

FALCON AREA WATER AND WASTEWATER AUTHORITY  
c/o Spencer Fane LLP  
1700 Lincoln Street, Suite 2000  
Denver, Colorado 80203

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March 18, 2024

PRI #2, LLC  
c/o Hill & Pollock, LLC  
Attn: Alan G. Hill  
1528 Wazee Street  
Denver, CO 80202  
ahill@hillpollock.com

Re: Contingent Will Serve Letter to Flying Horse North Development

Dear Mr. Hill:

Falcon Area Water and Wastewater Authority (the "Authority"), subject to the conditions below, under and pursuant to the Amended and Restated Intergovernmental Agreement for the Establishment of the Falcon Area Water and Wastewater Authority, dated December 17, 2021, and Section 29-1-204.2, C.R.S., and any applicable Authority rules and regulations, is willing to furnish water and sanitary sewer services to the Flying Horse North Development located in El Paso County (the "Property"). This contingent will serve letter is based upon PRI #2, LLC's ("Owner") representation that the Property will be developed for approximately 846 single family lots; 275 hotel rooms and/or detached rental "flats", along with meeting spaces, spa, bars, swimming pools, and other related facilities; commercial taps; and landscaping, parks and open space irrigation. The Authority is in the process of conducting rate studies and therefore is not in a position to provide specific water dedication requirements.

This commitment to provide water and sanitary sewer services to the Property is subject to and contingent upon the following conditions:

- (1) sufficient water and sanitary sewer capacity being available at the date of request of service;
- (2) the Authority having adequate water and sanitary sewer infrastructure to support the Property;
- (3) the Authority having adequate access to the Property to provide for water services and sanitary sewer treatment and transmission;
- (4) compliance with all applicable rules and regulations of the Authority and any entities with whom the Authority contracts for water services or sanitary sewer transmission and treatment;

(5) payment of all appropriate fees, rates, tolls, and charges of the Authority pursuant to the fee schedule adopted by the Authority and in effect at the time service is provided;

(6) compliance with any and all federal, state, and local laws, rules, and procedures as are applicable to providing services set forth herein to the Property;

(7) Owner shall enter into such other agreements as the Authority may require to facilitate the provision of service, including the dedication of water rights and cash-in-lieu agreements;

(8) Owner will be responsible for financing and constructing the water and sanitary sewer infrastructure that is needed to connect to the Authority's systems. This infrastructure shall be built to the standards and requirements of the Authority, El Paso County, and any other applicable governing entity. Such infrastructure shall be conveyed to the Authority upon completion and acceptance; and

(9) The provision of sanitary sewer service is expressly contingent upon the Authority entering into an agreement with Triview Metropolitan District No. 1 or an alternative entity to provide sanitary sewer treatment services.

In the event the development for the Property changes, these requirements and conditions will need to be revisited and updated accordingly. This letter is provided to the Owner and is specific to the Property.

FALCON AREA WATER AND WASTEWATER AUTHORITY



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Authorized Representative