12, 2023. Pursuant to the IARA, the Developer agrees to design, construct and complete certain District Improvements (defined therein) in full conformance with the design standards and specifications established and in use by the District as well as plans approved by the City, and the District is required to acquire any District Improvements constructed in conformance with the agreements and to reimburse the Developer for the verified costs of such District Improvements. The District has agreed to reimburse the Developer for funds advanced under the IARA. Simple interest shall accrue from the date any such advance is made at the rate published by Municipal Market Data (MMD) "AAA" General Obligation Yield Curve, 30-Year constant maturity, published by Refinitiv + 325bps. The IARA shall terminate at the earlier of the repayment in full of the Certified District Eligible Costs or at the date of the Maximum Repayment Term, 20 years from the date of Certified District Eligible Costs not converted to Reimbursement Obligations, as defined in the agreement. As of December 31, 2024, outstanding advances under this agreement totaled $0 in principal and $3,496 in interest.

NOTE 8 AGREEMENTS (CONTINUED)

Reimbursement Agreement

The District, the Developer and Confluent Development, LLC (Seller) entered into Reimbursement Agreement (the Reimbursement Agreement) dated December 12, 2023. Pursuant to the Reimbursement Agreement, the Seller acknowledges that it has incurred capital costs associated with the organization and development of the District, which the District agrees are eligible for reimbursement. Simple interest shall accrue from the date any such advance is deposited into the District's account or from the direct payment by the Developer, at the rate published by Municipal Market Data (MMD) "AAA" General Obligation Yield Curve, 30-Year constant maturity, published by Refinitiv + 325bps. The District's obligations under the Reimbursement Agreement shall terminate at the repayment in full of the Certified District Eligible Costs or twenty (20) years from the execution of the Reimbursement Agreement. As of December 31, 2024, outstanding advances under this agreement totaled $0 in principal and $0 in interest.

IGA – City of Thornton

In conjunction with the Amended and Restated Service Plan, the District and the City of Thornton (City) entered into an Amended and Restated Intergovernmental Agreement dated July 23, 2024. The agreement documents certain covenant and agreements between the District and the City as set forth and required by the Service Plan.

Intergovernmental Cooperation Agreement – Thornton Development Authority

The District and the Thornton Development Authority (TDA) entered into an Intergovernmental Cooperation Agreement regarding Tax Increment Revenues derived from the District's Mill Levy on February 13, 2023 (ICA). Pursuant to the agreement, the District and TDA desire to cooperate on Public Improvements and to assure that taxes levied by the District are made available to the District for purposes of implementing the District's Service Plan. In consideration of the District providing certain Improvements and services, TDA agrees to provide Tax Increment Revenues (not otherwise pledged) to an amount equal to the portion of revenues which it receives as a result of Tax Increment Revenues which are attributable to the District's current and future levy of ad valorem taxes on real and personal taxable property within the District. For year ended December 31, 2024, there were $-0- received under this agreement.

NOTE 9 INTERFUND AND OPERATING TRANSFERS

The transfer from the Capital fund to the Debt Service Fund was related to the 2024 Loan issuance, to transfer money into the Loan Payment Fund per the closing memorandum.

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials' liability, and workers' compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

NOTE 11 TAX SPENDING. AND DEBT LIMITAIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

On November 7, 2023, the District's voters approved an annual increase in taxes of $5,000,000 for general operations and maintenance without limitation of rate. This election allows the District to collect and spend the additional revenue without regard to any spending, revenue raising, or other limitations contained within TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

SUPPLEMENTARY INFORMATION

25 COMMERCE PARK METROPOLITAN DISTRICT
DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Interest Income	$ -	$ 26,000	$ 6,961	$ (19,039)
Total Revenues	-	26,000	6,961	(19,039)
EXPENDITURES				
Loan Interest	-	170,400	145,205	25,195
Contingency	-	100,000	-	100,000
Total Expenditures	-	270,400	145,205	125,195
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(244,400)	(138,244)	106,156
OTHER FINANCING SOURCES (USES)				
Transfers From Other Funds	-	648,000	573,995	(74,005)
Total Other Financing Sources (Uses)	-	648,000	573,995	(74,005)
NET CHANGE IN FUND BALANCE	-	403,600	435,751	32,151
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ 403,600	$ 435,751	$ 32,151

25 COMMERCE PARK METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Budget		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Interest Income	$ -	$ 100,000	$ 62,161	$ (37,839)
Total Revenues	-	100,000	62,161	(37,839)
EXPENDITURES				
Accounting	-	20,000	4,795	15,205
Engineering	-	50,000	17,378	32,622
Legal	-	20,000	11,633	8,367
Capital Outlay	-	7,464,000	3,898,573	3,565,427
Organization Costs	-	-	55,553	(55,553)
Loan Issuance Costs	-	298,000	307,685	(9,685)
Contingency	-	100,000	-	100,000
Total Expenditures	-	7,952,000	4,295,617	3,656,383
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(7,852,000)	(4,233,456)	3,618,544
OTHER FINANCING SOURCES (USES)				
Loan Issuance Proceeds	-	8,500,000	8,500,000	-
Developer Advance	-	7,464,000	3,954,126	(3,509,874)
Repay Developer Advance	-	(7,464,000)	(3,954,126)	3,509,874
Transfers To Other Fund	-	-	(573,995)	(573,995)
Total Other Financing Sources (Uses)	-	8,500,000	7,926,005	(573,995)
NET CHANGE IN FUND BALANCE	-	648,000	3,692,549	3,044,549
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ 648,000	$ 3,692,549	$ 3,044,549

OTHER INFORMATION

25 COMMERCE PARK METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
DECEMBER 31, 2024

Principal and Interest Maturing in the Year Ending December 31,	$8,500,000 Limited Tax General Obligation Loan Series 2024 7 Year Fixed Rate - 5.3016% Dated August 7, 2024 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
2025	$ -	$ 456,895	$ 456,895
2026	-	456,895	456,895
2027	60,000	456,895	516,895
2028	75,000	454,913	529,913
2029	90,000	449,638	539,638
2030	105,000	444,801	549,801
2031	110,000	439,157	549,157
2032	130,000	450,688	580,688
2033	140,000	442,208	582,208
2034	155,000	434,401	589,401
2035	165,000	425,757	590,757
2036	185,000	417,698	602,698
2037	195,000	406,240	601,240
2038	220,000	395,366	615,366
2039	230,000	383,098	613,098
2040	260,000	371,287	631,287
2041	270,000	355,774	625,774
2042	300,000	340,717	640,717
2043	315,000	323,988	638,988
2044	345,000	307,262	652,262
2045	365,000	287,184	652,184
2046	400,000	266,830	666,830
2047	420,000	244,525	664,525
2048	460,000	221,710	681,710
2049	485,000	195,452	680,452
2050	540,000	168,407	708,407
2051	570,000	138,294	708,294
2052	605,000	106,801	711,801
2053	635,000	72,772	707,772
2054	670,000	37,362	707,362
Total	$ 8,500,000	$ 9,953,015	$ 18,453,015

25 COMMERCE PARK METROPOLITAN DISTRICT
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED
DECEMBER 31, 2024

	Assessed Valuation	Percent Change	Total Mills Levied			Total Property Taxes		Percent Collected to Levied
			General Operations	Debt Service	Total	Levied	Collected	
2024	$ 18	0.0%	-	-	-	$ -	$ -	- %
Estimated for Year Ending December 31, 2025	$ 32	44%	10.212	51.063	61.275	$ 2		

Note:
Property taxes collected in any one year include collection of delinquent property taxes levied in prior years.
Information received from the Treasurer does not permit identification of specific year of levy.

Source: Adams County Assessor and Treasurer.