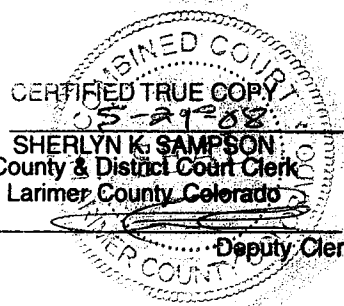


DISTRICT COURT, COUNTY OF LARIMER, COLORADO Court Address: 201 LaPorte Avenue, Suite 100 Fort Collins, CO 80521 Telephone No.: (970) 498-6100	▲ COURT USE ONLY ▲ Case No: 2008 CV 362 Div: 4A
PETITIONER: WATERFALL METROPOLITAN DISTRICTS NOS. 1 & 2	
By the Court:	
ORDER AND DECREE ORGANIZING WATERFALL METROPOLITAN DISTRICT NO. 1, ISSUANCE OF CERTIFICATES OF ELECTION AND RELEASING BOND	

This matter comes before the Court on the Motion for Order and Decree Organizing Waterfall Metropolitan District No. 1, Issuance of Certificates of Election and Releasing Bond (the "Motion") filed by the Petitioner for the organization of Waterfall Metropolitan District No. 1 on May 15, 2008. This Court, being fully advised on the premises, hereby FINDS AND ORDERS with respect to the organization of Waterfall Metropolitan District No. 1 (the "District"), as follows:

1. That the question of the organization of the District, the election of Directors thereof, along with various debt and revenue-raising ballot issues and ballot questions were duly submitted to the eligible electors at an election held on May 6, 2008 (the "Election") at the time and place specified in the Order Calling Election entered by this Court on April 29, 2008.
2. That a majority of the votes cast at the Election were in favor of organizing the District and in favor of all ballot issues and ballot questions submitted.
3. That the Board of Canvassers' Abstract of Returns and the Board of Canvassers' Certificate of Election Results filed with this Court as Exhibit A to the Motion duly certifies the Election returns to this Court as required by law and hereby is, in all respects, approved and confirmed.

Return to: ICENOGLE, NORTON,
 SMITH, BLIESZNER, GILIDA &
 POGUE, P.C. ✓
 1331 17th Street, Suite 500
 Denver, Colorado 80202



 CERTIFIED TRUE COPY
 Dated 05-29-08
 SHERLYN K. SAMPSON
 County & District Court Clerk
 Larimer County, Colorado
 By _____ Deputy Clerk

4. That the District shall be and is hereby duly and regularly organized in accordance with the requirements of § 32-1-101, *et seq.*, C.R.S.

5. That the District shall be known as "Waterfall Metropolitan District No. 1".

6. That the District is located in Larimer County, Colorado, as more particularly described in Exhibit A, attached hereto and incorporated herein by this reference.

7. That the District shall be a quasi-municipal corporation and political subdivision of the State of Colorado with all the powers thereof.

8. A certified copy of this Order and a copy of the approved Consolidated Service Plan for Waterfall Metropolitan Districts Nos. 1 & 2 and the resolution of the City Council of the City of Loveland, Colorado approving the Consolidated Service Plan shall be filed with the Larimer County Clerk and Recorder and the Division of Local Government, Department of Local Affairs.

9. A copy of the Consolidated Service Plan for Waterfall Metropolitan Districts Nos. 1 & 2 and the resolution of the City Council of the City of Loveland, Colorado approving the Consolidated Service Plan were filed with this Court as part of the Petition filed on April 3, 2008. Pursuant to § 32-1-205(2), C.R.S., the Consolidated Service Plan and approving resolution are incorporated herein by this reference and the District shall cause the Consolidated Service Plan and approving resolution to be appended to this Order at such time as all other legal procedures for District organization have been complied with.

10. That the following qualified persons were duly elected as members of the District's first Board of Directors for the indicated terms, and as further shown on the Certificates of Election, issued by this Court in accordance with § 32-1-305.5(5), C.R.S., which Certificates are attached hereto:

<u>NAME</u>	<u>TERM</u>
Larry S. Buckendorf	to May, 2010
Kirk A. Dando	to May, 2012
James A. Martell	to May, 2012

11. That the Bond of Petitioners in the amount of \$500 filed in this action pursuant to § 32-1-302, C.R.S., is hereby released and discharged.

12. That the members of the Board of Directors of the District and their lawful successors shall hereafter take such actions and proceedings as are necessary for the governance of the District.

13. That the District shall have and exercise, through its Board of Directors and officers, all of the powers and authorities conferred upon metropolitan districts under and by virtue of the provisions of Article 1, Title 32, C.R.S., and all laws relating thereto, and all powers and authorities as may hereafter be conferred by law.

DONE IN COURT this 16th day of May, 2008.

BY THE COURT:



District Court Judge

EXHIBIT A

A TRACT OF LAND LOCATED IN THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 5 NORTH, RANGE 68 WEST, OF THE 6TH P.M.; CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TRACT 1; LOTS 1 AND 2, BLOCK 1; LOTS 1-4, BLOCK 2; AND THE RIGHT-OF-WAY FOR EAST 15TH STREET AND HORSTMAN PLACE, WATERFALL FOURTH SUBDIVISION RECORDED AT RECEPTION NUMBER 20070093673;

LESS AND EXCEPT THE FOLLOWING TRACT:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 8, AND CONSIDERING THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 8 TO BEAR N89°40'08"E (ENDS OF SAID LINES MONUMENTED AS SHOWN ON THE WATERFALL FOURTH SUBDIVISION RECORDED AT RECEPTION NUMBER 20070093673, WITH ALL OTHER BEARINGS CONTAINED HEREIN RELATIVE THERETO.

THENCE N72°52'02"E, 1,717.21 FEET TO THE POINT OF BEGINNING;

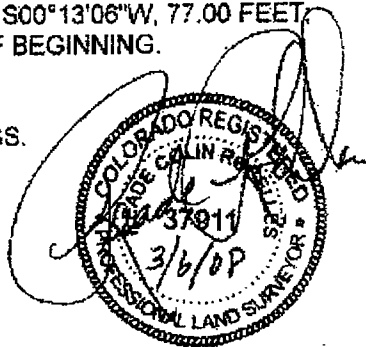
THENCE N00°13'06"E, 77.00 FEET;

THENCE N89°35'37"E, 27.50 FEET TO A POINT ON THE EASTERLY BOUNDARY LINE OF SAID TRACT 1;

THENCE ALONG SAID EASTERLY BOUNDARY LINE, S00°13'06"W, 77.00 FEET;

THENCE S89°35'37"W, 27.50 FEET TO THE POINT OF BEGINNING.

SAID TRACT CONTAINS 29.56 ACRES MORE OR LESS.



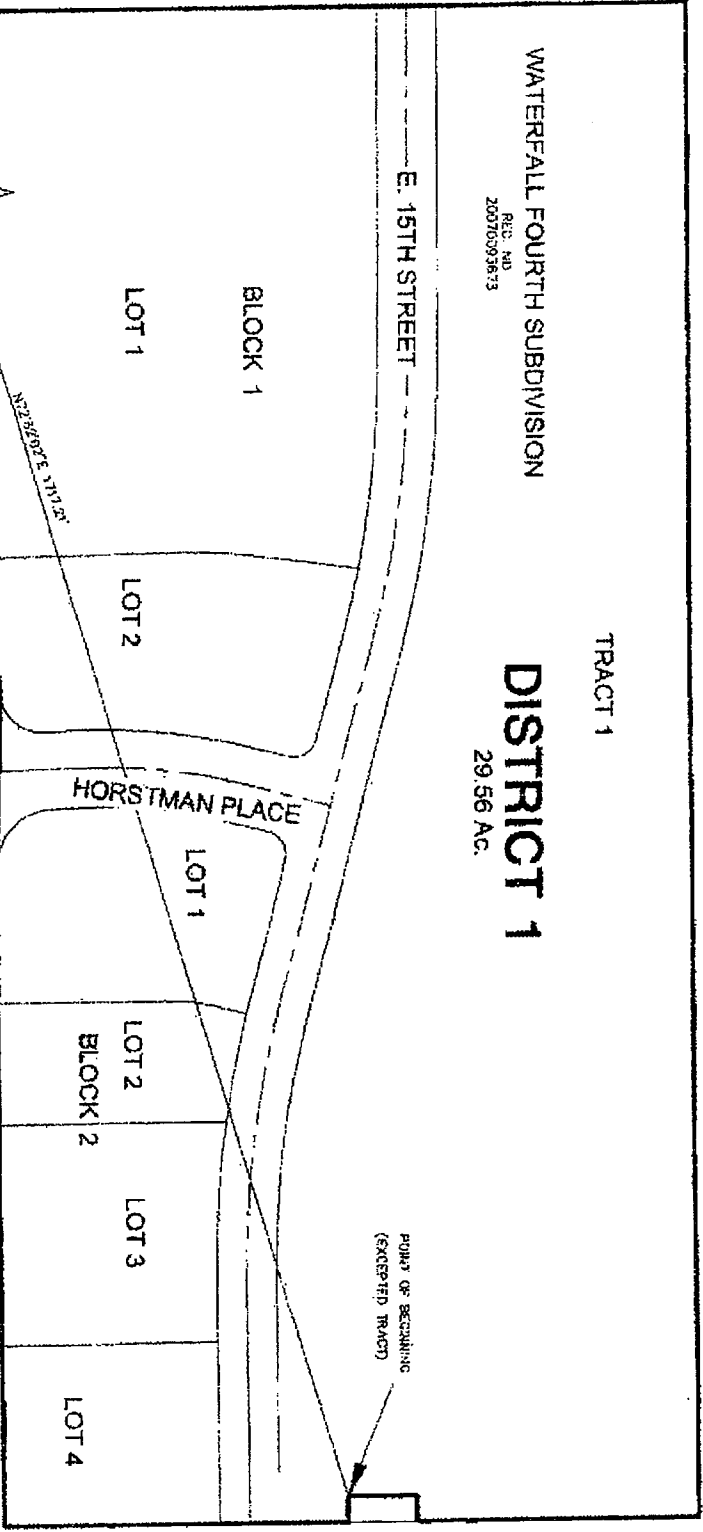
READE COLIN ROSELLES
COLORADO PROFESSIONAL LAND SURVEYOR REGISTRATION NO. 37911
FOR AND ON BEHALF OF TST CONSULTING ENGINEERS

WATERFALL METROPOLITAN DISTRICT NO. 1

MARCH, 2008

WATERFALL FOURTH SUBDIVISION
REC. AND
20070503673

TRACT 1
DISTRICT 1
29.56 AC.



POINT OF
COMMENCEMENT
TRACTS 1 AND 2
SOUTH 1/4 CORNER
SECTION 8

MAGNETIC (BASIS OF BEARINGS)

SOUTHEAST CORNER
SECTION 8

TST

744 Kinross Ave.
Fort Collins, Colorado
Phone: 970.226.6257
Fax: 970.226.6257
Web: www.tst.com
E-Mail: info@tst.com
March 6, 2008

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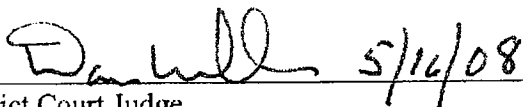


MAY 15 2008

DISTRICT COURT, COUNTY OF LARIMER, COLORADO Court Address: 201 LaPorte Avenue, Suite 100 Fort Collins, CO 80521 Telephone No.: (970) 498-6100	FILED IN CLERK OF COURTS LARIMER COUNTY, CO MAY 16 2008 SHERLYN K. SAMPSON CLERK OF COURT
PETITIONER: WATERFALL METROPOLITAN DISTRICTS NOS. 1 & 2	▲ COURT USE ONLY ▲
By the Court:	Case No: 2008 CV 362 Div: 4A
CERTIFICATE OF ELECTION – LARRY S. BUCKENDORF WATERFALL METROPOLITAN DISTRICT NO. 1	

The Court having determined that the election conducted on Tuesday, May 6, 2008 concerning the organization of the Waterfall Metropolitan District No. 1 was held in accordance with §§ 1-1-101 through 1-13-101, *et seq.*, C.R.S., and acting in accordance with § 32-1-305.5(5), C.R.S., the Court hereby certifies that Larry S. Buckendorf was duly elected to the office of Director of Waterfall Metropolitan District No. 1 until the next regular special district election in May, 2010.

BY THE COURT:




District Court Judge

MAY 15 2008

DISTRICT COURT, COUNTY OF LARIMER, COLORADO Court Address: 201 LaPorte Avenue, Suite 100 Fort Collins, CO 80521 Telephone No.: (970) 498-6100	▲ COURT USE ONLY ▲
PETITIONER: WATERFALL METROPOLITAN DISTRICTS NOS. 1 & 2	
By the Court:	Case No: 2008 CV 362 Div: 4A
CERTIFICATE OF ELECTION – KIRK A. DANDO WATERFALL METROPOLITAN DISTRICT NO. 1	

The Court having determined that the election conducted on Tuesday, May 6, 2008 concerning the organization of the Waterfall Metropolitan District No. 1 was held in accordance with §§ 1-1-101 through 1-13-101, *et seq.*, C.R.S., and acting in accordance with § 32-1-305.5(5), C.R.S., the Court hereby certifies that Kirk A. Dando was duly elected to the office of Director of Waterfall Metropolitan District No. 1 until the regular special district election in May, 2012.

BY THE COURT:

 5/16/08
District Court Judge

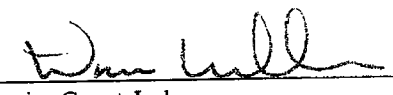
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MAY 15 2008

DISTRICT COURT, COUNTY OF LARIMER, COLORADO Court Address: 201 LaPorte Avenue, Suite 100 Fort Collins, CO 80521 Telephone No.: (970) 498-6100	
PETITIONER: WATERFALL METROPOLITAN DISTRICTS NOS. 1 & 2	▲ COURT USE ONLY ▲
By the Court:	Case No: 2008 CV 362 Div: 4A
CERTIFICATE OF ELECTION – JAMES A. MARTELL WATERFALL METROPOLITAN DISTRICT NO. 1	

The Court having determined that the election conducted on Tuesday, May 6, 2008 concerning the organization of the Waterfall Metropolitan District No. 1 was held in accordance with §§ 1-1-101 through 1-13-101, *et seq.*, C.R.S., and acting in accordance with § 32-1-305.5(5), C.R.S., the Court hereby certifies that James A. Martell was duly elected to the office of Director of Waterfall Metropolitan District No. 1 until the regular special district election in May, 2012.

BY THE COURT:

 5/16/08
 District Court Judge