

Hogback Metropolitan District
Jefferson County, Colorado
 Metropolitan District Disclosure
 Pursuant to C.R.S. 38-35.7-110

ATTENTION HOMEBUYER: You are contracting to purchase a newly constructed home that is located within the territorial boundaries of the **Hogback Metropolitan District**. This District has the authority to issue bonds or other debt to pay for development improvements, and to levy taxes and fees on all properties within the District to generate revenue to pay for debt service and repayment and the cost of ongoing operations and maintenance. This Disclosure was created on May 1, 2025 (the “Estimation Date”) based on public information available as of the Estimation Date in a good-faith effort to provide Buyer with accurate estimates and information about the District. The information contained in this Disclosure is subject to change between the Estimation Date and the date of your purchase and sale contract, and you should independently confirm that no such changes have occurred. The following information about the District is hereby disclosed:

Name of District:	Hogback Metropolitan District (the “District”)
Contact Information for District:	Legal Counsel: Spencer Fane LLP 1700 Lincoln Street, Suite 2000 Denver, CO 80203
District Website:	Additional information about the District, including information about the date, time and location of District Board meetings and the District’s governing documents can be found on the District’s website: www.hogbackmd.com
Notice to Electors/Transparency Notice: C.R.S. 38-35.7-110(2)(a)	A copy of the “Transparency Notice”/notice to electors required by C.R.S. 32-1-809(1) as most recently prepared and filed by the District is available on the District website at: www.hogbackmd.com This is also available through the Division of Local Government’s website located at https://dlg.colorado.gov/ .
Purpose of the District: C.R.S. 38-35.7-110(2)(b)	The District was organized pursuant to the Colorado Special District Act, C.R.S. § 32-1-101, et seq. The District was created to assist with the planning, acquisition, construction, operation, maintenance, and financing of certain public improvements serving the overlapping residential project as described further in the District’s Service Plan. A copy of the District’s Service Plan, the primary governing document for the District, can be found on the District’s website. Additional information is available on the Colorado Special District Association’s website (sdaco.org/cora) and on the Colorado Department of Local Government’s Division of Local Affairs (“DOLA”) website (https://dlg.colorado.gov/).

<p>District Budget</p>	<p>The District’s budget is based on the calendar year, and the District’s Board of Directors adopts an annual budget and sets its property tax mill levies in November or December of each year for the following year. The District’s annual budgets can be found on the Colorado Division of Local Affairs website at https://dlg.colorado.gov/.</p>
<p>District Audits</p>	<p>The District’s financial records are audited by a third party auditor every calendar year. Copies of District audits can be found on the Colorado State Auditor’s website at https://apps.leg.co.gov/osa/lq.</p>
<p>District’s Total Debt Issuance Authorized per District’s Service Plan, Currently Issued Debt, and Anticipated Debt: C.R.S. 38-35.7-110(2)(c)(I)</p>	<p>Pursuant to its Service Plan as amended, the District has the authority to issue up to \$32,000,000 of debt. This debt may be repaid through ad valorem property taxes—from a debt service mill levy on all taxable property of the District—or any other legally available revenues of the District.</p> <p>The District has previously issued \$30,531,000 in debt, comprised of bonds issued in 2021 in the amount of \$23,095,000, and in 2025 in the amount of \$7,,000.</p> <p>The District does not currently anticipate issuing additional debt.</p>
<p>Maximum Debt Service Mill Levy: C.R.S. 38-35.7-110(2)(c)(II)</p>	<p>The maximum debt service mill levy the District is permitted to impose under the current Service Plan is 50.000 mills, which limit may be adjusted for statutory changes to assessment rates (the current maximum debt service mill levy of the District, as adjusted, is 51.971 mills).</p> <p>The current debt service mill levy of the District is 51.971 mills.</p> <p>The maximum debt service mill levy may be adjusted due to changes in the Constitutional or statutory method of assessing property tax or in the assessment ratio, or by amendment of the Service Plan.</p>
<p>Operations and Maintenance Mill Levy: C.R.S. 38-35.7-110(2)(c)(III)</p>	<p>The District is also authorized to impose a separate mill levy to generate revenues to pay for the District’s general operating and maintenance expenses. The operations and maintenance mill levy the District is permitted to impose under the current Service Plan is 10.000 mills, which limit may be adjusted for statutory changes to assessment rates (the current maximum operations and maintenance mill levy of the District, as adjusted, is 10.394 mills).</p> <p>The current operations and maintenance mill levy of the District is 10.394.</p> <p>This operations and maintenance mill levy may be subject to increase, separate and apart from the debt service mill levy; but the District’s maximum combined mill levy for both operations and debt cannot exceed 60.000 mills in the aggregate, which limit may be</p>

	<p>adjusted for statutory changes to assessment rates (the current maximum combined mill levy of the District, as adjusted, is 62.365 mills).</p> <p>The operations and maintenance mill levy cap may be adjusted due to changes in the Constitutional or statutory method of assessing property tax or in the assessment ratio, or by amendment of the Service Plan.</p>
<p>District Fees: C.R.S. 38-35.7-110(2)(c)(IV)</p>	<p>The District may also rely on other revenue expenses authorized by law to offset its capital construction and general operating expenses. Pursuant to Colorado law, the District may impose fees, rates, tolls, penalties or other charges as provided in C.R.S. Title 32.</p> <p>The only fees currently imposed by the District are one-time System Development Fees to be paid prior to the issuance of a building for each lot within the District as follows:</p> <ul style="list-style-type: none"> ▪ \$1,500 per single-family detached residential unit ▪ \$1,000 per single-family attached residential unit ▪ \$500 per multi-family residential unit
<p>Estimate of <u>District</u> Property Taxes: C.R.S. 38-35.7-110(2)(d)(II)</p>	<p>To estimate the property taxes imposed solely by the District, use the following formula:</p> <p>ESTIMATED PROPERTY TAX =</p> $(Purchase\ Price * Assessment\ Rate) * \left(\frac{Current\ Mill\ Levy}{1,000} \right)$ <p>The “<i>Purchase Price</i>” is the Purchase Price for your Home per your Contract:</p> <p>The “<i>Assessment Rate</i>” is 0.0625 for a single-family detached home in 2024 (for taxes paid in 2025) for non-school local governments and 0.00705 for schools. The current Assessment Rate can also be obtained from the County Assessor’s Office. The Assessment Rate may change from year to year.</p> <p>The “<i>Current Mill Levy</i>” the District is currently assessing is 62.3650 mills. This Currently Mill Levy equates to approximately \$3.90 of property taxes paid to the District for every \$1,000 of actual value of a property in the District ($\\$1,000 * 0.0625 * 62.365 / 1,000 = \\3.90)</p> <p>As examples, only, if the purchase price for your single-family detached home is \$750,00, \$900,000, or \$1,150,000, then your estimated <u>District</u> property tax would be calculated as follows:</p> <p>\$750,000: $(\\$750,000 * 0.0625) * 62.3650 / 1,000 = \\$2,923$</p> <p>\$900,000: $(\\$900,000 * 0.0625) * 62.3650 / 1,000 = \\$3,508$</p>

	<p>\$1,150,000 : $(\\$1,150,000 * 0.0625) * 62.3650 / 1,000 = \\$4,482$</p> <p>THESE ESTIMATES ONLY PROVIDE AN ILLUSTRATION OF THE AMOUNT OF THE PROPERTY TAXES THAT MAY BE DUE AND OWING AFTER THE PROPERTY HAS BEEN REASSESSED AND, IN SOME INSTANCES, RECLASSIFIED AS RESIDENTIAL PROPERTY. THIS ESTIMATE IS NOT A STATEMENT OF THE ACTUAL AND FUTURE TAXES THAT MAY BE DUE. FIRST YEAR PROPERTY TAXES AFTER AN INITIAL PURCHASE MAY BE BASED ON A PREVIOUS YEAR'S TAX CLASSIFICATION, WHICH MAY NOT INCLUDE THE FULL VALUE OF THE PROPERTY AND, CONSEQUENTLY, TAXES MAY BE HIGHER IN SUBSEQUENT YEARS. THIS DISCLOSURE STATEMENT IS BASED UPON A GOOD-FAITH EFFORT TO PROVIDE ACCURATE ESTIMATES AND INFORMATION.</p>
Tax Certificate: C.R.S. 38-35.7-110(2)(e)	<p>Other entities other than the District impose additional taxes on the property. The tax certificate for your property is available from the County Assessor's office and shows additional property taxes imposed by other taxing entities, and it will show the property taxes imposed by the District.</p> <p>You may use the aggregate mill levies shown in the tax certificate to estimate the total property taxes applicable to the Property as of the Estimation Date by using the formula set forth above.</p>
Assessed Valuation	The assessed valuation for property within the District for the 2024 tax year is \$6,422,317
Board Members	<p>Dennis Carruth – President Jeff Burrows – Secretary R. Scott Burrows – Treasurer Mike Haley – Assistant Secretary</p>
Board Meeting Information	<p>Regular Board Meetings are held by phone, videoconference, or in-person, or a combination of the foregoing.</p> <p>Regular Board Meetings are anticipated to be held on the 4th Monday of January, April, July and October in 2025, with special meetings held as needed.</p>
District Boundaries	See map attached hereto as Attachment 1.

The information set forth in this Disclosure is based on public sources available as of the Estimation Date and for your convenience. Buyer should carefully review the content of this Disclosure and any other resources Buyer believes would be beneficial before signing a Purchase Agreement. The District makes no representations, warranties, or covenants with respect to any

matters or information contained in this Disclosure. Buyer should review the Colorado Department of Local Affairs' Division of Local Government website, the Special District Association of Colorado's transparency website, and/or contact the District's principal business office for the most up-to-date information about the District. Buyer should review the county assessor's property information located on the assessor's website for the most up-to-date information regarding the assessed value for the property, applicable taxing authorities and any mill levy imposed on the property.

*Buyers of Newly Constructed Residences within the District are advised to consult with their mortgage lender or escrow agent **before the property purchase** to adequately plan for property taxes that may be higher in subsequent years following the year in which the home is purchased.*

Attachment 1

(County Assessor's Property Tax Certificate)

Below is a copy of the most current property tax certificate from the County Assessor's office.

(Sample Tax Certificate for Lot in the District showing overlapping mill levies)

Tax Year	TAG	Authority	Mill Levy
2024 payable 2025	4898	COUNTY	26.9780
		HOGBACK METRO	62.3650
		KEN CARYL WATER & SAN DIST	0.0000
		LAW ENFORCE AUTHORITY	2.3400
		REGIONAL TRANSPORTATION DIST	0.0000
		SCHOOL	44.4880
		URBAN DRAINAGE&FLOOD C SO PLAT	0.1000
		URBAN DRAINAGE&FLOOD CONT DIST	0.9000
		WEST METRO FIRE PROTECTION - G	13.1020
		WEST METRO FIRE PROTECTION SUB	0.5880
		Total Mill Levy	150.8610

ESTIMATED PROPERTY TAX = Anticipated with District projected mill levies

$$(Purchase Price * .0625 (Assessment Ratio) * \left(\frac{(Current Mill Levy)}{1,000}\right))$$

Attachment 2

(District Boundary Map)

