

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

CUNDALL FARMS METROPOLITAN DISTRICT

Held: Thursday, September 28, 2017, at 9:00 a.m. at 10693 Belle Creek Blvd., Henderson, CO 80640.

Attendance

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

Christopher Elliott
Corey Elliott
Matt Janke

Directors Mauricio Barbera and Douglas Shelton were absent. All director absences are deemed excused unless a contrary notation is recorded in these minutes.

Also present were Clint C. Waldron, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Bri Yonkers, Stillwater Community Management; Kevin Collins, CliftonLarsonAllen, District Accountant; Rita Ruderman, KB Homes; and Zach Bishop, D.A. Davidson.

Call to Order

Director Corey Elliott called the meeting to order.

Declaration of Quorum/
Director Qualifications/
Reaffirmation of
Disclosures

Director Corey Elliott noted that a quorum of the Board was present and that the directors had confirmed their continuing qualification to serve.

Mr. Waldron advised the Board that, pursuant to Colorado law, individual directors are required to disclose conflicts of interest with the Secretary of State at least 72 hours in advance of meetings of the Board. The Board reviewed the agenda for the meeting, following which directors confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed.

The Board determined that participation by the Directors with potential conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur.

Approval of Agenda Mr. Waldron presented the proposed agenda to the Board for consideration. Following discussion, upon motion duly made and seconded, the Board unanimously approved the agenda as amended.

Public Comment A public comment was made regarding oil and gas well locations.

Consent Agenda Mr. Waldron presented the items on the consent agenda to the Board for consideration. Mr. Waldron advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested removed from the consent agenda. Upon motion duly made and seconded, the following items on the consent agenda were unanimously approved and adopted:

Operations • February 23, 2017 Minutes

District Manager's Report Ms. Yonkers updated the Board that she is working with homeowners on backyard installations and indicated the community would like to hold a community meeting with the Board in October.

Discuss Conveyance of Tracts to the District Ms. Ruderman informed the Board that KB Homes would like to turn over tracts as soon as complete.

Discuss Status of Rules and Regulations Mr. Bristol provided a general update regarding the status of the Rules and Regulations. He noted that the rules will be put in place when the park is turned over.

Other Operations None.

Legal Matters

Review and Consider Approval of Term Sheet and Financing Plan for Series 2017A, Series 2017B, and Series 2017C Bonds Mr. Bishop reviewed the Term Sheet and Financing Plan for Series 2017A, Series 2017B, and Series 2017C Bonds with the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Term Sheet and Financing Plan.

Review and Consider Approval of Special Disclosure of Costs for Legal Services in Connection with Bonds from White Bear Ankele Tanaka & Waldron Mr. Waldron reviewed the Special Disclosure of Costs for Legal Services in Connection with Bonds from White Bear Ankele Tanaka & Waldron with the Board. Mr. Waldron advised the Board that as he is not independent with respect to the Special Disclosure, the Board consider engaging separate counsel to review the Special Disclosure. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the special disclosure.

Review and Consider Approval of Engagement of Kutak Rock as Bond Counsel Mr. Waldron reviewed the Engagement of Kutak Rock as Bond Counsel with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Review and Consider Approval of Engagement of Sherman & Howard as Disclosure Counsel Mr. Waldron reviewed the Engagement of Sherman & Howard as Disclosure Counsel with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Review and Consider Approval of D.A. Davidson as Underwriter Mr. Waldron reviewed the Approval of D.A. Davidson as Underwriter with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Review and Consider Approval of Engagement of North Slope Capital Advisors as External Financial Advisor Mr. Waldron reviewed the Engagement of North Slope Capital Advisors as External Financial Advisor with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Consider Authorizing Filing of First Amendment to IGA with City of Thornton Mr. Waldron reviewed the First Amendment to IGA with City of Thornton with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously authorized the filing.

Consider Adoption of Resolution Establishing Policies and Procedures For The Acceptance of Landscape Improvements Mr. Waldron reviewed the Resolution Establishing Policies and Procedures For The Acceptance of Landscape Improvements with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Other Legal Matters None.

Financial Matters

Review Unaudited Financial Statements Mr. Collins reviewed the unaudited financial statements with the Board. Following discussion, upon motion duly made and seconded, the Board unanimously accepted the financials.

Consider Approval/Ratification of Claims Payables Mr. Collins reviewed the Claims Payable with the Board. Following discussion, upon motion duly made and seconded, the Board unanimously ratified check numbers 1072-1091 in the amount of \$51,696.81 and authorized the payables for check numbers 1092-1093 in the amount of \$7,328.25.

Other Financial Matters None.

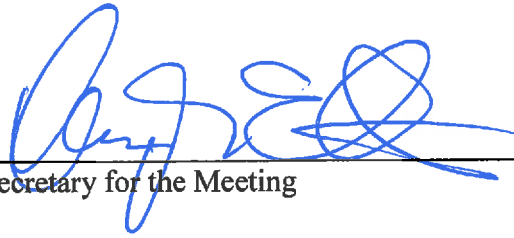
Other Business The Board engaged in general discussion regarding moving the

meeting location. Following discussion, upon a motion duly made and seconded the Board unanimously determined to move the meeting location to a KB Model Home within the District.

Adjourn

There being no further business to come before the Board and following discussion and upon motion duly made, seconded and unanimously carried, the Board determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

A handwritten signature in blue ink, appearing to be 'Angela', written over a horizontal line.

Secretary for the Meeting

The foregoing minutes were approved on the 26th day of October, 2017.