Accountant's Report

Board of Directors
Base Village Metropolitan District No. 2
Pitkin County, Colorado

We have compiled the accompanying forecasted budget of revenue, expenditures, and fund balance of the Base Village Metropolitan District No. 2 for the General Fund, Debt Service Fund and Capital Projects Fund for the year ending December 31, 2006, including the forecasted estimate of comparative information for the year ending December 31, 2005, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenue, expenditures, and fund balance or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

We are not independent with respect to Base Village Metropolitan District No. 2.

Greenwood Village, Colorado
____________, 2005

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
SUMMARY
FORECASTED 2006 BUDGET AS PROJECTED
WITH 2005 ESTIMATED
For the Years Ending December 31,

	BUDGET 2005	ESTIMATED 2005	PROJECTED 2006
BEGINNING FUND BALANCES	$ -	$ -	$ -
REVENUE			
Property taxes	-	-	406,665
Specific ownership tax	-	-	40,667
Bond Proceeds	-	-	-
Investment income	-	-	-
Developer advance - construction	1,500,000	1,500,000	-
Developer advance -operations	-	-	-
Total revenue	1,500,000	1,500,000	447,332
TRANSFERS IN	-	-	-
Total funds available	1,500,000	1,500,000	447,332
EXPENDITURES			
General			
Accounting	-	-	-
Audit	-	-	-
County Treasurer's fees	-	-	20,333
Director fees	-	-	-
Insurance	-	-	-
Legal	-	-	-
Organization costs	-	-	-
Bond issue costs	-	-	-
Miscellaneous	-	-	-
Contingency	-	-	35,000
Debt Service			
Paying agent fees	-	-	-
Bond principal	-	-	-
Bond interest	-	-	-
Letter of credit fees	-	-	-
Transfer to Base Village #1	1,500,000	1,500,000	391,999
Total expenditures	1,500,000	1,500,000	447,332
TRANSFERS OUT	-	-	-
Total expenditures and transfers out requiring appropriation	1,500,000	1,500,000	447,332
ENDING FUND BALANCES	$ -	$ -	$ -

"PRELIMINARY DRAFT - SUBJECT TO REVISION"

These financial statements should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
For the Years Ending December 31,

	BUDGET 2005	ESTIMATED 2005	PROJECTED 2006
ASSESSED VALUATION			
Pitkin County			
Residential	$ -	$ -	$ -
Commercial	-	-	-
State assessed	-	-	-
Vacant land	-	-	13,785,250
Personal property	-	-	-
	-	-	13,785,250
Adjustments	-	-	-
Certified Assessed Value	$ -	$ -	$ 13,785,250
MILL LEVY			
General	0.000	0.000	29.500
Debt Service	0.000	0.000	0.000
Temporary Mill Levy Reduction (pursuant to C.R.S.39-5-121)	0.000	0.000	0.000
Refund and abatements	0.000	0.000	0.000
Total mill levy	0.000	0.000	29.500
PROPERTY TAXES			
General	$ -	$ -	$ 406,665
Debt Service	-	-	-
Temporary Mill Levy Reduction	-	-	-
Refund and abatements	-	-	-
Levied property taxes	-	-	406,665
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	$ -	$ -	$ 406,665
BUDGETED PROPERTY TAXES			
General	$ -	$ -	$ 406,665
Debt Service	-	-	-
	$ -	$ -	$ 406,665

"PRELIMINARY DRAFT - SUBJECT TO REVISION"

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BASE VILLAGE METROPOLITAN DISTRICT NO. 2
GENERAL FUND
FORECASTED 2006 BUDGET AS PROJECTED
WITH 2005 ESTIMATED
For the Years Ending December 31,

	BUDGET 2005	ESTIMATED 2005	PROJECTED 2006
BEGINNING FUND BALANCE	$ -	$ -	$ -
REVENUE			
Property taxes	-	-	406,665
Specific ownership tax	-	-	40,667
Investment income	-	-	-
System development fees	-	-	-
Developer advance -operations	-	-	-
Total revenue	-	-	447,332
TRANSFERS IN			
Capital Projects Fund	-	-	-
Debt Service Fund	-	-	-
Total transfers in	-	-	-
Total funds available	-	-	447,332
EXPENDITURES			
Accounting	-	-	-
Audit	-	-	-
County Treasurer's fees	-	-	20,333
Director fees	-	-	-
Insurance	-	-	-
Legal	-	-	-
Organization and administration	-	-	-
Transfer to Base Village #1	-	-	391,999
Miscellaneous	-	-	-
Contingency	-	-	35,000
Total expenditures	-	-	447,332
TRANSFERS OUT			
Capital Projects Fund	-	-	-
Debt Service Fund	-	-	-
Total transfers out	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	447,332
ENDING FUND BALANCE	$ -	$ -	$ -
EMERGENCY RESERVE	$ -	$ -	$ -

"PRELIMINARY DRAFT - SUBJECT TO REVISION"

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BASE VILLAGE METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
FORECASTED 2006 BUDGET AS PROJECTED
WITH 2005 ESTIMATED
For the Years Ending December 31,

	BUDGET 2005	ESTIMATED 2005	PROJECTED 2006
BEGINNING FUND BALANCE	$ -	$ -	$ -
REVENUE			
Property taxes	-	-	-
Investment income	-	-	-
System development fees	-	-	-
Bond proceeds	-	-	-
Total revenue	-	-	-
TRANSFERS IN			
Capital Projects Fund	-	-	-
General Fund	-	-	-
Total transfers in	-	-	-
Total funds available	-	-	-
EXPENDITURES			
County Treasurer's fees	-	-	-
Paying agent fees	-	-	-
Bond principal	-	-	-
Bond interest	-	-	-
Letter of credit fees	-	-	-
Miscellaneous	-	-	-
Contingency	-	-	-
Total expenditures	-	-	-
TRANSFERS OUT			
Capital Projects Fund	-	-	-
General Fund	-	-	-
Total transfers out	-	-	-
Total expenditures and transfers out requiring appropriation	-	-	-
ENDING FUND BALANCE	$ -	$ -	$ -

"PRELIMINARY DRAFT - SUBJECT TO REVISION"

These financial statements should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
CAPITAL PROJECTS FUND
FORECASTED 2006 BUDGET AS PROJECTED
WITH 2005 ESTIMATED
For the Years Ending December 31,

10/13/2005

	BUDGET 2005	ESTIMATED 2005	PROJECTED 2006
BEGINNING FUND BALANCE	$ -	$ -	$ -
REVENUE			
Bond proceeds	-	-	-
Investment income	-	-	-
System development fees	-	-	-
Developer advance-construction	1,500,000	1,500,000	-
Total revenue	1,500,000	1,500,000	-
TRANSFERS IN			
Debt Service Fund	-	-	-
General Fund	-	-	-
Total transfers in	-	-	-
Total funds available	1,500,000	1,500,000	-
EXPENDITURES			
General			
Accounting	-	-	-
Legal	-	-	-
Organization costs	-	-	-
Bond issue costs	-	-	-
Miscellaneous	-	-	-
Transfer to Base Village #1	1,500,000	1,500,000	-
Total expenditures	1,500,000	1,500,000	-
TRANSFERS OUT			
Debt Service Fund	-	-	-
General Fund	-	-	-
Total transfers out	-	-	-
Total expenditures and transfers out requiring appropriation	1,500,000	1,500,000	-
ENDING FUND BALANCE	$ -	$ -	$ -

"PRELIMINARY DRAFT - SUBJECT TO REVISION"

These financial statements should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
2006 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Services Provided

The District was organized by Court Order in December 2004, to provide financing for the design, acquisition, installation and construction of streets, drainage, traffic and safety controls, park and recreations, transportation, and mosquito control. The District's service area is located entirely within the Town of Snowmass Village (the "Town"), in Pitkin County, Colorado. Under the Consolidated Service Plan, the District is the Taxing District related to Base Village Metropolitan District No. 1 (Base Village No. 1), which serves as the Operating District. The Operating District is responsible for management of the construction of all facilities and improvements and for operation and maintenance of all improvements not conveyed to the Town. The Taxing District provides the funding for infrastructure improvements and the tax base needed to support ongoing operations.

The District has a funding agreement from the Developer to fund operating and administrative expenditures until other revenues are available to the District. The construction of District facilities is expected to be financed by the issuance of bonded debt by the District.

The District prepares its budget on the modified accrual basis of accounting.

Revenue

Property Taxes

The calculation of the taxes levied is displayed on page 3 of the Budget at the adopted mill levy of 29.500 mills.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The forecast assumes that the District's share will be equal to approximately 10% of the property taxes collected.

Debt and Leases

The District currently has no outstanding debt nor any capital or operating leases.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
2006 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

(Continued)

Reserve Funds

Pursuant to the intergovernmental agreement, as noted above, the revenue is remitted to District No. 1, which has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2006, as defined under TABOR.

This information is an integral part of the accompanying forecasted budget.