

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED SPECIAL MEETING OF

CENTERRA METROPOLITAN DISTRICT NO. 1
CENTERRA METROPOLITAN DISTRICT NO. 2
CENTERRA METROPOLITAN DISTRICT NO. 3
CENTERRA METROPOLITAN DISTRICT NO. 4
CENTERRA METROPOLITAN DISTRICT NO. 5

HELD
October 6, 2009

The Boards of Directors of the Centerra Metropolitan District No. 1, Centerra Metropolitan District No. 2, Centerra Metropolitan District No. 3, Centerra Metropolitan District No. 4, and Centerra Metropolitan District No. 5, held a coordinated special meeting, open to the public, at the office of McWhinney, 2725 Rocky Mountain Avenue, Loveland, Colorado 80538, at 4:20 p.m. Tuesday, October 6, 2009. Notice of the meeting has been duly posted with the Larimer County Clerk and Recorder and posted in three public places within the boundaries of each District.

ATTENDANCE

Directors in Attendance:

Doug Hill, Treasurer & Assistant Secretary
Jay Hardy, Vice President & Assistant Secretary

Directors Absent and Excused:

Kim Perry, President

Also in Attendance:

Alan Pogue, Icenogle, Norton, Smith, Gilida, & Pogue
Rich Shannon, Pinnacle Consulting Group, Inc.
Carla Hawkins, Pinnacle Consulting Group, Inc.

CALL TO ORDER

The meeting was called to order at 4:35 p.m. by Director Hill, Treasurer of the Board, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve.

COMBINED MEETING

The Districts are meeting in a combined Board Meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Centerra Metropolitan District No. 1, with concurrence by the Centerra Metropolitan Districts Nos. 2, 3, 4, and 5.

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CONFLICT OF INTEREST DISCLOSURE

Mr. Pogue, legal counsel, noted that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State's Office, disclosing potential conflicts as all Board Members are employees of McWhinney Real Estate Services, Inc., which is associated with the primary landowners and developer within the District. Mr. Pogue advised the Board that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Board reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the 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. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

APPROVAL OF AGENDA

The Board reviewed the agenda. Upon motion duly made by Director Hill and seconded by Director Hardy, it was unanimously

RESOLVED to approve the agenda with no changes.

ITEMS FROM THE ATTORNEY

Second Supplemental Indenture of Trust with American National Bank

Mr. Pogue presented for the Board's consideration the Second Supplemental Indenture of Trust Agreement between Centerra Metropolitan District No.1 and American National Bank, making certain changes to the Indenture related to the 2008 Regional Improvement Subaccount. Mr. Pogue advised the Boards that the City Council will consider a resolution consenting to the Second Supplemental Indenture of Trust at its October 6, 2009 meeting. Upon motion duly made by Director Hardy and seconded by Director Hill, it was unanimously

RESOLVED to approve the Second Supplemental Indenture of Trust Agreement between Centerra Metropolitan District No.1 and American National Bank, as noted above.

PUBLIC COMMENTS

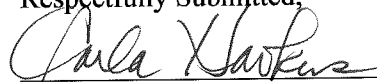
The Board opened the meeting to Public Comments. Upon receiving no comment, this portion of the meeting was closed.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 4:45p.m.

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

Respectfully Submitted,



Carla Hawkins, Secretary for the Meeting