



North Slope Capital Advisors
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March 28, 2016

Mr. Jim Rees
Director
Colorado Springs Urban Renewal Authority
30 South Nevada Avenue, Suite 600
Colorado Springs, CO 80903

Re: North Nevada University Village Financial Advisor and Swap Advisor
Engagement Letter

Dear Mr. Rees:

The purpose of this letter is to set forth certain matters concerning the services we propose to perform as Financial Advisor and Swap Advisor to Colorado Springs Urban Renewal Authority in connection with the North Nevada University Village refunding project. As an Independent Registered Municipal Advisor, regulated by the Securities and Exchange Commission and the Municipal Securities Rulemaking Board, North Slope Capital Advisors has a fiduciary duty of loyalty and care to put the financial interests of its clients ahead of its own business interests. North Slope will be engaged by CSURA as an independent registered financial advisor to perform in accordance with industry best practices, the work detailed in the **Scope of Services** section below. The firm shall be compensated for the services as provided in the **Fees** section below.

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SCOPE OF SERVICES

In this engagement, we expect to perform the following duties:

- 1) **Confirm the Goals for the Refinancing.** North Slope will work with CSURA to identify and prioritize goals for the proposed North Nevada University Village refinancing including but not limited to:
 - a. Curing the current default and structuring the new loan such that future defaults are unlikely;
 - b. Funding Authority operations from annual revenues and refunding proceeds;
 - c. Repaying all outstanding obligations before the end of the TIF period, and
 - d. Lowering the interest rate on outstanding debt given current market conditions.
- 2) **Serve in a Fiduciary Capacity throughout the Financing Process.** North Slope will work with members of the financing team including bond counsel, placement agent, purchaser, trustee bank, and CSURA throughout the financing process from the documentation stages, to negotiating final terms and interest rate(s), to a successful closing of the transaction.
- 3) **Provide Pricing Comfort.** North Slope will review the pricing of the transaction and provide comfort that the interest rate and other structuring elements (redemption features, amortization, increased costs provisions (if any), etc.) are fair and reasonable given the structure and credit quality of the transaction.
- 4) **Qualified Independent Representative (QIR) and Swap Advisor Services.** North Slope proposes to provide the following services as QIR and Swap Advisor:
 - a. Lead CSURA Board education on the risks present in an interest rate swap transaction;
 - b. Comply with Dodd-Frank QIR requirements, including adherence to written policies and procedures reasonably designed to ensure satisfaction of such requirements;
 - c. Review and understand CSURA's swap documents related to Dodd-Frank protocols and safe harbor provisions or letters; and
 - d. Serve as CSURA's QIR on derivative transactions.

For providing Swap Advisor services related to the execution, transfer, or termination of a specific hedge transaction (i.e. interest rate swaps, caps, floors, collars, or a similar hedging instrument), North Slope shall receive a fee equal to the present value of 2.0 basis points on the notional amount of the interest rate swap as detailed in the fee section below. Such fee shall be payable by CSURA or alternatively by the provider of the interest rate swap upon acknowledgement of such fee by CSURA. Such fee shall be paid only upon a successful closing of the interest rate swap.

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FEES

Contingent Fee Proposal

Our proposed fee to serve as Financial and Swap Advisor to the above referenced transaction is provided below on an itemized basis. The total fee covers the scope of services listed above in support a successful financing that meets Colorado Springs Urban Renewal Authority's goals for the proposed North Nevada University Village refinancing.

Financial and Swap Advisory Services	Proposed Fee
Financial Advisory Scope of Services	\$35,000
QIR and Swap Advisory Scope of Services	Present value of 2.0 basis points on the swap notional amount

We look forward to working with the Authority on this engagement. Please do not hesitate to contact us with any questions.

Thanks in advance for your consideration,

Stephanie Chichester
President
North Slope Capital Advisors

Wynne Palermo
Chairperson
Colorado Springs Urban Renewal Authority