



Sterling Ranch Metropolitan District No. 1

November 29, 2017

PRI#4, LLC  
% Doug Stimple  
6385 Corporate Drive  
Colorado Springs, CO 80919

Re: Water & Wastewater Services

Dear Mr. Stimple:

Please be advised that Sterling Ranch Metropolitan District No. 1 (the "District") is willing to provide water and wastewater services to your proposed development. The property to be served is described on Attachment A hereto (the "Property"). Because the Property is adjacent to Sterling Ranch, these services would involve a logical extension of the District's infrastructure.

It is our understanding that it is your intent to organize a special district to provide services to your project. The preferred mechanism for the provision of water and wastewater services would be through an intergovernmental agreement ("IGA") between the District and your new district for service to the estimated 2,400 single family equivalents for both water and wastewater. A wastewater force main shall be constructed to the Property by the District. The cost of connecting to the force main, including necessary lift stations and appurtenances, shall not be the responsibility of the District. The IGA will necessarily set forth details of the provision of these services, such as timing, connection points and other capital requirements, but the District hereby commits to providing water and sewer services to the Property at the same rates, fees and charges as those paid by the District's customers. We will be happy to work with you and your new district on such an agreement and look forward to working with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Morley". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

James Morley  
President  
Sterling Ranch Metropolitan District No. 1