



March 14, 2016

CSURA – University Village
c/o D.A. Davidson & Co.
Attn: Sam Sharp
1550 Market Street, Suite 300
Denver, CO 80202

Dear Mr. Sharp:

U.S. Bank National Association is pleased to consider your request to provide financing to CSURA – University Village. A summary of some of the terms U.S. Bank is considering for this financing package is as follows:

Borrower:	CSURA – University Village
Facility:	Tax-exempt, non-bank qualified, term loan
Purpose:	Refunding of Series 2008A Bonds, a portion of the Series 2008B Bonds, funding of a Debt Service Reserve Fund and for payment of closing costs
Maturity:	Up to 10 years from closing
Amount:	Up to \$56,000,000
Amortization:	Through December 1, 2030 with principal payments in the first 10 years according to the following schedule:

2016 - \$1,750,000
2017 - \$1,700,000
2018 - \$1,800,000
2019 - \$1,875,000
2020 - \$1,975,000
2021 - \$2,075,000
2022 - \$2,200,000
2023 - \$2,300,000
2024 - \$2,425,000
2025 - \$2,550,000
Balance due at maturity

Fixed Swap Rate:	On the closing date, the District will enter into an interest rate exchange agreement for the purpose of synthetically fixing the interest payments on any portion of the Facility (see attached swap addendum).
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Interest Rate: The Facility shall bear interest at a rate equal to the Fixed Swap Rate plus 1.80% per annum.

Interest to be calculated on an actual / 360 day year.

Mandatory Prepayment: The Borrower shall be required to prepay senior debt on an annual basis. The amount of the required prepayment will be capped per the schedule below.

Prepayment Limits: The following schedule outlines the amount of senior debt service that must be paid prior to any payment of subordinated debt:

2016 - \$4,600,000
2017 - \$4,650,000
2018 - \$4,700,000
2019 - \$4,750,000
2020 - \$4,800,000
2021 - \$4,850,000
2022 - \$4,900,000
2023 - \$4,950,000
2024 - \$5,000,000
2025 - \$5,050,000
2026 - \$5,100,000*
2027 - \$5,150,000
2028 - \$5,200,000
2029 - \$5,600,000
2030 - \$6,500,000

*Inclusive of the balloon payment at maturity

Rate Increase Event:

1. During the initial term of the Facility, the Rate Increase Event will be the Interest Rate plus 5.00% up to the amount listed in the Prepayment Limits schedule
2. Upon maturity of the loan, the Rate Increase Event will be Daily Reset LIBOR Rate plus 5.00% up to the amount listed in the Prepayment Limits schedule

Covenants:

1. The existing conversion test will be eliminated. Subordinate Bonds cannot be transferred to senior debt at any point.
2. Beginning on 6/30/2020, and on that date every year thereafter, the Authority must certify that trailing twelve month sales tax revenue is \$3,600,000 or greater. Should sales tax revenue fall below this amount during the annual test, the remaining amount of outstanding debt will come due at 12/1 of that year.

Payment Dates: Interest will be paid semi-annually on each June 1 and December 1.

1. Principal will be paid annually on each December 1.



Pledged Revenue:	<p>The Bank will have a senior pledge on the following:</p> <ol style="list-style-type: none"> 1. Revenues produced from the overlapping mill levy within the North Nevada Corridor Urban Renewal Area less a \$50,000 carve out for operating expenses. Should rates increase by 0.25% or more from the stated Rate above, there will be no carve out for expenses 2. Revenues produced from the sales tax within the North Nevada Corridor Urban Renewal Area 3. Proposed Debt Service Reserve Fund 4. All other legally available monies at the District's discretion
Debt Service Reserve Fund:	The District will establish a Debt Service Reserve Fund and maintain a Reserve Fund Requirement equal to \$3,350,000
Conditions Precedent:	An opinion letter from Bond Counsel certifying that the incremental sales tax revenue will be collected through August 12, 2030 and the incremental property tax revenue will be collected through December 31, 2030
Upfront Fee:	\$230,000
Additional Debt:	No additional debt without prior bank consent
Flow of Funds:	<p>Annual Pledged Revenue will be managed by the following flow of funds:</p> <ol style="list-style-type: none"> 1. Payment of senior interest, principal and any other applicable Bank fees 2. An amount necessary to replenish the Debt Service Reserve Fund to the Reserve Fund Requirement, if needed 3. A prepayment to the senior facility in an amount equal to the appropriate figure listed in the Series 2008A Debt Service Schedule less the amount of debt service paid in #1 above 4. Any remaining amount may be used for the payment of subordinated debt service or for any legally acceptable purpose
Reporting Requirements:	<ol style="list-style-type: none"> 1. Audited financial statements within 270 days of each fiscal year end 2. Certificate of No Default within 270 days of each fiscal year end 3. Preliminary certificate of Assessed Value no later than 9/30 of each year 4. Final certificate of Assessed Value no later than 12/31 of each year 5. Overlapping Mill Levy report by 1/31 of each year 6. Annual budget due by 1/31 of each year 7. Report of year to date sales taxes collected due at the end of every calendar quarter
Trustee:	U.S. Bank Trust will act as trustee, or any similar role including paying agent and custodian for the proposed Facility and any resulting funds.



Nondisclosure by
Borrower or any affiliate:

By accepting delivery of this summary of terms and conditions, the Borrower hereby agrees that it will not disclose to any person (and will ensure that none of its affiliates disclose to any person) any of the terms contained herein or the fact that this summary of terms and conditions exists. Notwithstanding the foregoing, the Borrower may disclose any of the foregoing to any of its employees, advisors, or attorneys to whom, in each case, it is necessary to disclose such information so long as any such employee, advisor, or attorney is instructed to keep such information confidential in accordance with the requirements hereof.

Legal & Other Fees:

All costs and expenses incurred to underwrite and close the transaction completed herein including Bank counsel fees shall be paid by the Borrowers.

As we obtain more information, additional substantive conditions will be required and terms may be changed or be supplemented. In addition, upon completion of our analysis and due diligence and if we obtain credit approval of this proposal, we will prepare loan documentation which will include terms and conditions customary to U.S. Bank, as well as warranties and covenants specific to this transaction.

To that end, this letter is an expression of interest only, and it is not a contract, commitment nor intent to be bound. U.S. Bank does not intend that this letter or discussions relative to the terms of this letter create any legal rights or obligations, implicit or explicit, in favor of or against the other party. Also, no oral discussions and/or written agreements shall be in place of or supersede written loan agreements executed by your business and accepted by U.S. Bank.

Thank you for discussing your financing needs with U.S. Bank. Should you wish us to continue to consider your credit request, you will be responsible for all of U.S. Bank's out-of-pocket expenses related to this financing request. We look forward to the opportunity to consider your credit request. If you have any questions regarding this letter, please contact me at 303-585-4873.

Sincerely,

U.S. BANK NATIONAL ASSOCIATION



Jason Edrington
Vice President





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Dated: 3/14/2016

Proposed Interest Rate Swap Terms CSURA – University Village

Interest Rate Protection:

Borrower will hedge the variable interest rate of the Facility by maintaining an interest rate swap, cap or collar transaction with U.S. Bank (or with another swap dealer acceptable to U.S. Bank), all upon terms and conditions acceptable to U.S. Bank. If such transaction is with U.S. Bank, such terms and conditions shall include, without limitation, requirements that Borrower's obligations be cross defaulted, coterminous and secured on a parity basis with the Collateral and guaranteed by the Guarantor(s). Borrower shall enter into such transaction not later than the closing date of the Facility.

As of March 14, 2016, the *indicative rates* would be approximately – see below.*

Notional:	\$42,000,000 (75% of Proposed Schedule)	
Amortization:	per schedule	
Start Date:	Spot (T+2)	
Payments:	Monthly, Act/360 day basis, Modified Following, adjusted	
Floating Index:	70% x One Month LIBOR	
Cancelable Option:	CSURA – University Village purchases the right to cancel the swap at NO COST at the 10 Year term matching the term of the loan commitment	
<u>Maturity Date:</u>	<u>Fixed Swap Rate:*</u>	<u>All-In Fixed Rate (incl loan spread)**</u>
12/1/2030	1.47%	3.27%

* Please note that these rates are indicative only.

It has been provided in order to assist Borrower with its consideration of this Facility, which may include a desire to consider fixed rate alternative to hedge the variable interest expense of the Facility and to be able to better compare this proposed Facility to other financing alternatives.

** The all-in fixed rate is subject to refinance risk at the end of the commitment term. The swap rate will not change once locked-in; however, the credit spread over LIBOR and the funding spread will be reevaluated at the end of the commitment term.

An actual fixed rate the Borrower could ultimately obtain would depend on the swap dealer, the swap terms and market conditions at the time of swap execution. Any swap that the Borrower may wish to enter into shall be on terms and conditions and with a swap provider that are mutually acceptable to Borrower and U.S. Bank, including satisfaction of all eligibility, suitability and other requirements under the Commodity Exchange Act and regulations for a swap entered into bilaterally with a swap dealer. Nothing herein is an offer, commitment, solicitation or recommendation to enter into any swap. If Borrower would like detailed information about swaps (including their



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risks, characteristics and benefits) or how entering into a swap with a swap dealer like U.S. Bank can offer certain protections, we can refer you to a member of our Derivative Products Group.

Proposed Amortization Schedule:

Spot	42,000,000
12/01/2016	40,232,680.23
12/01/2017	38,018,399.72
12/03/2018	35,696,545.21
12/02/2019	33,263,712.35
12/01/2020	30,716,389.1
12/01/2021	28,056,746.53
12/01/2022	25,293,405.7
12/01/2023	22,442,807.25
12/02/2024	19,482,078.82
12/01/2025	16,427,851.96
12/01/2026	13,256,654.63
12/01/2027	9,985,304.28
12/01/2028	6,589,708.04
12/03/2029	3,086,863.51