

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
WATERFALL METROPOLITAN DISTRICT NO. 1**

A RESOLUTION APPROVING THE AMENDED AND RESTATED INFRASTRUCTURE ACQUISITION AND REIMBURSEMENT AGREEMENT AND THE ISSUANCE OF A SUBORDINATE NOTE TO BOYD LAKE VILLAGE, LLC

WHEREAS, Waterfall Metropolitan District No. 1 (the "District") and Boyd Lake Village, LLC, (the "Developer"), entered into that certain Improvement Acquisition and Reimbursement Agreement, dated June 26, 2008, relating to the procedures for the funding, construction, and acquisition of Improvements and for the District's payment of costs related thereto (the "Prior Agreement"); and

WHEREAS, the District and the Developer have renegotiated the Prior Agreement and desire to enter into an "Amended and Restated Improvement Acquisition and Reimbursement Agreement" (the "Agreement") for the purpose of consolidating all understandings and commitments between the parties relating to the funding and repayment of costs associated with the Districts' organization and the construction and acquisition of Improvements; and

WHEREAS, the District desires to evidence in writing the District's approval of the Agreement, attached hereto as **Exhibit A** and incorporated herein by reference; and

WHEREAS, the District desires to acquire and purchase certain Improvements constructed by the Developer and to reimburse the Developer for costs associated with the District and Waterfall Metropolitan District No. 2's (collectively, the "Districts") organization as permitted under the Agreement; and

WHEREAS, pursuant to Section 6 of the Agreement, if the District does not have the funds to pay for the Improvements or any organizational costs funded by the Developer, the District shall execute and deliver to the Developer a Subordinate Note, as such term is defined in the Agreement; and

WHEREAS, the District has insufficient funds to pay for the Improvements and organizational costs funded by the Developer and desires to authorize the issuance of a Subordinate Note to the Developer, as attached hereto as **Exhibit B** and incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WATERFALL METROPOLITAN DISTRICT NO. 1:

1. That, the Board of Directors hereby approves the "Amended and Restated Improvement Acquisition and Reimbursement Agreement" attached hereto as Exhibit A, and authorizes the District's President and Secretary to execute the same.

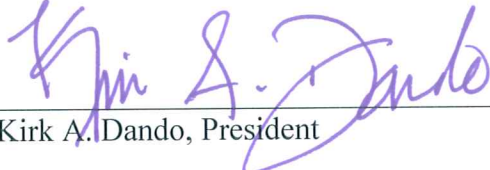
2. That, the Board of Directors does hereby approve the issuance of a Subordinate Note to the Developer, as attached hereto as Exhibit B, to evidence the District's obligation to repay the Developer for costs associated with the Districts' organization and the construction of certain Improvements acquired by the District.

3. That, this Resolution shall take effect on the date and at the time of its adoption.

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ADOPTED AND APPROVED this 9<sup>th</sup> day of December, 2009.

**WATERFALL METROPOLITAN DISTRICT  
NO. 1**

  
\_\_\_\_\_  
Kirk A. Dando, President

**ATTEST:**

  
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James A. Martell, Secretary

**EXHIBIT A**

**AMENDED AND RESTATED IMPROVEMENT ACQUISITION AND  
REIMBURSEMENT AGREEMENT**

**EXHIBIT B**  
**SUBORDINATE NOTE**