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INFRASTRUCTURE
FINANCE

D.A. DAVIDSON & CO.
SPECIAL DISTRICT GROUP

FROM BLUEPRINT TO BOTTOM LINE



D.A. Davidson & Co.
member SIPC
FIXED INCOME CAPITAL MARKETS



District Representatives

District Board Representative:

Sandra Hittman

District Board President

District Attorney:

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District Accountant:

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Underwriter:

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Ebert Metropolitan District

- Ebert Metropolitan District was formed in 1983 for the purpose of providing water, sanitation, streets, storm drainage and parks and recreation for the District and its residents and taxpayers.
- Encompasses approximately 904 acres and is located in the City and County of Denver. The District is generally located east of Tower Road and north of Green Valley Ranch Blvd.
- As of December 31, 2017, 3,987 of the approximately 4,499 planned single family homes within the District have been completed, and 200,000 square feet of the approximately 500,000 planned square feet of commercial buildings within the District has been completed.
- Average residential unit value is \$320,000 per the District's 2018 Prelim Residential Market Value.
- 2017 total final assessed value of \$103,418,220 and \$1,252,822,198 actual value (taxes upon which are collected in 2018).
- 2018 total preliminary certified assessed value (published in August) of \$109,686,510 and \$1,252,822,198 actual value (taxes upon which are collected in 2019).
- Key debt ratios (after refunding, assuming \$103.7M in new bond par)

	2017 Final AV	2018 Prelim AV
Debt/AV	100%	95%
Debt/Actual	8%	8%

Coverage Ratio to the Cap at MADS	
Scenario 1: 2018 homes, no Bi-Re	1.24x
Scenario 2: 2018 homes + 2% Bi-Re	1.65x
Scenario 3: Full Res. Growth + 2% Bi-Re	1.85x

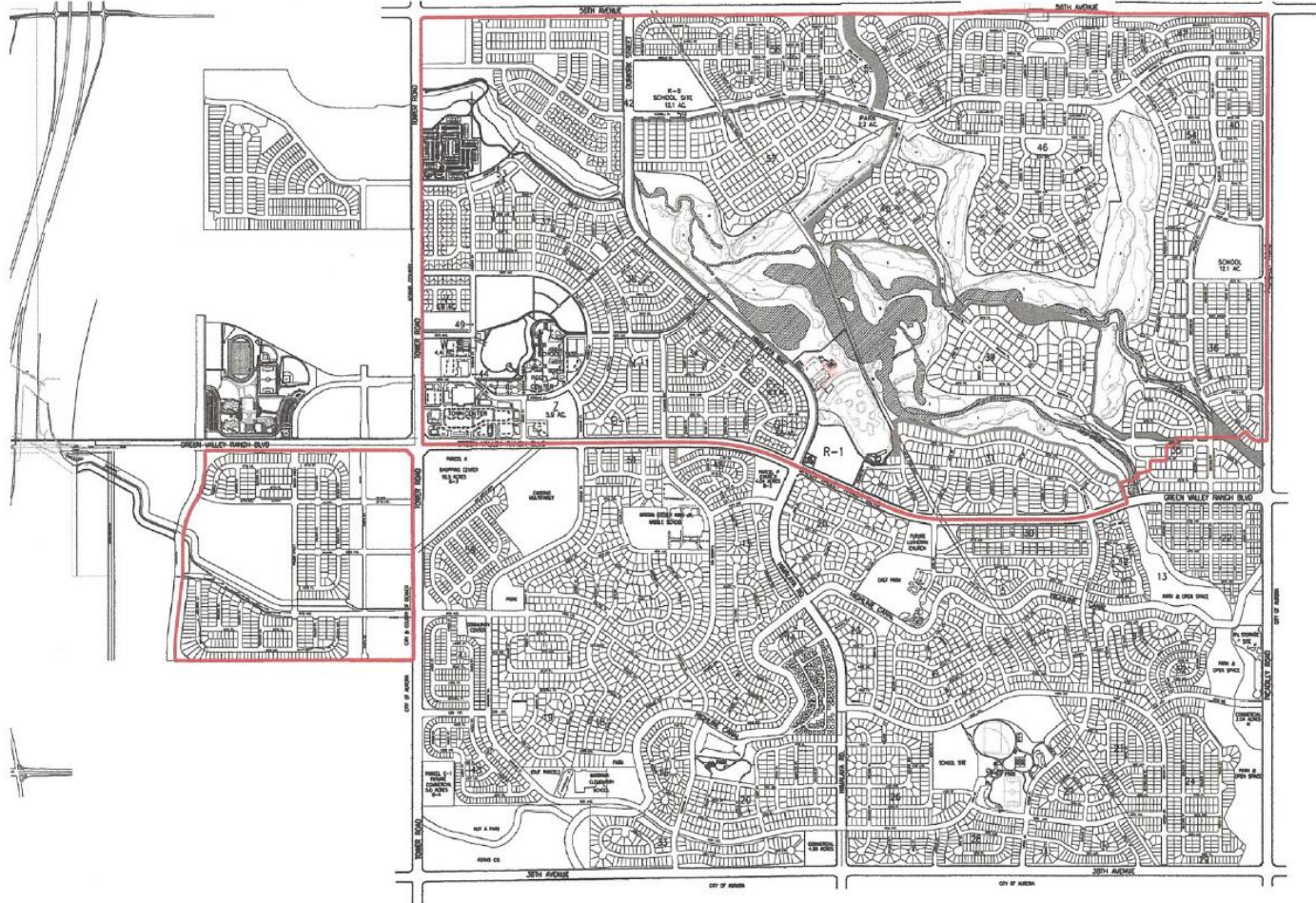


Vicinity Map





Development Map – Ebert MD





Series 2018 Bonds Overview

- Objectives for Series 2018 General Obligation Refunding Bonds
 - Refund the existing Series 2016A, 2016B and 2016C US Bank & Compass loans and fund additional capital costs
 - The 2013A, 2013B and 2013C loans carry an interest rate of 3.15% maturing 12/01/2021 (balloon)
 - The 2018 transaction allows the District to potentially lower their debt service mill levy in 2019 and beyond by approximately 28 mills
- Proposed Series 2018 Limited Tax General Obligation Refunding and Improvement Bonds
 - Subject to a maximum mill levy cap of 82.604 mills (gallagherized)
 - Projected total debt service mill levy of ~43.4 mills
 - Deposit to mill levy stabilization fund of approximately \$6.5 million
 - To be used by the District for the limited purpose of minimizing the fluctuation of the District's debt service mill levy from year to year, as directed by the Board
 - Deposit to Capital Repair/Replacement Project Fund of \$2.3 million
 - To be used by the District for the limited purpose of funding specific capital repair and replacement projects
 - Final maturity of 12/1/2048, with gently inclining debt service and assumed 2% biennial reassessment



Series 2018 Bonds – Revenue Pledge by Series

- Approximately 50 acres were excluded from the District in 2007 with an additional approximately 32 acres of property excluded in 2016. The excluded property is no longer responsible for property taxes levied for District operating expenses or indebtedness issued after the date of the exclusion
- The Series 2018 A-1 Bonds will refund the outstanding Series 2016A Loan and the Series 2016B Loan, with the following pledged assessed values:
 - \$103,418,220 Ebert Metro District
 - \$3,146,150 Ebert Metro District (Debt) – 2007 & 2016 excluded areas
 - \$106,564,370 Total Assessed Value
- The Series 2018 A-2 Bonds will refund the outstanding Series 2016C Loan and will finance the new money project, with the following pledged assessed values:
 - \$103,418,220 Ebert Metro District



General Fund Overview

Statement of Revenue, Expenditures and Changes in Fund Balance – General Fund

	Years Ended December 31,				
	2013	2014	2015	2016	2017
REVENUES					
Property Taxes	\$ 995,122	\$ 944,702	\$ 991,766	\$ 1,482,299	\$ 1,558,105
Specific ownership taxes	62,278	64,195	74,820	98,865	114,830
Other income	16,950	17,288	17,634	17,986	18,347
Development fees	1,821,699	2,031,776	2,573,130	0	0
Net investment income	1,081	1,531	\$3,358	5,254	8,128
Total	\$ 2,897,130	\$ 3,059,492	\$ 3,660,708	\$ 1,604,404	\$ 1,699,410
EXPENDITURES					
County Treasurer's fees	\$ 9,798	\$ 9,250	\$ 9,686	\$ 14,554	\$ 15,275
Town Center services reimbursement	721,397	211,807	630,000	15,077,827	0
Town Center capital reimbursement	815,092	1,193,193	1,000,000	1,531,552	1,405,000
Capital replacement	0	0	0	155,996	164,011
Loan issue costs	0	0	0	314,129	0
Total	\$ 1,546,287	\$ 1,414,250	\$ 1,639,686	\$ 17,094,058	\$ 1,584,286
Excess of Revenues Over Expenditures	\$ 1,350,843	\$ 1,645,242	\$ 2,021,022	\$ -15,489,654	\$ 115,124
OTHER FINANCING SOURCES (USES)					
Bond proceeds	\$ 0	\$ 0	\$ 0	\$ 15,630,000	\$ 0
Transfers from/(to) other funds	-1,339,587	-1,470,425	-1,733,468	-1,065,985	-37,646
Total	\$ -1,339,587	\$ -1,470,425	\$ -1,733,468	\$ 14,564,015	\$ -37,646
Excess Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 11,256	\$ 174,817	\$ 287,554	\$ -925,639	\$ 77,478
FUND BALANCE - BEGINNING OF YEAR	\$ 562,643	\$ 573,899	\$ 748,716	\$ 1,036,270	\$ 110,631
FUND BALANCE - END OF YEAR	\$ 573,899	\$ 748,716	\$ 1,036,270	\$ 110,631	\$ 188,109

Source: District's audited financial statements for the years ended December 31, 2013 – 2017.



Debt Service Fund Overview

Statement of Revenue, Expenditures and Changes in Fund Balance – Debt Service Fund

	Years Ended December 31,				
	2013	2014	2015	2016	2017
REVENUES					
Property Taxes	\$ 3,473,346	\$ 3,314,777	\$ 3,494,259	\$ 5,197,114	\$ 5,471,372
Specific ownership taxes	217,296	225,167	263,564	346,580	403,250
Net investment income	5,797	4,849	9,907	12,880	33,297
Total	\$ 3,696,439	\$ 3,544,793	\$ 3,767,730	\$ 5,556,574	\$ 5,907,919
EXPENDITURES					
County Treasurer's fees	\$ 34,919	\$ 33,370	\$ 35,233	\$ 52,281	\$ 55,053
Insurance and bonds	75,000	375,000	850,000	2,140,000	1,710,000
Bond interest	4,622,730	4,618,980	4,600,230	3,235,321	4,080,049
Paying agent and trustee fees	3,500	3,458	3,000	3,000	12,500
Loan issuance costs	0	0	0	1,929,648	11,876
Miscellaneous	0	83	0	0	0
Total	\$ 4,736,149	\$ 5,030,891	\$ 5,488,463	\$ 7,360,250	\$ 5,869,478
Excess of Revenues Over Expenditures	\$ -1,039,710	\$ -1,486,098	\$ -1,720,733	\$ -1,803,676	\$ 38,441
OTHER FINANCING SOURCES (USES)					
Loan issuance				\$ 96,370,000	\$ 0
Payment to refunding escrow				-94,381,303	0
Transfers from/(to) other funds ⁽²⁾	1,339,587	1,470,425	1,733,468	1,065,985	37,646
Total	\$ 1,339,587	\$ 1,470,425	\$ 1,733,468	\$ 3,054,682	\$ 37,646
Excess Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 299,877	\$ -15,673	\$ 12,735	\$ 1,251,006	\$ 76,087
FUND BALANCE - BEGINNING OF YEAR	\$ 2,754,328	\$ 3,054,205	\$ 3,038,532	\$ 3,051,267	\$ 4,302,273
FUND BALANCE - END OF YEAR	\$ 3,054,205	\$ 3,038,532	\$ 3,051,267	\$ 4,302,273	\$ 4,378,360
Source: District's audited financial statements for the years ended December 31, 2013 – 2017.					



History of District's Assessed Value/Mill Levy

History of District's and Excluded Property's Assessed Valuations and Mill Levies

Levy/ Collection Year	Assessed Valuation				Mill Levies	
	Property Within the District	Excluded Property	Total Assessed Valuation	Percent Change (Total)	Debt Service Within District	Debt Service Excluded Property
2013/2014	\$55,782,880	\$1,580,600	\$57,363,480	--	75.000	58.000
2014/2015	58,361,060	1,906,680	60,267,740	5.06%	75.000	58.000
2015/2016	78,487,610	1,939,860	80,427,470	33.45	84.000	65.000
2016/2017	81,863,920	2,169,420	84,033,340	4.48	84.000	65.000
2017/2018	103,418,220	3,146,150	106,564,370	26.81	90.861	61.911
2018/2019 ⁽¹⁾	109,686,510	3,097,610	112,784,120	5.84	n/a	n/a

⁽¹⁾ Preliminary figures as of August 25, 2018. The final assessed values will not be certified until approximately December 10, 2018. The 2018/2019 mill levy will not be certified until approximately December 15, 2018.
Sources: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2013-2017; and the Assessor's Office of the City and County of Denver.



History of Tax Collections

Property Tax Collections in the District and in the Excluded Property

Levy/ Collection Year	Property Within the District			Excluded Property		
	Total Taxes Levied ⁽¹⁾	Total Current Tax Collections ⁽²⁾	Collection Rate	Total Taxes Levied ⁽¹⁾	Total Current Tax Collections ⁽²⁾	Collection Rate
2012/2013	\$4,388,096	\$4,377,812	99.77%	\$78,225	\$78,225	100.00%
2013/2014	4,183,716	4,169,334	99.66	91,675	91,675	100.00
2014/2015	4,377,080	4,362,764	99.67	110,587	110,587	100.00
2015/2016	6,592,959	6,523,268	98.94	126,091	126,091	100.00
2016/2017	6,876,569	6,836,033	99.41	141,012	141,012	100.00
2017/2018 ⁽³⁾	9,396,683	9,297,748	--	194,781	194,714	--
<p>⁽¹⁾ Levied amounts do not reflect abatements or other adjustments.</p> <p>⁽²⁾ The County Treasurer's collection fee has not been deducted from these amounts. Figures do not include interest, fees and penalties.</p> <p>⁽³⁾ Figures are for January 1 through August 31, 2018.</p> <p>Sources: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2012-2017; and the Treasurer's Office of the City and County of Denver.</p>						



Assessed Value by Property Class

2018 Assessed Valuation of Classes of Property of the District and the Excluded Property

Property Class	Property Within the District		Excluded Property	
	Total Assessed Valuation ⁽¹⁾	Percent of Assessed Valuation	Total Assessed Valuation ⁽¹⁾	Percent of Assessed Valuation
Residential	\$94,539,970	82.74%	\$ -0-	0.00%
Commercial	10,923,860	9.56	3,097,490	99.79
State Assessed	4,498,300	3.94	6,600	0.21
Vacant	4,299,920	3.76	-0-	0.00
Agricultural	-0-	0.00	120	0.00
TOTAL	<u>\$114,262,050</u>	<u>100.00%</u>	<u>\$3,104,090</u>	<u>100.00%</u>

(1) Preliminary figures as of August 25, 2018. The final assessed value will not be certified until approximately December 10, 2018. The totals presented above differ slightly from the figures set forth elsewhere in this Official Statement because of ongoing adjustments by the County Assessor.

Source: Assessor's Office of the City and County of Denver.



Top District Tax Payers

Ten Largest Taxpayers for 2017

Property Within the District			Excluded Property		
Taxpayer Name	Assessed Valuation	Percentage of Total Assessed Valuation ⁽¹⁾	Taxpayer Name	Assessed Valuation	Percentage of Total Assessed Valuation ⁽¹⁾
GDC Green Valley LLC	\$2,038,490	1.97%	C P Bedrock LLC	\$1,185,410	37.68%
NV GVR MOB LLC	1,846,400	1.79	Gateway II LLC	551,060	17.51
HC Land Investments LLC	1,723,100	1.67	Sarmic LLC	353,490	11.24
Dillon Companies Inc.	1,244,510	1.20	Novation Properties LLC	254,710	8.10
Oakwood Homes LLC	641,110	0.62	HZ Props Co LLC	247,140	7.85
Qwest Corporation	498,800	0.48	Popeyes Louisiana Kitchen 11715	132,970	4.23
Clayton Properties Group II	489,730	0.47	GJMAC Inc.	108,870	3.46
Tower Road Farms LLC	391,990	0.38	Sizzling Platter	64,600	2.05
Beer Garden GVR LLC	291,310	0.28	7-Eleven Inc.	63,160	2.01
LSP GVR LLC	283,560	0.28	United States Beef Corp.	57,220	1.82
TOTAL	\$9,449,000	9.14%	TOTAL	\$3,018,630	95.95%

⁽¹⁾ Based on a 2017 certified assessed value of \$103,418,220 for the Property within the District and \$3,146,150 for the Excluded Property.
Source: Assessor's Office of the City and County of Denver.



Sample Mill Levy

2017 Mill Levies Affecting District Property Owners

Taxing Entity ⁽¹⁾	2017 Mill Levy ⁽²⁾	2017 Mill Levy ⁽²⁾
School District No. 1 in the City and County of Denver	48.244	48.244
City and County of Denver	28.333	28.333
Urban Drainage and Flood Control District	<u>0.557</u>	<u>0.557</u>
Total Overlapping Sample Mill Levy	77.134	77.134
Property Within the District	90.861	--
Excluded Property	--	61.911
Total Mill Levy	<u>167.995</u>	<u>139.045</u>
<p>(1) Regional Transportation District also overlaps the District, but does not assess a mill levy. (2) One mill equals 1/10 of one cent. Mill levies certified in 2017 are for the collection of ad valorem property taxes in 2018. The 2018/2019 mill levy will not be certified until approximately December 15, 2018. Source: Assessor's Office of the City and County of Denver.</p>		



Support for Credit Rating

- 1.24x coverage including existing AV with no inflation assumption plus 2018 homes completed
- 1.65x coverage including existing AV inflated 2% biennially plus 2018 homes completed
- 1.85x coverage including existing AV inflated 2% biennially plus remaining residential growth (577 homes + 270 apartments)
- Deposit to mill levy stabilization fund of approximately \$6.6 million
- Diverse tax base in Ebert MD (not including the excluded area); Top 10 tax payers account for less than 10% of total AV
- Located in the strong northeast Denver submarket
 - Close proximity to the 61st & Pena RTD Light Rail station providing transportation from Denver International Airport to Downtown Denver
 - Proximity to downtown Denver (15 miles) via I-70/Tower Rd and Denver International Airport (8 miles) via Pena Blvd.
 - Amenities include the Green Valley Ranch Golf Club, an 18-hole golf course and Green Valley Ranch Recreation Center
 - Part of Denver Public School District and home to the most recent DSST school campus in Colorado
- Planned development of ~4,500 single family homes, with ~89% completed
- Parity bonds test at 50% debt to assessed value
- Strong historical tax collection rate (98% or greater)



Timetable

Date	Event
October 29	Call with Rating Agency
November 5	Receive indicative rating
November 7	Receive public rating
November 19	Post POS
November 29	Bond Pricing
December 6	Bond Closing