

December 15, 2016

City Council
City of Colorado Springs, Colorado

Allison Valley Metropolitan District No. 1
2017A Loan Agreement and Related Promissory Note

Ladies and Gentlemen:

We have been engaged as bond counsel to Allison Valley Metropolitan District No. 1 (the "District") in connection with the proposed execution and delivery of a Loan Agreement between the District and Vectra Bank Colorado, National Association (the "Lender"), providing for a loan to be made by the Lender to the District in the amount of up to \$10,000,000 (the "Loan"), as further evidenced by a Promissory Note (the "Note") to be issued by the District to the Lender in the principal amount of the Loan (the obligations of the District represented by the Loan Agreement and the Note are collectively referred to herein as the "Obligations"). This letter is provided pursuant to your request with regard to the Amended and Restated Consolidated Service Plan for the District, approved by you on September 8, 2015 (the "Service Plan"). The Loan is being issued as a "draw-down" loan, with an initial funded, and permitted subsequent advances, provided that the total amount thereof is not to exceed \$10,000,000. The Obligations will constitute limited tax general obligations of the District. A form of the Loan Agreement, including, as an exhibit, a form of the Note, accompany this letter, and all statements made in this letter concerning the provisions of the Obligations assume that the Loan Agreement and the Note are executed in substantially the forms so presented to you. We have further assumed, for purposes of this letter, the approval of the incurrence of the Obligations (in the principal amount of up to \$10,000,000) by the approving vote of at least two-thirds of the City Council and the delivery of a certification of an External Financial Advisor (as defined in the Service Plan) with respect to the Obligations.

Based upon the foregoing, we have determined that the incurrence by the District of the Obligations as set forth above is in compliance with all requirements of the Service Plan applicable thereto, as well as all applicable laws of the State of Colorado.

This letter is given as of the date hereof solely for your purpose in evaluating the appropriateness of consenting to the execution and delivery of the Loan Agreement and Note.

Sincerely,



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