REFUNDING ESCROW AGREEMENT

between

COLORADO SPRINGS URBAN RENEWAL AUTHORITY

and

UMB BANK, N.A.,
as Escrow Agent

Dated August [__], 2016
ESCROW AGREEMENT

THIS REFUNDING ESCROW AGREEMENT dated August [__], 2016, 2016 (this “Escrow Agreement”), is made and executed by and between COLORADO SPRINGS URBAN RENEWAL AUTHORITY, a body corporate and politic duly organized and validly existing under the laws of the State of Colorado (the “Authority”), and UMB BANK, n.a., in Denver, Colorado (the “Escrow Agent”), a national banking association duly organized and existing under the laws of the United States of America and having full and complete trust powers;

WITNESSETH:

The parties hereto recite and, in consideration of the mutual covenants and payments referred to and contained herein, covenant and agree as follows:

1. The Authority has also heretofore issued its “Colorado Springs Urban Renewal Authority Tax Increment Revenue Bonds (University Village Colorado Project), Series 2008A Senior,” (the “Series 2008A Bonds”), originally issued in the aggregate principal amount of $47,125,000, and its “Colorado Springs Urban Renewal Authority Tax Increment Revenue Bonds (University Village Colorado Project), Series 2008B Subordinate,” (the “Series 2008B Bonds” and, collectively with the Series 2008A Bonds, the “2008 Bonds”), originally issued in the aggregate principal amount of $7,505,000, pursuant to an Indenture of Trust dated as of February 1, 2008 between the Authority and UMB Bank, n.a. (the “2008 Indenture”).

The Series 2008A Bonds are subject to redemption prior to maturity at the option of the Authority, in whole or in part, on any date on and after December 1, 2017 (the “Redemption Date”), at a redemption price equal to 100% of the principal amount thereof plus accrued interest, if any, to the Redemption Date (the “Series 2008A Redemption Price”). The Series 2008B Bonds are subject to redemption prior to maturity at the option of the Authority, in whole or in part, on any date on and after the Redemption Date, at a redemption price equal to 102% of the principal amount thereof plus accrued interest, if any, to the Redemption Date (the “Series 2008B Redemption Price and, together with the Series 2008A Redemption Price, the “Redemption Price”).

2. The Board of Commissioners of the Authority (the “Board”) adopted a resolution on July 20, 2016 (the “Approving Resolution”) authorizing: (a) the execution and delivery of a 2016 Senior Loan Agreement (the “Senior Loan Agreement”) dated as of August [__], 2016 between the Authority and U.S. Bank National Association (the “Senior Lender”), pursuant to which the Senior Lender will make a term loan (the “Senior Loan”) to the Authority; and (b) the issuance of its “Colorado Springs Urban Renewal Authority, Subordinate Tax Increment Revenue Bonds (University Village Project Refunding), Series 2016 (the “Subordinate Bonds” and, together with the Senior Loan, the “2016 Obligations”) pursuant to a Subordinate Indenture of Trust (the “Subordinate Indenture”) between the Authority and UMB Bank, n.a., as trustee (in such capacity, the “Subordinate Trustee”).

The Authority authorized the issuance of the 2016 Obligations for the purpose of refunding in advance of their respective maturities (i) all of the currently outstanding Series
2008A Bonds (the “Refunded Series 2008A Bonds”), together with all accrued, compounded and unpaid interest thereon, and (ii) all of the currently outstanding Series 2008B Bonds (the “Refunded Series 2008B Bonds” and, together with the Refunded Series 2008A Bonds, the “Refunded Bonds”), together with all accrued, compounded and unpaid interest thereon.

The Refunded Bonds are more particularly described below.

### Refunded Series 2008A Bonds

<table>
<thead>
<tr>
<th>Maturity Date (December 1)</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
<th>CUSIP Number*</th>
</tr>
</thead>
</table>

### Refunded Series 2008B Bonds

<table>
<thead>
<tr>
<th>Maturity Dates (December 1)</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
<th>CUSIP Number*</th>
</tr>
</thead>
</table>

3. The Escrow Agent shall create a special fund and separate trust account designated as the “Colorado Springs Urban Renewal Authority 2016 North Nevada Urban Renewal Area Escrow Account” (the “Escrow Account”). The Authority shall deposit $[____________] into the Escrow Account, (a) $[____________] of which amount shall be used to purchase the Government Obligations (as defined in the 2008 Indenture) described in Exhibit [___] to Appendix A attached hereto (the “Escrow Account Securities”), and (b) $[___________] of which shall establish an initial cash balance in the Escrow Account.

The Escrow Agent agrees, without any further direction from the Authority, to use moneys on deposit in the Escrow Account to purchase the Escrow Account Securities in accordance with the preceding paragraph. The Escrow Account Securities to be purchased shall mature on the dates, be of the aggregate face amounts and yield or bear interest at the rates set forth in Exhibit [___] to Appendix A attached hereto.

4. Moneys in the Escrow Account shall be held and applied by the Escrow Agent to (a) pay the principal of and interest due on the Refunded Bonds through the Redemption Date, including without limitation all past-due principal and interest thereof and thereon, and (b) redeem the Refunded Bonds on the Redemption Date at the Redemption Price.

* The CUSIP numbers set forth above were assigned by Standard & Poor’s Corporation and are included solely for the convenience of the reader. The Authority and the Escrow Agent have no responsibility for selection or use of the CUSIP numbers and make no representation as to their correctness.
The debt service schedule for the Refunded Series 2008A Bonds is set forth in Exhibit [___] to Appendix A attached hereto. The debt service schedule for the Refunded Series 2008B Bonds is set forth in Exhibit [___] to Appendix A attached hereto.

The Authority hereby gives the Escrow Agent irrevocable instructions to deliver, and the Escrow Agent agrees to deliver, in accordance with the 2008 Indenture, (i) a notice to redeem the Refunded Series 2008A Bonds on the Redemption Date, and (ii) a notice to redeem the Refunded Series 2008B Bonds on the Redemption Date. The forms of such redemption notices are attached hereto as Appendices B-1 and B-2.

5. Appendix A attached hereto is a copy of the report prepared by [______________], independent certified public accountants, [____________], Colorado (the “Verification Agent”) showing the total of the principal of and interest on the Refunded Bonds required to be paid in each year indicated. With the report, the Verification Agent has delivered its opinion that the computations represented in Exhibits [__] through [__] of the report, which indicate that the cash proposed to be placed in the Escrow Account will produce the amounts necessary to provide for the timely payment of the payments on the Refunded Bonds described in paragraph 4 hereof, are mathematically correct.

6. The Escrow Agent acknowledges the receipt of the amounts initially deposited in the Escrow Account described in paragraph 3 hereof. Without the requirement of any action being taken by the Authority, the Escrow Agent agrees to pay, on behalf of the Authority: (a) the principal of and interest due on the Refunded Bonds through the Redemption Date, including without limitation all past-due principal and interest thereof and thereon, and (b) the Redemption Price of the Refunded Bonds on the Redemption Date.

7. The Escrow Agent shall not reinvest any cash, redeem and reinvest the proceeds of the Escrow Account Securities or substitute other securities for the Escrow Account Securities held in the Escrow Account unless and until the Authority requests that such action be taken. Any such reinvestment or substitution must be in Government Obligations, as defined in the 2008 Indenture. Prior to any request for any such reinvestment, redemption or substitution, the Authority shall provide to the Escrow Agent: (i) an opinion by an independent certified public accountant that after such action the principal amount of the Government Obligations held in the Escrow Account, together with the earnings thereon and other available moneys, will be sufficient to pay, as the same become due, the payments on the Refunded Bonds described in paragraph 4 hereof; and (ii) an unqualified opinion of nationally recognized municipal bond counsel to the effect that such action (A) will not cause the 2016 Obligations or the Refunded Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the regulations in effect thereunder on the date of such reinvestment and (B) complies with the Constitution and laws of the State of Colorado, the 2008 Indenture, the Senior Loan Agreement and the Subordinate Indenture.

8. As full consideration for all services to be performed by the Escrow Agent under this Escrow Agreement, the Authority agrees to pay the Escrow Agent the sum of $[_______] upon the execution of this Escrow Agreement, receipt of which amount is hereby acknowledged by the Escrow Agent. The Escrow Agent expressly waives any lien upon or claim against the moneys and securities in the Escrow Account for its services under this Escrow Agreement.
9. The Escrow Agent shall hold moneys held in the Escrow Account in a special trust fund and account, separately accounted for from other trust assets of the Escrow Agent, and shall never commingle such money with the Escrow Agent’s own assets. To the extent not insured by the Federal Deposit Insurance Corporation, all money held in cash at any time in the Escrow Account shall be continuously secured by the deposit in a Federal Reserve Bank of direct obligations of the United States of America in a principal amount always not less than the total amount of such uninvested money. It is understood and agreed that the responsibility of the Escrow Agent under this Escrow Agreement is limited to the safekeeping and segregation of the money and securities held in such Escrow Account, the collection of and accounting for the principal and interest payable with respect thereto, and the payment of the principal of, premium, if any, and interest on the Refunded Bonds to the paying agent for the Refunded Bonds in accordance with the provisions of this Escrow Agreement.

10. This Escrow Agreement is made by the Authority for the benefit of the registered owners of the Refunded Bonds and is not revocable by the Authority and the moneys held in the Escrow Account and all income therefrom have been irrevocably appropriated for the payment of the Refunded Bonds in accordance with this Escrow Agreement; provided, however, that when the principal of, interest on and the redemption price of the Refunded Bonds and all amounts payable to the Escrow Agent hereunder have been paid in full, any remaining amounts in the Escrow Account shall be paid to the Authority; and provided, further, that if and when any substitution of Defeasance Securities for moneys in the Escrow Account pursuant to paragraph 7 hereof results in excess cash or securities, such excess cash or securities shall be paid or delivered to the Authority.

11. This Escrow Agreement shall be binding upon and shall inure to the benefit of the Authority and the Escrow Agent and their respective successors and assigns. In addition, this Escrow Agreement shall constitute a third party beneficiary contract for the benefit of the registered owners of the Refunded Bonds. Such third party beneficiaries shall be entitled to enforce performance and observance by the Authority and the Escrow Agent of the respective agreements and covenants herein contained as fully and completely as if such third party beneficiaries were parties hereto. Any bank into which the Escrow Agent may be merged or with which it may be consolidated or any bank resulting from any merger or consolidation to which it shall be a party or any bank to which it may sell or transfer all or substantially all of its corporate trust business shall, unless the Authority disapproves in writing, be the successor agent without the execution of any document or the performance of any further act. In the event the Authority disapproves of the successor agent resulting from any of the events described above, the Authority shall immediately appoint any state or national bank with a corporate trust office within the State of Colorado which is a member of the Federal Deposit Insurance Corporation and which has trust powers to be the successor agent, whereupon such successor agent shall immediately succeed to the respective agreements and covenants hereunder.

12. The Escrow Agent shall immediately notify the Authority and D.A. Davidson (as defined in the Approving Resolution) by first-class mail, postage prepaid, whenever, for any reason, moneys held in the Escrow Account will be insufficient to pay the principal of, interest on and Redemption Price of the Refunded Bonds when due and payable in accordance with the 2008 Indenture and paragraph 4 hereof.
13. The Authority shall have the right, at any time, to examine all the records of the Escrow Agent regarding the status of the Escrow Account and the details of all income, investments, reinvestments, redemptions and withdrawals therefrom.

14. Reserved.

15. The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the Authority of any of the obligations of the Authority, or to protect any of the rights of the Authority under any bond resolution or any of the other contracts of the Authority with or franchises or privileges from any state, county, municipality or other governmental agency or with any corporation or individual; and the Escrow Agent shall not be liable for any act done or step taken or omitted by the Escrow Agent or any mistake of fact or law or for anything which the Escrow Agent may do or refrain from doing, except for its negligence or its default in the performance of any obligation imposed upon the Escrow Agent hereunder. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, or in the Refunded Bonds or any proceedings taken in connection therewith.

16. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the Authority or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

17. The duties and responsibilities of the Escrow Agent are limited to those specifically stated in this Escrow Agreement. The Escrow Agent shall only be liable for losses that result from its own negligence or willful misconduct, including, without limitation, losses that result from a breach of its fiduciary duties or gross negligence.

18. No amendment to this Escrow Agreement shall be effective until the Authority delivers or causes to be delivered to the Escrow Agent an opinion of Bond Counsel to the effect that the amendment (i) will not cause interest on any of the 2016 Obligations or the Refunded Bonds to be included in gross income for federal income tax purposes or to be a specific preference item for purposes of the federal alternative minimum tax (except as such interest is required to be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations); and (ii) complies with the Constitution and laws of the State of Colorado, the 2008 Indenture, the Senior Loan Agreement and the Subordinate Indenture.

19. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument. This Escrow Agreement shall be governed by the laws of the State of Colorado, without regard to conflict of laws principles.

20. This Escrow Agreement shall terminate upon the payment of all of the principal of, interest on and redemption price of the Refunded Bonds.
21. Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Escrow Agreement.

22. Any notice to be given hereunder shall be delivered personally or mailed postage prepaid, return receipt required, to the following addresses:

If to the Authority: Colorado Springs Urban Renewal Authority
30 S. Nevada Ave.
Suite 502
Colorado Springs, CO 80903
Attention: Executive Director

If to the Escrow Agent: UMB Bank, n.a.
Corporate Trust and Escrow
1670 Broadway
Denver CO 80202

or such other address as either party may, by written notice to the other party, hereafter specify. Any notice shall be deemed to be given upon mailing.

23. The parties hereto agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[remainder of page intentionally left blank]
IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed by their duly authorized officers as of the date first written above.

[SEAL]

COLORADO SPRINGS URBAN RENEWAL AUTHORITY

By______________________________

Chair

Attest:

By______________________________

Executive Director/Secretary

UMB BANK, n.a., as Escrow Agent

By______________________________

Authorized Signatory

[Signature Page to Escrow Agreement]
APPENDIX A

VERIFICATION REPORT OF [______________]

[to be inserted]
APPENDIX B-1

FORM OF NOTICE OF REDEMPTION FOR REFUNDED SERIES 2008A BONDS

[to be inserted]
APPENDIX B-2

FORM OF NOTICE OF REDEMPTION FOR REFUNDED SERIES 2008B BONDS

[to be inserted]