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July 29, 2026

VIA CERTIFIED MAIL #9314 8699 0430 0153 4128 53

El Paso County Board of County Commissioners
Attn: Clerk to the Board of County Commissioners
200 South Cascade Avenue, Suite 100
Colorado Springs, CO 80903

VIA CERTIFIED MAIL #9314 8699 0430 0153 4130 65

El Paso County Planning and Community Development
Attn: Kari Parsons
2880 International Circle
Colorado Springs, CO 80910

Re: Crossroads Metropolitan District Nos. 1 and 2: 45-Day Notice

Dear Board of County Commissioners:

Our firm serves as general counsel to the Crossroads Metropolitan District Nos. 1 and 2 (the "Districts"). On October 27, 2020, the El Paso County Board of County Commissioners ("BOCC") approved the Service Plan for the Districts (the "Service Plan"). The Service Plan sets forth the Districts' powers and limitations. The purpose of this letter is to provide notice to the BOCC under Section 32-1-207, C.R.S., that the Districts intend to establish a Special Improvement District ("SID") pursuant to Section 32-1-1101.7, C.R.S.

Because the Crossroads development requires extensive public improvements, the use of public financing tools is critical to reducing the costs of providing those public improvements and supporting the project's overall feasibility. An SID is one such public financing tool available to special districts that allocates the cost of eligible public improvements to the properties that benefit from them. The SID may impose assessment liens against lots within the development to secure the repayment of bonds issued to finance those improvements. Assessment lien bonds are generally issued on a tax-exempt basis, so the cost of borrowing is typically lower than private financing. The assessment liens are then repaid by the developer or homebuilder before the property is transferred to the homeowner, ensuring the homeowner acquires the property free of the SID assessment lien.

Section 32-1-1101.7, C.R.S., authorizes a special district to finance eligible public improvements through the use of SIDs and assessment liens, provided the district has authority to levy assessments, either as authorized in its service plan or as otherwise approved in writing by the approving governmental entity. The Districts' Service Plan authorizes the Districts to exercise all powers expressly or impliedly granted under Colorado law, except as expressly limited by the Service Plan or the BOCC's conditions of approval. Neither the establishment of an SID nor the exercise of the related statutory assessment authority is among those limitations. Additionally, Section VI.G. of the Districts' Service Plan authorizes the Districts to issue Revenue Obligations, as defined in the Service Plan, in such amounts as the Districts may determine, and any Revenue Obligations so issued are not subject to the Maximum Debt Authorization. Further, Section IV.D.5 of the El Paso County Special District Policy encourages districts to rely on a combination of property taxes, fees, and charges both to diversify their revenue sources and to reduce some of the repayment impact on future property owners. The issuance of assessment lien bonds will not impact the homeowner but rather provide another revenue source to the Districts that are paid by the developer or builder.

The Districts therefore interpret the Service Plan as authorizing it to exercise the powers granted under Part 11 of Title 32, including the statutory authority to establish an SID pursuant to Section 32-1-1101.7, C.R.S., and to impose related assessments in accordance with that statutory framework. On that basis, the Districts believe no amendment to the Service Plan or additional written approval from the Board of County Commissioners is required. Accordingly, pursuant to Section 32-1-207, C.R.S., the Districts are submitting this letter to serve as the requisite forty-five (45) day written notice to the BOCC of the Districts' intention to create an SID and issue assessment lien bonds. This 45-day notice letter will provide the BOCC with the statutory opportunity to determine whether the proposed actions are a material modification to the Service Plan.

Pursuant to Section 32-1-207(3)(b), C.R.S., enclosed with this letter is a notice of intent from the Districts addressing the proposed action as discussed herein. This notice will be published in the Gazette on August 1, 2026. Please do not hesitate to contact me if you have any questions.

Best regards,

Spencer Fane LLP

/s/ Nicole Peykov

Nicole Peykov

Enclosure

STATE OF COLORADO, EL PASO COUNTY

45-DAY NOTICE OF INTENT TO ESTABLISH A SPECIAL IMPROVEMENT DISTRICT

CROSSROADS METROPOLITAN DISTRICT NOS. 1 & 2, EL PASO COUNTY, COLORADO

PUBLIC NOTICE IS HEREBY GIVEN that, pursuant to Section 32-1-207(3)(b), C.R.S., the Boards of Directors of Crossroads Metropolitan District Nos. 1 & 2 (the “Districts”) are providing notice that the Districts intend to establish a Special Improvement District (“SID”) pursuant to Section 32-1-1101.7, C.R.S., and issue assessment lien bonds to finance certain eligible public improvements.

On October 27, 2020, the El Paso County Board of County Commissioners (“BOCC”) approved the Service Plan for the Districts (the “Service Plan”). Section VI.G. of the Service Plan permits the Districts to issue Revenue Obligations, as defined therein, in such amounts as the Districts may determine, and provides that any Revenue Obligations so issued are not subject to the Maximum Debt Authorization. The Districts’ Service Plan further grants the Districts all powers expressly or impliedly authorized under Colorado law, except as limited therein or in the BOCC’s conditions of approval. Based upon the foregoing, the Districts have determined that the Service Plan authorizes the Districts to utilize the statutory powers necessary to establish an SID as contemplated by Section 32-1-1101.7, C.R.S.

NOTICE IS FURTHER GIVEN that, pursuant to and in accordance with § 32-1-207(3), C.R.S., any action to enjoin such activity must be brought within forty-five (45) days from publication of this notice, which date is September 15, 2026.

IN WITNESS WHEREOF, the Boards of Directors of Crossroads Metropolitan District Nos. 1 & 2, El Paso County, Colorado, have authorized this notice to be given.

SPENCER FANE LLP
Attorneys for the Districts

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