

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2026

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SUMMARY
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 8,913,125	\$ 11,199,865	\$ 11,098,374
REVENUES			
Credit Public Improvement Fees - PPI	2,524,696	2,638,000	2,770,000
Add-On Public Improvement Fees - DPI	2,581,615	2,692,000	2,827,000
Credit Public Improvement Fees - PRI	631,174	660,000	693,000
Shared Sales Tax Increment	1,183,375	1,200,000	1,240,000
Add-On Permit Fees - DPI	195,253	45,000	25,000
Credit Permit Fees - PPI	195,253	45,000	25,000
Credit Permit Fees - PRI	48,814	14,000	6,250
Interest Income	697,836	520,300	472,000
Facilities Fees	226,155	20,000	10,000
Park Impact Fees	-	-	712,633
Reimbursed Expenditures	90,908	-	-
Other Revenue	-	7,978	186,000
Developer Advance - Project Management Fee	44,945	63,000	8,000
City Reimbursement - Outfall Channel	50,380	417,036	-
Transfer from District No. 1	715,764	842,011	710,211
Transfer from District No. 4	2,776,055	2,723,121	3,133,887
Transfer from District No. 5	680,975	641,479	772,862
Transfer from District No. 6	279,194	64,731	63,999
Transfer from District No. 10	362,995	353,960	363,128
Bond issuance proceeds	39,190,000	-	-
Total revenues	52,475,387	12,947,616	14,018,970
TRANSFERS IN	7,584,412	2,393,827	2,000,000
Total funds available	68,972,924	26,541,308	27,117,344
EXPENDITURES			
General and administrative	335,419	347,297	583,368
Operations and maintenance	599,043	695,000	724,000
Debt service	10,994,719	9,696,863	9,997,632
Capital projects	38,259,466	2,309,947	2,720,633
Total expenditures	50,188,647	13,049,107	14,025,633
TRANSFERS OUT	7,584,412	2,393,827	2,000,000
Total expenditures and transfers out requiring appropriation	57,773,059	15,442,934	16,025,633
ENDING FUND BALANCES	\$ 11,199,865	\$ 11,098,374	\$ 11,091,711
EMERGENCY RESERVE	\$ 95,500	\$ 94,300	\$ 94,300
AVAILABLE FOR OPERATIONS	246,237	257,712	282,735
SERIES 2007 SUB BONDS - REQ DEBT SERVICE	1,017,150	1,017,150	1,017,150
SERIES 2017 BONDS - REQ DEBT SERVICE	3,572,644	3,572,644	3,572,644
SERIES 2018 BONDS - REQ DEBT SERVICE	346,706	346,706	346,706
SERIES 2024 BONDS - REQ DEBT SERVICE	3,453,619	3,453,619	3,453,619
TOTAL RESERVE	\$ 8,731,856	\$ 8,742,131	\$ 8,767,154

See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/19/26

ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
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ASSESSED VALUATION

Agricultural	\$ -	\$ 30	\$ 30
State assessed	40	40	-
Vacant land	20	60	90
Personal property	820	830	-
Certified Assessed Value	<u>\$ 880</u>	<u>\$ 960</u>	<u>\$ 120</u>

MILL LEVY

Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
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PROPERTY TAXES

Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
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BUDGETED PROPERTY TAXES

General	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 643,683	\$ 341,737	\$ 352,012
REVENUES			
Interest Income	16,300	25,000	20,000
Reimbursed Expenditures	90,908	-	-
Other Revenue	-	7,978	-
Transfer from District No. 1	715,764	842,011	710,211
Transfer from District No. 4	1,637,604	1,588,546	1,828,113
Transfer from District No. 5	170,371	94,846	154,572
Transfer from District No. 6	279,194	64,731	63,999
Transfer from District No. 10	362,995	353,960	363,128
Total revenues	3,273,136	2,977,072	3,140,023
Total funds available	3,916,819	3,318,809	3,492,035
EXPENDITURES			
General and administrative			
Accounting	113,485	115,000	118,000
Accounting - PIF Collection Fees	30,792	32,000	33,000
Auditing	14,500	16,000	17,000
Dues and Membership	4,845	2,725	5,000
Insurance	47,323	58,618	65,000
District Management	23,689	25,000	30,000
Legal	80,863	50,000	75,000
Miscellaneous	10,422	15,000	48,000
Election	-	20,454	-
Operations and maintenance			
Landscaping	153,587	184,000	165,000
ROW Mowing	-	27,000	30,000
Street Repair and Maintenance	210,299	200,000	200,000
Underdrain System Maintenance	-	-	25,000
Water Feature Maintenance	15,370	65,000	58,000
Detention Pond Maintenance	39,659	55,000	60,000
Snow Removal	89,031	90,000	110,000
Street Lights Electric	9,344	10,000	10,000
Site Lighting	28,571	28,000	30,000
Water Pump	17,182	-	-
District Asset Management	36,000	36,000	36,000
Total expenditures	924,962	1,029,797	1,115,000
TRANSFERS OUT			
Transfers to CPF	2,650,120	1,937,000	2,000,000
Total expenditures and transfers out requiring appropriation	3,575,082	2,966,797	3,115,000
ENDING FUND BALANCES	\$ 341,737	\$ 352,012	\$ 377,035
EMERGENCY RESERVE	\$ 95,500	\$ 94,300	\$ 94,300
AVAILABLE FOR OPERATIONS	246,237	257,712	282,735
TOTAL RESERVE	\$ 341,737	\$ 352,012	\$ 377,035

See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PPI & DPI
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 6,679,222	\$ 10,401,384	\$ 10,226,520
REVENUES			
Add-On Permit Fees - DPI	195,253	45,000	25,000
Credit Permit Fees - PPI	195,253	45,000	25,000
Shared Sales Tax Increment	1,183,375	1,200,000	1,240,000
Interest Income	569,026	470,000	430,000
Facilities Fees	226,155	20,000	10,000
Other Revenue	-	-	120,000
Credit Public Improvement Fees - PPI	2,524,696	2,638,000	2,770,000
Add-On Public Improvement Fees - DPI	2,581,615	2,692,000	2,827,000
Transfer from District No. 4	1,138,451	1,134,575	1,305,774
Transfer from District No. 5	510,604	546,633	618,290
Total revenues	9,124,428	8,791,208	9,371,064
TRANSFERS IN			
Transfers from Other Funds	4,883,912	39,791	-
Total funds available	20,687,562	19,232,383	19,597,584
EXPENDITURES			
General and administrative			
Paying Agent Fees	6,000	9,000	10,000
Contingency	-	-	112,368
Debt Service			
Bond Interest - Series 2007	4,627,895	2,928,424	3,500,000
Bond Interest - Series 2017	2,183,737	2,136,026	2,085,219
Bond Interest - Series 2024	1,528,546	2,302,413	2,302,413
Bond Principal - Series 2024	-	-	80,000
Bond Principal - Series 2017	1,145,000	1,220,000	1,310,000
Bond Principal - Series 2007	795,000	410,000	-
Total expenditures	10,286,178	9,005,863	9,400,000
Total expenditures and transfers out requiring appropriation	10,286,178	9,005,863	9,400,000
ENDING FUND BALANCES	\$ 10,401,384	\$ 10,226,520	\$ 10,197,584
SERIES 2007 SUB BONDS - REQ DEBT SERVICE	\$ 1,017,150	\$ 1,017,150	\$ 1,017,150
SERIES 2017 BONDS - REQ DEBT SERVICE	3,572,644	3,572,644	3,572,644
SERIES 2024 BONDS - REQ DEBT SERVICE	3,453,619	3,453,619	3,453,619
TOTAL RESERVE	\$ 8,043,413	\$ 8,043,413	\$ 8,043,413

See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PRI
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 531,529	\$ 524,342	\$ 519,842
REVENUES			
Credit Permit Fees - PRI	48,814	14,000	6,250
Interest Income	30,866	25,000	22,000
Other Revenue	-	-	66,000
Credit Public Improvement Fees - PRI	631,174	660,000	693,000
Total revenues	710,854	699,000	787,250
Total funds available	1,242,383	1,223,342	1,307,092
EXPENDITURES			
General and administrative			
Paying Agent Fees	3,500	3,500	3,500
Contingency	-	-	66,500
Debt Service			
Bond Interest - Series 2018	119,541	90,000	60,000
Bond Principal - Series 2018	595,000	610,000	660,000
Total expenditures	718,041	703,500	790,000
Total expenditures and transfers out requiring appropriation	718,041	703,500	790,000
ENDING FUND BALANCES	\$ 524,342	\$ 519,842	\$ 517,092
SERIES 2018 BONDS - REQ DEBT SERVICE	\$ 346,706	\$ 346,706	\$ 346,706
TOTAL RESERVE	\$ 346,706	\$ 346,706	\$ 346,706

See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 1,058,691	\$ (67,598)	\$ -
REVENUES			
Interest Income	81,644	300	-
Developer Advance - Project Management Fee	44,945	63,000	8,000
Park Impact Fees	-	-	712,633
Bond issuance proceeds - Series 2024	39,190,000	-	-
Total revenues	39,316,589	63,300	720,633
TRANSFERS IN			
Transfers from CPF - Stormwater	50,380	417,036	-
Transfers from GF	2,650,120	1,937,000	2,000,000
	2,700,500	2,354,036	2,000,000
Total funds available	43,075,780	2,349,738	2,720,633
EXPENDITURES			
Capital Projects			
Repay Developer advance	34,623,716	900,000	2,600,000
Bond issue costs	1,647,459	-	-
Contingency	-	44,447	47,633
DPI - Project management	44,945	53,000	2,500
DPI - Project management interest	-	10,000	5,500
Capital outlay	169,977	-	-
Retail Two - Road Extension	462,358	15,000	10,000
Retail Four - Road Extension	1,284,905	30,000	35,000
Lutz Reservoir	21,558	7,500	-
Village Five Park	4,548	1,250,000	20,000
Total expenditures	38,259,466	2,309,947	2,720,633
TRANSFERS OUT			
Transfers to Other Fund	4,883,912	39,791	-
Total expenditures and transfers out requiring appropriation	43,143,378	2,349,738	2,720,633
ENDING FUND BALANCES	\$ (67,598)	\$ -	\$ -

See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND - STORMWATER
2026 BUDGET
WITH 2024 ACTUAL AND 2025 ESTIMATED
For the Years Ended and Ending December 31,

1/19/26

	ACTUAL 2024	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
REVENUES			
City Reimbursement - Outfall Channel	50,380	417,036	-
Total revenues	50,380	417,036	-
Total funds available	50,380	417,036	-
EXPENDITURES			
Total expenditures	-	-	-
TRANSFERS OUT			
Transfers to CPF	50,380	417,036	-
Total expenditures and transfers out requiring appropriation	50,380	417,036	-
ENDING FUND BALANCES	\$ -	\$ -	\$ -

See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prairie Center Metropolitan District No. 3 (District) is a quasi-municipal corporation located within Adams County, 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 in June 2006, concurrently with Prairie Center Metropolitan District Nos. 4 – 10, pursuant to their Service Plans, all of which were approved by the City of Brighton (City), Colorado on February 21, 2006, and by orders and decrees issued by the District Court in and for Adams County, Colorado, and as modified on November 13, 2006. Prairie Center Metropolitan Districts Nos. 1 and 2 (respectively, District No. 1 and District No. 2) were organized prior to the establishment of the District and have proceeded with development and construction of public improvements. In order to increase development flexibility and to avoid unfairly burdening existing development with the costs of public infrastructure required in future phases, District Nos. 3 – 10 were formed and several inclusions and exclusions of property were completed to generally locate properties in the Initial Planned Development planned for commercial/retail uses in District No. 4 and properties in the Initial Planned Development planned for residential uses in District No. 5. Subsequent to the formation of the District, the obligations of District No. 1 and District No. 2 were assumed by the District as were the assets constructed by those Districts, with the exception of improvements related to the London Mine Water Tunnel and Extension Tunnel Facility and the rights and obligations related to the operation of such Facility. Such rights and obligations were assumed by District No. 9 on January 1, 2008 and were conveyed by District No. 9 to a private entity in 2016. District No. 9 was dissolved in 2019.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including streets, transportation, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators and mosquito and pest control services. The District is authorized to operate and maintain any improvements not otherwise conveyed to the City or other entities.

During elections held on May 2, 2006 and November 5, 2024, a majority of the District's electors authorized general obligation indebtedness of \$6,790,000,000, for the above listed facilities, intergovernmental agreements and debt refunding. Additionally, on May 2, 2006 and November 5, 2024, the District's voters authorized the District to collect, retain and spend all revenues in excess of TABOR spending, revenue raising or other limitations.

The Service Plans for District Nos. 2 – 10 limit the aggregate amount of debt that they may issue together with any debt issued by District No. 1 to \$750,000,000.

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.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Credit Public Improvement Fees (Credit PIF)

A Comprehensive Agreement, entered into with the City of Brighton and other parties, allows the District to collect 1.25% Credit PIF, for which the City grants a credit against the municipal sales and use taxes that would otherwise be payable on sales and use tax transactions, for use towards Primary Public Improvements (PPI). Primary Public Improvements include major and minor arterial streets and related landscaping and trails, traffic signals, certain potable and non-potable water distribution lines, regional/community/neighborhood parks, trails, and open spaces. The maximum amount of PPI costs ("Cap Amount") that the District can finance from the Credit PIF is approximately \$146 million.

Add-On Public Improvement Fees (Add-on PIF)

The Comprehensive Agreement also allows the District to collect 1% Add-On PIF to finance any other District Public Improvements.

Interest Income

Investment earned on the District's available funds has been estimated based on historical interest earnings.

Transfers from Prairie Center Metropolitan District Nos. 1, 4, 5, 6 and 10

Pursuant to a Capital Pledge Agreement with Prairie Center Metropolitan District Nos. 4 and 5 (Taxing Districts), the District will receive property taxes and specific ownership taxes collected by the Taxing Districts. The debt service tax revenues to be transferred from District Nos. 4 and 5 are pledged for the payment of principal and interest on bonds issued by the District. Further, pursuant to a Facilities Funding, Construction and Operations Agreement entered into by all Prairie Center Districts, District Nos. 1, 4, 5, 6 and 10 are obligated to remit to the District the tax revenues derived from Operation and Maintenance mill levy they imposed on properties within their respective Districts. The Operation and Maintenance tax revenues received by the District from District Nos. 1, 4, 5, 6 and 10 will be used to pay administrative expenditures incurred by all Districts.

City Reimbursement

Pursuant to an intergovernmental agreement with the City of Brighton, the District is to be reimbursed for Outfall Channel Improvements. According to the Agreement, the District's costs for the design, financing and construction of the stormwater improvements are to be reimbursed by the City for certain stormwater impact fees.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Shared Sales Tax Increment

Pursuant to the Cooperation Agreement between the District, the City, and Brighton Urban Renewal Authority (BURA), collectively “the Parties”, if the taxable retail sales within the District are at least \$150 million or at least one Qualifying Retailer opens for business. The City shall be obligated to transfer to BURA only the Allocated Increment Amount, which initially shall be equal to 30% (and increase to 49% as additional development triggers are met) of the City’s General Fund Sales Tax of two percent (2.0%) after deduction of (i) the General Fund Sales Tax Base Amount (\$2,273,417) and (ii) the proportionate share of costs and expenses related to the collection of the General Fund Sales Tax in the Plan Area. The Parties agree that no later than February 20 of each calendar year, BURA shall remit to the District the Allocated Increment Amount received by BURA from the City.

Facilities Fees

The District assesses and charges a facilities fee for use of the District's improvements and service system. The facilities fee for nonresidential structures is seventy-five cents (\$0.75) per square foot of gross building space. The facilities fee for dwelling units are as follows: a) three thousand dollars (\$3,000) per single-family, detached dwelling unit, b) one thousand five hundred dollars (\$1,500) per townhome or condominium, and c) five hundred dollars (\$500) per apartment. The facilities fee is due on or before the date of issuance of a building permit by the City of Brighton or County of Adams.

Expenditures

General, Administrative and Operating Expenditures

General and administrative expenditures include the estimated costs of services necessary to maintain the District’s administrative viability such as legal, management, accounting, insurance and other administrative expenses. Estimated expenditures related to street repairs and maintenance, street lights, street sweeping, landscaping, mowing, parks and open space maintenance, utilities and snow removal were also included the General Fund budget.

Capital Outlay

The District anticipates infrastructure improvements during 2026 as reflected in the Capital Projects Fund.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017A and 2017B Limited Property Tax Supported Revenue Bonds. A debt amortization schedule for Series 2018 Bonds has not been provided as additional principal is being paid, in increments of \$5,000, based on excess funds available over the current interest due. Additionally, the District anticipates to pay a portion of the accrued interest on the Series 2007 Subordinate Bonds based on the amount of funds available; therefore, a scheduled amortization has not been included in the budget.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases

In June 2007, the District issued Series 2007A Subordinate and Series 2007B Subordinate Bonds in the total amount of \$43,515,000. The Bonds are special limited obligations of the District secured by and payable from the pledged revenues, subject in all respects to the prior lien in favor of the Senior Bonds. The Series 2007A Subordinate Bonds, in the amount of \$40,610,000, are term bonds due on December 15, 2031, at an interest rate of 9.50%. The Series 2007B Subordinate Bonds, in the amount of \$2,905,000, are term bonds due December 15, 2031, at an interest rate of 8.75% through December 14, 2007, and 9.50% thereafter. A portion of the Series 2007A and 2007B were refunded on October 26, 2017 with the Series 2017 Bond issuance discussed below.

On October 26, 2017, the District refunded the Limited Property Tax Supported Revenue Bonds, Series 2006A & 2006B (Series 2006 Bonds) and a portion of the Subordinate Limited Property Tax Supported Revenue Bonds, Series 2007A & 2007B (Series 2007 Bonds) by the issuance of \$49,275,000 Limited Property Tax Supported Revenue Bonds, Series 2017A & 2017B (Series 2017 Bonds). The Series 2017 Bonds, bear interest rates of 4.168% - 5.000% (2017A) and 5.000% (2017B) and mature on 2041, are payable semi-annually on June 15 and December 15. The Series 2017 Bonds were issued for the purpose of providing funds to refund all of the District's Series 2006 Bonds along with a portion of its Series 2007 Bonds and additionally paying the cost of issuance and establishing a Reserve Fund for the Series 2017 Bonds. The Series 2017 Bonds have been structured such that Pledged Revenues generated from Public Improvement Fees, Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues (collectively, the "Shared Revenue") generally will be applied first, to costs of Primary Public Improvements, including payments of principal and interest due with respect to the Series 2017A Bonds and second, to payments of principal and interest due with respect to Bonds issued to finance District Public Improvements, including the Series 2017B Bonds, to the extent necessary to prevent deficiencies in amounts available to pay such Bonds.

The Series 2017 Bonds are tax supported special, limited revenue obligations of the District secured by and payable from pledged revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, revenues generated from the commercial and residential facilities fees imposed by Prairie Center Metropolitan Districts No. 4 (District No. 4), No. 5 (District No. 5) and No. 10 (District No. 10), and from the imposition by District No. 4 and District No. 5 of ad valorem property taxes not in excess of 50 mills subject to adjustment caused by changes in the method of determining assessed valuation by the State of Colorado, and the related specific ownership taxes.

On March 8, 2018, the District issued \$4,510,000 in Series 2018 Special Revenue Park and Recreation Improvements (PRI) Bonds. The Series 2018 Special Revenue PRI Bonds are term bonds due on December 15, 2042 at an interest rate of 5.125% and are payable on June 15 and December 15. The Series 2018 Bonds were issued for the purpose of providing funds to refund a portion of the District's outstanding PRI Developer Advances and additionally paying the cost of issuance and establishing a Reserve Fund for the Series 2018 Bonds. The Series 2018 Bonds are special, limited revenue obligations of the District secured by and payable from Pledged Revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, revenues generated from the commercial and residential facilities fees imposed by Prairie Center Metropolitan Districts No. 4, No. 5, and No. 10.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases – (continued)

The District issued the Series 2024A Bonds on April 16, 2024, in the amount of \$29,320,000. The Series 2024A Bonds were issued for the purpose of: (i) defraying the costs of a portion of the Preliminary Improvements Project; (ii) refunding a portion of the outstanding Series 2007A Subordinate Bonds; (iii) funding the series 2024A Reserve Account of the Senior Reserve Fund to the Senior Reserve Requirement for the Series 2024A Bonds; and (iv) paying the costs of issuance of the Series 2024A Bonds. The Owners of the Series 2024A Bonds shall not be responsible for the application or disposal by the District or any of its officers of the funds derived from the sale thereof.

The 2024A Bonds bear interest at a rate of 5.875% payable semi-annually on December 15 and June 15, beginning on December 15, 2024. Annual mandatory sinking fund principal payments are due semi-annually on December 1, beginning on December 1, 2026. The 2024A Bonds mature on December 15, 2046.

To the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid, subject to discharge. To the extent interest on any Bond is not paid when due, such interest shall compound annually on each December 1 at the rate then borne by the Bond. The District shall not be obligated to pay more than the amount permitted by law in repayment of the Bonds. If any amount of principal of or interest on the Bonds remains unpaid after the application of all.

The Series 2024A Bonds are secured by and payable solely from and to the extent of Subordinate Pledged Revenue. The Subordinate Indenture defines Subordinate Pledged Revenue as the moneys derived by the District from the following sources:

- (a) All PIF Revenue required to be deposited with the Trustee pursuant to the Master Indenture;
- (b) All Facilities Fee Revenue of the Financing Districts;
- (c) All Capital Levies Revenue of the Taxing Districts;
- (d) The portion of the Specific Ownership tax which is collected as a result of the imposition of the Capital Levies;
- (e) The Shared Sales Tax Incremental Revenues;
- (f) The Shared General Fund Sales Tax Revenues;
- (g) Any profit (including interest earnings) from investments of money in certain of the Funds held under the Master Indenture which are credited to the Non-PIF Revenue Account and other Funds and accounts as provided therein;
- (h) Any other legally available amounts that the Issuer may designate, by resolution of its Board, to be paid to the Trustee for the deposit into the Non-PIF Revenue Account or otherwise held under the Master Indenture

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases – (continued)

The District issued the Series 2024B Bonds on April 16, 2024, in the amounts of \$9,870,000. The Series 2024B Bonds are being issued for the purpose of: (i) defraying the costs of a portion of the District Improvements Project; (ii) funding the series 2024B Reserve Account of the Senior Reserve Fund to the Senior Reserve Requirement for the Series 2024B Bonds; and (iii) paying the costs of issuance of the Series 2024B Bonds. The Owners of the Series 2024B Bonds shall not be responsible for the application or disposal by the District or any of its officers of the funds derived from the sale thereof.

The Series 2024B Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal prior to the final maturity date. Rather, principal on the Series 2024B Bonds is payable semi-annually on each December 15 and June 15, commencing December 15, 2024, from, and to the extent of available Second Subordinate Pledged Revenue (defined below). The Series 2024B Bonds mature on December 15, 2046.

The Series 2024B Bonds bear interest at the rate of 5.875% per annum payable semi-annually on each December 15 and June 15, but only from and to the extent of available Second Subordinate Pledged Revenue, beginning on December 15, 2024. To the extent principal of any Series 2024B Bond is not paid when due, such principal shall remain outstanding until the earlier of its payment or December 16, 2069 (the "Subordinate Termination Date"). In the event interest on any Series 2024B Bond is not paid when due, such interest is to compound annually on each December 15, at the rate then borne by the Series 2024B Bond until the earlier of its payment or the Subordinate Termination Date. All of the Series 2024B Bonds and interest thereon shall be deemed to be paid, satisfied, and discharged on the Subordinate Termination Date, regardless of the amount of principal and interest paid prior to such date.

The Series 2024B Bonds are secured by and payable solely from and to the extent of Second Subordinate Pledged Revenue. The Second Subordinate Indenture defines Second Subordinate Pledged Revenue as the moneys derived by the District from the following sources:

- (a) All PIF Revenue required to be deposited with the Trustee pursuant to the Master Indenture;
- (b) All Facilities Fee Revenue of the Financing Districts;
- (c) All Capital Levies Revenue of the Taxing Districts;
- (d) The portion of the Specific Ownership tax which is collected as a result of the imposition of the Capital Levies;
- (e) The Shared Sales Tax Incremental Revenues;
- (f) The Shared General Fund Sales Tax Revenues;
- (g) Any profit (including interest earnings) from investments of money in certain of the Funds held under the Master Indenture which are credited to the Non-PIF Revenue Account and other Funds and accounts as provided therein;
- (h) Any other legally available amounts that the Issuer may designate, by resolution of its Board, to be paid to the Trustee for the deposit into the Non-PIF Revenue Account or otherwise held under the Master Indenture

The Series 2024A Bonds and Series 2024B Bonds are subject to redemption prior to maturity, at the option of the Issuer on any date, on or after December 15, 2033, in whole or in part, at redemption price equal to one hundred percent (100%) of the principal amount thereof, plus interest accrued to the redemption date.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases - (continued)

The following is an analysis of anticipated changes in the District's long-term obligations for the years ending December 31, 2025 and 2026:

	Anticipated Balance December 31, 2024	Additions	Retirements	Anticipated Balance December 31, 2025
Bonds Payable				
Series 2007	\$ 33,110,000	\$ -	\$ 410,000	\$ 32,700,000
Series 2017	43,375,000	-	1,220,000	42,155,000
Series 2018	1,870,000	-	610,000	1,260,000
Series 2024	39,190,000	-	-	39,190,000
Accrued Interest on Bonds				
Series 2007	26,117,036	3,145,450	2,928,424	26,334,062
Bond Issue Discount				
Series 2017	(135,579)	-	(11,872)	(123,707)
Series 2018	(25,053)	-	(3,186)	(21,867)
Developer Advance				
Debt Service	2,066,963	-	-	2,066,963
Accrued Interest on				
Debt Service	3,916,098	644,000	-	4,560,098
Capital	9,738,089	1,047,000	900,000	9,885,089
Funding Fee Payable	1,443,142	-	-	1,443,142
Total	<u>\$ 160,665,696</u>	<u>\$ 4,836,450</u>	<u>\$ 6,053,366</u>	<u>\$ 159,448,780</u>
	Anticipated Balance December 31, 2025	Additions	Retirements	Anticipated Balance December 31, 2026
Bonds Payable				
Series 2007	\$ 32,700,000	\$ -	\$ -	\$ 32,700,000
Series 2017	42,155,000	-	1,310,000	40,845,000
Series 2018	1,260,000	-	660,000	600,000
Series 2024	39,190,000	-	80,000	39,110,000
Accrued Interest on Bonds				
Series 2007	26,334,062	3,322,625	3,500,000	26,156,687
Bond Issue Discount				
Series 2017	(123,707)	-	(11,590)	(112,117)
Series 2018	(21,867)	-	(3,174)	(18,693)
Developer Advance				
Debt Service	2,066,963	-	-	2,066,963
Accrued Interest on				
Debt Service	4,560,098	713,000	-	5,273,098
Capital	9,885,089	1,063,000	2,600,000	8,348,089
Funding Fee Payable	1,443,142	80,000	-	1,523,142
Total	<u>\$ 159,448,780</u>	<u>\$ 5,178,625</u>	<u>\$ 8,135,236</u>	<u>\$ 156,492,169</u>

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

The District has no outstanding operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2026 as defined under TABOR.

Debt Service Reserves

The Series 2007 Bonds are secured by funds to be held by the Trustee in the Reserves Funds of the amount equal to 3% of the outstanding principal.

The Series 2017 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$3,572,644.

The Series 2018 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$346,706.

The Series 2024 Bonds are secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$3,453,619.

This information is an integral part of the accompanying budget.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$47,095,000			\$2,215,000					
	Limited Property Tax Supported			Limited Property Tax Supported					
	Revenue Bonds, Series 2017A			Revenue Bonds, Series 2017B					
	Dated October 26, 2017			Dated October 26, 2017					
	Interest Rates: 4.168% - 5.000%			Interest Rate: 5.000%					
	Interest Payable June 15 and December 15			Interest Payable June 15 and December 15			Totals		
	Principal Due December 15			Principal Due December 15					
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 1,250,000	\$ 1,992,469	\$ 3,242,469	\$ 60,000	\$ 92,750	\$ 152,750	\$ 1,310,000	\$ 2,085,219	\$ 3,395,219
2027	1,325,000	1,940,906	3,265,906	65,000	89,750	154,750	1,390,000	2,030,656	3,420,656
2028	1,415,000	1,886,250	3,301,250	70,000	86,500	156,500	1,485,000	1,972,750	3,457,750
2029	1,515,000	1,815,500	3,330,500	75,000	83,000	158,000	1,590,000	1,898,500	3,488,500
2030	1,625,000	1,739,750	3,364,750	80,000	79,250	159,250	1,705,000	1,819,000	3,524,000
2031	1,735,000	1,658,500	3,393,500	85,000	75,250	160,250	1,820,000	1,733,750	3,553,750
2032	1,860,000	1,571,750	3,431,750	90,000	71,000	161,000	1,950,000	1,642,750	3,592,750
2033	1,975,000	1,478,750	3,453,750	100,000	66,500	166,500	2,075,000	1,545,250	3,620,250
2034	2,115,000	1,380,000	3,495,000	105,000	61,500	166,500	2,220,000	1,441,500	3,661,500
2035	2,250,000	1,274,250	3,524,250	110,000	56,250	166,250	2,360,000	1,330,500	3,690,500
2036	2,615,000	1,161,750	3,776,750	130,000	50,750	180,750	2,745,000	1,212,500	3,957,500
2037	2,780,000	1,031,000	3,811,000	140,000	44,250	184,250	2,920,000	1,075,250	3,995,250
2038	3,305,000	892,000	4,197,000	165,000	37,250	202,250	3,470,000	929,250	4,399,250
2039	3,675,000	726,750	4,401,750	180,000	29,000	209,000	3,855,000	755,750	4,610,750
2040	3,910,000	543,000	4,453,000	190,000	20,000	210,000	4,100,000	563,000	4,663,000
2041	6,950,000	347,500	7,297,500	210,000	10,500	220,500	7,160,000	358,000	7,518,000
	<u>\$ 40,300,000</u>	<u>\$ 21,440,125</u>	<u>\$ 61,740,125</u>	<u>\$ 1,855,000</u>	<u>\$ 953,500</u>	<u>\$ 2,808,500</u>	<u>\$ 42,155,000</u>	<u>\$ 22,393,625</u>	<u>\$ 64,548,625</u>

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2026 BUDGET
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

Bonds and Interest Maturing in the Year Ending December 31,	\$29,320,000 Limited Property Tax Supported Revenue Bonds, Series 2024A Dated April 16, 2024 Interest Rates: 5.875% Interest Payable June 15 and December 15 Principal Due December 15			\$9,870,000 Limited Property Tax Supported Revenue Bonds, Series 2024B Dated April 16, 2024 Interest Rates: 5.875% Interest Payable June 15 and December 15 Principal Due December 15			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 60,000	\$ 1,722,550	\$ 1,782,550	\$ 20,000	\$ 579,863	\$ 599,863	\$ 80,000	\$ 2,302,413	\$ 2,382,413
2027	120,000	1,719,025	1,839,025	40,000	578,688	618,688	160,000	2,297,713	2,457,713
2028	180,000	1,711,975	1,891,975	60,000	576,338	636,338	240,000	2,288,313	2,528,313
2029	230,000	1,701,400	1,931,400	75,000	572,813	647,813	305,000	2,274,213	2,579,213
2030	290,000	1,687,888	1,977,888	100,000	568,406	668,406	390,000	2,256,294	2,646,294
2031	350,000	1,670,850	2,020,850	115,000	562,531	677,531	465,000	2,233,381	2,698,381
2032	420,000	1,650,288	2,070,288	140,000	555,775	695,775	560,000	2,206,063	2,766,063
2033	485,000	1,625,613	2,110,613	165,000	547,550	712,550	650,000	2,173,163	2,823,163
2034	565,000	1,597,119	2,162,119	190,000	537,856	727,856	755,000	2,134,975	2,889,975
2035	640,000	1,563,925	2,203,925	215,000	526,694	741,694	855,000	2,090,619	2,945,619
2036	745,000	1,526,325	2,271,325	250,000	514,063	764,063	995,000	2,040,388	3,035,388
2037	830,000	1,482,556	2,312,556	280,000	499,375	779,375	1,110,000	1,981,931	3,091,931
2038	865,000	1,433,794	2,298,794	290,000	482,925	772,925	1,155,000	1,916,719	3,071,719
2039	800,000	1,382,975	2,182,975	270,000	465,888	735,888	1,070,000	1,848,863	2,918,863
2040	870,000	1,335,975	2,205,975	295,000	450,025	745,025	1,165,000	1,786,000	2,951,000
2041	1,495,000	1,284,863	2,779,863	505,000	432,694	937,694	2,000,000	1,717,556	3,717,556
2042	3,540,000	1,197,031	4,737,031	1,190,000	403,025	1,593,025	4,730,000	1,600,056	6,330,056
2043	3,785,000	989,056	4,774,056	1,275,000	333,113	1,608,113	5,060,000	1,322,169	6,382,169
2044	4,060,000	766,688	4,826,688	1,370,000	258,206	1,628,206	5,430,000	1,024,894	6,454,894
2045	4,345,000	528,163	4,873,163	1,460,000	177,719	1,637,719	5,805,000	705,881	6,510,881
2046	4,645,000	272,894	4,917,894	1,565,000	91,944	1,656,944	6,210,000	364,838	6,574,838
	<u>\$ 29,320,000</u>	<u>\$ 28,850,950</u>	<u>\$ 58,170,950</u>	<u>\$ 9,870,000</u>	<u>\$ 9,715,488</u>	<u>\$ 19,585,488</u>	<u>\$ 39,190,000</u>	<u>\$ 38,566,438</u>	<u>\$ 77,756,438</u>