

A Message from the Boards for FRMD Nos. 2 & 3

Below is a brief update of the recent events that have occurred since our last communication released August 3, 2017. We will continue to provide these updates to the community in Solterra-Connect as additional information becomes available.

District Case Status Update

As communicated to the residents on Thursday, August 3, 2017, counsel for Fossil Ridge Metropolitan Districts Nos. 2 & 3 ("FRMD Nos. 2 & 3") filed a Verified Motion to Appoint Current Members of the Boards of Directors of Fossil Ridge Metropolitan District Nos. 2 & 3 as Proper Persons to Assume Control of Fossil Ridge Metropolitan District No. 1 and a Verified Response in Opposition to Brookfield's Request for Forthwith Appointment of a Receiver as part of *In the Matter of Organization of Fossil Ridge Metropolitan District No. 1*, Case. No. 05CV3044 ("District Case") on Tuesday, August 2. Those filings will be posted on Solterra-Connect today.

On Thursday, August 3, 2017, counsel for the FRMD Nos. 2 & 3 was advised by Solterra resident John Henderson that the "Solterra Recall Steering Committee" intended to file a Motion to Intervene in an effort to protect the Recall Steering Committee's interests. Mr. Henderson conferred with respect to FRMD's Nos. 2 & 3 respective positions on that motion. Both FRMD Nos. 2 & 3 advised that they object to the filing of a Motion to Intervene.

This morning, on Friday, August 4, 2014, the Solterra Recall Steering Committee filed its Motion to Intervene in the District Case. The Solterra Recall Steering Committee seeks to intervene on the purported basis that it "is an interested party which is not adequately represented." That pleading will also be posted on Solterra-Connect today. FRMD Nos. 2 & 3 are in the process of evaluating whether the Motion to Intervene necessitates a formal response.

Future District Case Filings

In an effort to encourage and maintain transparency through the District Case process, FRMD Nos. 2 & 3 will post all substantive Court filings and related documents for the District Case on the Solterra-Connect website as they become available.