

RECORD OF PROCEEDINGS

MINUTES OF THE CONSOLIDATED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE BUCKHORN VALLEY METROPOLITAN DISTRICTS NOS. 1 & 2

Held: Tuesday, January 26, 2010 at 7:45 A.M., at 0044 Indian Heights Way, Gypsum, Colorado 81637.

Attendance:

The consolidated special meeting of the Boards of Directors of Buckhorn Valley Metropolitan Districts Nos. 1 & 2 (collectively the "Board of Directors" or "Board") was called and held as shown in accordance with the statutes of the State of Colorado.

The following Directors were present:

Samantha Gale
Gayl Hill
Stephen Kelley (*absent, absence excused*)
David Garton, Jr.

Also present were: Tamara Gilida, Icenogle, Norton, Smith, Gilida & Pogue, P.C. (via telephone conference line) and John Hill, Buckhorn Valley Development, LLC, District Management.

Call to Order/ Declaration of Quorum:

Director Gale called to order the consolidated special meeting of the Board of Directors of the Buckhorn Valley Metropolitan Districts Nos. 1 & 2 at which time the Secretary of the Boards attested that the Notice of this meeting was properly posted within the Districts. Director Gale noted that a quorum of each of the Boards were present.

Disclosure Matters:

Ms. Gilida advised the Boards that, pursuant to Colorado law, certain disclosures would be required prior to taking official action at the meeting. The Boards reviewed the agenda for the meeting, following which each Boards member confirmed the contents of written disclosures previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting.

Director Samantha Gale disclosed that she has a contract for purchase within the Districts and that she is an employee of the developer, for which she is paid a salary of approximately \$70,000. This disclosure is associated with approval of items on the agenda that may affect her interests.

Director Gayl Hill disclosed that her husband is a member of

LLC which owns approximately 160+/- AC in District No. 2 and all of District No. 1 and that his financial interest in matters pertaining to the Districts is greater than \$100,000. This disclosure is associated with approval of items on the agenda that may affect her interests.

Director David Garton, Jr. disclosed that he is a member of the Board of Directors of both Districts. This disclosure is associated with approval of items on the agenda that may affect his interests.

Written disclosures of these interests were filed with the Secretary of State prior to the meeting.

Approval of December 11, 2009 Special Meeting Minutes:

Director Gale reviewed the minutes of the December 11, 2009 consolidated special meeting of the Boards of Directors. Upon motion of Director Hill and second of Director Garton, the Boards voted unanimously to approve the minutes of their consolidated special meeting of December 11, 2009.

Approval of 2010 Annual Administrative Resolutions:

Ms. Gilida reviewed with the Boards two 2010 annual administrative resolutions, one for each district. Upon motion of Director Hill and second of Director Garton, the Board voted unanimously to approve the 2010 annual administrative resolution for Buckhorn Valley Metropolitan District No. 1. Thereafter, following motion of Director Hill and second of Director Garton, the Board voted unanimously to approve the 2010 annual administrative resolution for Buckhorn Valley Metropolitan District No. 2.

Approval of 2010 Election Resolutions:

Ms. Gilida reviewed with the Boards two resolutions, one for each district, governing the conduct of all elections conducted in 2010. Following brief discussion, Director Hill moved, and Director Garton seconded approval of the 2010 Election Resolution for Buckhorn Valley Metropolitan District No. 1. Following which, Director Garton moved, and Director Hill seconded approval of the 2010 Election Resolution for Buckhorn Valley Metropolitan District No. 2. The Boards thereafter unanimously voted to approve both resolutions.

Financial Report and Claims

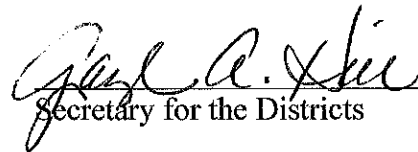
Mr. Hill reviewed with the Boards all outstanding invoices and the financial status of the Districts. Following Mr. Hill's presentation, Director Garton moved to approve the outstanding claims, which motion was seconded by Director Hill and approved unanimously by the Boards.

Consider Renewal and Approval of District No. 1's \$9,000,000 Promissory Note with Buckhorn Valley Development, LLC: After discussion, upon motion by Director Garton and second by Director Hill, the Board voted unanimously to approve the renewal of Buckhorn Valley Metropolitan District No. 1's \$9,000,000 Promissory Note with Buckhorn Valley Development, LLC.

Consider Approval of Documents Related to Issuance of the Limited Tax General Obligation Refunding and Improvement Bonds, Series 2010: After discussion, upon motion by Director Garton and second by Director Hill, the Board voted unanimously to approve documents related to issuance of the Limited Tax General Obligation Refunding and Improvement Bonds, Series 2010.

Consider Ratification of Modifications to the Subordination Agreement by and between Roark Partners, LLLP and District No. 1 and District No. 2: After discussion, upon motion by Director Hill and second by Director Garton, the Board voted unanimously to ratify modifications made to the Subordination Agreement by and between Roark Partners, LLLP, Buckhorn Valley Metropolitan District No. 1 and Buckhorn Valley Metropolitan District No. 2.

Adjournment: There being no further business to come before the Boards, upon motion and second, the Boards voted unanimously to adjourn the meeting.


Secretary for the Districts