

**FEASIBILITY STUDY**

**LOMAS ENCANTADAS/ENCHANTED HILLS  
PUBLIC IMPROVEMENT DISTRICT**

**SUBMITTED BY**

**AMREP Southwest Inc.**  
333 Rio Rancho Drive, Suite 400  
Rio Rancho, NM 87124

May 13, 2016

## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
<b>INTRODUCTION</b> .....	<b>1</b>
<b>I. PROJECT DESCRIPTION</b> .....	<b>2</b>
A. PID BOUNDARIES .....	2
B. DEVELOPMENT ASSUMPTIONS .....	2
C. ABSORPTION .....	3
<b>II. DESCRIPTION AND LOCATION OF PUBLIC IMPROVEMENTS</b> .....	<b>4</b>
A. DESCRIPTION OF PUBLIC IMPROVEMENTS.....	4
B. STATUS OF GOVERNMENTAL APPROVALS.....	5
C. DESCRIPTION OF ENHANCED SERVICES.....	6
D. LOCATION OF PUBLIC IMPROVEMENTS .....	6
<b>III. ESTIMATED INFRASTRUCTURE COSTS AND CONSTRUCTION SCHEDULE</b> .....	<b>7</b>
A. ESTIMATED INFRASTRUCTURE COSTS .....	7
B. ESTIMATED PUBLIC IMPROVEMENT CONSTRUCTION SCHEDULE.....	10
<b>IV. OPERATING AND MAINTENANCE PLAN</b> .....	<b>12</b>
<b>V. PLAN OF FINANCE</b> .....	<b>13</b>
A. STRUCTURE OF PID REIMBURSEMENT AGREEMENT OBLIGATIONS, BONDS, NOTES, AND OTHER INDEBTEDNESS AND/OR OBLIGATIONS .....	13
B. SECURITY OF PID REIMBURSEMENT AGREEMENT OBLIGATIONS, BONDS, NOTES, AND OTHER INDEBTEDNESS AND/OR OBLIGATIONS .....	13
C. MARKETABILITY OF SPECIAL LEVY .....	14
D. DEVELOPER'S EQUITY AND PLAN OF FINANCE.....	15
<b>VI. DESCRIPTION OF SPECIAL LEVY</b> .....	<b>16</b>
A. APPORTIONMENT OF THE SPECIAL LEVY.....	16
B. MAXIMUM ANNUAL SPECIAL LEVY .....	16
C. ESCALATION OF MAXIMUM ANNUAL SPECIAL LEVY.....	17
D. APPLICATION OF THE SPECIAL LEVY.....	17
<b>VII. HOMEOWNER PROPERTY TAX BURDEN AND DISCLOSURE</b> .....	<b>19</b>
A. TOTAL PROPERTY TAX BURDEN .....	19
B. DISCLOSURE OF SPECIAL LEVY.....	19

### EXHIBITS

<b>EXHIBIT A</b>	MAP OF THE DISTRICT
<b>EXHIBIT B</b>	PUBLIC IMPROVEMENT LOCATIONS
<b>EXHIBIT C</b>	PID SPECIAL LEVY ANALYSIS
<b>EXHIBIT D</b>	RATE AND METHOD OF APPORTIONMENT OF SPECIAL LEVY
<b>EXHIBIT E</b>	FORM OF DISCLOSURE

---

## INTRODUCTION

---

Pursuant to the provisions of the Public Improvement District Act, NMSA 1978 Sections 5-11-1 through 5-11-27 (2001, as amended) (the “Act”), the City of Rio Rancho Public Improvement District Guidelines and Applications Procedures (the “Policy”), and in connection with the proceedings for the LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT (the “District” or “PID”), Petitioner AMREP Southwest Inc. (the “Developer”) submits this Feasibility Study of the PID (the “Feasibility Study”).

This Feasibility Study is organized into the following sections:

Introduction

- I. Project Description
- II. Description and Location of Public Improvements
- III. Estimated Public Improvement Costs and Construction Schedule
- IV. Operating and Maintenance Plan
- V. Plan of Finance
- VI. Description of Special Levy
- VII. Homeowner Property Tax Burden and Disclosure

---

**I. PROJECT DESCRIPTION**

---

**A. PID BOUNDARIES**

The District encompasses approximately 357 acres of land wholly located within the City of Rio Rancho (the “City”), constituting approximately 320 developable acres of land within the Lomas Encantadas subdivision<sup>1</sup> (the “Lomas Encantadas PID Project”) and 37 developable acres within the Enchanted Hills subdivision<sup>2</sup> (the “Enchanted Hills PID Project”).

The Lomas Encantadas PID Project is a portion of the 800 acre master-planned community referred to as the Lomas Encantadas subdivision and is generally bounded on the north and east by the Enchanted Hills subdivision, on the west by Rio Rancho Estates Unit 20, and on the south by the Venada Arroyo. The Enchanted Hills PID Project is generally located in the northwesterly portion of the 2,000 acre Enchanted Hills development and is generally bounded on the north by US 550, on the west by Rio Rancho Estates Unit 20 and the south and east by Enchanted Hills Unit 11A. The Lomas Encantadas PID Project is anticipated to consist of nine hundred eighteen (918) residential lots and the Enchanted Hills PID Project is anticipated to consist of one hundred nineteen (119) residential lots. A boundary map of the PID is attached hereto as Exhibit A.

**B. DEVELOPMENT ASSUMPTIONS**

The PID is anticipated to include 1,037 residential dwelling units. Tables 1 and 2 below show the distribution of the projected number of dwelling units and estimated average sale price ranges for each special levy classification.

<b>TABLE 1 LOMAS ENCANTADAS/ENCHANTED HILLS PID SPECIAL LEVY CLASSIFICATIONS</b>	
<b>SPECIAL LEVY CLASSIFICATION</b>	<b>DWELLING UNITS</b>
LOMAS ENCANTADAS PID PROJECT	
1A (< 2 DUS / ACRE )	105
1B (2 TO 4 DUS / ACRE)	363
1C (4 TO 6 DUS / ACRE)	367
2 (UNIT 2D   4 TO 6 DUS / ACRE)	83
ENCHANTED HILLS PID PROJECT	
3 (4 TO 6 DUS / ACRE)	119
<b>GRAND TOTAL</b>	<b>1,037</b>

---

<sup>1</sup> Tracts 9, 12, 13, 14, 15, 16-B of Lomas Encantadas, Lomas Encantadas Unit 2D and Lomas Encantadas Unit 2F.

<sup>2</sup> Enchanted Hills Unit 11B.

TABLE 2 LOMAS ENCANTADAS/ENCHANTED HILLS PID PROJECTED AVERAGE SALE PRICES		
SPECIAL LEVY CLASSIFICATION	AVERAGE SALES PRICE	
	LOW	HIGH
LOMAS ENCANTADAS PID PROJECT		
1A (< 2 DUS / ACRE)	\$400,000	\$600,000
1B (2 TO 4 DUS / ACRE)	\$300,000	\$500,000
1C (4 TO 6 DUS / ACRE)	\$200,000	\$275,000
2 (UNIT 2D   4 TO 6 DUS / ACRE)	\$219,990	\$283,990
ENCHANTED HILLS PID PROJECT		
3 (4 TO 6 DUS / ACRE)	\$180,000	\$220,000

**C. ABSORPTION**

Pursuant to the appraisal dated February 1, 2016 and prepared by David Pearson, MAI (the "Appraisal"), the overall PID absorption period is anticipated to last approximately nine (9) years, commencing in May 2016. The absorption period is primarily a function of projected household growth, the estimated share of the new housing market that will be captured by the City of Rio Rancho, and new home supply.

The Appraisal estimates that the City of Rio Rancho is anticipated to capture 30% of the overall projected growth in new homes in the Albuquerque MSA, which is equivalent to an annual capture of approximately 450 new homes for the City of Rio Rancho. The annual absorption rate for the Lomas Encantadas PID Project is projected to be approximately 100 lots annually for nine years. The annual absorption rate for the Enchanted Hills PID Project is projected to be approximately 60 lots annually for two years.

The Developer anticipates to enter into lot purchase agreements with local and national homebuilders such as Pulte Homes, DR Horton, Abrazo Homes, and Morningstar Homes.

---

## **II. DESCRIPTION AND LOCATION OF PUBLIC IMPROVEMENTS**

---

### **A. DESCRIPTION OF PUBLIC IMPROVEMENTS**

The public improvements costs which may be financed, paid, and/or reimbursed by the District, are expected to include, but not limited to, on-site and off-site roads, sanitary sewer, water, drainage improvements, park and trail improvements, landscaping, grading, and various soft costs, which soft costs may include but are not limited to planning, design, engineering, construction, testing, construction management, inspection, fees, gross receipts taxes, contingencies, and incidental or necessary expenses or expenditures for the foregoing improvements constructed and installed by the Developer to serve the Land, in conformity with all relevant plans, specifications, requirements and standards of the City and in accordance with applicable plats, site development plans, and subdivision improvements agreements.

#### **1. LOMAS ENCANTADAS PID PROJECT**

The Lomas Encantadas PID Project public improvements which may be financed, paid, and/or reimbursed by the PID, are anticipated to include, but are not limited to, the following:

- On-site roads including, but not limited to, the collector roads of Camino Encantadas, Kodiak Road, and Aldan Drive;
- Sanitary sewer collection facilities including, but not limited to, the on-site collection lines of 12" in diameter located in Camino Encantadas;
- Water transmission facilities including, but not limited to, the on-site collection lines of 16" in diameter located in Camino Encantadas and 8" in diameter located in Kodiak Road, Nacelle Road, and Nagoya Road;
- Storm drain lines of 54", 56", 60", 66", and 84" in diameter located in Camino Encantadas;
- Off-site road, sewer, and drainage improvements within the right-of-way for Camino Encantadas; and
- Park and trail improvements, landscaping along collector roads, and barrier walls.

#### **2. ENCHANTED HILLS PID PROJECT**

The Enchanted Hills PID Project public improvements which may be financed, paid, and/or reimbursed by the PID, are anticipated to include, but are not limited to, the following:

- On-site roads including, but not limited to, the local roads of Colfax Place NE, Valencia Drive NE, Eddy Place NE, and Sandoval Drive NE;
- Sanitary sewer collection facilities including, but not limited to, the on-site collection lines of 12" in diameter;
- Water transmission facilities including, but not limited to, the on-site collection lines of 8" in diameter;

- On-site storm drains; and
- Local on-site park improvements.

**B. STATUS OF GOVERNMENTAL APPROVALS**

**1. LOMAS ENCANTADAS PID PROJECT**

The status of the governmental approvals for the Lomas Encantadas PID Project is summarized below.

- The Lomas Encantadas Master Plan, a master development plan, was approved in August 2004;
- The City and Petitioner approved and entered into a Development Agreement for Lomas Encantadas on August 23, 2005, which was Amended on June 24, 2014;
- The Lomas Encantadas Master Drainage Plan was approved in September 2007;
- The bulk plat was approved August 9, 2005, and filed on November 10, 2005 recorded in Vol. 3, Folio 2601-A (Rio Rancho Estates Plat Book No. 18, Pages 73-78; and
- The final plat for Unit 2-D was recorded on May 9, 2008 in Volume 3, Folio 2920-A and the final plat for Unit 2-F was recorded on April 16, 2008 in Plat Book 3, Folio 2912A.

The status of the licenses, agreements and permits necessary for the Lomas Encantadas PID Project is summarized below.

- The Lomas Encantadas PID Project is subject to a permit under Section 404 of the Clean Water Act. The original application for permit under Section 404 of the Clean Water Act was made in August 2004, and the permit was subsequently issued;
- Archaeological survey and mitigation have been completed for all lands within the PID; and
- The City is expected to assume water and sewer availability.

**2. ENCHANTED HILLS PID PROJECT**

The status of the governmental approvals for the Enchanted Hills PID Project is summarized below.

- The Enchanted Hills Unit 20 Master Plan was approved in June 1992;
- The Enchanted Hills Master Drainage Plan was approved in December 2003;
- The City and Petitioner entered into a Development Agreement on November 17, 1993; and
- The preliminary plat was approved by the Planning and Zoning commission on September 29, 1992, and approved for R-1 zoning.

The status of the licenses, agreements and permits necessary for the Enchanted Hills PID Project is summarized below.

- The Enchanted Hills PID Project is subject to a permit under Section 404 of the Clean Water Act. The original application for permit under Section 404 of the Clean Water Act was made in August 2004, and the permit was subsequently issued;
- Archaeological survey and mitigation have been completed for all lands within the PID; and
- The City is expected to assume water and sewer availability.

**C. DESCRIPTION OF ENHANCED SERVICES**

The PID will not fund any enhanced services.

**D. LOCATION OF PUBLIC IMPROVEMENTS**

Maps identifying the locations of the off-site public improvements which are anticipated to be financed by the PID are shown in Exhibit B. The on-site public improvements will generally be located within or adjacent to each subdivision, and will be more specifically identified in the improvement plans applicable thereto. The PID financed public improvements will be located in or on lands, easements, or rights of ways to be owned by the City of Rio Rancho.

### III. ESTIMATED INFRASTRUCTURE COSTS AND CONSTRUCTION SCHEDULE

#### A. ESTIMATED INFRASTRUCTURE COSTS

The estimated public infrastructure costs for the Lomas Encantadas PID Project and Enchanted Hills PID Project are shown in Tables 3 through 5 below. The on-site public improvements for Unit 2D of the Lomas Encantadas PID Project have been completed and dedicated to the City, and therefore these costs will not be financed, paid, and/or reimbursed by the PID. The estimated costs are based upon the anticipated public improvements and are expressed in calendar year 2015 dollars; actual public improvements and actual costs may differ from those estimated in this Feasibility Study.

TABLE 3 LOMAS ENCANTADAS/ENCHANTED HILLS PID LOMAS ENCANTADAS DEVELOPMENT ESTIMATED OFF-SITE INFRASTRUCTURE COSTS			
CATEGORY	GRAND TOTAL	PUBLIC IMPROVEMENTS	PRIVATE IMPROVEMENTS
<b>HARD COSTS</b>			
ROADWAYS			
GRADING	\$477,130	\$477,130	\$0
PAVING	\$1,998,274	\$1,998,274	\$0
SIDEWALKS	\$423,326	\$423,326	\$0
STREET LIGHTS	\$52,397	\$52,397	\$0
TRAFFIC SIGNALS	\$325,000	\$325,000	\$0
LANDSCAPING	\$1,734,840	\$1,734,840	\$0
SEWER	\$347,515	\$347,515	\$0
WATER	\$782,179	\$782,179	\$0
DRAINAGE	\$3,870,747	\$3,870,747	\$0
PARKS	\$1,804,951	\$1,804,951	\$0
BLOCK WALLS	\$0	\$0	\$0
DRY UTILITIES	\$875,864	\$0	\$875,864
<b>SUBTOTAL</b>	<b>\$12,692,224</b>	<b>\$11,816,359</b>	<b>\$875,864</b>
<b>SOFT COSTS</b>			
PLANNING & ENGINEERING	\$672,231	\$672,231	\$0
SITE WORK	\$473	\$473	\$0
FEES	\$108,051	\$0	\$108,051
MISCELLANEOUS EXPENSE	\$162,300	\$0	\$162,300
CONSTRUCTION CONTINGENCY	\$1,084,823	\$986,432	\$98,391
<b>SUBTOTAL</b>	<b>\$2,027,877</b>	<b>\$1,659,136</b>	<b>\$368,742</b>
<b>TOTAL PROJECT COST</b>	<b>\$14,720,101</b>	<b>\$13,475,495</b>	<b>\$1,244,606</b>

**TABLE 4**  
**LOMAS ENCANTADAS/ENCHANTED HILLS PID**  
**LOMAS ENCANTADAS PID PROJECT**  
**ESTIMATED ON-SITE INFRASTRUCTURE COSTS**

<b>CATEGORY</b>	<b>GRAND TOTAL</b>	<b>PUBLIC IMPROVEMENTS</b>	<b>PRIVATE IMPROVEMENTS</b>
<b>HARD COSTS</b>			
ROADWAYS			
GRADING	\$777,532	\$777,532	\$0
PAVING	\$4,712,537	\$4,712,537	\$0
SIDEWALKS	\$527,824	\$527,824	\$0
STREET LIGHTS	\$176,197	\$176,197	\$0
LANDSCAPING	\$28,293	\$28,293	\$0
SEWER	\$2,239,990	\$2,239,990	\$0
WATER	\$1,882,980	\$1,882,980	\$0
DRAINAGE	\$1,226,457	\$1,226,457	\$0
BLOCK WALLS	\$3,978,789	\$0	\$3,978,789
MASS GRADING	\$2,756,704	\$0	\$2,756,704
DRY UTILITIES	\$2,156,872	\$0	\$2,156,872
<b>SUBTOTAL</b>	<b>\$20,464,175</b>	<b>\$11,571,810</b>	<b>\$8,892,365</b>
<b>SOFT COSTS</b>			
PLANNING & ENGINEERING	\$2,512,745	\$2,512,745	\$0
FEEs	\$271,660	\$0	\$271,660
MISCELLANEOUS EXPENSE	\$116,775	\$0	\$116,775
CONSTRUCTION CONTINGENCY	\$1,059,650	\$628,355	\$431,295
<b>SUBTOTAL</b>	<b>\$3,960,830</b>	<b>\$3,141,100</b>	<b>\$819,730</b>
<b>TOTAL PROJECT COST</b>	<b>\$24,425,005</b>	<b>\$14,712,910</b>	<b>\$9,712,095</b>

**TABLE 5**  
**LOMAS ENCANTADAS/ENCHANTED HILLS PID**  
**ENCHANTED HILLS PID PROJECT**  
**ESTIMATED ON-SITE INFRASTRUCTURE COSTS**

CATEGORY	GRAND TOTAL	PUBLIC IMPROVEMENTS	PRIVATE IMPROVEMENTS
<b>HARD COSTS</b>			
ROADWAYS			
GRADING	\$95,402	\$95,402	\$0
PAVING	\$512,259	\$512,259	\$0
SIDEWALKS	\$81,429	\$81,429	\$0
STREET LIGHTS	\$17,665	\$17,665	\$0
LANDSCAPING	\$44,749	\$44,749	\$0
SEWER	\$273,324	\$273,324	\$0
WATER	\$404,099	\$404,099	\$0
PARKS	\$150,000	\$150,000	\$0
DRAINAGE	\$88,275	\$88,275	\$0
BLOCK WALLS	\$841,047	\$0	\$841,047
MASS GRADING	\$338,244	\$0	\$338,244
DRY UTILITIES	\$267,220	\$0	\$267,220
<b>SUBTOTAL</b>	<b>\$3,113,714</b>	<b>\$1,667,203</b>	<b>\$1,446,511</b>
<b>SOFT COSTS</b>			
PLANNING & ENGINEERING	\$650,547	\$650,547	\$0
FEES	\$22,547	\$0	\$22,547
MISCELLANEOUS EXPENSE	\$11,102	\$0	\$11,102
CONSTRUCTION CONTINGENCY	\$144,581	\$116,164	\$28,417
<b>SUBTOTAL</b>	<b>\$828,778</b>	<b>\$766,711</b>	<b>\$62,067</b>
<b>TOTAL PROJECT COST</b>	<b>\$3,942,492</b>	<b>\$2,433,914</b>	<b>\$1,508,578</b>

**B. PUBLIC IMPROVEMENT CONSTRUCTION SCHEDULE**

The Lomas Encantadas PID Project construction schedule is anticipated to roughly follow the construction schedule for Camino Encantadas which is anticipated to be constructed in five (5) phases. Unit 2D is currently under development with the construction of the associated off-site infrastructure anticipated to be completed in 2016 and Pulte Homes anticipated as the home builder. The Enchanted Hills PID Project is anticipated to be developed in one phase with construction commencing in 2016 and completion anticipated in 2017. The current anticipated construction schedule is shown in Table 6 on the following page.

**TABLE 6**  
**LOMAS ENCANTADAS/ENCHANTED HILLS PID**  
**INFRASTRUCTURE CONSTRUCTION SPENDING SCHEDULE**

UNIT	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
LOMAS ENCANTADAS PID PROJECT														
OFFSITE INFRASTRUCTURE	\$706,041	\$1,779,405	\$1,058,107	\$0	\$542,811	\$1,203,617	\$1,280,871	\$0	\$0	\$0	\$133,125	\$3,707,681	\$3,116,143	\$1,192,297
ONSITE INFRASTRUCTURE														
UNIT 2C		\$2,631,425	\$877,142											
UNIT 2F	\$236,905	\$947,620												
UNIT 2B					\$3,928,422									
UNIT 2A						\$3,216,312								
UNIT 1F										\$1,048,717				
UNIT 1E									\$935,108					
UNIT 1D												\$510,648		
UNIT 1G						\$3,418,646	\$2,051,187							
UNIT 1A											\$1,281,376	\$320,344		
UNIT 1C													\$598,268	
UNIT 1B														\$360,062
ENCHANTED HILLS PID PROJECT														
ONSITE INFRASTRUCTURE	\$506,034	\$2,530,172												

---

#### **IV. OPERATING AND MAINTENANCE PLAN**

---

PID funded infrastructure will be dedicated to the City. The City (with the exception of public parks, trails, and parkway and median landscaping) will fund the operation and maintenance of the improvements. The operation and maintenance of the public parks, trails, and parkway and median landscaping will be the responsibility of the appropriate homeowner's associations. The PID will not fund any enhanced services. Annual operation and maintenance ("O & M") costs of the public improvements for the first twenty-five (25) years is estimated at approximately \$55,120<sup>1</sup>. Actual costs will be contingent on personnel efficiency and experience, and overall availability of operation equipment and tools that can impact the means and methods of the operation.

---

<sup>1</sup> Four and one-half percent (4.50%) of total public improvement costs.

---

**V. PLAN OF FINANCE**

---

In accordance with the Act and the Policy, the PID will fund the construction and/or acquisition of the public infrastructure, described generally in this Feasibility Study and in the General Plan directly from the special levy revenues of the PID, through, among other alternatives, (i) direct payment to the Developer by the PID and/or (ii) satisfaction of one or more Reimbursement Certificates pursuant to the terms of the Development and Reimbursement Agreement and/or (iii) directly pursuant to one or more construction contracts between the PID and the Developer to construct a portion of the public improvements. In addition to the anticipated public improvement costs set forth in Section III above, the Developer may also fund PID formation and operating costs and expenses which are eligible for reimbursement from the District through the same financing mechanisms. The term of the special levy will remain in place until all Operating Expenses and Development and Reimbursement Agreement obligations and other obligations of the District are fully repaid; provided that, other than with respect to Operating Expenses of the District, in no event will the special levy be imposed on any Developed Platted Property for more than 30 years after the date of imposition of the first special levy on such Developed Platted Property for purposes of the Reimbursement Certificates Requirement. The terms "Developed Platted Property," "Development and Reimbursement Agreement," "Operating Expenses," "Reimbursement Certificates," and "Reimbursement Certificates Requirement" shall have the same meaning as such terms are defined in the Rate and Method of Apportionment of Special Levy attached as Exhibit D.

**A. STRUCTURE OF REIMBURSEMENT CERTIFICATES**

The public improvements are anticipated to be financed pursuant to the Development and Reimbursement Agreement. The Reimbursement Certificates will bear a fixed rate of interest. The estimated principal amount of any Reimbursement Certificates is stated in the Feasibility Study, but may vary based upon actual construction costs.

The interest rate on Reimbursement Certificates is anticipated to be the Wall Street Journal Prime interest rate at the time the obligation is incurred, plus one percent (1.00%). The actual structure of the District's Reimbursement Certificates may vary based upon modifications mutually acceptable to the Developer and the District Board, in compliance with the terms of the Development and Reimbursement Agreement.

**B. SECURITY OF REIMBURSEMENT CERTIFICATES**

Under the Act, a public improvement district is a separate political subdivision of the State, whose obligations are entirely its own obligations, and are without recourse to the taxing authority, general funds, or other resources of the city, county, or other local government jurisdiction in which the district is located, or the State of New Mexico. In this case, the Development and Reimbursement Agreement obligations will be secured by a lien on property within the PID co-equal with the lien of annual property taxes, and by reserves established for the payment of the Reimbursement Certificates. Developer or its assignees, as owners of the Reimbursement Certificates will not have recourse to the City's taxing powers, general funds, other revenues or resources. The issuance of Reimbursement Certificates will not affect the City's credit rating or its ability to issue debt.

In accordance with the Act and subject to the limitations in the General Plan, the lien of the special levy is imposed so that in the event of delinquencies by the owner of any levyable parcel within the PID, the special levy can still be collected through foreclosure proceedings to provide the necessary revenues for the payment of the Reimbursement Certificates.

**C. MARKETABILITY OF SPECIAL LEVY**

The Lomas Encantadas PID Project and the Enchanted Hills PID Project both have favorable locations, being proximate to Interstate 25 and NMSR 304, a State Road that extends through the north end of the City of Rio Rancho. The area east of the District is also experiencing an expansion of retail and commercial options, such as the Plaza at Enchanted Hills, a multi-tenant retail store that will have approximately 225,000 square feet of rentable area at capacity. In addition, the PID offers an attractive array of bordering common areas and landscape as well as park and trail improvements.

The Appraisal notes that the Rio Rancho market, and specifically the Lomas Encantadas and Enchanted Hills markets, has been recovering from the decline in the housing market that began in 2007. The supply of existing homes has been reduced substantially, which has resulted in increases in home prices and an increase in demand for new homes.

As shown in Table 7 below, the PID indebtedness, representing each residential home's portion of reimbursement, is estimated to range from approximately \$10,146 to \$19,841 per residential home or approximately 3.31% to 9.02% of the projected sales prices. Other variables such as community location, amenities, and view/lot premiums are anticipated to have a greater impact on sales prices. As identified in Section VII.A of the Feasibility Study, the effective tax rate in the District will range from 1.48% to 1.90%, which is consistent with the parameters established in Section 2-10-7(D) of the City's Public Improvement District Guidelines and Application Parameters.

TABLE 7 LOMAS ENCANTADAS/ENCHANTED HILLS PID REIMBURSEMENT CERTIFICATE PRINCIPAL TO PROJECTED SALES PRICES			
SPECIAL LEVY CLASSIFICATION	PROJECTED SALES PRICE	REIMBURSEMENT CERTIFICATE PRINCIPAL	PERCENT OF REIMBURSEMENT CERTIFICATE PRINCIPAL TO PROJECTED SALES PRICES
LOMAS ENCANTADAS PID PROJECT			
1A (< 2 DUS / ACRE)	\$400,000 - \$600,000	\$19,841	3.31% - 4.96%
1B (2 TO 4 DUS / ACRE)	\$300,000 - \$500,000	\$18,939	3.79% - 6.31%
1C (4 TO 6 DUS / ACRE)	\$200,000 - \$275,000	\$18,037	6.56% - 9.02%
2 (UNIT 2D   4 TO 6 DUS / ACRE)	\$219,990 - \$283,990	\$10,146	3.57% - 4.61%
ENCHANTED HILLS PID PROJECT			
3 (4 TO 6 DUS / ACRE)	\$180,000 - \$220,000	\$15,177	6.90% - 8.43%

**D. DEVELOPER'S EQUITY AND PLAN OF FINANCE**

The Developer will be responsible for all development costs which are estimated at \$43,087,598 in 2015 dollars. The portion of development costs attributable to public improvements is \$30,622,319. The principal amount of the Reimbursement Certificates is estimated to be \$18,510,933 resulting in public improvement costs in excess of PID reimbursements of \$12,111,386. Note that this excess of the public improvement costs over Reimbursement Certificates does not include private financing and/or carrying costs that will be incurred prior to PID reimbursement. It is anticipated that the Developer will fund the costs of any private development from cash-on-hand, joint development agreements, and/or loan proceeds.

## VI. DESCRIPTION OF SPECIAL LEVY

All of the property located within the PID unless exempted by law or as provided by the Rate and Method of Apportionment of Special Levy (the "Rate and Method"), attached as Exhibit D, shall be subject to a special levy. The Rate and Method provides information sufficient to allow each property owner within the PID the ability to estimate the maximum annual special levy he or she will be required to pay. Sections A and B, below, provide additional information on the apportionment and amount of the special levy.

### A. APPORTIONMENT OF THE SPECIAL LEVY

The special levy is apportioned to residential property on the basis of parcel size, measured in terms of the density or average number of lots per acre. Determinations of the density or average number of lots per acre shall be made by the Developer and, absent manifest error, shall be accepted by the District. Four levy classifications are employed for the Lomas Encantadas PID Project and one levy classification is employed for the Enchanted Hills PID Project corresponding to the anticipated residential lot product types. The derivation of the special levy for each special levy classification is shown in Section VI.B below.

### B. MAXIMUM ANNUAL SPECIAL LEVY

The maximum annual special levies are proportional to the public improvements proposed to be funded for each special levy classification as shown in Table 8 below. The relative difference in the public improvements proposed to be financed for each special levy classification is measured using an equivalent unit ("EU") factor. Since the Lomas Encantadas PID Project and the Enchanted Hills PID Project have distinct and separate public infrastructure, EU factors are calculated independently for each PID Project. An EU factor of 1.00 is assigned to Lomas Encantadas PID Project special levy classification 1A. The EU factor for each other special levy classification of the Lomas Encantadas PID Project is equal to the ratio of the PID funded improvement costs for that special levy classification to the PID funded improvement costs for special levy classification 1A. An EU factor of 1.00 is assigned to Enchanted Hills PID Project special levy classification 3.

SPECIAL LEVY CLASSIFICATION	EQUIVALENT UNIT FACTOR	MAXIMUM ANNUAL SPECIAL LEVY			
		FY 2015-16	FY 2025-26	FY 2035-36	FINAL
LOMAS ENCANTADAS PID PROJECT					
1A (< 2 DUS / ACRE)	1.0000	\$1,320	\$1,458	\$1,611	\$1,779
1B (2 TO 4 DUS / ACRE)	0.9545	\$1,260	\$1,392	\$1,537	\$1,698
1C (4 TO 6 DUS / ACRE)	0.9091	\$1,200	\$1,326	\$1,464	\$1,617
2 (UNIT 2D   4 TO 6 DUS / ACRE)	0.5114	\$675	\$746	\$824	\$910
ENCHANTED HILLS PID PROJECT					
3 (4 TO 6 DUS / ACRE)	1.0000	\$1,200	\$1,326	\$1,464	\$1,617

\*The annual special levies will escalate by one percent (1.00%) through 2046.

**C. ESCALATION OF MAXIMUM ANNUAL SPECIAL LEVY**

Each lot within the District will pay toward the Reimbursement Certificates Requirement for thirty (30) years. The maximum annual special levy is structured to escalate one percent (1.00%) annually for thirty (30) years and has been computed using the following assumptions:

- Thirty (30) year term of the special levy for the Lomas Encantadas PID Project and thirty (30) year term of the special levy for the Enchanted Hills PID Project with an interest rate equal to the Wall Street Journal Prime interest rate at the time the obligation is incurred, plus one percent (1.00%);
- PID administrative expenses of \$56,500, County billing and collection costs of two percent (2%), and PID Board election expenses of \$20,000 every four (4) years; and
- A combined special levy delinquency and veteran exemption contingency equal to five percent (5%).

The components of the budget for Operating Expenses are as follows:

- PID Administrator/Special Levy Consultant: \$15,000;
- Trustee: \$6,000;
- Bookkeeping: \$3,000;
- Audited Financials: \$15,000; and
- Legal: \$17,500.

**D. APPLICATION OF THE SPECIAL LEVY**

Special levies are calculated annually and submitted to the County for inclusion on the property tax bill. Pursuant to the Rate and Method of Apportionment of Special Levy, the an annual special levy may only be collected from “Developed Platted Property” or lots for which a certificate of occupancy has been issued by April 30<sup>4</sup>. On or around June of each year, the PID Administrator will obtain from the County the valid UPCs, including taxability status (e.g., exempt or taxable), for the coming fiscal year for all parcels within the PID boundaries. The PID Administrator will then update the PID parcel database accordingly.

In June of each year, the PID Administrator will determine the Developed Platted Property parcels by requesting from the City of Rio Rancho Department of Development Services the building permit activity reports covering the Lomas Encantadas and Enchanted Hills subdivisions for the specified period. Data may include subdivision name, lot, situs address, permit number, date of building permit issuance, and date of certificate of occupancy issuance, and can be linked to the updated UPC database created in June. As necessary, this data are compared to certificate of occupancy data obtained from the developer/builders to verify that the database is complete.

---

<sup>4</sup> A cutoff date of April 30 is used to allow time for the City to run the final certificate of occupancy data report and for reconciliation of that report with developer/builder data prior to submittal of the final special levy roll in July.

Next, the PID Administrator compares the combined building permit/certificate of occupancy database to the updated PID parcel database to determine which UPCs can be classified as Developed Platted Property. All remaining UPCs within the PID boundary will be classified as Undeveloped Property.

Pursuant to Section D of the Rate and Method of Apportionment of Special Levy, each fiscal year the special levy is imposed against all Developed Platted Property within the PID boundaries. This will ensure that the full special levy will be billed to each parcel for which a certificate of occupancy has been issued. The PID Administrator will prepare a special levy roll listing each UPC and the corresponding special levy amount. A preliminary special levy roll, based on the prior fiscal year's UPCs and certificate of occupancy data through April 30, is submitted to the Department of Finance and Administration ("DFA") by June 1. A final special levy roll, based on the current year's UPCs, is submitted to DFA by August 1.

DFA will submit the special levy roll to the County for inclusion on the property tax bills. The PID Administrator will also provide an Excel file of the special levy roll to the County Treasurer. The County will enroll the special levies as stated in the special levy roll received from DFA (which will match the Excel file provided by the PID Administrator).

## VII. HOMEOWNER PROPERTY TAX BURDEN AND DISCLOSURE

### A. HOMEOWNER PROPERTY TAX BURDEN

Total property tax burdens for residential homes, including the special levies for the PID, are estimated to range from \$3,409 to \$8,909 with effective tax rates range from 1.48% to 1.90% of projected sales price. Existing property taxes are the equivalent of approximately 1.2777% of projected residential property values (3.8334% x 33.33%). The FY 2015-16 maximum annual special levy is the equivalent of approximately 0.22% to 0.67% of the expected residential home values. A breakdown of the estimated property tax burden is shown in Table 9 below.

SPECIAL LEVY CLASSIFICATION	SALES PRICE	REGULAR PROPERTY TAXES	PID MAXIMUM ANNUAL SPECIAL LEVY	TOTAL PROPERTY TAXES	TOTAL EFFECTIVE TAX RATE
<b>LOMAS ENCANTADAS PID PROJECT</b>					
1A (< 2 DUS / ACRE)	\$400,000 - \$600,000	\$5,034 - \$7,589	\$1,320	\$6,354 - \$8,909	1.48% - 1.59%
1B (2 TO 4 DUS / ACRE)	\$300,000 - \$500,000	\$3,756 - \$6,312	\$1,260	\$5,016 - \$7,572	1.51% - 1.67%
1C (4 TO 6 DUS / ACRE)	\$200,000 - \$275,000	\$2,479 - \$3,437	\$1,200	\$3,679 - \$4,637	1.69% - 1.84%
2 (UNIT 2D   4 TO 6 DUS / ACRE)	\$219,990 - \$283,990	\$2,734 - \$3,552	\$675	\$3,409 - \$4,227	1.49% - 1.55%
<b>ENCHANTED HILLS PID PROJECT</b>					
3 (4 TO 6 DUS / ACRE)	\$180,000 - \$220,000	\$2,223 - \$2,734	\$1,200	\$3,423 - \$3,934	1.79% - 1.90%

### B. DISCLOSURE OF SPECIAL LEVY

The Act requires the PID to record a notice of information upon formation of the PID and within thirty (30) days before June 1 and December 1 of each year. The notice is to be used by a seller or an agent or broker of a seller of residential real property and is to be provided by such seller or agent or broker of a seller to a prospective homebuyer prior to accepting an offer to purchase residential real property located within the PID. The disclosure form will include all information required by NMSA 1978, Section 5-11-18.1.A (2013). A draft disclosure form is attached as Exhibit E.

**EXHIBIT A**

**LOMAS ENCANTADAS/ENCHANTED HILLS  
PUBLIC IMPROVEMENT DISTRICT**

**BOUNDARY MAP**



Designed For:

# LOMAS ENCANTADAS/ENCHANTED HILLS LEVY CLASSIFICATION BOUNDARY MAP

Designed By:  
**HUETT-ZOLLARS**  
 Huett-Zollars, Inc. Rancho Palms NE, Suite 101  
 3500 Rio Rancho, New Mexico 87124  
 Phone (505) 892-5141 Fax (505) 892-3259



- LEGEND**
- LEVY CLASSIFICATION 1A
  - LEVY CLASSIFICATION 1B
  - LEVY CLASSIFICATION 1C
  - LEVY CLASSIFICATION 1D
  - LEVY CLASSIFICATION 1E
  - LEVY CLASSIFICATION 1F

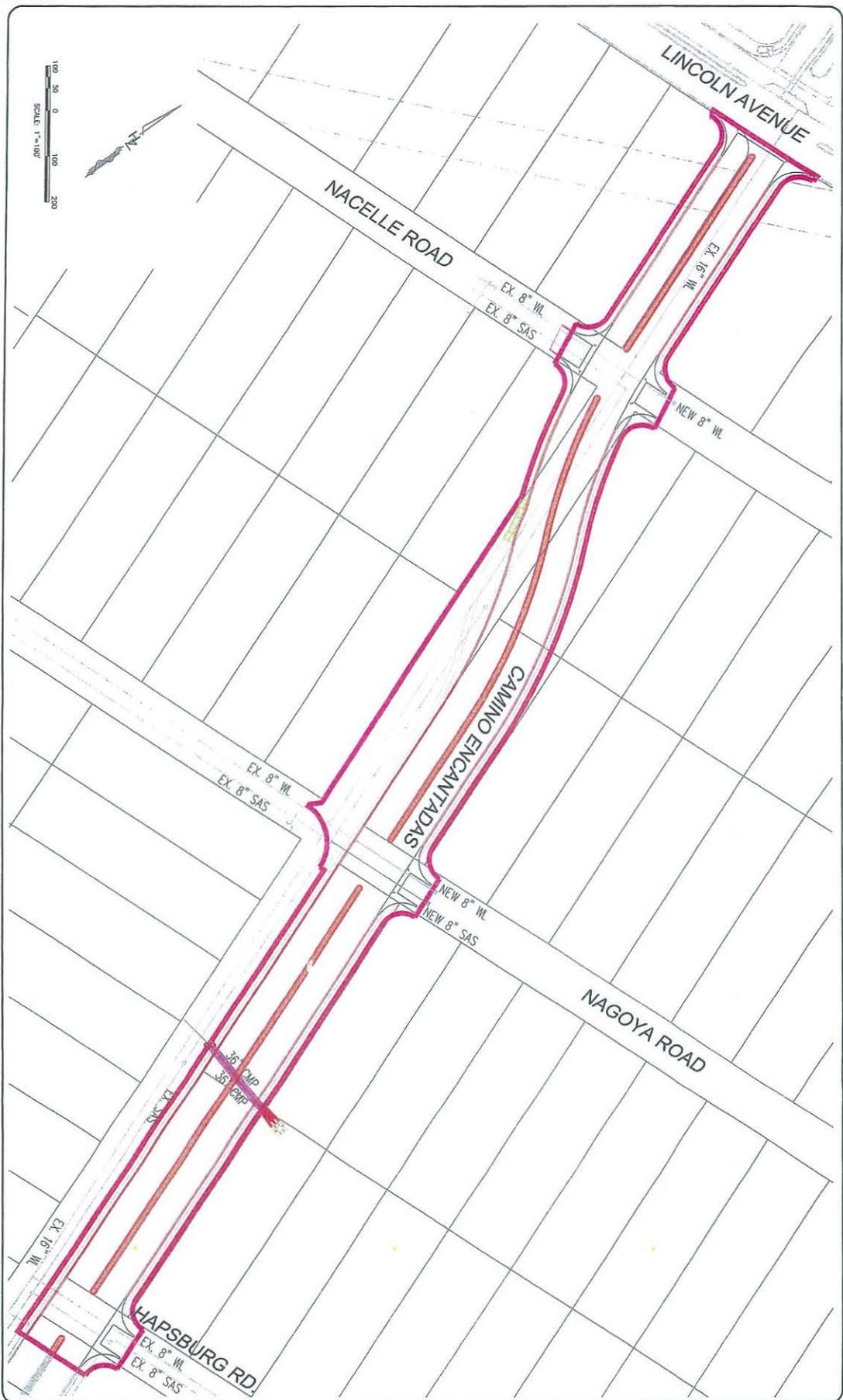
**EXHIBIT B**

**LOMAS ENCANTADAS/ENCHANTED HILLS  
PUBLIC IMPROVEMENT DISTRICT**

**IMPROVEMENT LOCATIONS**



**LOMAS ENCANTADAS**  
OFFSITE CONSTRUCTION PHASE 2A  
NOVEMBER 2014



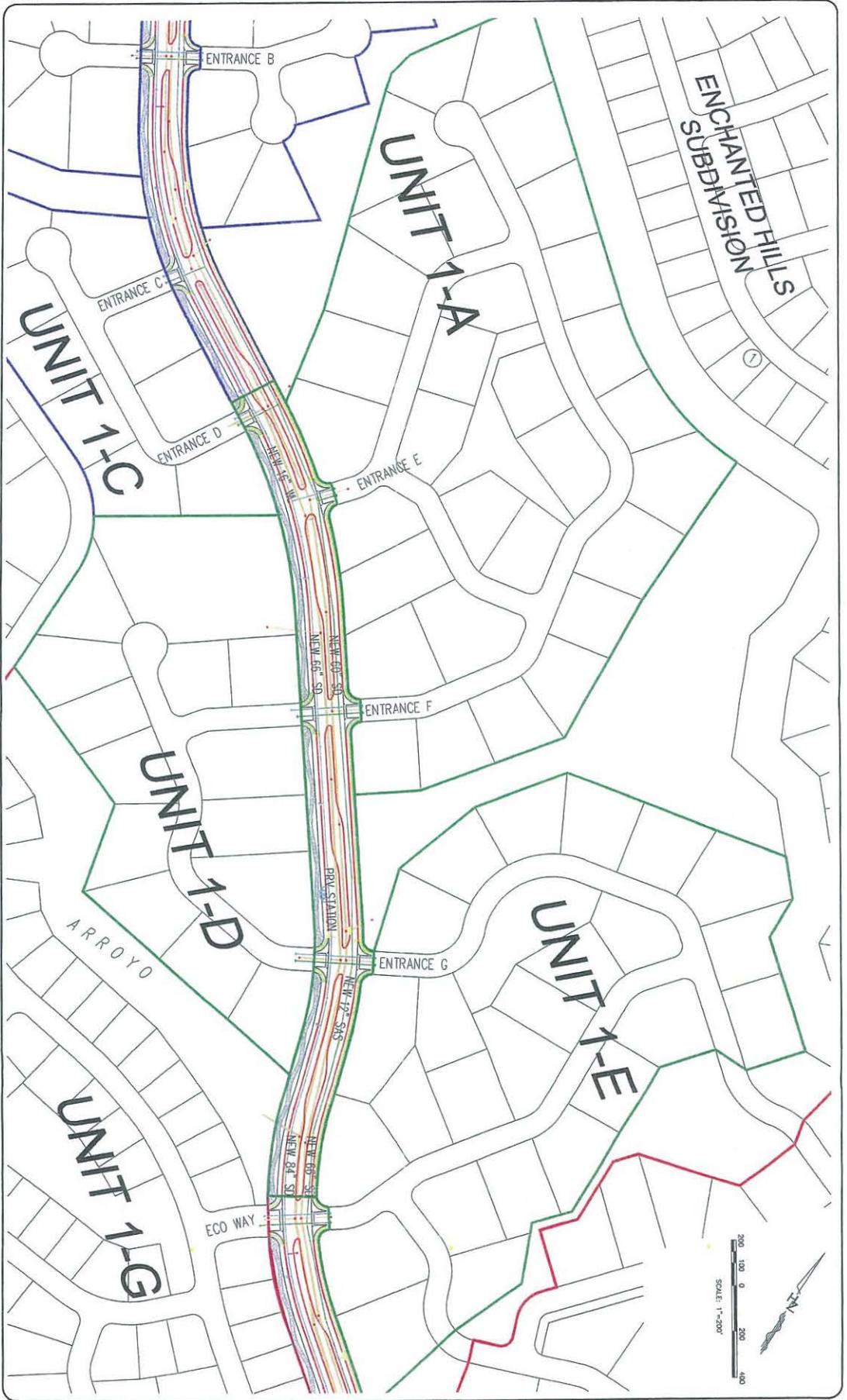


Project: 11/07/2014 1:48:00 PM By: V. B. ...  
H:\Projects\2014\11\11-07-2014\11-07-2014\Construction Planning.dwg  
Last Saved: 11/07/2014 1:42:00 PM By: V. B. ...



**LOMAS ENCANTADAS**  
OFFSITE CONSTRUCTION PHASE 4B  
NOVEMBER 2014

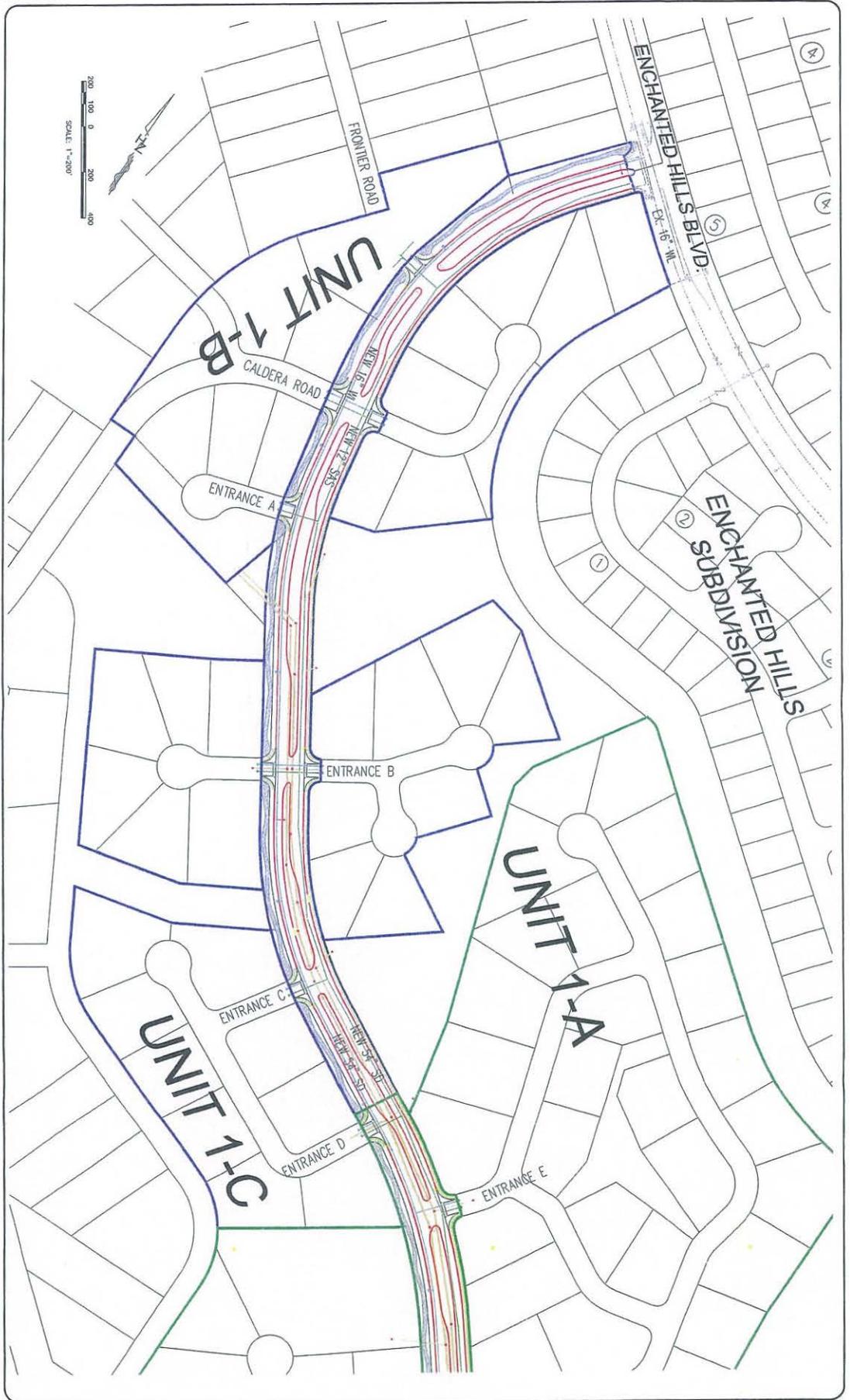
Designed By  
**HUITT-ZOLLARS**  
Haitt-Zollars Inc.  
333 Rio Rancho Drive NE, Suite 301  
Albuquerque, NM 87106  
Phone: (505) 892-5141 Fax: (505) 892-3559





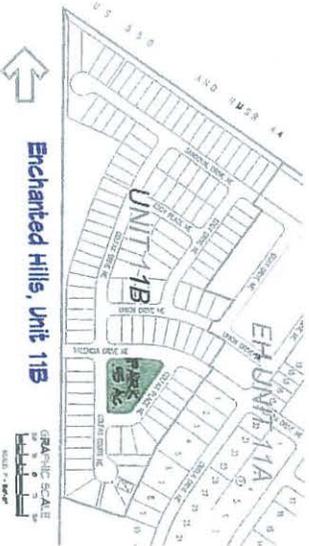
**LOMAS ENCANTADAS**  
OFFSITE CONSTRUCTION PHASE 4C  
NOVEMBER 2014

Designed By  
**HUTT-ZOLLARS**  
Hutt-Zollars, Inc.  
351 Rio Rancho Drive NE, Suite 101  
Rio Rancho, New Mexico 80621  
Phone: (505) 895-3414 Fax: (505) 895-3250





Lomas Encantadas



**LEGEND**

- PROPOSED PARK / PRIVATE LANDSCAPING
- PROPOSED ASPHALT TRAILS
- EXISTING ASPHALT TRAILS
- PROPOSED SIDEWALKS
- EXISTING SIDEWALKS
- TRAIL ENHANCEMENTS  
BENCHES

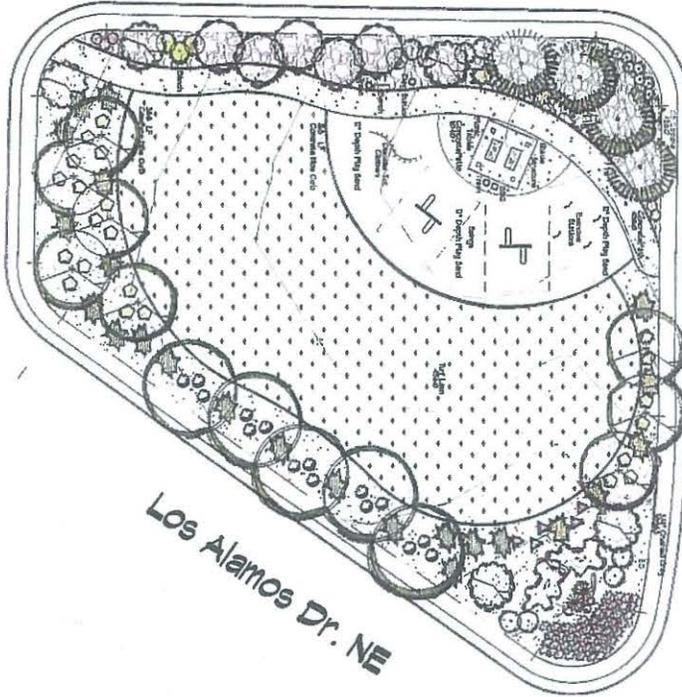
**The Hilltop**  
Landscape Architecture & Interiors



Colfax Pl. NE

Valencia Dr. NE

Los Alamos Dr. NE



**LANDSCAPE LEGEND**

SYMBOL	DESCRIPTION	NOTES
1	1' x 1' Tree	
2	2' x 2' Tree	
3	3' x 3' Tree	
4	4' x 4' Tree	
5	5' x 5' Tree	
6	6' x 6' Tree	
7	7' x 7' Tree	
8	8' x 8' Tree	
9	9' x 9' Tree	
10	10' x 10' Tree	
11	11' x 11' Tree	
12	12' x 12' Tree	
13	13' x 13' Tree	
14	14' x 14' Tree	
15	15' x 15' Tree	
16	16' x 16' Tree	
17	17' x 17' Tree	
18	18' x 18' Tree	
19	19' x 19' Tree	
20	20' x 20' Tree	
21	21' x 21' Tree	
22	22' x 22' Tree	
23	23' x 23' Tree	
24	24' x 24' Tree	
25	25' x 25' Tree	
26	26' x 26' Tree	
27	27' x 27' Tree	
28	28' x 28' Tree	
29	29' x 29' Tree	
30	30' x 30' Tree	
31	31' x 31' Tree	
32	32' x 32' Tree	
33	33' x 33' Tree	
34	34' x 34' Tree	
35	35' x 35' Tree	
36	36' x 36' Tree	
37	37' x 37' Tree	
38	38' x 38' Tree	
39	39' x 39' Tree	
40	40' x 40' Tree	
41	41' x 41' Tree	
42	42' x 42' Tree	
43	43' x 43' Tree	
44	44' x 44' Tree	
45	45' x 45' Tree	
46	46' x 46' Tree	
47	47' x 47' Tree	
48	48' x 48' Tree	
49	49' x 49' Tree	
50	50' x 50' Tree	
51	51' x 51' Tree	
52	52' x 52' Tree	
53	53' x 53' Tree	
54	54' x 54' Tree	
55	55' x 55' Tree	
56	56' x 56' Tree	
57	57' x 57' Tree	
58	58' x 58' Tree	
59	59' x 59' Tree	
60	60' x 60' Tree	
61	61' x 61' Tree	
62	62' x 62' Tree	
63	63' x 63' Tree	
64	64' x 64' Tree	
65	65' x 65' Tree	
66	66' x 66' Tree	
67	67' x 67' Tree	
68	68' x 68' Tree	
69	69' x 69' Tree	
70	70' x 70' Tree	
71	71' x 71' Tree	
72	72' x 72' Tree	
73	73' x 73' Tree	
74	74' x 74' Tree	
75	75' x 75' Tree	
76	76' x 76' Tree	
77	77' x 77' Tree	
78	78' x 78' Tree	
79	79' x 79' Tree	
80	80' x 80' Tree	
81	81' x 81' Tree	
82	82' x 82' Tree	
83	83' x 83' Tree	
84	84' x 84' Tree	
85	85' x 85' Tree	
86	86' x 86' Tree	
87	87' x 87' Tree	
88	88' x 88' Tree	
89	89' x 89' Tree	
90	90' x 90' Tree	
91	91' x 91' Tree	
92	92' x 92' Tree	
93	93' x 93' Tree	
94	94' x 94' Tree	
95	95' x 95' Tree	
96	96' x 96' Tree	
97	97' x 97' Tree	
98	98' x 98' Tree	
99	99' x 99' Tree	
100	100' x 100' Tree	

15-101

The design contained herein reflects the preliminary design of the project and is not intended to be used for construction. All construction shall be in accordance with the applicable laws and regulations of the State of New Mexico. The client shall be responsible for obtaining all necessary permits and approvals. The client shall also be responsible for providing all necessary information and data for the design. The client shall also be responsible for providing all necessary information and data for the design.

Lomas Encantadas, Unit 11B  
Neighborhood Park  
Rio Rancho, NM

LANDSCAPE PLAN

The Hilltop  
7505 East Hill  
Albuquerque, NM 87133  
Cell: 505-253-5555  
Fax: (505) 253-5555  
www.hilltoplandscape.com



**EXHIBIT C**

**LOMAS ENCANTADAS/ENCHANTED HILLS  
PUBLIC IMPROVEMENT DISTRICT**

**PID SPECIAL LEVY ANALYSIS**

**LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT  
CITY OF RIO RANCHO**

**PRELIMINARY PID FINANCING CAPACITY ANALYSIS**

**March 1, 2016**

**LOMAS ENCANTADAS SPECIAL LEVY TERM: 30 YEARS  
ENCHANTED HILLS SPECIAL LEVY TERM: 30 YEARS**

**REIMBURSEMENT CERTIFICATE SUMMARY**

**LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT  
REIMBURSEMENT CERTIFICATE ASSUMPTIONS**

<b>DIRECT PAY ASSUMPTIONS</b>	<b>TOTAL</b>	<b>LOMAS ENCANTADAS</b>					<b>ENCHANTED HILLS</b>			
		<b>SUBTOTAL</b>	<b>CERTIFICATE 1</b>	<b>CERTIFICATE 2</b>	<b>CERTIFICATE 3</b>	<b>CERTIFICATE 4</b>	<b>CERTIFICATE 5</b>	<b>SUBTOTAL</b>	<b>CERTIFICATE 1</b>	<b>CERTIFICATE 2</b>
ISSUANCE DATE	N/A	N/A	7/1/2018	7/1/2019	7/1/2020	7/1/2022	7/1/2023	N/A	7/1/2018	7/1/2019
INTEREST RATE	N/A	N/A	4.50%	4.50%	4.50%	4.50%	4.50%	N/A	4.50%	4.50%
FIRST PAYMENT DATE	N/A	N/A	7/1/2019	7/1/2020	7/1/2021	7/1/2023	7/1/2024	N/A	7/1/2019	7/1/2020
FIRST REIMBURSEMENT CERTIFICATE YEAR PERIOD (MONTHS)	N/A	N/A	12	12	12	12	12	N/A	12	12
<b>PID FINANCING SUMMARY</b>										
PROCEEDS FOR PID IMPROVEMENTS	\$18,225,933	\$16,419,899	\$4,417,803	\$3,740,874	\$1,486,226	\$2,814,996	\$3,960,000	\$1,806,034	\$506,034	\$1,300,000
FORMATION COSTS	\$285,000	\$171,000	\$171,000	\$0	\$0	\$0	\$0	\$114,000	\$114,000	\$0
<b>TOTAL REIMBURSEMENT</b>	<b>\$18,510,933</b>	<b>\$16,590,899</b>	<b>\$4,588,803</b>	<b>\$3,740,874</b>	<b>\$1,486,226</b>	<b>\$2,814,996</b>	<b>\$3,960,000</b>	<b>\$1,920,034</b>	<b>\$620,034</b>	<b>\$1,300,000</b>

**SPECIAL LEVY SUMMARY**

**LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT  
SPECIAL LEVY SUMMARY**

LEVY CLASS	LOT CATEGORY <sup>1</sup>	PROJECTED SALES PRICE		LOTS	GROSS ACRES	PID FUNDED IMPROVEMENTS PER LOT	EQUIVALENT UNITS <sup>1</sup>	TOTAL EQUIVALENT UNITS	ANNUAL SPECIAL LEVY				TOTAL EFFECTIVE TAX RATE		
		LOW	HIGH						LEVY TERM (YEARS)	FY 2015-16	ANNUAL ESCALATION		MAXIMUM	LOW	HIGH
											RATE	TERM			
1A	LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$400,000	\$600,000	105	86.5	\$19,841	1.0000	105.0000	30	\$1,320	1.00%	30	\$1,779	1.59%	1.48%
1B	LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$300,000	\$500,000	363	135.6	\$18,939	0.9545	346.5000	30	\$1,260	1.00%	30	\$1,698	1.67%	1.51%
1C	LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$200,000	\$275,000	367	75.8	\$18,037	0.9091	333.6364	30	\$1,200	1.00%	30	\$1,617	1.84%	1.69%
2	LOMAS ENCANTADAS SFD: UNIT 2D	\$219,990	\$283,990	83	20.4	\$10,146	0.5114	42.4432	30	\$675	1.00%	30	\$910	1.55%	1.49%
3	ENCHANTED HILLS SFD	\$180,000	\$220,000	119	27.0	\$15,177	1.0000	119.0000	30	\$1,200	1.00%	30	\$1,617	1.90%	1.79%
	<b>TOTAL</b>	<b>NA</b>	<b>NA</b>	<b>1,037</b>	<b>345.3</b>	<b>NA</b>	<b>NA</b>	<b>946.5795</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

<sup>1</sup> Levy Class 1A includes residential lots within Lomas Encantadas Units 1A, 1B, 1C, 1D, and 1E. Levy Class 1B includes residential lots within Lomas Encantadas Units 1F, 1G, 2A, and 2F. Levy Class 1C includes residential lots within Lomas Encantadas Units 2B and 2C. Lomas Encantadas Levy Class 1D includes residential lots within Lomas Encantadas Unit 2D.

<sup>2</sup> The equivalent unit factor for each special levy classification of Lomas Encantadas is equal to the ratio of the PID funded improvement costs for that special levy classification to the PID funded improvement costs for special levy classification 1A. A Residential Lot in Enchanted Hills will be considered one equivalent unit.

**SAMPLE TAX BILLS**

<b>LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT</b> <b>CITY OF RIO RANCHO</b> <b>LOMAS ENCANTADAS SFD: &lt; 2 DUS/ACRE</b>			
		LOW	HIGH
PROJECTED AVERAGE APPRAISED VALUE		\$400,000	\$600,000
HEAD OF HOUSEHOLD EXEMPTION		(\$2,000)	(\$2,000)
ASSESSED VALUATION (1/3 OF SALES PRICE LESS EXEMPTION)		\$131,320	\$197,980
FY 2015-16 AD VALOREM PROPERTY TAXES	RATE <sup>1</sup>	AMOUNT	
STATE	1.3600	\$179	\$269
COUNTY	7.1910	\$944	\$1,424
CITY	9.2740	\$1,218	\$1,836
SCHOOL	10.8020	\$1,419	\$2,139
CNMCC	3.3810	\$444	\$669
HOSPITAL	4.2500	\$558	\$841
FLOOD	2.0760	\$273	\$411
-----			
SUBTOTAL AD VALOREM PROPERTY TAX RATE/TAXES	38.3340	\$5,034	\$7,589
SPECIAL LEVIES, ASSESSMENTS, AND CHARGES	RATE	AMOUNT	
LOMAS ENCANTADAS/ENCHANTED HILLS PID	N/A	\$1,320	\$1,320
-----			
SUBTOTAL SPECIAL LEVIES, ASSESSMENTS AND CHARGES	N/A	\$1,320	\$1,320
-----			
TOTAL ANNUAL PROPERTY TAXES		\$6,354	\$8,909
TOTAL MONTHLY PROPERTY TAXES		\$530	\$742
TOTAL EFFECTIVE TAX RATE		1.59%	1.48%

<sup>1</sup> Based on the FY 2015-16 residential tax rates.

<b>LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT</b> <b>CITY OF RIO RANCHO</b> <b>LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE</b>			
		LOW	HIGH
PROJECTED AVERAGE APPRAISED VALUE		\$300,000	\$500,000
HEAD OF HOUSEHOLD EXEMPTION		(\$2,000)	(\$2,000)
ASSESSED VALUATION (1/3 OF SALES PRICE LESS EXEMPTION)		\$97,990	\$164,650
FY 2015-16 AD VALOREM PROPERTY TAXES	RATE <sup>1</sup>	AMOUNT	
STATE	1.3600	\$133	\$224
COUNTY	7.1910	\$705	\$1,184
CITY	9.2740	\$909	\$1,527
SCHOOL	10.8020	\$1,058	\$1,779
CNMCC	3.3810	\$331	\$557
HOSPITAL	4.2500	\$416	\$700
FLOOD	2.0760	\$203	\$342
-----			
SUBTOTAL AD VALOREM PROPERTY TAX RATE/TAXES	38.3340	\$3,756	\$6,312
SPECIAL LEVIES, ASSESSMENTS, AND CHARGES	RATE	AMOUNT	
LOMAS ENCANTADAS/ENCHANTED HILLS PID	N/A	\$1,260	\$1,260
-----			
SUBTOTAL SPECIAL LEVIES, ASSESSMENTS AND CHARGES	N/A	\$1,260	\$1,260
-----			
TOTAL ANNUAL PROPERTY TAXES		\$5,016	\$7,572
TOTAL MONTHLY PROPERTY TAXES		\$418	\$631
TOTAL EFFECTIVE TAX RATE		1.67%	1.51%

<sup>1</sup> Based on the FY 2015-16 residential tax rates.

<b>LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT</b> <b>CITY OF RIO RANCHO</b> <b>LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE</b>			
		LOW	HIGH
PROJECTED AVERAGE APPRAISED VALUE		\$200,000	\$275,000
HEAD OF HOUSEHOLD EXEMPTION		(\$2,000)	(\$2,000)
ASSESSED VALUATION (1/3 OF SALES PRICE LESS EXEMPTION)		\$64,660	\$89,658
FY 2015-16 AD VALOREM PROPERTY TAXES	RATE <sup>1</sup>	AMOUNT	
STATE	1.3600	\$88	\$122
COUNTY	7.1910	\$465	\$645
CITY	9.2740	\$600	\$831
SCHOOL	10.8020	\$698	\$968
CNMCC	3.3810	\$219	\$303
HOSPITAL	4.2500	\$275	\$381
FLOOD	2.0760	\$134	\$186
-----			
SUBTOTAL AD VALOREM PROPERTY TAX RATE/TAXES	38.3340	\$2,479	\$3,437
SPECIAL LEVIES, ASSESSMENTS, AND CHARGES	RATE	AMOUNT	
LOMAS ENCANTADAS/ENCHANTED HILLS PID	N/A	\$1,200	\$1,200
-----			
SUBTOTAL SPECIAL LEVIES, ASSESSMENTS AND CHARGES	N/A	\$1,200	\$1,200
-----			
TOTAL ANNUAL PROPERTY TAXES		\$3,679	\$4,637
TOTAL MONTHLY PROPERTY TAXES		\$307	\$386
TOTAL EFFECTIVE TAX RATE		1.84%	1.69%

<sup>1</sup> Based on the FY 2015-16 residential tax rates.

<b>LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT</b>			
<b>CITY OF RIO RANCHO</b>			
<b>LOMAS ENCANTADAS SFD: UNIT 2D</b>			
		LOW	HIGH
PROJECTED AVERAGE APPRAISED VALUE		\$219,990	\$283,990
HEAD OF HOUSEHOLD EXEMPTION		(\$2,000)	(\$2,000)
ASSESSED VALUATION (1/3 OF SALES PRICE LESS EXEMPTION)		\$71,323	\$92,654
FY 2015-16 AD VALOREM PROPERTY TAXES	RATE <sup>1</sup>	AMOUNT	
STATE	1.3600	\$97	\$126
COUNTY	7.1910	\$513	\$666
CITY	9.2740	\$661	\$859
SCHOOL	10.8020	\$770	\$1,001
CNMCC	3.3810	\$241	\$313
HOSPITAL	4.2500	\$303	\$394
FLOOD	2.0760	\$148	\$192
-----			
SUBTOTAL AD VALOREM PROPERTY TAX RATE/TAXES	38.3340	\$2,734	\$3,552
SPECIAL LEVIES, ASSESSMENTS, AND CHARGES	RATE	AMOUNT	
LOMAS ENCANTADAS/ENCHANTED HILLS PID	N/A	\$675	\$675
-----			
SUBTOTAL SPECIAL LEVIES, ASSESSMENTS AND CHARGES	N/A	\$675	\$675
-----			
TOTAL ANNUAL PROPERTY TAXES		\$3,409	\$4,227
TOTAL MONTHLY PROPERTY TAXES		\$284	\$352
TOTAL EFFECTIVE TAX RATE		1.55%	1.49%

<sup>1</sup> Based on the FY 2015-16 residential tax rates.

<b>LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT</b>			
<b>CITY OF RIO RANCHO</b>			
<b>ENCHANTED HILLS SFD</b>			
		LOW	HIGH
PROJECTED AVERAGE APPRAISED VALUE		\$180,000	\$220,000
HEAD OF HOUSEHOLD EXEMPTION		(\$2,000)	(\$2,000)
ASSESSED VALUATION (1/3 OF SALES PRICE LESS EXEMPTION)		\$57,994	\$71,326
FY 2015-16 AD VALOREM PROPERTY TAXES	RATE <sup>1</sup>	AMOUNT	
STATE	1.3600	\$79	\$97
COUNTY	7.1910	\$417	\$513
CITY	9.2740	\$538	\$661
SCHOOL	10.8020	\$626	\$770
CNMCC	3.3810	\$196	\$241
HOSPITAL	4.2500	\$246	\$303
FLOOD	2.0760	\$120	\$148
-----			
SUBTOTAL AD VALOREM PROPERTY TAX RATE/TAXES	38.3340	\$2,223	\$2,734
SPECIAL LEVIES, ASSESSMENTS, AND CHARGES	RATE	AMOUNT	
LOMAS ENCANTADAS/ENCHANTED HILLS PID	N/A	\$1,200	\$1,200
-----			
SUBTOTAL SPECIAL LEVIES, ASSESSMENTS AND CHARGES	N/A	\$1,200	\$1,200
-----			
TOTAL ANNUAL PROPERTY TAXES		\$3,423	\$3,934
TOTAL MONTHLY PROPERTY TAXES		\$285	\$328
TOTAL EFFECTIVE TAX RATE		1.90%	1.79%

<sup>1</sup> Based on the FY 2015-16 residential tax rates.

**SCHEDULE A - PID CASH FLOWS**

CASH FLOW										
FISCAL YEAR - COLLECTION OF TAXES										
CALENDAR YEAR	TOTAL	2015-16 2016	2016-17 2017	2017-18 2018	2018-19 2019	2019-20 2020	2020-21 2021	2021-22 2022	2022-23 2023	2023-24 2024
<b>I. REIMBURSEMENT CERTIFICATES</b>										
LOMAS ENCANTADAS	\$16,590,899	\$0	\$0	\$4,588,803	\$3,740,874	\$1,486,226	\$0	\$2,814,996	\$3,960,000	\$0
ENCHANTED HILLS	\$1,920,034	\$0	\$0	\$620,034	\$1,300,000	\$0	\$0	\$0	\$0	\$0
<b>II. ANNUAL EXPENDITURES</b>										
PRINCIPAL PAYMENT ON REIMBURSEMENT CERTIFICATE										
LOMAS ENCANTADAS	(\$16,590,899)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS	(\$1,920,034)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$20,981)
INTEREST PAYMENT ON REIMBURSEMENT CERTIFICATE										
LOMAS ENCANTADAS	(\$19,014,024)	\$0	\$0	\$0	(\$61,657)	(\$166,791)	(\$275,137)	(\$403,758)	(\$534,565)	(\$673,144)
ENCHANTED HILLS	(\$1,886,707)	\$0	\$0	\$0	(\$36,745)	(\$82,403)	(\$113,723)	(\$114,861)	(\$116,009)	(\$96,189)
ANNUAL ADMINISTRATIVE EXPENSES										
PID ADMINISTRATION	(\$2,789,701)	\$0	(\$57,065)	(\$57,636)	(\$58,212)	(\$58,794)	(\$59,382)	(\$59,976)	(\$60,576)	(\$61,181)
PID BOARD ELECTION	(\$246,876)	\$0	(\$5,050)	(\$5,101)	(\$5,152)	(\$5,203)	(\$5,255)	(\$5,308)	(\$5,361)	(\$5,414)
COUNTY COLLECTION CHARGE	(\$912,865)	\$0	(\$1,336)	(\$1,349)	(\$3,479)	(\$6,735)	(\$9,753)	(\$12,557)	(\$15,409)	(\$18,428)
DELINQUENCY AND VETERAN EXEMPTION CONTINGENCY	(\$2,282,163)	\$0	(\$3,340)	(\$3,373)	(\$8,697)	(\$16,838)	(\$24,382)	(\$31,393)	(\$38,522)	(\$46,070)
ANNUAL SPECIAL LEVY REQUIREMENT	(\$45,643,269)	\$0	(\$66,790)	(\$67,458)	(\$173,941)	(\$336,765)	(\$487,632)	(\$627,852)	(\$770,442)	(\$921,408)
<b>III. PROJECTED PID SPECIAL LEVIES</b>										
DEVELOPED PLATTED PROPERTY (CO ISSUED AS OF APRIL 30)										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$5,242,621	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$17,118,565	\$0	\$0	\$0	\$0	\$0	\$25,161	\$58,851	\$85,106	\$229,219
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$16,066,254	\$0	\$0	\$0	\$49,454	\$162,334	\$253,504	\$357,945	\$472,168	\$476,890
LOMAS ENCANTADAS SFD: UNIT 2D	\$1,996,089	\$0	\$0	\$29,608	\$57,723	\$58,300	\$58,883	\$59,472	\$60,066	\$60,667
ENCHANTED HILLS SFD	\$5,138,358	\$0	\$0	\$23,258	\$66,764	\$116,131	\$150,084	\$151,585	\$153,101	\$154,632
UNDEVELOPED PROPERTY										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$9,203	\$0	\$7,494	\$1,709	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$30,371	\$0	\$24,732	\$5,640	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$29,244	\$0	\$23,813	\$5,430	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$3,362	\$0	\$3,029	\$333	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$9,201	\$0	\$7,722	\$1,480	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROJECTED PID SPECIAL TAXES	\$45,643,269	\$0	\$66,790	\$67,458	\$173,941	\$336,765	\$487,632	\$627,852	\$770,442	\$921,408
ANNUAL SURPLUS/(DEFICIT)	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CASH FLOW										
FISCAL YEAR - COLLECTION OF TAXES										
CALENDAR YEAR	TOTAL	2015-16 2016	2016-17 2017	2017-18 2018	2018-19 2019	2019-20 2020	2020-21 2021	2021-22 2022	2022-23 2023	2023-24 2024
<b>IV. MAXIMUM SPECIAL LEVIES</b>										
DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$5,248,004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$17,120,329	\$0	\$0	\$0	\$0	\$0	\$25,161	\$58,851	\$85,106	\$229,219
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$16,066,254	\$0	\$0	\$0	\$49,454	\$162,334	\$253,504	\$357,945	\$472,168	\$476,890
LOMAS ENCANTADAS SFD: UNIT 2D	\$1,996,089	\$0	\$0	\$29,608	\$57,723	\$58,300	\$58,883	\$59,472	\$60,066	\$60,667
ENCHANTED HILLS SFD	\$5,138,885	\$0	\$0	\$23,258	\$66,764	\$116,131	\$150,084	\$151,585	\$153,101	\$154,632
UNDEVELOPED PROPERTY										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$1,492,896	\$138,600	\$139,986	\$141,386	\$142,800	\$144,228	\$145,670	\$147,127	\$148,598	\$150,084
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$4,095,041	\$457,380	\$461,954	\$466,573	\$471,239	\$475,951	\$455,550	\$426,667	\$405,267	\$266,058
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$2,353,604	\$440,400	\$444,804	\$449,252	\$404,290	\$295,948	\$209,361	\$109,549	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$140,153	\$56,025	\$56,585	\$27,543	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$522,270	\$142,800	\$144,228	\$122,412	\$80,363	\$32,467	\$0	\$0	\$0	\$0
<b>TOTAL MAXIMUM SPECIAL TAXES</b>	<b>\$54,173,526</b>	<b>\$1,235,205</b>	<b>\$1,247,557</b>	<b>\$1,260,033</b>	<b>\$1,272,633</b>	<b>\$1,285,359</b>	<b>\$1,298,213</b>	<b>\$1,311,195</b>	<b>\$1,324,307</b>	<b>\$1,337,550</b>
<b>V. MAXIMUM SPECIAL LEVY "RATES"</b>										
DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	NA	\$1,320	\$1,333	\$1,347	\$1,360	\$1,374	\$1,387	\$1,401	\$1,415	\$1,429
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	NA	\$1,260	\$1,273	\$1,285	\$1,298	\$1,311	\$1,324	\$1,338	\$1,351	\$1,364
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	NA	\$1,200	\$1,212	\$1,224	\$1,236	\$1,249	\$1,261	\$1,274	\$1,287	\$1,299
LOMAS ENCANTADAS SFD: UNIT 2D	NA	\$675	\$682	\$689	\$695	\$702	\$709	\$717	\$724	\$731
ENCHANTED HILLS SFD	NA	\$1,200	\$1,212	\$1,224	\$1,236	\$1,249	\$1,261	\$1,274	\$1,287	\$1,299

CASH FLOW											
FISCAL YEAR - COLLECTION OF TAXES			2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
CALENDAR YEAR		TOTAL	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>VI. PROJECTED SPECIAL LEVY "RATES"</b>											
DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)											
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	NA	\$0	\$0	\$0	\$0	\$0	\$1,324	\$1,338	\$1,351	\$1,364	
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	NA	\$0	\$0	\$0	\$1,236	\$1,249	\$1,261	\$1,274	\$1,287	\$1,299	
LOMAS ENCANTADAS SFD: UNIT 2D	NA	\$0	\$0	\$689	\$695	\$702	\$709	\$717	\$724	\$731	
ENCHANTED HILLS SFD	NA	\$0	\$0	\$1,224	\$1,236	\$1,249	\$1,261	\$1,274	\$1,287	\$1,299	
UNDEVELOPED PROPERTY											
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	NA	\$0	\$71	\$16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	NA	\$0	\$68	\$16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	NA	\$0	\$65	\$15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	NA	\$0	\$36	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	NA	\$0	\$65	\$15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>VII. LEVYABLE UNITS</b>											
DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)											
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	NA	0	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	NA	0	0	0	0	0	19	44	63	168	
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	NA	0	0	0	40	130	201	281	367	367	
LOMAS ENCANTADAS SFD: UNIT 2D	NA	0	0	43	83	83	83	83	83	83	
ENCHANTED HILLS SFD	NA	0	0	19	54	93	119	119	119	119	
UNDEVELOPED PROPERTY											
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	NA	105	105	105	105	105	105	105	105	105	105
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	NA	363	363	363	363	363	344	319	300	195	
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	NA	367	367	367	327	237	166	86	0	0	
LOMAS ENCANTADAS SFD: UNIT 2D	NA	83	83	40	0	0	0	0	0	0	
ENCHANTED HILLS SFD	NA	119	119	100	65	26	0	0	0	0	
<b>TOTAL</b>		NA	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037

CASH FLOW

FISCAL YEAR - COLLECTION OF TAXES  
CALENDAR YEAR

	2024-25 2025	2025-26 2026	2026-27 2027	2027-28 2028	2028-29 2029	2029-30 2030	2030-31 2031	2031-32 2032	2032-33 2033	2033-34 2034	2034-35 2035
<b>I. REIMBURSEMENT CERTIFICATES</b>											
LOMAS ENCANTADAS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>II. ANNUAL EXPENDITURES</b>											
PRINCIPAL PAYMENT ON REIMBURSEMENT CERTIFICATE											
LOMAS ENCANTADAS	\$0	\$0	\$0	\$0	\$0	\$0	(\$116,871)	(\$406,666)	(\$436,446)	(\$467,681)	(\$500,437)
ENCHANTED HILLS	(\$32,884)	(\$35,547)	(\$38,342)	(\$41,274)	(\$44,351)	(\$47,578)	(\$50,963)	(\$54,513)	(\$58,234)	(\$62,136)	(\$66,227)
INTEREST PAYMENT ON REIMBURSEMENT CERTIFICATE											
LOMAS ENCANTADAS	(\$816,761)	(\$960,840)	(\$1,092,280)	(\$1,103,203)	(\$1,114,235)	(\$1,125,377)	(\$1,019,760)	(\$741,331)	(\$723,031)	(\$703,391)	(\$682,346)
ENCHANTED HILLS	(\$85,457)	(\$83,978)	(\$82,378)	(\$80,653)	(\$78,795)	(\$76,800)	(\$74,658)	(\$72,365)	(\$69,912)	(\$67,292)	(\$64,495)
ANNUAL ADMINISTRATIVE EXPENSES											
PID ADMINISTRATION	(\$61,793)	(\$62,411)	(\$63,035)	(\$63,666)	(\$64,302)	(\$64,945)	(\$65,595)	(\$66,251)	(\$66,913)	(\$67,582)	(\$68,258)
PID BOARD ELECTION	(\$5,468)	(\$5,523)	(\$5,578)	(\$5,634)	(\$5,690)	(\$5,747)	(\$5,805)	(\$5,863)	(\$5,922)	(\$5,981)	(\$6,041)
COUNTY COLLECTION CHARGE	(\$21,556)	(\$24,695)	(\$27,562)	(\$27,837)	(\$28,116)	(\$28,397)	(\$28,681)	(\$28,968)	(\$29,257)	(\$29,550)	(\$29,845)
DELINQUENCY AND VETERAN EXEMPTION CONTINGENCY	(\$53,891)	(\$61,737)	(\$68,904)	(\$69,593)	(\$70,289)	(\$70,992)	(\$71,702)	(\$72,419)	(\$73,143)	(\$73,874)	(\$74,613)
ANNUAL SPECIAL LEVY REQUIREMENT	(\$1,077,810)	(\$1,234,730)	(\$1,378,079)	(\$1,391,860)	(\$1,405,779)	(\$1,419,836)	(\$1,434,035)	(\$1,448,375)	(\$1,462,859)	(\$1,477,487)	(\$1,492,262)
<b>III. PROJECTED PID SPECIAL LEVIES</b>											
DEVELOPED PLATTED PROPERTY (CO ISSUED AS OF APRIL 30)											
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$54,859	\$55,408	\$154,632	\$156,178	\$157,740	\$159,317	\$160,910	\$162,519	\$164,145	\$165,786	\$167,444
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$323,840	\$473,220	\$510,284	\$515,387	\$520,541	\$525,747	\$531,004	\$536,314	\$541,677	\$547,094	\$552,565
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$481,659	\$486,476	\$491,340	\$496,254	\$501,216	\$506,228	\$511,291	\$516,404	\$521,568	\$526,783	\$532,051
LOMAS ENCANTADAS SFD: UNIT 2D	\$61,274	\$61,886	\$62,505	\$63,130	\$63,762	\$64,399	\$65,043	\$65,694	\$66,351	\$67,014	\$67,684
ENCHANTED HILLS SFD	\$156,178	\$157,740	\$159,317	\$160,911	\$162,520	\$164,145	\$165,786	\$167,444	\$169,119	\$170,810	\$172,518
UNDEVELOPED PROPERTY											
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROJECTED PID SPECIAL TAXES	\$1,077,810	\$1,234,730	\$1,378,079	\$1,391,860	\$1,405,779	\$1,419,836	\$1,434,035	\$1,448,375	\$1,462,859	\$1,477,487	\$1,492,262
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CASH FLOW

FISCAL YEAR - COLLECTION OF TAXES  
 CALENDAR YEAR

2024-25 2025-26 2026-27 2027-28 2028-29 2029-30 2030-31 2031-32 2032-33 2033-34 2034-35  
 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035

**IV. MAXIMUM SPECIAL LEVIES**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$54,859	\$55,408	\$154,632	\$156,178	\$157,740	\$159,317	\$160,910	\$162,519	\$164,145	\$165,786	\$167,444
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$323,840	\$473,220	\$510,284	\$515,387	\$520,541	\$525,747	\$531,004	\$536,314	\$541,677	\$547,094	\$552,565
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$481,659	\$486,476	\$491,340	\$496,254	\$501,216	\$506,228	\$511,291	\$516,404	\$521,568	\$526,783	\$532,051
LOMAS ENCANTADAS SFD: UNIT 2D	\$61,274	\$61,886	\$62,505	\$63,130	\$63,762	\$64,399	\$65,043	\$65,694	\$66,351	\$67,014	\$67,684
ENCHANTED HILLS SFD	\$156,178	\$157,740	\$159,317	\$160,911	\$162,520	\$164,145	\$165,786	\$167,444	\$169,119	\$170,810	\$172,518

UNDEVELOPED PROPERTY

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$96,726	\$97,693	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$176,390	\$32,012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

TOTAL MAXIMUM SPECIAL TAXES

\$1,350,926	\$1,364,435	\$1,378,079	\$1,391,860	\$1,405,779	\$1,419,836	\$1,434,035	\$1,448,375	\$1,462,859	\$1,477,487	\$1,492,262
-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------

**V. MAXIMUM SPECIAL LEVY "RATES"**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$1,444	\$1,458	\$1,473	\$1,487	\$1,502	\$1,517	\$1,532	\$1,548	\$1,563	\$1,579	\$1,595
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$1,378	\$1,392	\$1,406	\$1,420	\$1,434	\$1,448	\$1,463	\$1,477	\$1,492	\$1,507	\$1,522
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$1,312	\$1,326	\$1,339	\$1,352	\$1,366	\$1,379	\$1,393	\$1,407	\$1,421	\$1,435	\$1,450
LOMAS ENCANTADAS SFD: UNIT 2D	\$738	\$746	\$753	\$761	\$768	\$776	\$784	\$791	\$799	\$807	\$815
ENCHANTED HILLS SFD	\$1,312	\$1,326	\$1,339	\$1,352	\$1,366	\$1,379	\$1,393	\$1,407	\$1,421	\$1,435	\$1,450

CASH FLOW

FISCAL YEAR - COLLECTION OF TAXES  
 CALENDAR YEAR

2024-25 2025-26 2026-27 2027-28 2028-29 2029-30 2030-31 2031-32 2032-33 2033-34 2034-35  
 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035

**VI. PROJECTED SPECIAL LEVY "RATES"**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$1,444	\$1,458	\$1,473	\$1,487	\$1,502	\$1,517	\$1,532	\$1,548	\$1,563	\$1,579	\$1,595
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$1,378	\$1,392	\$1,406	\$1,420	\$1,434	\$1,448	\$1,463	\$1,477	\$1,492	\$1,507	\$1,522
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$1,312	\$1,326	\$1,339	\$1,352	\$1,366	\$1,379	\$1,393	\$1,407	\$1,421	\$1,435	\$1,450
LOMAS ENCANTADAS SFD: UNIT 2D	\$738	\$746	\$753	\$761	\$768	\$776	\$784	\$791	\$799	\$807	\$815
ENCHANTED HILLS SFD	\$1,312	\$1,326	\$1,339	\$1,352	\$1,366	\$1,379	\$1,393	\$1,407	\$1,421	\$1,435	\$1,450

UNDEVELOPED PROPERTY

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**VII. LEVYABLE UNITS**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	38	38	105	105	105	105	105	105	105	105	105
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	235	340	363	363	363	363	363	363	363	363	363
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	367	367	367	367	367	367	367	367	367	367	367
LOMAS ENCANTADAS SFD: UNIT 2D	83	83	83	83	83	83	83	83	83	83	83
ENCHANTED HILLS SFD	119	119	119	119	119	119	119	119	119	119	119

UNDEVELOPED PROPERTY

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	67	67	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	128	23	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	0	0	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: UNIT 2D	0	0	0	0	0	0	0	0	0	0	0
ENCHANTED HILLS SFD	0	0	0	0	0	0	0	0	0	0	0

TOTAL 1,037 1,037 1,037 1,037 1,037 1,037 1,037 1,037 1,037 1,037 1,037

CASH FLOW

FISCAL YEAR - COLLECTION OF TAXES  
CALENDAR YEAR

	2035-36 2036	2036-37 2037	2037-38 2038	2038-39 2039	2039-40 2040	2040-41 2041	2041-42 2042	2042-43 2043	2043-44 2044	2044-45 2045	2045-46 2046
<b>I. REIMBURSEMENT CERTIFICATES</b>											
LOMAS ENCANTADAS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>II. ANNUAL EXPENDITURES</b>											
PRINCIPAL PAYMENT ON REIMBURSEMENT CERTIFICATE											
LOMAS ENCANTADAS	(\$534,785)	(\$570,796)	(\$608,548)	(\$648,119)	(\$689,592)	(\$733,055)	(\$778,598)	(\$826,316)	(\$876,308)	(\$928,678)	(\$983,533)
ENCHANTED HILLS	(\$70,514)	(\$75,008)	(\$79,717)	(\$84,651)	(\$89,820)	(\$95,236)	(\$100,909)	(\$106,852)	(\$113,076)	(\$119,594)	(\$126,419)
INTEREST PAYMENT ON REIMBURSEMENT CERTIFICATE											
LOMAS ENCANTADAS	(\$659,826)	(\$635,761)	(\$610,075)	(\$582,690)	(\$553,525)	(\$522,493)	(\$489,506)	(\$454,469)	(\$417,285)	(\$377,851)	(\$336,060)
ENCHANTED HILLS	(\$61,515)	(\$58,342)	(\$54,967)	(\$51,379)	(\$47,570)	(\$43,528)	(\$39,243)	(\$34,702)	(\$29,893)	(\$24,805)	(\$19,423)
ANNUAL ADMINISTRATIVE EXPENSES											
PID ADMINISTRATION	(\$68,941)	(\$69,630)	(\$70,326)	(\$71,030)	(\$71,740)	(\$72,457)	(\$73,182)	(\$73,914)	(\$74,653)	(\$75,399)	(\$76,153)
PID BOARD ELECTION	(\$6,101)	(\$6,162)	(\$6,224)	(\$6,286)	(\$6,349)	(\$6,412)	(\$6,476)	(\$6,541)	(\$6,606)	(\$6,673)	(\$6,739)
COUNTY COLLECTION CHARGE	(\$30,144)	(\$30,445)	(\$30,750)	(\$31,057)	(\$31,368)	(\$31,681)	(\$31,998)	(\$32,318)	(\$32,641)	(\$32,968)	(\$33,297)
DELINQUENCY AND VETERAN EXEMPTION CONTINGENCY	(\$75,359)	(\$76,113)	(\$76,874)	(\$77,643)	(\$78,419)	(\$79,203)	(\$79,995)	(\$80,795)	(\$81,603)	(\$82,419)	(\$83,243)
ANNUAL SPECIAL LEVY REQUIREMENT	(\$1,507,185)	(\$1,522,257)	(\$1,537,479)	(\$1,552,854)	(\$1,568,383)	(\$1,584,066)	(\$1,599,907)	(\$1,615,906)	(\$1,632,065)	(\$1,648,386)	(\$1,664,870)
<b>III. PROJECTED PID SPECIAL LEVIES</b>											
DEVELOPED PLATTED PROPERTY (CO ISSUED AS OF APRIL 30)											
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$169,118	\$170,810	\$172,518	\$174,243	\$175,985	\$177,745	\$179,523	\$181,318	\$183,131	\$184,962	\$186,812
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$558,091	\$563,671	\$569,308	\$575,001	\$580,751	\$586,559	\$592,424	\$598,349	\$604,332	\$610,375	\$616,479
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$537,372	\$542,745	\$548,173	\$553,655	\$559,191	\$564,783	\$570,431	\$576,135	\$581,897	\$587,716	\$593,593
LOMAS ENCANTADAS SFD: UNIT 2D	\$68,361	\$69,045	\$69,735	\$70,433	\$71,137	\$71,848	\$72,567	\$73,292	\$74,025	\$74,766	\$75,513
ENCHANTED HILLS SFD	\$174,243	\$175,986	\$177,745	\$179,523	\$181,318	\$183,131	\$184,963	\$186,812	\$188,680	\$190,567	\$192,473
UNDEVELOPED PROPERTY											
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROJECTED PID SPECIAL TAXES	\$1,507,185	\$1,522,257	\$1,537,479	\$1,552,854	\$1,568,383	\$1,584,066	\$1,599,907	\$1,615,906	\$1,632,065	\$1,648,386	\$1,664,870
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CASH FLOW

FISCAL YEAR - COLLECTION OF TAXES	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46
CALENDAR YEAR	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046

**IV. MAXIMUM SPECIAL LEVIES**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$169,118	\$170,810	\$172,518	\$174,243	\$175,985	\$177,745	\$179,523	\$181,318	\$183,131	\$184,962	\$186,812
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$558,091	\$563,671	\$569,308	\$575,001	\$580,751	\$586,559	\$592,424	\$598,349	\$604,332	\$610,375	\$616,479
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$537,372	\$542,745	\$548,173	\$553,655	\$559,191	\$564,783	\$570,431	\$576,135	\$581,897	\$587,716	\$593,593
LOMAS ENCANTADAS SFD: UNIT 2D	\$68,361	\$69,045	\$69,735	\$70,433	\$71,137	\$71,848	\$72,567	\$73,292	\$74,025	\$74,766	\$75,513
ENCHANTED HILLS SFD	\$174,243	\$175,986	\$177,745	\$179,523	\$181,318	\$183,131	\$184,963	\$186,812	\$188,680	\$190,567	\$192,473

UNDEVELOPED PROPERTY

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<b>TOTAL MAXIMUM SPECIAL TAXES</b>	<b>\$1,507,185</b>	<b>\$1,522,257</b>	<b>\$1,537,479</b>	<b>\$1,552,854</b>	<b>\$1,568,383</b>	<b>\$1,584,066</b>	<b>\$1,599,907</b>	<b>\$1,615,906</b>	<b>\$1,632,065</b>	<b>\$1,648,386</b>	<b>\$1,664,870</b>
------------------------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------

**V. MAXIMUM SPECIAL LEVY "RATES"**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$1,611	\$1,627	\$1,643	\$1,659	\$1,676	\$1,693	\$1,710	\$1,727	\$1,744	\$1,762	\$1,779
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$1,537	\$1,553	\$1,568	\$1,584	\$1,600	\$1,616	\$1,632	\$1,648	\$1,665	\$1,681	\$1,698
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$1,464	\$1,479	\$1,494	\$1,509	\$1,524	\$1,539	\$1,554	\$1,570	\$1,586	\$1,601	\$1,617
LOMAS ENCANTADAS SFD: UNIT 2D	\$824	\$832	\$840	\$849	\$857	\$866	\$874	\$883	\$892	\$901	\$910
ENCHANTED HILLS SFD	\$1,464	\$1,479	\$1,494	\$1,509	\$1,524	\$1,539	\$1,554	\$1,570	\$1,586	\$1,601	\$1,617

CASH FLOW

FISCAL YEAR - COLLECTION OF TAXES  
 CALENDAR YEAR

2035-36 2036-37 2037-38 2038-39 2039-40 2040-41 2041-42 2042-43 2043-44 2044-45 2045-46  
 2036 2037 2038 2039 2040 2041 2042 2043 2044 2045 2046

**VI. PROJECTED SPECIAL LEVY "RATES"**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$1,611	\$1,627	\$1,643	\$1,659	\$1,676	\$1,693	\$1,710	\$1,727	\$1,744	\$1,762	\$1,779
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$1,537	\$1,553	\$1,568	\$1,584	\$1,600	\$1,616	\$1,632	\$1,648	\$1,665	\$1,681	\$1,698
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$1,464	\$1,479	\$1,494	\$1,509	\$1,524	\$1,539	\$1,554	\$1,570	\$1,586	\$1,601	\$1,617
LOMAS ENCANTADAS SFD: UNIT 2D	\$824	\$832	\$840	\$849	\$857	\$866	\$874	\$883	\$892	\$901	\$910
ENCHANTED HILLS SFD	\$1,464	\$1,479	\$1,494	\$1,509	\$1,524	\$1,539	\$1,554	\$1,570	\$1,586	\$1,601	\$1,617

UNDEVELOPED PROPERTY

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**VII. LEVYABLE UNITS**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	105	105	105	105	105	105	105	105	105	105	105
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	363	363	363	363	363	363	363	363	363	363	363
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	367	367	367	367	367	367	367	367	367	367	367
LOMAS ENCANTADAS SFD: UNIT 2D	83	83	83	83	83	83	83	83	83	83	83
ENCHANTED HILLS SFD	119	119	119	119	119	119	119	119	119	119	119

UNDEVELOPED PROPERTY

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	0	0	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	0	0	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	0	0	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: UNIT 2D	0	0	0	0	0	0	0	0	0	0	0
ENCHANTED HILLS SFD	0	0	0	0	0	0	0	0	0	0	0

TOTAL 1,037 1,037 1,037 1,037 1,037 1,037 1,037 1,037 1,037 1,037 1,037 1,037

CASH FLOW

FISCAL YEAR - COLLECTION OF TAXES	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56
CALENDAR YEAR	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
<b>I. REIMBURSEMENT CERTIFICATES</b>										
LOMAS ENCANTADAS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>II. ANNUAL EXPENDITURES</b>										
PRINCIPAL PAYMENT ON REIMBURSEMENT CERTIFICATE										
LOMAS ENCANTADAS	(\$1,027,295)	(\$1,036,638)	(\$988,767)	(\$897,371)	(\$765,580)	(\$639,339)	(\$507,859)	(\$363,986)	(\$210,772)	(\$46,866)
ENCHANTED HILLS	(\$131,777)	(\$108,792)	(\$60,702)	(\$3,939)	\$0	\$0	\$0	\$0	\$0	\$0
INTEREST PAYMENT ON REIMBURSEMENT CERTIFICATE										
LOMAS ENCANTADAS	(\$291,801)	(\$245,573)	(\$198,924)	(\$154,430)	(\$114,048)	(\$79,597)	(\$50,827)	(\$27,973)	(\$11,594)	(\$2,109)
ENCHANTED HILLS	(\$13,734)	(\$7,804)	(\$2,909)	(\$177)	\$0	\$0	\$0	\$0	\$0	\$0
ANNUAL ADMINISTRATIVE EXPENSES										
PID ADMINISTRATION	(\$76,915)	(\$77,684)	(\$78,461)	(\$79,246)	(\$80,038)	(\$80,838)	(\$81,647)	(\$82,463)	(\$83,288)	(\$84,121)
PID BOARD ELECTION	(\$6,807)	(\$6,875)	(\$6,943)	(\$7,013)	(\$7,083)	(\$7,154)	(\$7,225)	(\$7,298)	(\$7,371)	(\$7,444)
COUNTY COLLECTION CHARGE	(\$33,297)	(\$31,900)	(\$28,746)	(\$24,563)	(\$20,790)	(\$17,353)	(\$13,926)	(\$10,360)	(\$6,732)	(\$3,022)
DELINQUENCY AND VETERAN EXEMPTION CONTINGENCY	(\$83,243)	(\$79,751)	(\$71,866)	(\$61,407)	(\$51,976)	(\$43,383)	(\$34,815)	(\$25,899)	(\$16,829)	(\$7,556)
ANNUAL SPECIAL LEVY REQUIREMENT	(\$1,664,870)	(\$1,595,017)	(\$1,437,319)	(\$1,228,145)	(\$1,039,515)	(\$867,664)	(\$696,299)	(\$517,978)	(\$336,585)	(\$151,118)
<b>III. PROJECTED PID SPECIAL LEVIES</b>										
DEVELOPED PLATTED PROPERTY (CO ISSUED AS OF APRIL 30)										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$186,812	\$186,812	\$186,812	\$186,812	\$186,812	\$186,812	\$186,812	\$186,812	\$119,204	\$113,821
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$616,479	\$616,479	\$616,479	\$616,479	\$584,212	\$541,754	\$509,487	\$331,166	\$217,381	\$37,297
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$593,593	\$593,593	\$528,896	\$383,328	\$268,492	\$139,098	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$75,513	\$36,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$192,473	\$161,742	\$105,132	\$41,526	\$0	\$0	\$0	\$0	\$0	\$0
UNDEVELOPED PROPERTY										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROJECTED PID SPECIAL TAXES	\$1,664,870	\$1,595,017	\$1,437,319	\$1,228,145	\$1,039,515	\$867,664	\$696,299	\$517,978	\$336,585	\$151,118
ANNUAL SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUMULATIVE SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CASH FLOW

FISCAL YEAR - COLLECTION OF TAXES	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56
CALENDAR YEAR	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056

**IV. MAXIMUM SPECIAL LEVIES**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$186,812	\$186,812	\$186,812	\$186,812	\$186,812	\$186,812	\$186,812	\$186,812	\$119,204	\$119,204
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$616,479	\$616,479	\$616,479	\$616,479	\$584,212	\$541,754	\$509,487	\$331,166	\$217,381	\$39,061
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$593,593	\$593,593	\$528,896	\$383,328	\$268,492	\$139,098	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$75,513	\$36,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$192,473	\$161,742	\$105,132	\$42,053	\$0	\$0	\$0	\$0	\$0	\$0

UNDEVELOPED PROPERTY

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

TOTAL MAXIMUM SPECIAL TAXES

	\$1,664,870	\$1,595,017	\$1,437,319	\$1,228,672	\$1,039,515	\$867,664	\$696,299	\$517,978	\$336,585	\$158,264
--	-------------	-------------	-------------	-------------	-------------	-----------	-----------	-----------	-----------	-----------

**V. MAXIMUM SPECIAL LEVY "RATES"**

DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)

LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$1,617	\$1,617	\$1,617	\$1,617	\$1,617	\$1,617	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$910	\$910	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$1,617	\$1,617	\$1,617	\$1,617	\$0	\$0	\$0	\$0	\$0	\$0

CASH FLOW	2046-47	2047-48	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56
FISCAL YEAR - COLLECTION OF TAXES	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056
CALENDAR YEAR										
<b>VI. PROJECTED SPECIAL LEVY "RATES"</b>										
DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,779	\$1,699
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,698	\$1,622
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$1,617	\$1,617	\$1,617	\$1,617	\$1,617	\$1,617	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$910	\$910	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$1,617	\$1,617	\$1,617	\$1,597	\$0	\$0	\$0	\$0	\$0	\$0
UNDEVELOPED PROPERTY										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LOMAS ENCANTADAS SFD: UNIT 2D	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ENCHANTED HILLS SFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>VII. LEVYABLE UNITS</b>										
DEVELOPED PROPERTY (CO ISSUED AS OF APRIL 30)										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	105	105	105	105	105	105	105	105	67	67
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	363	363	363	363	344	319	300	195	128	23
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	367	367	327	237	166	86	0	0	0	0
LOMAS ENCANTADAS SFD: UNIT 2D	83	40	0	0	0	0	0	0	0	0
ENCHANTED HILLS SFD	119	100	65	26	0	0	0	0	0	0
UNDEVELOPED PROPERTY										
LOMAS ENCANTADAS SFD: < 2 DUS/ACRE	0	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: 2 TO 4 DUS/ACRE	0	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: 4 TO 6 DUS/ACRE	0	0	0	0	0	0	0	0	0	0
LOMAS ENCANTADAS SFD: UNIT 2D	0	0	0	0	0	0	0	0	0	0
ENCHANTED HILLS SFD	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,037</b>	<b>975</b>	<b>860</b>	<b>731</b>	<b>615</b>	<b>510</b>	<b>405</b>	<b>300</b>	<b>195</b>	<b>90</b>

**EXHIBIT D**

**LOMAS ENCANTADAS/ENCHANTED HILLS  
PUBLIC IMPROVEMENT DISTRICT**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL LEVY**

## RATE AND METHOD OF APPORTIONMENT OF SPECIAL LEVY

### LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT

An Annual Special Levy shall be levied, extended, and collected in the Lomas Encantadas/Enchanted Hills Public Improvement District (hereinafter referred to as the "PID" or the "District") each Fiscal Year, in an amount determined by the District Board or its designee in accordance with the procedures described below. All of the real property in the PID, unless exempted by the provisions hereof, shall be subject to the Annual Special Levy for the purposes, to the extent, and in the manner herein provided.

#### A. DEFINITIONS

The terms used herein shall have the following meanings:

**"Act"** means the Public Improvement District Act, being Sections 5-11-1 through 5-11-27, NMSA 1978.

**"Administrator"** means the designee of the District Board responsible for determining the Operating Requirement and Reimbursement Certificates Requirement, and coordinating the billing and collection of the Annual Special Levies.

**"Annual Special Levy"** means the special levy collected in each Fiscal Year from each Parcel pursuant to Section D to fund the Operating Requirement and the Reimbursement Certificates Requirement.

**"Association Property"** means any property in the District owned by or dedicated to a property owner association, including any master or sub-association, exclusive of any property on which Dwelling Units are or may be constructed.

**"City"** means the City of Rio Rancho, New Mexico.

**"County"** means the County of Sandoval, New Mexico.

**"Developed Platted Property"** means all Platted Property for which (i) the Final Plat was recorded by the January 1 preceding the Fiscal Year for which the Annual Special Levy is being collected and (ii) a certificate of occupancy permit has been issued by the April 30 preceding the Fiscal Year for which the Annual Special Levy is being collected.

**"Developer"** means AMREP Southwest Inc. and/or its successors and assigns.

**"Development and Reimbursement Agreement"** means the Lomas Encantadas/Enchanted Hills Public Improvement District Development and Reimbursement Agreement by and between the City, PID, and the Developer, as may be amended from time to time.

**"Disabled Veteran Exemption"** means the exemption set forth in NMSA 1978, Section 7-37-5.1 (2015).

**"District Board"** means the governing body of the District.

**"Dwelling Unit" or "DU"** means a residential dwelling unit.

**"Enchanted Hills PID Project"** means the area described in Exhibit A.

**"Exempt Property"** means all property exempt from the Annual Special Levy pursuant to Section G.

**"Final Plat"** means a final plat or final subdivision of land that is approved by the City and recorded with the County.

**"Fiscal Year"** means the twelve-month period starting July 1 and ending June 30.

**"Lomas Encantadas PID Project"** means the area described in Exhibit B.

**"Maximum Annual Special Levy"** means the maximum special levy, determined in accordance with Section B and Section C that can be levied by the District Board in any Fiscal Year on any Parcel which is not classified as Exempt Property.

**"Operating Expenses"** means all obligations and expenses of the District permitted in accordance with the Act other than the costs of formation of the PID and amounts payable pursuant to the Reimbursement Certificates. Operating Expenses include, but are not limited to, the costs of computing the Annual Special Levies and of preparing the collection schedules (whether by the District Board or designee thereof or both); the costs of collecting the Annual Special Levies (whether by the County, or otherwise); the costs of remitting the Annual Special Levies to (i) any holder of Reimbursement Certificates and/or (ii) any fiscal agent employed by the PID; the costs of any such fiscal agent (including its legal counsel) in the discharge of the duties required of it; the costs of the District or designee in complying with the disclosure requirements of applicable federal and state securities laws and of the Act, including, but not limited to, public inquiries regarding the Annual Special Levies and the costs associated with the release of funds from any escrow account. Operating Expenses shall also include amounts advanced for any administrative or operating purpose of the District including the costs of prepayment of the Annual Special Levies; recordings related to the prepayment, discharge or satisfaction of the Annual Special Levies; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Annual Special Levies and the reasonable fees of legal counsel to the District incurred in connection with the foregoing.

**"Operating Requirement"** means that amount determined by the District Board or its designee as required in any Fiscal Year to pay and/or reimburse: (1) the anticipated Operating Expenses; (2) the anticipated delinquent Annual Special Levies; and (3) the anticipated shortfall in Annual Special Levies resulting from the Disabled Veteran Exemption, all as determined by the District Board or the Administrator.

**"Parcel"** means a lot or parcel within the boundaries of the District that is assigned a uniform property code as shown on a UPC Map.

**"Platted Property"** means all Residential Lots for which a Final Plat was recorded by the January 1 preceding the Fiscal Year for which the Annual Special Levy is being collected.

**"Public Property"** means all property in the District owned by or dedicated to the federal government, the State of New Mexico, the County of Sandoval, the City of Rio Rancho, or any local government or other public agency.

**"Reimbursement Certificates"** means any reimbursement certificates issued pursuant to or other obligations contained in the Development and Reimbursement Agreement.

**"Reimbursement Certificates Requirement"** means that amount determined by the District Board or its designee as required in any Fiscal Year to pay and/or reimburse amounts advanced to pay: (1) any amounts required pursuant to the Reimbursement Certificates; and (2) costs incurred in connection with the formation of the PID.

**"Residential Lot"** means a Parcel for which a building permit (i) may and is anticipated to be issued without any further subdivision of the Parcel; or (ii) has been issued for a Dwelling Unit.

**"Total Maximum Annual Special Levies"** means for any Fiscal Year the sum of the Maximum Annual Special Levy for such Fiscal Year for each Parcel within the PID and is subject to change only as a result of prepayments, revisions to Exhibit C, revisions to the number and/or mix of Residential Lots/Dwelling Units, and/or revisions pursuant to Section C.2 herein.

**"Undeveloped Property"** means all real property within the PID boundaries that is not classified as Developed Platted Property or Exempt Property.

**"UPC Map"** means an official map of the County designating parcels by uniform property code.

## **B. CLASSIFICATION OF PROPERTY**

On or about May 1 of each Fiscal Year, all property within the District shall be classified as Developed Platted Property, Undeveloped Property or Exempt Property. All Developed Platted Property shall be assigned to one of the levy classifications set forth in Table 1 below in accordance with Exhibit C.

**C. MAXIMUM ANNUAL SPECIAL LEVY**

Subject to the Development and Reimbursement Agreement, the District Board shall levy the Maximum Annual Special Levy for a Parcel of Developed Platted Property as determined pursuant to Section C.1 below, adjusted pursuant to Section C.2, if applicable. While the Maximum Special Levy may be prepaid for all Parcels of Platted Property, no Annual Special Levy shall be collected from Platted Property which is not classified as Developed Platted Property or Undeveloped Property.

**1. Maximum Annual Special Levy**

The Maximum Annual Special Levy applicable to each classification of Developed Platted Property shall be determined by reference to Table 1 which indicates both "Initial" and "Final" Maximum Annual Special Levy amounts. The Initial Maximum Annual Special Levy is applicable to Fiscal Year 2015-2016. Commencing with Fiscal Year 2016-17, the Maximum Annual Special Levy shall be increased by an amount equal to one percent (1.00%) of the preceding Fiscal Year's Maximum Annual Special Levy, not to exceed the Final Maximum Annual Special Levy.

<b>TABLE 1</b>		
<b>LOMAS ENCANTADAS/ENCHANTED HILLS PID</b>		
<b>MAXIMUM ANNUAL SPECIAL LEVY</b>		
LEVY CLASSIFICATION	MAXIMUM ANNUAL SPECIAL LEVY	
	INITIAL MAXIMUM	FINAL MAXIMUM
<b>LOMAS ENCANTADAS PID PROJECT</b>		
(1A) < 2 DUS / ACRE	\$1,320 / Residential Lot	\$1,779 / Residential Lot
(1B) 2 TO 4 DUS / ACRE	\$1,260 / Residential Lot	\$1,698 / Residential Lot
(1C) 4 TO 6 DUS / ACRE	\$1,200 / Residential Lot	\$1,617 / Residential Lot
(2) UNIT 2D   4 TO 6 DUS / ACRE	\$675 / Residential Lot	\$910 / Residential Lot
<b>ENCHANTED HILLS PID PROJECT</b>		
(3) 4 TO 6 DUS / ACRE	\$1,200 / Residential Lot	\$1,617 / Residential Lot

**2. Exhibit C Amendments**

Exhibit C may be amended pursuant to an executed certificate, the form of which is attached as Exhibit D. Any amendment to Exhibit C approved by the District Board and the Developer shall be recorded with the County Clerk.

**D. APPORTIONMENT OF ANNUAL SPECIAL LEVY**

Commencing with Fiscal Year 2016-2017 and for each following Fiscal Year, the District Board shall apportion the Annual Special Levy to each Parcel of Developed Platted Property in accordance with the procedure set forth below, provided the Annual Special Levy for any parcel of Developed Platted Property does not exceed its Maximum Annual Special Levy. There will be no Annual Special Levy collected from Platted Property which is not classified as Developed Platted Property or Undeveloped Property

**1. Operating Requirement**

The Annual Special Levy shall be collected from each Parcel of Developed Platted Property in equal percentages, not to exceed the applicable Maximum Annual Special Levy, to fund the Operating Requirement.

**2. Reimbursement Certificates Requirement**

The Annual Special Levy shall be increased proportionately above the amounts calculated under Section D.1 above on each Parcel of Developed Platted Property up to 100% of applicable Maximum Annual Special Levy to fund the Reimbursement Certificates Requirement, provided that, the Annual Special Levy shall not be imposed on any Developed Platted Property for purposes of the Reimbursement Certificates Requirement for more than 30 years after the date of imposition of the first Annual Special Levy on such Developed Platted Property.

**E. MANNER OF COLLECTION**

The Annual Special Levy shall constitute a lien on the property subject thereto which shall have priority co-equal to the lien of general ad valorem property taxes. The Annual Special Levy will be billed by the County in the same manner and at the same time as general ad valorem property taxes and will appear as a separate item on the property tax bill for real property within the District as that property is identified on the tax roll on January 1 of each year in which the Annual Special Levy is in effect. As provided in the Act, the District has established foreclosure remedies which shall apply following nonpayment of the Annual Special Levy, which are referred to in the Notice of Imposition of Special Levy. Under those procedures, the Annual Special Levy is subject to foreclosure by the District beginning six months after written notice of delinquency is provided to the owner of the real property to which the delinquency applies. The lien of the Annual Special Levy includes delinquencies, penalties and interest thereon at a rate not to exceed the maximum legal rate of interest per year and penalties otherwise applicable.

**F. TERM**

Each Parcel of Developed Platted Property shall be subject to the Maximum Annual Special Levy until the later of (i) the date all Operating Expenses of the District are fully paid or repaid; or (ii) the date on which such Developed Platted Property has paid an Annual Special Levy for thirty (30) years.

## **G. EXEMPTIONS**

Property exempt from the Annual Special Levy consists of (i) Association Property and (ii) Public Property. The Annual Special Levy shall be imposed on all property identified by the County as being subject to the Disabled Veteran Exemption but, assuming the Disabled Veteran Exemption has been lawfully enacted by the New Mexico Legislature and the applicable disabled veteran property owner or the surviving spouse of the disabled veteran property owner is actually entitled to receive such exemption, the District shall not seek to collect the Annual Special Levy in such Fiscal Year.

## **H. PREPAYMENT**

The Maximum Annual Special Levy for the current and all remaining Fiscal Years through the final term of the Special Levy for any Parcel of Platted Property may be prepaid in full or in part and the obligation of the Parcel to pay that portion of the Maximum Annual Special Levy that has been prepaid will be permanently satisfied as described herein, provided that a prepayment may be made only if there are no outstanding delinquent Annual Special Levies with respect to such Parcel and all other Parcels under the same ownership at the time of prepayment. An owner of a Parcel intending to prepay the Maximum Annual Special Levy shall provide the District Board with written notice of intent to prepay and the amount of the Maximum Annual Special Levy to be prepaid. Within 30 days of receipt of such written notice, the District Board or its designee shall notify such owner of the prepayment amount for such Parcel and the date through which such prepayment shall be valid.

### **1. Full Prepayment**

A "Full Prepayment" means an amount equal to (a) the sum of (1) Prepaid Special Levy, (2) Prepaid Operating Expenses, and (3) Fees, where the terms "Prepaid Special Levy," "Prepaid Operating Expenses," and "Fees" have the following meanings:

**"Prepaid Special Levy"** equals the present value of the current and remaining Maximum Annual Special Levy upon the Parcel for which the prepayment is to be made excluding that portion of such Maximum Annual Special Levy required to pay current and estimated future Operating Expenses, as determined by the District Board or its designee. A Parcel of Platted Property which is not classified as Developed Platted Property shall be treated as Developed Platted Property for purposes of calculating the Full Prepayment and the Maximum Annual Special Levy for such Parcel for purposes of calculating the Full Prepayment shall be determined pursuant to Table 1. The present value shall be computed using as the discount rate the current yield on the Reimbursement Certificates; if the Maximum Annual Special Levy for the Parcel is pledged toward the repayment of multiple Reimbursement Certificates, then the average yield for such Reimbursement Certificates shall be employed. The yield on such Reimbursement Certificates shall be the

discount rate which, when used to determine the present value of the remaining payments on said Reimbursement Certificates, results in an amount equal to the outstanding principal amount of such Reimbursement Certificates.

**"Prepaid Operating Expenses"** equals the portion of the applicable Parcel's Prepaid Special Levy estimated to be needed to pay for current and future Operating Expenses, as determined by the District Board or its designee.

**"Fees"** equal the expenses of the District associated with the Prepayment as calculated by the District Board or its designee and include, but are not limited to, the costs of computing the Full Prepayment, the costs of amending any Annual Special Levy previously enrolled with the County, and the costs of recording and publishing any notices to evidence the prepayment of the Maximum Annual Special Levy.

The sum of the amounts calculated in the preceding steps shall be paid to the District and shall be used to (a) pay amounts pursuant to the Reimbursement Certificates, (b) pay Fees associated with the Full Prepayment, and (c) pay future Operating Expenses. Upon the receipt of the Full Prepayment by the District and the payment of any amounts required pursuant to the Development and Reimbursement Agreement, the obligation to pay the Maximum Annual Special Levy for such Parcel shall be deemed to be permanently satisfied, the Maximum Annual Special Levy shall not be levied thereafter on such Parcel, and the Administrator shall cause a notice of cancellation of the Maximum Annual Special Levy for such Parcel to be recorded.

Notwithstanding the foregoing, no Full Prepayment shall be allowed unless the amount of Maximum Annual Special Levies that may be collected after the proposed prepayment is at least the sum of the estimated annual Operating Expenses taking into consideration the Prepaid Operating Expenses.

## **I. AMENDMENTS**

Subject to the Development and Reimbursement Agreement, this Rate and Method of Apportionment of Special Levy may be amended pursuant to and to the extent permitted by the Act. The District Board may make clarifications with respect to this Rate and Method of Apportionment of Special Levy without further notice under the Act and without notice to owners of property within the District in order to (i) clarify or correct minor inconsistencies in the matters set forth herein, (ii) provide for lawful procedures for the collection and enforcement of the Annual Special Levy so as to ensure the efficient collection of the Annual Special Levy for the benefit of the owners of the Indebtedness and the District, respectively, and/or (iii) provide for such other changes that are within the parameters set forth in the City's public improvement district formation resolution forming the District. The District Board may amend this Rate and Method of Apportionment of Special Levy in connection with an amended Lomas Encantadas/Enchanted Hills Public Improvement District General Plan without further notice under the Act and without notice to owners of Platted Property and Undeveloped

Property in order to specify the amended Maximum Annual Special Levy for any Platted Property and Undeveloped Property that is the subject of the amended General Plan.

No amendment shall be approved by the District Board if it violates any other agreement binding upon the District and unless and until it has (i) found and determined that the amendment is necessary and appropriate and does not materially adversely affect the rights of the owners of any Reimbursement Certificates or the District Board has obtained the consent of one hundred percent (100.00%) of the owners of the Reimbursement Certificates and (ii) received an opinion from counsel to the effect that the amendment does not violate the Act, and is authorized pursuant to the terms of this Rate and Method of Apportionment of Special Levy and any other agreement binding upon the District.

**EXHIBIT A**

**LEGAL DESCRIPTION  
OF THE  
ENCHANTED HILLS PID PROJECT**

**LOMAS ENCANTADAS/ENCHANTED HILLS PID**

Tract lettered "A" of Enchanted Hills Unit 11A, as shown and designated on the plat entitled "Enchanted Hills Unit 11A, a Subdivision of Unplatted Property within Unit Twenty, within Sections 15 and 22, Township 13 North, Range 3 East, New Mexico Principal Meridian, City of Rio Rancho, Sandoval County, New Mexico", filed in the office of the County Clerk of Sandoval County, New Mexico, on January 30, 2004, in Vol. 3, Folio 2384B.

**EXHIBIT B**

**LEGAL DESCRIPTION  
OF THE  
LOMAS ENCANTADAS PID PROJECT**

**LOMAS ENCANTADAS/ENCHANTED HILLS PID**

Tracts Nine (9), Twelve (12), Thirteen (13), Fourteen (14) and Fifteen (15), LOMAS ENCANTADAS, as said tracts are shown and described on the plat entitled "LOMAS ENCANTADAS, TRACTS ONE (1) THRU TWENTY-ONE (21), A THRU D AND PARCELS A THRU J, A VACATION AND REPLAT OF PORTIONS OF UNIT TWENTY", and filed in the office of the County Clerk of Sandoval County, New Mexico on November 10, 2005, in Book No. 408, page 46844, as Document No. 200546844;

AND

Lots numbered One (1) thru Thirteen (13), in Block numbered One (1); Lots numbered One (1) thru Thirteen (13), in Block numbered Two (2); Lots numbered One (1) thru Eighteen (18), in Block numbered Three (3); and Parcel "A", LOMAS ENCANTADAS, UNIT 2-F, as shown and designated on the plat entitled, "LOMAS ENCANTADAS, UNIT 2-F, A SUBDIVISION AND REPLAT OF TRACTS AD AND 11A IN LOMAS ENCANTADAS WITHIN UNIT TWENTY, WITHIN SECTIONS 25 AND 26, T.13N., R.3E., N.M.P.M., SANDOVAL COUNTY, NEW MEXICO", filed in the office of the County Clerk of Sandoval County, New Mexico on April 16, 2008 in Plat Book 3, Folio 2912A;

AND

Tracts Sixteen-B (16B), LOMAS ENCANTADAS, as shown and designated on the plat entitled, "SUMMARY PLAT TRACT 16A AND 16B, A REPLAT OF TRACT 16 WITHIN LOMAS ENCANTADAS IN UNIT TWENTY, WITHIN SECTION 22, TOWNSHIP 13 NORTH, RANGE 3 EAST, NEW MEXICO PRINCIPAL MERIDIAN, CITY OF RIO RANCHO, SANDOVAL COUNTY, NEW MEXICO", filed in the office of the County Clerk of Sandoval County, New Mexico on February 7, 2011 in Plat Book 3, Folio 3296;

AND

Tract A and Lots One (1) through Four (4) in Block One (1) and Lots One (1) through Twenty-four (24) of Block Two (2) and Lots One (1) through Twenty-one (21) of Block Three (3) and Lots One (1) through Twenty-eight (28) of Block Four (4) and Lots One (1) through Six (6) of Block Five (5) of LOMAS ENCANTADAS UNIT 2-D as the same are shown and designated on the plat thereof entitled "LOMAS ENCANTADAS Unit 2-D, A SUBDIVISION OF TRACT 10 UNIT 20 WITHIN SECTION 26, T.13N., R.3E., N.M.P.M. CITY OF RIO RANCHO, SANDOVAL COUNTY, NEW MEXICO", and filed in the office of the County Clerk of Sandoval County, New Mexico on May 9, 2008, in Volume 3, Folio 2920-A (Rio Rancho Estates Plat Book 21, Page 68).

**EXHIBIT C**

**LEVY CLASSIFICATIONS**

**LOMAS ENCANTADAS/ENCHANTED HILLS PID**



**EXHIBIT D**

**CERTIFICATE TO AMEND EXHIBIT C  
OF THE  
RATE AND METHOD OF APPORTIONMENT OF SPECIAL LEVY**

**LOMAS ENCANTADAS/ENCHANTED HILLS PID**

**CERTIFICATE TO AMEND EXHIBIT C  
OF THE  
RATE AND METHOD OF APPORTIONMENT OF SPECIAL LEVY  
FOR LOMAS ENCANTADAS/ENCHANTED HILLS PID**

By execution hereof, the undersigned acknowledges, on behalf of the District Board of the PID approval of this certificate and modification of Exhibit C of the RMA as set forth in this certificate.

DISTRICT BOARD

By: \_\_\_\_\_  
Administrator Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

**AMENDED EXHIBIT C**

**AMENDED LEVY CLASSIFICATIONS**

**LOMAS ENCANTADAS/ENCHANTED HILLS PID**

**DATE:** \_\_\_\_\_

**LEGAL DESCRIPTION  
OF PROPERTY TO WHICH  
THE AMENDED EXHIBIT C APPLIES**

**LOMAS ENCANTADAS/ENCHANTED HILLS PID**

**EXHIBIT E**

**LOMAS ENCANTADAS/ENCHANTED HILLS  
PUBLIC IMPROVEMENT DISTRICT**

**FORM OF DISCLOSURE**

---

**STATEMENT AS TO DRAFT DISCLOSURE REGARDING DISTRICT SPECIAL LEVY**

---

LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT  
NOTICE OF IMPOSITION OF SPECIAL LEVY

NOTICE IS HEREBY GIVEN of the imposition of a special levy (“Special Levy”) by the Lomas Encantadas/Enchanted Hills Public Improvement District (the “District”) on the real property located within the District (more particularly described in the attached Exhibit A, which is hereby incorporated into and made a part of this Notice). Pursuant to NMSA 1978, § 5-11-20(C) (2013) the maximum annual amount of the Special Levy that may be imposed on each class of property in the District is identified in the Rate and Method of Apportionment of Special Levy (the “RMA”), which is attached hereto as Exhibit B and is hereby incorporated into and made a part of this Notice.

The Special Levy will be apportioned according to typical lot size and the anticipated maximum annual special levy per dwelling unit is not expected to exceed (i) \$1,779 per year for any residential property with less than two units per acre; (ii) \$1,674 per year for any residential property with two to four units per acre; (iii) \$1,617 per year for any residential property with four to six units per acre; (iv) \$910 per year for any lot within Lomas Encantadas Unit 2D; and (v) \$1,617 per year for any lot within the Enchanted Hills Subdivision of the District. The levy classification and corresponding maximum annual Special Levy amount applicable to each lot is shown on *Exhibit A* to the RMA.

In each year in which the Special Levy is imposed, the District will reapportion the Special Levy to the legal parcels established within the District and existing as of the time of reapportionment in accordance with the RMA. The Special Levy shall be imposed during each year in which notes, reimbursement agreements, bonds, and/or any other obligations of the District are outstanding (collectively the “District Obligations”) or as otherwise necessary to fund the Special Levy Requirement (as defined in the RMA), and the Special Levy will be allocated to real property within the District and the Annual Special Levy shall be collected from each Parcel of Developed Platted Property in equal percentages up to 100% of the applicable Maximum Annual Special Levy.

As provided in NMSA 1978, § 5-11-20(I) (2013), the Special Levy constitutes a lien on property located within the District, having a priority coequal to the lien of property taxes. The Special Levy shall be subject to foreclosure by the District at any time after six months following written notice of delinquency to the owner of the real property to which the delinquency applies. The lien shall include delinquencies, penalties and interest thereon at a rate not to exceed the maximum legal rate of interest per year and penalties otherwise applicable.

Pursuant to NMSA 1978, § 5-11-23.F (2001) and NMSA 1978, § 5-11-20.I (2013) and Section 4.P of City of Rio Rancho City Council Bill No. \_\_\_\_\_, City Resolution Enactment No. \_\_\_\_\_ adopted on \_\_\_\_\_, the District has established the following foreclosure and redemption procedures (as set forth in paragraphs (i) through (ix) below) for delinquent Special Levies (collectively the “Foreclosure Procedure”):

(i) The District may institute foreclosure proceedings against a delinquent special levy after six months following written notice of the delinquency to the owner of the real property to which the delinquency applies. Delinquencies shall be determined as follows:

- a. On or before December 15 and May 15 of each year in which the Special Levy is in effect, the District Treasurer shall review the public records of Sandoval County relating to the collection of the District Special Levy in order to identify the real property to which any District Special Levy delinquency applies.
- b. Within 60 days after identifying delinquencies in payment of the District Special Levy in each year in which the District Special Levy is in effect, the District shall provide written notice of delinquency (“Notice”) to the owner of any parcel determined to be delinquent, which Notice shall state (1) the amount of the delinquency as of the date of the Notice, (2) that the delinquency, including applicable interest and penalties, must be cured within 180 days following the date of the Notice (the “Notice Date”), and (3) if the delinquency is not cured within that 180-day period, the District or its designee shall have the power to commence foreclosure proceedings with respect to the real property to which the delinquency applies.
- c. Not earlier than 15 days after the expiration of the 180-day period provided in a Notice, the District shall have the power to institute foreclosure proceedings with respect to all parcels or tracts for which a Notice has been provided.

(ii) Any delinquent District Special Levy shall be foreclosed in the manner provided by law for the foreclosure of mortgages on real estate.

(iii) In any action seeking the foreclosure of a special levy lien after special levy financing has been issued, if there is no other purchaser for the tract of land having a delinquent District Special Levy, the District or the trustee of the funds from which the special levy financing are to be paid,

may:

- a. Purchase the tract or parcel sold at the foreclosure sale; and
- b. Bid, in lieu of cash, the amount of the special levy, interest, penalties, attorneys' fees, and costs found by the court to be due and payable under the District board of directors' resolution and associated notice documents filed for record in the Sandoval County Clerk's Office, Sandoval County, New Mexico, creating the lien and any cost taxed by the court in the foreclosure proceedings against the property ordered sold.
- c. Upon the purchase of the tract or parcel, title to the tract or parcel of land, subject to the right of redemption provided by paragraph (vi) of this section, vests in the trustee of the fund from which the special levy financing is payable.

(iv) No real property shall be sold to satisfy a delinquent assessment until at least fifteen days after the date of the order, judgment or decree of the court, within which time the owner of the tract or parcel of land may pay off the decree and avoid the sale.

(v) After the expiration of the fifteen-day period, the property may be sold at a public or private sale subject to the right of redemption.

(vi) Any property sold under any order, judgment, or decree of court to satisfy the special levy lien may be redeemed at any time within one year, pursuant to NMSA § 3-33-30, or as otherwise provided by statute, of the date of sale by the owner or mortgage holder or other person having an interest, or their assigns, by repaying to the purchaser or his assign the amount paid plus interest at the maximum amount of judgment interest allowed by New Mexico law from the date of purchase until paid in full. The proceeds of the sale of the foreclosed tract or parcel of land at either a public or private sale shall be applied as follows:

- a. First, to the payment of costs in giving notice of the sale and of conducting the sale;
- b. Second, to costs and fees taxed against the tract or parcel of land in the foreclosure proceedings;
- c. Third, on a pro rata basis, to the indebtedness claimed under the special levy lien and any other lien on the property that has a priority coequal to the special levy lien;
- d. Fourth, after all costs, liens, assessments, and taxes are paid, to the former owner, mortgage holder or other parties having an interest in the tract or parcel, upon the foregoing person's providing satisfactory proof to the court of the interest and upon approval of the court.

(vii) Receipts for the satisfaction of the indebtedness claimed under the special levy lien shall be paid into the proper District fund for payment of the District Financing, as well as costs of collection and other administrative expenses of the District.

(viii) No public rights of way or public property shall be subject to foreclosure pursuant to this Agreement.

Executed this \_\_\_ day of \_\_\_\_\_, 2016, at Rio Rancho, New Mexico.

LOMAS ENCANTADAS/ENCHANTED HILLS  
PUBLIC IMPROVEMENT DISTRICT

By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF NEW MEXICO        )  
  )        ss.  
COUNTY OF SANDOVAL        )

This instrument was acknowledged before me on the \_\_\_ day of \_\_\_\_\_, 2016,  
by \_\_\_\_\_, as \_\_\_\_\_ of the Lomas Encantadas/Enchanted  
Hills Public Improvement District.

\_\_\_\_\_  
Notary Public

(Seal)

My commission expires: \_\_\_\_\_

---

**EXHIBIT A**  
**LOMAS ENCANTADAS/ENCHANTED HILLS PUBLIC IMPROVEMENT DISTRICT –**  
**LEGAL DESCRIPTION AND BOUNDARY MAP**

---

Tracts Nine (9), Twelve (12), Thirteen (13), Fourteen (14) and Fifteen (15), LOMAS ENCANTADAS, as said tracts are shown and described on the plat entitled "LOMAS ENCANTADAS, TRACTS ONE (1) THRU TWENTY-ONE (21), A THRU D AND PARCELS A THRU J, A VACATION AND REPLAT OF PORTIONS OF UNIT TWENTY", and filed in the office of the County Clerk of Sandoval County, New Mexico on November 10, 2005, in Book No. 408, page 46844, as Document No. 200546844;

AND

Lots numbered One (1) thru Thirteen (13), in Block numbered One (1); Lots numbered One (1) thru Thirteen (13), in Block numbered Two (2); Lots numbered One (1) thru Eighteen (18), in Block numbered Three (3); and Parcel "A", LOMAS ENCANTADAS, UNIT 2-F, as shown and designated on the plat entitled, "LOMAS ENCANTADAS, UNIT 2-F, A SUBDIVISION AND REPLAT OF TRACTS AD AND 11A IN LOMAS ENCANTADAS WITHIN UNIT TWENTY, WITHIN SECTIONS 25 AND 26, T.13N., R.3E., N.M.P.M., SANDOVAL COUNTY, NEW MEXICO", filed in the office of the County Clerk of Sandoval County, New Mexico on April 16, 2008 in Plat Book 3, Folio 2912A;

AND

Tracts Sixteen-B (16B), LOMAS ENCANTADAS, as shown and designated on the plat entitled, "SUMMARY PLAT TRACT 16A AND 16B, A REPLAT OF TRACT 16 WITHIN LOMAS ENCANTADAS IN UNIT TWENTY, WITHIN SECTION 22, TOWNSHIP 13 NORTH, RANGE 3 EAST, NEW MEXICO PRINCIPAL MERIDIAN, CITY OF RIO RANCHO, SANDOVAL COUNTY, NEW MEXICO", filed in the office of the County Clerk of Sandoval County, New Mexico on February 7, 2011 in Plat Book 3, Folio 3296;

AND

Tract A and Lots One (1) through Four (4) in Block One (1) and Lots One (1) through Twenty-four (24) of Block Two (2) and Lots One (1) through Twenty-one (21) of Block Three (3) and Lots One (1) through Twenty-eight (28) of Block Four (4) and Lots One (1) through Six (6) of Block Five (5) of LOMAS ENCANTADAS UNIT 2-D as the same are shown and designated on the plat thereof entitled "LOMAS ENCANTADAS Unit 2-D, A SUBDIVISION OF TRACT 10 UNIT 20 WITHIN SECTION 26, T.13N., R.3E., N.M.P.M. CITY OF RIO RANCHO, SANDOVAL COUNTY, NEW MEXICO", and filed in the office of the County Clerk of Sandoval County, New Mexico on May 9, 2008, in Volume 3, Folio 2920-A (Rio Rancho Estates Plat Book 21, Page 68);

AND

Tract lettered "A" of Enchanted Hills Unit 11A, as shown and designated on the plat entitled

"Enchanted Hills Unit 11A, a Subdivision of Unplatted Property within Unit Twenty, within Sections 15 and 22, Township 13 North, Range 3 East, New Mexico Principal Meridian, City of Rio Rancho, Sandoval County, New Mexico", filed in the office of the County Clerk of Sandoval County, New Mexico, on January 30, 2004, in Vol. 3, Folio 2384B.

[Lomas Encantadas/Enchanted Hills Public Improvement District Boundary Map follows]

---

**EXHIBIT B**  
**RATE AND METHOD OF APPORTIONMENT OF SPECIAL LEVY**

---