

**PUBLIC IMPROVEMENT DISTRICT 2007-1
IN THE VILLAGE OF ANGEL FIRE, NEW MEXICO**

RESOLUTION NO. 2013-12

WHEREAS, on February 14, 2008, pursuant to Sections 5-11-1 through 5-11-27, NMSA 1978 as amended (the "Public Improvement District Act") and Village of Angel Fire, New Mexico (the "Village") Resolution No. 2007-34, the Village adopted Resolution No. 2008-07 (the "Formation Resolution") creating the Village of Angel Fire Public Improvement District No. 2007-1 (the "AFPID"); and

WHEREAS, the Formation Resolution authorized the Board of Directors of the District (the "Board"), among other things, to: (i) finance and construct certain public infrastructure improvements ("Improvements") upon real property in the District ("Real Property"); (ii) impose a District special levy upon the Real Property within the AFPID (the "Special Levy") to finance the Improvements; and (iii) issue bonds in an aggregate principal amount not to exceed \$24,978,5250 to finance the Improvements; and

WHEREAS, the Formation Resolution also approved revisions to the General Plan and the Rate and Method of Apportionment of Special Levy subject to an election required under the Public Improvement District Act; and

WHEREAS, the AFPID was subsequently approved by an election of AFPID Real Property owners held on April 21, 2008; and

WHEREAS, a Notice of Imposition of Special Levy was recorded in the real property records of Colfax County, New Mexico on June 4, 2008; and

WHEREAS, by letter dated October 16, 2009, the AFPID informed certain Real Property owners that the Village and the AFPID had reserved electric and telecommunication infrastructure objections ("Reserved Objections") for additional review and consideration by the AFPID; and

WHEREAS, such additional review was delayed pending the outcome of litigation brought by various litigant lot owner ("Litigant Lot Owners"). All pending litigation has now been resolved in favor of the AFPID and against such Litigant Lot Owners. Given the Courts' decisions in favor of the AFPID and the conclusion of the litigation, the AFPID resumed the administrative hearing process designed to resolve any outstanding infrastructure objections; and

WHEREAS, on October 16, 2012, the Board held an administrative hearing to consider the Reserved Objections of various Real Property owners similarly situated to Keith and Deborah Hillegonds (the "Hillegonds"). Such hearings ultimately resulted in the reduction of AFPID assessments applicable to indicated electric and telephone improvements; and

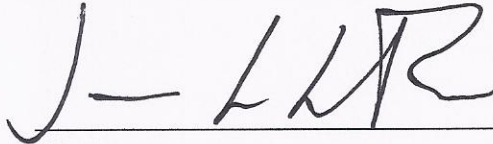
WHEREAS, the Hillegonds are the owners of property located in the AFPID more specifically described as: Lot 485RA of Country Club 1 & 2 Amended/Reamended (Group 3A); and

WHEREAS, the Board and the Hillegonds desire to resolve the Hillegonds' Reserved Objection in accordance with this Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ANGEL FIRE PUBLIC IMPROVEMENT DISTRICT:

1. The AFPID Maximum Annual Special Levy applicable to Lot 485RA of Country Club 1 & 2 Amended/Reamended (Group 3A) should be reduced from \$1,779.65 to \$1,498.43, effective fiscal year 2012-13. This amended and reduced Maximum Annual Special Levy does not preclude the AFPID from adjusting the maximum amount of the Special Levy in accordance with Section 5-11-20 (F) NMSA 1978.
2. The Hillegonds should be credited \$1,351.82 which is the difference between the original and amended Annual Special Levy for years 2008 through 2013.
3. Additionally, the Hillegonds should be credited \$94.33 for interest accruing on the levy credit from 2008 through 2013.
4. The 2013-2014 assessment for Lot 485RA should be reduced by a one-time credit in the amount of \$1,446.15 (levy credit including interest).
5. In consideration for such reduced Maximum Annual Special Levy and credits, the Hillegonds agree that they will bring no appeal, claims, demands, actions, causes of action, whether known or unknown, suspected or unsuspected, including without limitation, any further claims relating to the Reserved Objection or the validity of the AFPID and shall forever release the AFPID from any further claims.
6. The AFPID Chairman is authorized to execute a settlement agreement with the Hillegonds in accordance with the terms and conditions of this Resolution.

PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE ANGEL FIRE
PUBLIC IMPROVEMENT DISTRICT No. 2007-1 THIS 29th DAY OF MAY, 2013.

A handwritten signature in black ink, appearing to be 'J-LTR', written over a horizontal line.

Chairperson

ATTEST:

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

District Administrator

A handwritten signature in black ink, appearing to be 'Charles Verry', written over a horizontal line.

District Clerk