

**INFRASTRUCTURE ACQUISITION AND REIMBURSEMENT AGREEMENT
ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT**

This Agreement is entered into as of this 2nd day of December, 2009, by and between **Alpine Mountain Ranch Metropolitan District**, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District**”), whose address is Post Office Box 773659, Steamboat Springs, Colorado 80477 and **Alpine Mountain Ranch at Steamboat Springs, LLLP**, a Colorado limited liability limited partnership (“**Developer**”), whose address is 710 West Lionshead Circle, Unit B, Vail, Colorado 81657.

RECITALS

WHEREAS, a Service Plan, as may be amended from time to time, has been prepared for the District pursuant to Part 2, Article 1, Title 32, C.R.S. (the “**Service Plan**”) for the Alpine Mountain Ranch Project and approved by Routt County (the “**County**”), and has received all required governmental approvals; and

WHEREAS, the District was formed for the purpose of providing streets, parks and trails, recreation, weed control, pasture and forest management, drainage, water, security and covenant enforcement improvements and facilities, within and without the boundaries of the District generally described in Exhibit B attached hereto (the “**Public Infrastructure**”), in accordance with the Service Plan; and

WHEREAS, in accordance with the Service Plan, the District will be responsible for producing property tax and other revenue sufficient to pay all costs of the design, engineering, acquisition, construction, installation and completion of the Public Infrastructure and the related costs of capital management, operations and administration of the District (collectively, the “**District Costs**”); and

WHEREAS, in accordance with § 32-1-1001(1)(f), C.R.S., the District has the power to acquire real and personal property, including rights and interests in property and easements necessary to its functions or operations; and

WHEREAS, at the organizational election of the qualified electors of the District held on November 7, 2006, in accordance with law, a majority of those qualified to vote and voting at such election voted in favor of the District incurring indebtedness to fund the District Costs as permitted in the Service Plan, and specifically approved this cost recovery arrangement; and

WHEREAS, Developer is the owner of, and/or desires to develop, certain property to be served by the District which is described in Exhibit A attached hereto and incorporated herein (the “**Property**”), desires to see the construction of the Public Infrastructure both in and out of the District completed as quickly as possible; and

WHEREAS, it is necessary and useful for the work to begin immediately on the Public Infrastructure, which the District is authorized to furnish and which is necessary for the development of the Property; and

WHEREAS, certain District Costs have been incurred by Developer on behalf of District, and certain advances are anticipated to be made by Developer to pay District Costs, and the District desires to acknowledge such prior advances, to receive such future advances, and to formalize its intent to repay these and related costs over a long-term period; and

WHEREAS, such advances of funds by Developer to pay the District Costs benefits the community, is in the public interest and contributes to the health, safety and welfare of the residents and taxpayers of the District, and to the citizens of the State of Colorado (the "State").

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and sufficient consideration, the parties agree to the terms discussed hereinafter.

COVENANTS AND AGREEMENTS

1. **Public Infrastructure Work.** To the extent that Developer undertakes to perform, construct or install any portion of the Public Infrastructure described herein, the work must be performed and completed under the following conditions.

(a) Any Public Infrastructure work must conform to the requirements, standards and specifications of all public and/or private agencies to which the Public Infrastructure may be or are required to be dedicated or conveyed, including without limitation the County, or the Colorado Department of Transportation ("**CDOT**"), in addition to any standards or requirements adopted by the District or other authorizing entity. At its discretion and request, the District may require Developer to arrange for the work to be inspected by the District's engineers so that such engineers will be able to advise and certify to the District that all work was performed to such engineers' satisfaction and in compliance with the applicable drawings, standards and specifications.

(b) Any Public Infrastructure dedicated or conveyed to the District, the County, CDOT or any other party shall be by satisfactory bill of sale and/or deed, upon receipt of the District's Certification of Acceptance, and shall be accompanied by unencumbered easements and/or rights-of-way necessary for the convenient repair, replacement or maintenance of the Public Infrastructure and in conformance with the requirements of any jurisdiction, public or private entity or agency to which

the District may dedicate or convey the Public Infrastructure. The easements and rights-of-way shall also conform to the requirements of the District's engineers.

(c) The Developer shall provide the District (or at the direction of the District, the County, CDOT or any other party) with a Certification of Costs executed by a licensed professional engineer, certifying the total costs of the Public Infrastructure and the construction to District standards, together with supporting invoices and other documentation as may be required, including without limitation lien waivers. The Developer shall also provide the District (or at the direction of the District, the County, CDOT or any other party) with signed "as-builts" or a Certification of Location executed by a licensed professional engineer, certifying the location of the Public Infrastructure, together with supporting map and other documentation as may be required.

(d) As a precondition to the conveyance, dedication or other transfer of any Public Infrastructure to the District, the County, CDOT or any other party, the Developer shall provide the District (or such other party, as applicable) with a guarantee to secure performance of warranty obligations against defects in materials, workmanship, construction and installation of the facilities or improvements, all for at least a one-year period; provided, however, that such warranty requirement shall not apply to any improvements for which the Developer satisfies all the requirements of the entity to which the improvement will ultimately be conveyed or dedicated if such entity agrees to take title and to release the District from any ongoing responsibility.

2. **Reimbursement of Costs.** The Developer shall be eligible for reimbursement of all District Costs the Developer has incurred and for future advances made by the Developer for District Costs. Reimbursement shall be paid in accordance with the terms and conditions of this Section.

(a) The total amount of reimbursement payable (i) shall not exceed 100% of the actual costs incurred by Developer, plus interest at the then current market rate, not to exceed the amount of 12% per annum from the date conveyance of Public Infrastructure to the District is tendered, as provided in Section IV.B of the Service Plan and (ii) shall be reduced by the amount of reimbursements, if any, received by the Developer from any other party. The Developer shall provide documentation satisfactory to District of direct costs incurred and a summary of such costs. Said summary of costs shall be categorized by fund and type of improvements for which the costs were incurred. When accepted by the District, said summary shall be attached to and made a part of this Agreement, may be

amended from time to time, and will constitute the cumulative total amount eligible for reimbursement.

(b) The District shall issue a Limited Tax Note payable to Developer for an amount no greater than the actual costs incurred by the Developer, plus interest from the date conveyance of Public Infrastructure to the District is transferred. Such Limited Tax Note shall be substantially in the form set forth in Exhibit C (the "Note") attached hereto and incorporated herein by this reference, and may be amended from time to time as Certifications of Cost are submitted to and approved by the District.

(c) Reimbursement shall be made at such times and in such amounts as the District has funds available for distribution. Reimbursement shall be made from cash flows of the District obtained through reasonable rates, tolls, fees, penalties and charges, and bond proceeds.

(d) The District's obligation to reimburse the Developer under the Note shall be contingent solely upon (i) the District's ability to pay, and (ii) to the extent required by law.

(e) The District's obligation to repay the Developer for any District Costs paid by the Developer pursuant to the terms of this Agreement shall end on the earlier of (i) the date all such amounts have been paid in full together with interest as stipulated herein or (ii) 40 years from the date of the Note, at which time all obligations hereunder shall be cancelled and discharged.

(f) The District's obligations under this Agreement or any Promissory Note shall be subordinate to any debt, bonds or other financial obligations that the District issues to any third party at any time.

(g) The District shall account for the funds advanced pursuant to this Agreement and shall classify District Costs by nature of use between capital and operating expenditures.

3. **Source of Payment.** The District shall pay the costs payable to the Developer hereunder from any source lawfully available to the District for such purpose, including without limitation the net proceeds of the issuance of limited tax general obligation bonds or other indebtedness of the District and Pledged Revenues. "Pledged Revenues" are (a) the net revenues collected by the District by the imposition of a debt service mill levy of not more than 50 mills upon the taxable property within the District and (b) any other legally available moneys of the District appropriated by the Board. Notwithstanding the foregoing, the District's payment to the Developer hereunder shall

be subject to annual appropriation by the Board, based upon the availability of funds. The parties hereto acknowledge and agree that in no event shall the District's obligations hereunder comprise a debt or other multiple-fiscal year obligation of the District within the meaning of Article X, Section 20 of the Colorado Constitution.

4. **Purchase of Completed Infrastructure Improvements.** Within 30 days after any phase or phases of completed Public Infrastructure by the Developer (i) to the satisfaction of the District's engineers and receipt of (a) "as built" drawings and approvals of the respective jurisdictions accepting dedication of such Public Infrastructure, (b) the required warranties from the Developer, and (c) sufficient funds for payment pursuant to the terms and conditions described in this Agreement, and (ii) subject to the requirements of this Agreement, including without limitation Section 1 above, the District may purchase such Public Infrastructure in exchange for a Promissory Note as provided in Section 2(b) above, including all easements and other necessary facilities, as described in this Agreement, for an amount which the Board has determined to be fair and reasonable for the Public Infrastructure, but not to exceed the certified actual construction costs (which includes design, engineering, environmental engineering, survey engineering, construction management, and other "soft" costs) of such improvements; provided, however, that the total amount to be paid by the District hereunder shall be in accordance with the Service Plan, the authorization of the District's voters and all other applicable laws.

5. **Indemnification.** The Developer hereby agrees to indemnify and save harmless the District and each of its directors from and against any and all claims, demands, losses, liabilities, actions, lawsuits, mechanic's liens and expenses (including reasonable attorneys' fees), to the extent they arise out of the wrongful or negligent acts or omissions of the Developer or any of its agents, employees, contractors or subcontractors, in connection with the construction of the Public Infrastructure or conveyance thereof to the District or other entity pursuant to this Agreement.

6. **Waiver of Conditions.** The District, at its sole option, may waive any of the conditions set forth in Section 1 hereof by written notification to the Developer, provided, however, that such waiver shall not constitute a general waiver of all conditions, nor shall any such waiver prevent the District from enforcing other conditions of the Developer required hereunder.

7. **Integrated Agreement and Amendments.** This Agreement and any special terms and conditions described herein or appended hereto as contemplated by this Agreement (including without limitation the materials described in Section 2(a)), constitute the entire, integrated agreement of the parties hereto. This Agreement, and each and every of its terms and conditions, may be added to or amended only by the mutual written agreement of the parties hereto, which agreement shall be executed with the same formalities as this Agreement shall have been executed. Special terms and conditions, if any, which are agreed upon by the parties hereto at the time this Agreement

is executed shall be reduced to writing in accordance with this Section and appended to this Agreement.

8. **Notice.** Any notices, demands, or other communications required or permitted to be given in writing hereunder shall be delivered personally or sent by registered mail, postage prepaid, return receipt requested, addressed to the parties at the addresses set forth above, or at such other address as either party may hereafter or from time to time designate by written notice to the other parties given in accordance herewith. Notice shall be considered given when personally delivered or mailed and shall be considered received by the party to whom it is addressed on the third day after such notice is given.

9. **Assignment.** This Agreement, and each and every of its rights and obligations, may be assigned by either party upon prior written consent of the other party. Such consent, in either case, shall not be unreasonably withheld. The Note shall be non-transferable, except to a person or entity (a "Developer") which the District reasonably believes is engaged, either alone or with others, in the business of developing or improving property in the District for use, sale, lease or transfer to others. In addition, upon filing a proper exemption from registration with the Colorado Division of Securities, the Note may be transferred to a third party.

10. **Severability.** If any clause(s) or provision(s) of this Agreement shall be adjudged to be invalid and unenforceable by a court of competent jurisdiction or by operation of any law, such clause(s) or provision(s) shall not affect the validity of this Agreement as a whole, or of the remaining clauses and provisions.

11. **Enforcement.** This Agreement shall inure to the mutual benefit of the parties hereto, their respective heirs, successors and permitted assigns as set forth in Section 9 hereof, and shall be enforceable according to its terms and conditions under the laws of the State. In this regard, the parties hereto agree that this Agreement may be enforced in law or in equity, by decree of specific performance or damages, or pursuant to such other legal and/or equitable relief as may be available under the laws of the State.

12. **Survival of Obligations.** The provisions of this Agreement shall be deemed to survive the transfer of the facilities which are the subject of this Agreement, and shall be binding upon and inure to the benefit of the successors, transferees and assigns of the parties hereto.

13. **Counterpart Execution.** This Agreement may be executed in counterparts, and the authorized signatures of any party affixed to a counterpart signature shall be deemed to constitute execution of the original Agreement.

14. **Supplemental Public Securities Act.** This Agreement and the obligations created hereunder and represented by the Note shall be governed by all of the provisions

of the Colorado Supplemental Public Securities Act (Part 2, Article 57, Title 11, C.R.S.). Pursuant to such law, the Note shall contain a recital to such effect, which shall be conclusive evidence of the validity and regularity of the Note's issuance.

15. **No Waiver of Immunity.** Notwithstanding any provision in this Agreement to the contrary, the District does not waive the monetary limitations or any other defenses, immunities and protections provided by the Colorado Governmental Immunity Act (Article 1, Title 24, C.R.S.). The amount of any indemnification payable by the District shall not exceed such monetary limitations.

SELLER:
ALPINE MOUNTAIN RANCH AT STEAMBOAT
SPRINGS, LLLP

BY: STEAMBOAT ALPINE DEVELOPMENT, LLC
ITS: GENERAL PARTNER

*By *W. M. Butler*
Title *Managing Member*

STATE OF *Kentucky*)
~~COLORADO~~)
COUNTY OF *Kenton*) ss.

Subscribed and sworn to before me this *14th* day of *December*, 2009.

Witness my hand and official seal.

My commission expires: *11/1/11*
Therese L. Lusby
Notary Public

[Signature Page – Infrastructure Acquisition and Reimbursement Agreement]



EXHIBIT A
PROPERTY DESCRIPTION

File No. TNS0000183

ALPINE MOUNTAIN RANCH

A PARCEL OF LAND LOCATED IN THE S1/2SW1/4, NE1/4SW1/4, SE1/4NW1/4, S1/2NE1/4, SE1/4, NE1/4NE1/4 OF SECTION 34, NW1/4, W1/2SW1/4, N1/2NE1/4SW1/4 OF SECTION 35, S1/2SW1/4SW1/4 OF SECTION 26, TOWNSHIP 6 NORTH, RANGE 84 WEST OF THE 6TH P.M., AND IN LOT 4 AND THE S1/2NW1/4 OF SECTION 2, LOTS 1 THRU 4, S1/2NE1/4 AND THE S1/2NW1/4 OF SECTION 3, TOWNSHIP 5 NORTH, RANGE 84 WEST OF THE 6TH P.M.

PARCEL A:

A parcel of land located in the S1/2SW1/4, NE1/4SW1/4, SE1/4NW1/4, S1/2NE1/4, SE1/4, NE1/4NE1/4 of Section 34, NW1/4, W1/2SW1/4, N1/2NE1/4SW1/4 of Section 35, S1/2SW1/4SW1/4 of Section 26, Township 6 North, Range 84 West of the 6th P.M., and in Lot 4 and the S1/2NW1/4 of Section 2, Lots 1 thru 4, S1/2NE1/4 and the S1/2NW1/4 of Section 3, Township 5 North, Range 84 West of the 6th P.M.
BEGINNING at the NW corner of Section 3;
Thence S 00°12'23" W, 2465.57 feet along the west line of Lot 4 and the west line of the SW1/4NW1/4 of Section 3 to a curve on the easterly boundary line of US Highway No. 40 from which the radius point bears S 74°18'17" W, 1970.00 feet. Said easterly boundary line being as described by deed as filed in Book 243 at Page 122;
Thence along said easterly boundary line along said curve to the right a distance of 548.40 feet, with a central angle of 15°56'59", and whose chord bears S 07°43'14" E, 546.63 feet;
Thence S 00°14'53" W, 7.27 feet along said easterly boundary line to a north boundary line of US Highway No. 40 as described by deed recorded in Book 176 at Page 162;
Thence S 89°05'37" E, 1.58 feet along said north boundary line;
Thence S 00°54'23" W, 137.31 feet along an east boundary line of said US Highway No. 40 (Book 176 at Page 162) to its intersection with an east boundary line for US Highway No. 40 as described by deed as filed in Book 243 at Page 122;
Thence S 00°14'53" W, 239.34 feet along said east boundary line to the north line of a tract of land as described by deed recorded in Book 43 at Page 295;
Thence S 88°58'49" E, 1237.67 feet along said north line to the NE corner of said tract of land;
Thence S 00°06'55" W, 33.00 feet along the east line of said tract of land to the SE corner of said tract and to the south line of the NW1/4 of Section 3;
Thence S 88°58'49" E, 3939.21 feet along said south line and along the south line of the NE1/4 of said Section 3 to the W1/4 corner of Section 2;
Thence S 89°38'58" E, 2612.56 feet along the south line of the S1/2NW1/4 of Section 2 to the center of said Section 2;
Thence N 00°01'42" W, 1316.28 feet along the east line of the SE1/4NW1/4 to the NE corner of said SE1/4NW1/4. Said corner being also the SE corner of Lot 6 of said Section 2;
Thence N 89°32'43" W, 1304.16 feet along the north line of said SE1/4NW1/4 and along the south line of said Lot 6 to the SE corner of Lot 4 of said Section 2;
Thence N 00°03'52" E, 2416.85 feet along the east line of said Lot 4 to the NE corner of said Lot 4;
Thence N 01°02'33" E, 1319.05 feet along the east line of the SW1/4SW1/4 of Section 35, Township 6 North, Range 84 West to the NE corner of said SW1/4SW1/4;
Thence N 01°02'33" E, 659.53 feet along the east line of the S1/2NW1/4SW1/4 to the NE corner of said S1/2NW1/4SW1/4;
Thence S 89°11'10" E 1316.98 feet along the south line of the N1/2NE1/4SW1/4 to the SE corner of said N1/2NE1/4SW1/4;

Thence N 00°57'42" E, 652.29 feet along the east line of said N1/2NE1/4SW1/4 to the center of said Section 35;
 Thence N 00°57'42" E, 2609.15 feet along the east line of the NW1/4 of said Section 35 to the N1/4 corner of said Section 35;
 Thence N 87°36'25" W, 1312.74 feet along the north line of the NE1/4NW1/4 of said Section 35 to the SE corner of the S1/2SW1/4SW1/4 of Section 26;
 Thence N 00°53'56" E, 670.13 feet along the east line of said S1/2SW1/4SW1/4 to the NE corner of said S1/2SW1/4SW1/4;
 Thence N 87°08'41" W, 1312.10 feet along the north line of said S1/2SW1/4SW1/4 to the NW corner of said S1/2SW1/4SW1/4;
 Thence S 00°58'47" W, 680.69 feet along the west line of said S1/2SW1/4SW1/4 to the NE corner of Section 34;
 Thence S 87°04'30" W, 1351.32 feet along the north line of the NE1/4NE1/4 of said Section 34 to the NW corner of said NE1/4NE1/4;
 Thence S 00°40'12" W, 1329.15 feet along the west line of said NE1/4NE1/4 to the SW corner of said NE1/4NE1/4;
 Thence S 87°36'50" W, 1320.75 feet along the north line of the SW1/4NE1/4 to the NW corner of said SW1/4NE1/4;
 Thence S 87°37'05" W, 1067.18 feet along the north line of the SE1/4NW1/4 to the NE corner of Priest Creek Ranch, a subdivision as filed by plat appearing at File No. 12446;
 Thence along the easterly boundary line of said Priest Creek Ranch the following four (4) calls:

1. Thence S 00°36'02" W, 1443.24 feet;
2. Thence N 89°25'33" E, 149.67 feet;
3. Thence S 08°45'39" E, 686.42 feet;
4. Thence S 17°28'04" W, 957.24 feet to the north line of Drea Exemption, a subdivision as filed by plat appearing at File No. 11085;

Thence N 87°43'12" E, 728.76 feet along said north line to the NE corner of said Drea Exemption;
 Thence S 00°22'09" W, 950.00 feet along the east line of said Drea Exemption to the SE corner of said Drea Exemption;
 Thence S 87°43'12" W, 950.00 feet along the south line said Drea Exemption to the SW corner of said Drea Exemption. Said corner being also the SE corner of the above said Priest Creek Ranch;
 Thence along the southerly boundary line of said Priest Creek Ranch the following seven (7) calls:

1. Thence S 88°31'07" W, 327.77 feet;
2. Thence S 88°31'07" W, 171.78 feet;
3. Thence S 02°43'11" E, 228.15 feet;
4. Thence S 88°26'42" W, 343.87 feet;
5. Thence N 00°01'02" W, 238.46 feet;
6. Thence N 89°52'01" W, 81.08 feet;
7. Thence S 84°24'28" W, 395.76 feet to the Point of Beginning.

EXCEPT that certain 30.0 foot wide lane for a right-of-way for a road as described by deed recorded in Book 167 at Page 567.

Bearings are based upon the monumented south line of the SE1/4 of Section 33, Township 6 North, Range 84 West being N 87°46'11" E. Said monuments being a 2 1/2 inch

File No. TNSS0000183

aluminum pipe with a 3 1/4 inch aluminum cap affixed and stamped LS 23521 set at the S1/4 corner, Section 33 and a 2 inch aluminum pipe with a 3 1/4 inch aluminum cap affixed and stamped LS 13221 for the SE corner of Section 33.

County of Routt, State of Colorado

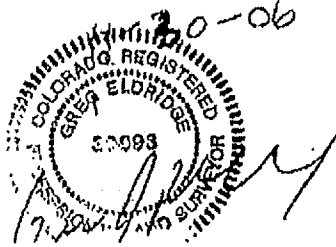


EXHIBIT B
DESCRIPTION OF PUBLIC INFRASTRUCTURE

ALPINE MOUNTAIN RANCH
Summary of Opinion of Probable District Construction Costs

Project Improvements	Probable District Total Construction Costs	Probable District Water System Costs	Probable District Street and Drainage System Costs
General Conditions	\$ 807,500	161,976	466,925
Internal roads system improvements	\$ 4,121,906		4,121,906
US40 Highway Access Improvements	\$ 788,462		788,462
CR24 Improvements	\$ 529,870		529,870
Water distribution, pumping, and storage	\$ 1,838,057	1,838,057	
Raw water supply system	\$ 147,595	147,595	
Miscellaneous	\$ 628,203		628,203
Water Treatment and Supply	\$ 547,525	547,525	
Bridge	\$ 521,566		521,566
Contingency Lots - North of Priest Creek	\$ 789,870		789,870
Contingency Lots - East Slope	\$ 303,798		303,798
Barn Driveway and Site Grading	\$ 79,695		79,695
Additional Owner Costs	\$ 180,350	45,080	135,270
Summary of Probable Construction Costs	\$ 10,782,126	\$ 2,430,142	\$ 8,331,984

EXHIBIT C

Form of Limited Tax Note

LIMITED TAX NOTE

THIS NOTE HAS BEEN ISSUED AND DELIVERED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR OTHER FEDERAL OR STATE SECURITIES LAWS, IN RELIANCE UPON THE AVAILABILITY OF AN APPROPRIATE EXEMPTION FROM REGISTRATION OTHERWISE REQUIRED. THIS NOTE SHALL NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED, INCLUDING THE SALE OF A PARTICIPATION INTEREST HEREIN, WHETHER OR NOT FOR CONSIDERATION, BY THE REGISTERED HOLDER; EXCEPT TO A PERSON OR ENTITY (OR, WITH THE PROPER FILING OF AN EXEMPTION FROM REGISTRATION WITH THE COLORADO DIVISION OF SECURITIES, ITS LENDER) WHICH THE DISTRICT REASONABLY BELIEVES IS ENGAGED, EITHER ALONE OR WITH OTHERS, IN THE BUSINESS OF DEVELOPING OR IMPROVING PROPERTY IN THE DISTRICT FOR USE, SALE, LEASE OR TRANSFER TO OTHERS.

Date: _____, 20__

REGISTERED HOLDER: ALPINE MOUNTAIN RANCH AT STEAMBOAT SPRINGS, LLLP, a Colorado limited liability limited partnership

PRINCIPAL SUM: \$ _____

ANNUAL INTEREST RATE: ____%

MATURITY DATE: _____, 20__ [40 years from the dated date of the Note]

**UNITED STATES OF AMERICA
STATE OF COLORADO**

**ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT
ROUTT COUNTY, COLORADO
LIMITED TAX NOTE
SERIES 20__**

ALPINE MOUNTAIN RANCH METROPOLITAN DISTRICT (the "District"), a quasi-municipal corporation and political subdivision of the State of Colorado, for value

received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the Registered Holder (also referred to herein as the “Developer”), to the extent that sufficient funds become available for such purpose, but in all events such reimbursement obligation shall be limited only to Pledged Revenues (as defined herein), but no later than the Maturity Date set forth above, unless this Note shall have been called for prepayment in whole or in part and payment of the prepayment price shall have been duly made or provided for, upon surrender hereof, the Principal Sum noted above and to pay to the Registered Holder (but only out of Pledged Revenues) interest on the unpaid Principal Sum hereof outstanding from time to time, from the date hereof until all advances and interest accrued thereon have been discharged, at the Interest Rate noted above, such interest to be payable from Pledged Revenues not less than annually on December 15 of each year commencing on the first such Interest Payment Date after the date hereof. Interest shall be computed on the basis of a year of 360 days and actual days elapsed (including the first day but excluding the last day of such period).

The Pledged Revenues are: (a) the net revenues collected by the District by the imposition of a debt service mill levy of not more than 50 mills upon the taxable property within the District and (b) any other legally available moneys of the District appropriated by the Board.

In any case where the date of maturity of interest on or principal of this Note or the date fixed for prepayment hereof shall be a Saturday or Sunday, a legal holiday or a day on which banking institutions in Denver, Colorado are authorized or required by law to close, then payment of interest or principal or prepayment price shall be made on the immediately following business day with the same force and effect as if made on the date of maturity or the date fixed for prepayment.

The District shall duly note on the Schedule hereto all payments of principal made hereon.

This Note is subject to prepayment without penalty prior to maturity at the option of the District and upon not less than 10 days prior written notice to the Registered Holder, in whole or in part but if in part, on any date after the date of delivery hereof, any such prepayment to be made from moneys available for such purpose, any such prepayment to be made at the optional prepayment price equal to 100% of the principal amount thereof being prepaid, plus interest accrued thereon to the date of prepayment, but without premium.

This Note is executed pursuant to and is secured by the “**Infrastructure Acquisition and Reimbursement Agreement – Alpine Ranch Metropolitan District**” between the District and Alpine Mountain Ranch at Steamboat Springs, LLLP, a Colorado limited liability limited partnership, dated as of _____, 200__, to fund certain advances thereunder. This Note is payable solely from the Pledged Revenues and any bonds that may be issued, and there shall be no other recourse against the District or

any other property now or hereafter owned by it. The repayment obligations evidenced by this Note were authorized by electors of the District at a public election held on November 7, 2006 and are subject to the terms of the District's Service Plan dated June 2006, approved by Routt County, Colorado (the "County"), as amended or supplemented. No mortgage or other lien on any property of the District will be granted for the benefit of this Note. A failure to make a payment of principal of or interest on this Note shall not cause or permit acceleration hereof or entitle the Registered Holder to pursue any remedies, but this Note shall continue to bear interest at the rate specified therefor, without interest on accrued but unpaid interest. **Any amounts of principal and interest remaining unpaid on this Note on the Maturity Date shall be cancelled and discharged.**

This Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Colorado and a resolution duly adopted by the District. All issues arising hereunder shall be governed by the laws of Colorado.

This Note is issued pursuant to all of the provisions of the Supplemental Public Securities Act, Section, Part 2, Article 57, Title 11, C.R.S., as amended.

THIS NOTE SHALL NOT BE A GENERAL OBLIGATION OF THE DISTRICT AND SHALL BE A SPECIAL, LIMITED OBLIGATION PAYABLE SOLELY FROM PLEDGED REVENUES AND BOND PROCEEDS, AND NEITHER THE NOTE, THE INTEREST OR PREMIUM THEREON, NOR COSTS INCIDENT THERETO SHALL CONSTITUTE A DEBT OR FINANCIAL OBLIGATION OF THE STATE, THE COUNTY, OR THE DEVELOPER NOR GIVE RISE TO ANY PECUNIARY LIABILITY OF THE STATE, THE COUNTY, THE DEVELOPER OR ANY POLITICAL SUBDIVISION OF THE STATE (OTHER THAN THE DISTRICT FROM PLEDGED REVENUES) OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE STATE, OR THE COUNTY. THIS NOTE IS NOT SECURED BY ANY LIEN OR MORTGAGE ON OR SECURITY INTEREST IN ANY PROPERTY OF THE STATE, THE COUNTY, THE DEVELOPER, OR THE DISTRICT (OTHER THAN PLEDGED REVENUES). NO ENTITY HAS GUARANTEED THE OBLIGATIONS OF THE DISTRICT WITH RESPECT TO THIS NOTE.

No recourse shall be had for the payment of the principal or prepayment price of or interest on this Note or for any claim based hereon against any member, officer or employee, past, present or future, of the District or of any successor body, as such, either directly or through the District or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

This Note is not transferable by the Registered Holder hereof, except as described in the caption hereto.

IN WITNESS WHEREOF, the District has caused this Note to be executed in its name by the manual signature of its President or Vice President and its seal to be affixed hereon and attested by the manual signature of its Secretary or Assistant Secretary and this Note to be dated _____, 20__.

ALPINE MOUNTAIN RANCH
METROPOLITAN DISTRICT

(SEAL)

By: _____
(Vice) President

ATTEST:

(Assistant) Secretary

