HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
Weld County, Colorado

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5

TABLE OF CONTENTS

Independent Auditors' Report

Members of the Board of Directors
Hunters Overlook Metropolitan District No. 5

Opinions
We have audited the accompanying financial statements of the governmental activities and each major fund of Hunters Overlook Metropolitan District No. 5 as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the Hunters Overlook Metropolitan District No. 5's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of, as of December 31, 2025 and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hunters Overlook Metropolitan District No. 5 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about its ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hunters Overlook Metropolitan District No. 5's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hunters Overlook Metropolitan District No. 5's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Hunters Overlook Metropolitan District No. 5's financial statements as a whole. The supplemental information section as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information
Management is responsible for the other information as listed in the table of contents. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Haynie

Littleton, Colorado
July 13, 2026

BASIC FINANCIAL STATEMENTS

HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
STATEMENT OF NET POSITION (DEFICIT)
December 31, 2025

	Governmental Activities
ASSETS	
Cash and investments - restricted	$ 80,382
Property taxes receivable	844,545
Prepaid bond insurance	150,949
Due from other entities	273,173
Total assets	1,349,049
LIABILITIES	
Due to other entities	67,626
Accrued interest payable on bonds	121,623
Non-current liabilities:	
Due within one year	354,852
Due in more than one year	30,389,212
Total liabilities	30,933,313
DEFERRED INFLOWS OF RESOURCES	
Deferred property tax revenue	844,545
Total deferred inflows of resources	844,545
NET POSITION (DEFICIT)	
Unrestricted	(30,428,809)
Total net position (deficit)	$ (30,428,809)

These financial statements should be read only in connection with the accompanying notes to financial statements.

HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Primary government:					
Governmental activities:					
General government	$ 147,743	$ -	$ -	$ -	$ (147,743)
Interest and expenses on long-term debt	1,416,806	-	-	-	(1,416,806)
	$ 1,564,549	$ -	$ -	$ -	$ (1,564,549)
General revenues:					
Property taxes					851,838
Specific ownership taxes					34,458
Interest					1,612
IGA revenue					1,214,526
Total general revenues					2,102,434
Change in net position					537,885
Net position (deficit) - beginning					(30,966,694)
Net position (deficit) - ending					$ (30,428,809)

These financial statements should be read only in connection with the accompanying notes to financial statements.

HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2025

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash and investments - restricted	$ -	$ 80,382	$ 80,382
Property taxes receivable	140,756	703,789	844,545
Due from other entities	-	273,173	273,173
Total assets	140,756	1,057,344	1,198,100
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to other entities	-	67,626	67,626
Total liabilities	-	67,626	67,626
DEFERRED INFLOWS OF RESOURCES			
Deferred property tax revenue	140,756	703,789	844,545
Total deferred inflows of resources	140,756	703,789	844,545
FUND BALANCES			
Debt service	-	285,929	285,929
Total fund balances	-	285,929	285,929
TOTAL LIABILITIES AND FUND BALANCES	$ 140,756	$ 1,057,344	

Amounts reported for governmental activities in the statement of net position are different because:	
Long-term liabilities are not due and payable in the current period and, therefore, are not in the funds:	
Bond payable	(29,595,000)
Bond premium	(1,149,064)
Prepaid bond insurance	150,949
Accrued interest on bonds payable	(121,623)
Net position (deficit) of governmental activities	$ (30,428,809)

These financial statements should be read only in connection with the accompanying notes to financial statements

HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2025

	General	Debt Service	Total Governmental Funds
REVENUES			
Property tax	$ 141,971	$ 709,867	$ 851,838
Specific ownership tax	5,743	28,715	34,458
IGA revenue	-	1,214,526	1,214,526
Interest	29	1,583	1,612
Total Revenues	147,743	1,954,691	2,102,434
EXPENDITURES			
General			
County treasurer fees	2,130	10,650	12,780
Audit	-	8,750	8,750
Debt Service			
Paying agent fees	-	7,500	7,500
Bond interest	-	1,425,612	1,425,612
Bond principal	-	265,000	265,000
Total Expenditures	2,130	1,717,512	1,719,642
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	145,613	237,179	382,792
OTHER FINANCING SOURCES (USES)			
Transfer to Hunters Overlook Metropolitan District No. 1 - Operations	(145,613)	-	(145,613)
Total Other Financing Sources (Uses)	(145,613)	-	(145,613)
NET CHANGE IN FUND BALANCE	-	237,179	237,179
FUND BALANCE - BEGINNING OF YEAR	-	48,750	48,750
FUND BALANCE - END OF YEAR	$ -	$ 285,929	$ 285,929

These financial statements should be read only in connection with the accompanying notes to financial statements

HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2025

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balance - Total governmental funds	$	237,179
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:		
Payment of bond principal		265,000
Bond premium amortization - 2024		39,852
Prepaid bond insurance amortization		(5,235)
Some expenses reported in the Statement of Activities do not require the use of financial resources and, therefore, are not reported as expenditures in governmental funds:		
Net change in accrued interest on bonds payable - Series 2024		1,089
Change in net position (deficit) of governmental activities	$	537,885

These financial statements should be read only in connection with the accompanying notes to financial statements.

HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	YTD Actual	Variance Favorable (Unfavorable)
REVENUES				
Property tax	$ 141,759	$ 141,971	$ 141,971	$ -
Specific ownership tax	4,900	5,743	5,743	-
Interest	100	29	29	-
Total Revenues	146,759	147,743	147,743	-
EXPENDITURES				
County treasurer fees	2,113	2,130	2,130	-
Contingency/miscellaneous	500	-	-	-
Total Expenditures	2,613	2,130	2,130	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	144,146	145,613	145,613	-
OTHER FINANCING SOURCES (USES)				
Transfer to Hunters Overlook Metropolitan District No. 1 - Operations	(144,146)	(145,613)	(145,613)	-
Total Other Financing Sources (Uses)	(144,146)	(145,613)	(145,613)	-
NET CHANGE IN FUND BALANCE	-	-	-	
FUND BALANCE - BEGINNING OF YEAR	-	-	-	
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	

These financial statements should be read only in connection with the accompanying notes to financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

1. DEFINITION OF REPORTING ENTITY

Hunters Overlook Metropolitan District No. 5 (the "District") is a quasi-municipal political subdivision of the State of Colorado organized on November 14, 2017 concurrently with seven other Districts. Hunters Overlook District Nos. 1-8 ("the Districts") were organized to provide for the construction and financing of street, safety control, non-potable water and landscaping improvements. The Districts' service area is located entirely within the Town of Severance in Weld County, Colorado, commonly known as "Overlook". District No. 1 is the "Coordinating District" and expected to coordinate the financing, construction and maintenance of all public improvements. District Nos. 2-8, as "Financing Districts", are expected to contain residential development, include future development and provide revenue to support the Districts' activities. As such, the District obtained financing for reimbursing and acquiring public improvement projects. District Nos. 2 – 4 and 6 ("Taxing Districts") are responsible for providing the funding and tax base needed to support the Coordinating District and service debt. The revenues from property taxes levied by the Taxing Districts are pledged to District No. 1 for operations and District No. 5 for debt service.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees and all operations and administrative functions are contracted.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are as follows:

Government-Wide and Fund Financial Statements — The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the government. Eliminations have been made to minimize the double counting of internal activities. These statements include all of the activities of the District. Governmental activities are normally supported by taxes and intergovernmental revenues. The statement of net position reports all of the financial and capital resources of the District. The difference between the assets and the liabilities and deferred inflows of resources is reported as net position.

The statement of activities demonstrates the degree to which direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) fees and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues that are not classified as program revenues, including all taxes, are reported as general revenues.

Separate financials are provided for governmental funds.

Measurement Focus, Basis of Accounting and Financial Statement Presentation — The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Those revenues susceptible to accrual are property taxes and are recognized as revenue by the District. All other revenue items, including developer advances, are considered to be measurable and available only when cash is received by the District.

Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

The District reports the following major governmental funds:

General Fund – The General Fund is the government's general operating fund. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest and related expenses on the long-term general obligation debt.

When both restricted and unrestricted resources are available for use, it is the District's policy to apply restricted resources first, then unrestricted resources as they are needed.

Budget Information — In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. Budget amounts are as originally adopted or amended.

Property Taxes – Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

Cash and Investments — The District's cash and investments are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. The District's investments are reported at net asset value (NAV).

The use of certain cash and investments of the District is restricted. These cash and investment items are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by debt agreements.

Deferred Inflows of Resources - In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Balance Classification — The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy based on the extent to which the District is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Non-spendable – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid expenses) or is legally or contractually required to be maintained intact.

Restricted – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Committed – The portion of fund balance constrained for specific purposes according to limitations imposed by the District's highest level of decision making authority, the Board of Directors, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

Unassigned – The residual portion of fund balance that does not meet any of the above criteria.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's policy to use the most restrictive classification first.

Estimates — The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

3. CASH AND INVESTMENTS

The District's cash and investments are classified in the accompanying financial statements as follows as of December 31, 2025:

Statement of net position:	
Cash and investments-restricted	$80,382
Total cash and investments	$80,382

Cash and investments as of December 31, 2025 consist of the following:

Investments - COLOTRUST	$80,382
Total cash and investments	$80,382

Deposits with financial institutions — The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. As of December 31, 2025, the federal insurance limit was $250,000. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District had no cash deposits as of December 31, 2025.

Investments – The District has not adopted a formal investment policy, however, the District follows state statutes regarding investments.

The District generally limits its investments to those which are believed to have minimal interest rate risk and no foreign currency risk. Additionally, the district is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party. Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements. Revenue bonds of local government securities, corporate and bank securities and guaranteed investment contracts not purchased with bond proceeds are limited to maturities of three years or less.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools
- Certain certificates of participation
- Certain securities lending agreements

As of December 31, 2025, the District had the following investments:

Investment	Maturity	Amount
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted average under 60 days	$80,382

COLOTRUST

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. The Trust currently offers three portfolios, COLOTRUST PRIME, COLOTRUST PLUS+ and COLOTRUST EDGE. COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to $1.00, offer daily liquidity.

Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a $10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and nay security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAm by Standard & Poor's. COLOTRUST EDGE is rated AAAf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

4. LONG-TERM LIABILITIES

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2025:

	Balance at December 31, 2024	Additions	Reductions	Balance at December 31, 2025	Due Within One Year
Limited tax general obligation bonds -					
Series 2024	$ 29,860,000	$ -	$ 265,000	$ 29,595,000	$ 315,000
Bond issuance premium - 2024	1,188,916	-	39,852	1,149,064	39,852
	$ 31,048,916	$ -	$ 304,852	$ 30,744,064	$ 354,852

$29,860,000 Senior Limited Tax General Obligation Bonds, Series 2024 — On October 31, 2024, the District issued $29,860,000 in limited tax general obligation bonds. The 2024 bonds bear an interest rate of 5.00%. Interest payments are due semiannually June 1 and December 1 commencing on December 1, 2024, with principal payments due annually commencing December 1, 2025. The bonds were issued to redeem the Series 2019A and 2019B and Series 2023C bonds, Hunters Overlook Metropolitan District No. 8.

The bonds constitute limited tax general obligations of the District payable from Pledged Revenue. Pledged revenue includes all Property Tax Revenues, all Specific Ownership Tax Revenues, and any other legally available moneys which District No. 5 determines, in its absolute discretion to credit to the Bond Fund.

In order to support payment of the Series 2024 Bonds, the District, the bond issuer and the Taxing Districts, entered into a Capital Pledge Agreement which obligates the Taxing Districts to levy ad valorem property taxes and to pay such taxes and specific ownership taxes to the Indenture Trustee. The required mill levy constitutes a mill levy imposed by all of the Taxing Districts sufficient to pay principal and interest on the Series 2024 Bonds as they become due but not in excess of 50 mills increased or decreased so that the actual tax revenues generated by the mill levy are neither diminished or enhanced as a result of changes in the ratio of actual valuation to assessed valuation.

The following are considered to be events of default under the bond agreements:

(a) The issuer fails or refuses to impose the applicable Required Mill Levy or to apply Senior Pledged Revenue as required by the Indenture, or any other Taxing District fails or refuses to impose the Required Mill Levy or to apply the revenues resulting therefore as required by the Pledge Agreement.
(b) The Issuer defaults in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in the Indenture or the Bond Resolution and fails to remedy the same after notice thereof pursuant to the Senior Indenture, or any other Taxing District defaults in the performance or observance of any other of the covenants, agreements or conditions on the part of such Taxing District in the Pledge Agreement and fails to remedy the same after notice thereof pursuant to the Indenture.
(c) The Issuer files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the bond.

The long-term debt will mature as follows:

	Series 2024 Limited Tax General Obligation Bonds		
	Principal	Interest	Total
2026	$ 315,000	$ 1,412,363	$ 1,727,363
2027	330,000	1,396,612	1,726,612
2028	380,000	1,380,113	1,760,113
2029	400,000	1,361,112	1,761,112
2030	455,000	1,341,113	1,796,113
2031-2035	2,875,000	6,326,812	9,201,812
2036-2040	4,195,000	5,483,563	9,678,563
2041-2045	5,815,000	4,276,812	10,091,812
2046-2050	7,495,000	2,657,812	10,152,812
2051-2054	7,335,000	795,600	8,130,600
	$ 29,595,000	$ 26,431,912	$ 56,026,912

5. DEBT AUTHORIZATION

On November 7, 2017, the electors of the Districts, collectively, authorized the issuance of indebtedness in an amount not to exceed $468,583,820 for improvements, $46,858,382 for operations and maintenance, and $93,716,764 for refunding, refinancing or defeasing district debt and other fiscal obligations. Pursuant to the Service Plan, the District is permitted to issue indebtedness of up to $46,858,382. As of December 31, 2025, the Districts had $7,973,382 remaining authority under the Service Plan.

6. AGREEMENTS

Intergovernmental Agreement — On November 16, 2017, the Districts entered into an Intergovernmental Agreement (the "IGA") in order to implement the Service Plan. According to the Service Plan, District No. 1 is the coordinating district and is expected to coordinate the financing, construction and maintenance of all public improvements. District Nos. 2 through 8 are financing districts and contain residential development. The financing districts are expected to include development and provide revenue to support the Districts' activities. The IGA provides that District No. 1 shall be the owner and operator of district owned improvements and may provide for the funding of construction, operation of maintenance of the public improvements through further and future indebtedness. District Nos. 2-8 shall impose and collect any property taxes, remit the proceeds of any indebtedness, taxes or otherwise provide for the funding of the construction, operation or maintenance of the public improvements. The IGA stipulates the obligations and limitations of District No. 1 as the "operator" of the public improvements.

The IGA also engages District No. 1 as the "district administrator" for all the Districts. District administration includes preparation of annual budgets, engagement of legal counsel and other consultants and statutory compliance measures.

Advance and Reimbursement Agreement — On November 16, 2017, the Districts, collectively, entered into an Advance and Reimbursement Agreement with Severance Overlook Investments, LLC (the "Developer"). Under the terms of the agreement, the Developer agreed to advance to the Districts amounts not to exceed $46,858,382 in installments available to the Districts through December 1, 2018. The funds advanced under the agreement shall be applied to capital costs of the Districts as established in the Districts' annual budgets. Amounts advanced under the terms of the agreement shall bear an interest rate of 2% plus the current Federal Reserve board prime rate.

Under the terms of the agreement, on November 16, 2017 the Districts executed a Revenue and Limited Tax Obligation Subordinate Promissory Note of up to $46,858,382 registered to the Developer. The note bears an interest rate of 2% plus the current Federal Reserve Board prime rate and matured on November 16, 2022. During 2025, the note was renewed according to the terms of the agreement.

Funding and Reimbursement Agreement — On November 16, 2017, the Districts, collectively, entered into an Advance and Reimbursement Agreement with Severance Overlook Investments, LLC (the "Developer"). Under the terms of the agreement, the Developer agreed to advance to the Districts amounts not to exceed $500,000. The funds advanced under the agreement shall be applied to costs associated with formation, administration, operations and maintenance of public facilities and for other budgeted general fund expenditures during the term of the Agreement. The term of the agreement is annually renewable for one year terms to be considered at the time of the budget approval of the Districts. Upon request of the Developer, the Districts agreed to issue Promissory Notes to evidence the repayment obligation of the existing loan advances. Amounts advanced under the terms of the agreement shall bear an interest rate of 2% plus the current Federal Reserve board prime rate.

Under the terms of the agreement, on November 16, 2017 the District Nos. 1-8 executed a Revenue and Limited Tax Obligation Promissory Note of up to $500,000 registered to the Developer. The note bears an interest rate of 2% plus the current Federal Reserve Board prime rate and matured on November 16, 2018. During 2025, the note was renewed according to the terms of the agreement.

Improvement Acquisition Agreement — On November 16, 2017, the Districts, collectively, entered into an Improvement Acquisition Agreement with Severance Overlook Investments, LLC (the "Developer"). The Developer has designed and constructed certain improvements on behalf of the District. Pursuant to the agreement, the Districts agreed to acquire from the Developer completed improvements or improvements under construction and improvements constructed in the future. The purchase price shall be equal to the District's costs. As of the date of the agreement, the Districts did not have funds available to pay for the acquisition of improvements. The Districts agreed to acquire the improvements from bond proceeds and subordinate obligations issued to the Developer.

Pledge Agreements – On July 10, 2024, District Nos. 2, 3, 4 and 6 ("Taxing Districts") entered into a Capital Pledge Agreement with the Indenture trustee to support the payment of the Series 2024 Bonds. See Note 4 for additional information on the bonds.

7. NET POSITION

The District's net position includes two components: restricted and unrestricted. Restricted assets which have restrictions placed on the use of the assets through external constraints imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The District does not report any restricted net position as of December 31, 2025.

Unrestricted net position consists of the net amount of assets, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. The District utilizes unrestricted net position before using restricted net position. As of December 31, 2025, the District had unrestricted net position (deficit) of ($30,423,574). This deficit is due to the effects of the District's bond indebtedness, which remain an obligation of the District.

8. RELATED PARTY

The Developer of the property which constitutes the District is Severance Overlook Investments LLC. The members of the Board of Directors are employees, owners or are otherwise associated with the Developer and its affiliates and may have conflicts of interest dealing with the District.

9. RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Colorado Special Districts Property and Liability Pool (Pool), under Hunters Overlook Metropolitan District No. 1. The Pool is an organization created by an intergovernmental agreement to provide property, liability, public officials liability, boiler and machinery and workers compensation insurance to its members.

District No. 1 pays annual premiums to the Pool for liability and public officials liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

10. TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer's Bill of Rights (TABOR) contains tax spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. All revenues of the District are transferred to District No. 1 pursuant to the IGA; therefore, District No. 1 has established the Emergency Reserves for all Districts within the project.

On November 7, 2017, a majority of District electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and other revenue of the District for 2017 and any year thereafter, without regard to limitations under TABOR.

The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment. However, the District has made certain interpretations of the amendment's language in order to determine its compliance.

SUPPLEMENTAL INFORMATION

HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended December 31, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	YTD Actual	Variance Favorable (Unfavorable)
REVENUES				
Property tax	$ 708,804	$ 709,867	$ 709,867	$ -
Specific ownership tax	25,400	28,715	28,715	-
IGA revenue	1,206,184	1,214,526	1,214,526	-
Interest	50,000	1,583	1,583	-
Total Revenues	1,990,388	1,954,691	1,954,691	-
EXPENDITURES				
General				
County treasurer fees	10,567	10,650	10,650	-
Audit	8,500	8,750	8,750	-
Debt Service				
Paying agent fees	7,000	7,500	7,500	-
Bond interest	1,425,612	1,425,612	1,425,612	-
Bond principal	265,000	265,000	265,000	-
Total Expenditures	1,716,679	1,717,512	1,717,512	-
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	273,709	237,179	237,179	-
NET CHANGE IN FUND BALANCE	273,709	237,179	237,179	
FUND BALANCE - BEGINNING OF YEAR	76,582	48,750	48,750	
FUND BALANCE - END OF YEAR	$ 350,291	$ 285,929	$ 285,929	

OTHER INFORMATION

HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2024

$29,860,000 Series 2024
Limited Tax General Obligation Bonds
Dated October 31, 2024
Interest Rate of 5.00%
Payable on June 1 and December 1
Principal Due on December 1

	Principal	Interest	Total
2026	315,000	1,412,363	1,727,363
2027	330,000	1,396,612	1,726,612
2028	380,000	1,380,113	1,760,113
2029	400,000	1,361,112	1,761,112
2030	455,000	1,341,113	1,796,113
2031	480,000	1,318,362	1,798,362
2032	540,000	1,294,363	1,834,363
2033	565,000	1,267,362	1,832,362
2034	630,000	1,239,113	1,869,113
2035	660,000	1,207,612	1,867,612
2036	730,000	1,174,613	1,904,613
2037	765,000	1,138,112	1,903,112
2038	845,000	1,099,863	1,944,863
2039	885,000	1,057,612	1,942,612
2040	970,000	1,013,363	1,983,363
2041	1,015,000	964,862	1,979,862
2042	1,110,000	914,113	2,024,113
2043	1,165,000	858,612	2,023,612
2044	1,230,000	800,363	2,030,363
2045	1,295,000	738,862	2,033,862
2046	1,355,000	674,113	2,029,113
2047	1,425,000	606,362	2,031,362
2048	1,495,000	535,112	2,030,112
2049	1,570,000	460,363	2,030,363
2050	1,650,000	381,862	2,031,862
2051	1,720,000	311,737	2,031,737
2052	1,795,000	238,638	2,033,638
2053	1,870,000	162,350	2,032,350
2054	1,950,000	82,875	2,032,875
	$ 29,595,000	$ 26,431,912	$ 56,026,912