



*Confidential*

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December 16, 2020

Copper Ridge Metro District  
Attn: Michael Lund  
C/O Stifel  
1401 Lawrence Street, Suite 900  
Denver, CO 80202

RE: Copper Ridge Metro District

Dear Mr. Lund,

On behalf of NBH Bank ("NBH"), I am pleased to present you with the following Summary of Indicative Terms and Conditions. This Summary has been provided for the sole use of the Borrower and Borrower's paid advisors. The information contained in this document is confidential and proprietary to NBH Bank and its affiliates, and cannot be disclosed to any third party without prior written consent of the Bank.

The terms and general conditions of the proposed facility are detailed below. Please note that this proposal is for discussion purposes and has not been formally approved nor is it intended to imply that a formal commitment will be approved. We look forward to discussing this proposal after you have had adequate time to review.

Please do not hesitate to contact us with any questions or comments about our proposal. We look forward to speaking with you soon.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rob L. Stuart".

Rob L. Stuart  
NBH Bank  
Director, Government & Nonprofit Finance  
rob.stuart@nbhbank.com

**Issuer:** Copper Ridge Metropolitan District

**Lender:** NBH Bank (the "Bank")

**Credit Facility:** Series 2021, bank qualified tax-exempt, non-revolving draw down loan.

**Facility Amount:** In an amount up to \$6,000,000

**Purpose:** Funding infrastructure costs in addition to the cost of issuance

**Pledged Revenues:** The Facility will be secured by revenue generated by a limited (50 mills) property tax pledge. All of the taxable property in the District is subject to the levy of an ad valorem tax to pay the principal of, interest on, and premium, if any, on the loan.

Additionally, the District will pledge Special Ownership Tax revenue and its 1% public improvement fee.

**Maturity and Amortization:** The loan will be amortized through the maturity of 12/1/38.

Payment		Payment	
Date	Principal	Date	Principal
12/1/21	\$ 100,000	12/1/30	\$ 240,000
12/1/22	\$ 125,000	12/1/31	\$ 240,000
12/1/23	\$ 210,000	12/1/32	\$ 245,000
12/1/24	\$ 210,000	12/1/33	\$ 250,000
12/1/25	\$ 215,000	12/1/34	\$ 250,000
12/1/26	\$ 215,000	12/1/35	\$ 255,000
12/1/27	\$ 220,000	12/1/36	\$ 280,000
12/1/28	\$ 225,000	12/1/37	\$ 1,205,000
12/1/29	\$ 230,000	12/1/38	\$ 1,285,000
<b>Total</b>			<b>6,000,000</b>

**Interest Rate:** The rate of each draw will be fixed rate through maturity at the time of the draw. The current bank qualified, tax exempt fixed rate is 2.875% (10 year Treasury + 1.95). The rate is as of December 16, 2020 and is *subject to change based on fluctuations in the index prior to the rate lock date.*

The Borrower may lock the rate up to 30 days prior to closing with no additional cost. All future draws will also be set at the 10-Year Treasury + 1.95% up to 30 days prior to the draw.

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- Reserve Fund:** The existing 2016 and 208 reserve funds will be cross-pledged to the proposed 2021 loan. No additional debt service reserve funds will be required above the existing \$635,000.
- Callability:** Subject to prepayment indemnity through July 15, 2026, then callable in whole, at par, on any scheduled payment date.
- Covenants:** Covenants will mirror the covenants in the existing 2016 and 2018 agreements.
- Reporting:**
- 1). Annual audit due within 240 days of each FYE;
  - 2). Annual Certificate of AV & Mill Levy due within 60 days of FYE;
  - 3). Annual Budget due 60 days after FYE;
  - 4). Quarterly financials within 45 days of quarter end.
- Deposit Account:** Draws will be deposited into a District managed account with Community Banks of Colorado and disbursed at the District's discretion.
- Subject To:** Other due diligence as necessary to make a formal credit decision.
- Fees & Expenses:** Whether or not the Financing Agreement is executed and the Bank has provided a commitment to lend, Borrower will pay all fees and expenses relating to preparation of the loan documents, including Bank Counsel fees. The Bank intends to use Kline Alvarado Veio.

AGREED AND ACCEPTED:

\_\_\_\_\_  
Authorized Signer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

***All preliminary terms and conditions outlined herein are confidential and may not be shared with any financial institution without the prior consent of NBH Bank. This information is intended for discussion purposes only, and is offered by NBH Bank as a preliminary indication of interest.***

***This indication of interest does not represent a commitment to lend monies, nor is it an indication that a formal lending commitment may be forthcoming. Any formal lending commitment that may be issued by NBH Bank will be subject to the satisfactory conclusion of the Bank's due diligence, completion of the Bank's credit underwriting process, and requisite approval by the Bank's credit authorities.***

**Prepayment Indemnity**

The Loan is subject to redemption and payment prior to maturity, at the option of the Borrower, which shall be exercised upon prior written direction from the Borrower, on any Interest Payment Date prior to Call Date, in whole or in part (minimum increments of \$1,000,000) at a redemption price equal to 100% of the principal amount of the redeemed Loan, plus accrued interest thereon to the redemption date, plus administrative fees as applicable, plus a make-whole fee, if any, equal to present value of the difference between (i) the total amount of interest based on the Original Interest Rate Swap Rate which would have accrued on the prepaid amount had such event not occurred and (ii) the amount of interest based on the Current Interest Rate Swap Rate which would have accrued on the prepaid amount had such event not occurred, both (i) and (ii) discounted at the then "Current Interest Rate Swap Rate", as determined by NBH Bank. The "Original Interest Rate Swap Rate" is the quotation in effect at the time of issuance maturing on the stated Maturity Date of this Loan. The "Current Interest Rate Swap Rate" is the quotation in effect at the time of the Redemption maturing on the stated Maturity Date. Should the present value have no value or a negative value, the Loan may be optionally redeemed with no make-whole fee.