

## RESOLUTION

APPROVING THE LEASE PURCHASE FINANCING BY THE BOARD OF DIRECTORS OF THE AURARIA HIGHER EDUCATION CENTER FOR THE PURPOSE OF CURRENT REFUNDING CERTAIN CERTIFICATES OF PARTICIPATION ISSUED IN 2005; AUTHORIZING AND APPROVING A MASTER LEASE PURCHASE AGREEMENT, A MORTGAGE AND INDENTURE OF TRUST AND RELATED DOCUMENTS AND TRANSACTIONS; RATIFYING ACTION PREVIOUSLY TAKEN; PROVIDING OTHER MATTERS RELATING THERETO; AND PROVIDING THE EFFECTIVE DATE THEREOF.

WHEREAS, the Board of Directors of the Auraria Higher Education Center (the "Board") is a body corporate created by the State of Colorado (the "State") and functions as an instrumentality of the State in planning and managing the Auraria Higher Education Center's (the "Center") physical plant and otherwise carrying out the policies of the State with regard to the Center; and

WHEREAS, the Board is authorized by Article 70 of Title 23, Colorado Revised Statutes, as amended, to enter into lease purchase agreements to provide for the financing and refinancing of the Board's physical assets and plant used, or to be used, for governmental purposes; and

WHEREAS, on September 29, 2005, the Corporation (as defined below) issued \$17,520,000 Auraria Higher Education Center Certificates of Participation (Administrative Office Facility Refunding Project), Series 2005 (the "2005 Certificates") in order to: (a) advance refund the Corporation's \$16,905,000 Certificates of Participation (Administrative Office Facility Project), Series 1998; (b) fund a debt service reserve fund through the purchase of a surety bond from Ambac Assurance Corporation; and (c) pay the costs of issuance of the Series 2005 Certificates (together, the "2005 Project"); and

WHEREAS, the Board has determined that it is in the best interest of the Center to enter into that certain Master Lease Purchase Agreement, dated as of a date to be determined (the "Lease"), by and between the Board and a to be determined financial or commercial entity, as lessor (the "Lessor") in order to current refund the 2005 Certificates and pay certain costs of issuance in connection therewith pursuant to the terms of the Lease; and

WHEREAS, pursuant to a Mortgage and Indenture of Trust, dated as of a date to be determined (the "Indenture"), by and between the Lessor and a to be determined financial or commercial entity, as trustee thereunder (the "Trustee"), the Corporation will issue its Certificates of Participation (Administrative Office Facility Refunding Project), Series 2015 (the "Certificates") not to exceed the aggregate principal amount of \$15,000,000, evidencing assignments of proportionate interests in rights to receive payments under the Lease; and

WHEREAS, the proceeds from the sale of the Certificates will be disbursed by the Trustee at the direction of the Board, to defray all or a portion of the costs of current refunding the 2005 Certificates; and

WHEREAS, the Base Rentals and Additional Rentals (as such terms are defined in the Lease) payable by the Board under the Lease shall constitute currently appropriated expenditures of the Board, and shall not constitute a general obligation, indebtedness or other multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the Board within the meaning of any constitutional or statutory limitation or requirement; and

WHEREAS, the Certificates shall be payable solely from the sources provided in the Indenture, and shall not constitute a general obligation, indebtedness or other multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the Board within the meaning of any constitutional or statutory limitation or requirement; and

WHEREAS, the Board wishes to delegate to the Chairperson of the Board and the Executive Vice President for Administration certain final pricing determinations with respect to the Certificates; and

WHEREAS, there will be filed with the Board as soon as practicable the proposed forms of the following documents, as applicable: (i) the Lease; (ii) the Indenture; (iii) the official Notice of Bond Sale (the "Notice of Sale"), relating to the competitive sale of Certificates; (iv) the Preliminary Official Statement relating to the Certificates, including all appendices, supplements and amendments thereto (the "Preliminary Official Statement"); (v) the final Official Statement relating to the Certificates, including all appendices, supplements and amendments thereto (the "Official Statement"); (vi) the Tax Compliance Certificate (the "Tax Compliance Certificate"); (vii) the Site Lease, (the "Site Lease"), by and between the Board and the Corporation; (viii) the proposed form of the Escrow Deposit Agreement (the "Escrow Agreement"), by and among the Lessor, the Trustee and the Board; and (ix) the proposed form of Certificate Purchase Agreement (the "Certificate Purchase Agreement") relating to the sale of the Certificates; and

WHEREAS, the Board finds and determines that it is advisable and in the best interest of the Center to approve the issuance of the Certificates and to current refund the 2005 Certificates.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AURARIA HIGHER EDUCATION CENTER:

1. All action (not inconsistent with the provisions of this Resolution) heretofore taken by the Board and the Officers of the Board (the "Officers") directed toward the current refunding of the 2005 Certificates and the issuance and sale of the Certificates is hereby ratified, approved and confirmed.

2. The current refunding of the 2005 Certificates and the issuance of the Certificates are necessary and in the best interests of the Center and its students, faculty and employees, and the Board hereby approves the same.

3. The Board hereby approves the proposed forms of the Lease, the Indenture, the Site Lease, the Certificate Purchase Agreement, the Tax Compliance Certificate, the Escrow Agreement, the Notice of Sale, the Preliminary Official Statement and the Official Statement (collectively the "Board Documents"). The Board shall enter into, as applicable, execute and deliver the Board Documents, in each case with such changes therein, if any, as are not

inconsistent with the forms of the Board Documents presented to the Board. The Chairperson of the Board and the Executive Vice President for Administration are each hereby authorized and directed to execute the Board Documents and the Secretary of the Board is hereby authorized and directed to attest, and affix the seal of the Board to, such Board Documents where necessary.

4. The form, terms and provisions of the Certificates, in substantially the form contained in the Indenture, are hereby approved, with such changes therein, if any, as are not inconsistent herewith; and the Chairperson of the Board is hereby authorized and directed to execute the Certificates, and to affix the seal of the Board to the Certificates. Such signature of the Chairperson of the Board and the seal of the Board on the Certificates shall be affixed by facsimile or manually. The Certificates shall be dated and shall mature at such times and in such amounts and shall bear interest at the rates as indicated in the Indenture.

5. The Chairperson of the Board and the Executive Vice President for Administration are, subject to final legal review by the Attorney General's office and subject to final consultation with members of the constituent institution's representatives on the Board, hereby authorized and delegated the power to determine the following with respect to the Certificates:

(a) the final principal amount of the Certificates not to exceed \$15,000,000, provided that such amount shall not exceed the amount necessary to current refund the 2005 Certificates, provided that, the Certificates shall not be issued unless the Board will recognize a present value savings of at least 3%;

(b) the principal amount maturing in each year (whether at stated maturity or mandatory redemption), provided that such principal shall commence not later than May 1, 2016 and end not later than May 1, 2028;

(c) the interest rates on the Certificates, provided that the net effective interest rate shall not exceed 5.5%;

(d) provisions for optional or mandatory redemption of the Certificates provided that the Certificates shall be subject to optional redemption no later than ten years after May 1, 2015 and at a premium no greater than 2% of the principal so redeemed, and provided further that the mandatory redemption provisions shall comply with clause (b) of this Section;

(e) whether or not to utilize bond insurance or a debt service reserve policy for the Certificates and the execution of all agreements, documents and certificates in connection therewith; and

(f) whether or not the Certificates will be sold pursuant to a competitive sale, negotiated sale or by direct placement to a purchaser.

(e) approval of the final forms of the Board Documents.

6. The Board hereby acknowledges, authorizes and, as appropriate, ratifies the use in connection with the sale of the Certificates pursuant to a competitive sale, of the Notice of Sale,

the Preliminary Official Statement and the Official Statement, which Official Statement shall be in substantially the form presented to the Board with such changes therein as are not inconsistent herewith. The Chairperson is hereby authorized and directed to execute the Official Statement.

7. Neither the Lease nor the Certificates constitutes a general obligation, indebtedness or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the Board within the meaning of any constitutional or statutory limitation or requirement. None of the Lease, the Indenture, Escrow Agreement, the Site Lease or the Certificates directly or indirectly obligate the Board to make any payments beyond those appropriated for any fiscal year for which such payments are appropriated. Except to the extent payable from the proceeds of the Certificates and income from the investment thereof, from the net proceeds of certain insurance policies and condemnation awards, from net proceeds from the foreclosure and sale of the Administrative Office Facility or from other amounts made available under the Indenture, the Certificates are payable during the Lease Term solely from Base Rentals to be paid by the Board under the Lease and the income from certain investments under the Indenture. All payment obligations of the Board under the Lease are from year-to-year only. The Lease is subject to annual renewal by the Board and upon nonrenewal or any other termination of the Lease, the Certificates will be payable solely from moneys, if any, held by the Trustee under the Indenture and any amounts resulting from the repossession of and sale of the Administrative Office Facility, all as more fully described in the Official Statement.

8. The Board hereby determines that the Base Rentals during each year of the Lease Term (as such term is defined in the Lease) represent not more than the fair value of the use of the 2005 Project during such year; and that the Purchase Option Price (as such term is defined in the Lease) represents the Board's best estimate of the fair purchase price of the 2005 Project at the time of exercise of the purchase option. The Board hereby determines that, to the best of its knowledge, the Base Rentals (as such term is defined in the Lease) do not exceed a reasonable amount so as to place the Board under an economic compulsion either not to terminate the Lease or to exercise its option to purchase the 2005 Project thereunder. In making such determinations, the Board has given consideration to the Costs of the 2005 Project (as such term is defined in the Lease), as they relate to the 2005 Project, the other costs, if any, of acquiring the 2005 Project, the uses and purposes for which the 2005 Project will be employed by the Board, the benefit to the Board by reason of the 2005 Project, the use of the 2005 Project pursuant to the terms and provisions of the Lease, the Board's option to purchase the 2005 Project, and the expected eventual vesting of title to the 2005 Project in the Board. The Board hereby determines and declares that, to the best of its knowledge, the period during which the Board has an option to purchase the 2005 Project (i.e., the maximum term of the Lease) does not exceed the useful life of any of the equipment included in the 2005 Project.

9. The Officers and employees of the Board are authorized and directed to take all action necessary or appropriate to the provisions of this Resolution, including, without limitation, the execution and delivery of such certificates, relating, among other matters, to the tenure and identity of the officials of the Board, the receipt of the purchase price for the Certificates, the absence of litigation, pending or threatened, affecting the validity thereof, expectations and covenants relating to the exclusion from gross income for federal income tax purposes of the portion of Base Rentals which is designated in the Lease and paid as interest on the Certificates, and the sale and issuance of the Certificates pursuant to the provisions of this Resolution and to

any instrument supplemental hereto. The Officers and employees of the Board are authorized and directed to execute and deliver any quitclaim deeds or other instruments as may be necessary to correct the identity of the Board in the chain of title relating to the property subject to the Lease and any related property and are authorized and directed to execute and deliver any other documents or certificates relating to the property subject to the Lease and any related property. If the Chairperson or the Secretary are unavailable to execute the documents authorized by this Resolution, the Vice Chairperson and the Executive Vice President for Administration are each hereby authorized to act on their behalf.

10. All bylaws, orders, resolutions, ordinances, and other instruments, or parts thereof, in conflict with this Resolution, are hereby repealed only to the extent of such conflict. This repealer shall not be construed to revive any bylaw, order, resolution, ordinance, or other instrument, or part thereof, heretofore repealed.

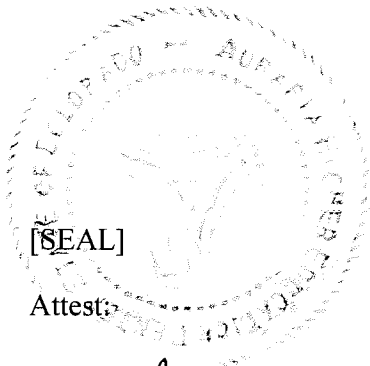
11. If any section, paragraph, clause or provision of this Resolution or the documents hereby authorized and approved (other than provisions as to the payment of Base Rentals and Additional Rentals by the Board during the Lease Term (as such term is defined in the Lease), including the requirement that the obligations of the Board to pay Base Rentals and Additional Rentals under the Lease are conditioned upon the prior specific appropriation by the Board of amounts for such purposes in accordance with the requirements of the law of the State, provisions for the quiet enjoyment of the 2005 Project by the Board during the Lease Term and provisions for the conveyance of the 2005 Project as provided in the Lease) shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

12. This Resolution shall be in full force and effect upon its passage and adoption.

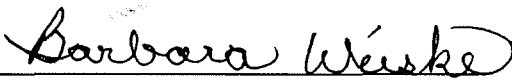
PASSED, ADOPTED AND APPROVED this 17<sup>th</sup> day of December, 2014.

BOARD OF DIRECTORS OF THE  
AURARIA HIGHER EDUCATION  
CENTER

By:   
Chair



Attest:

By:   
Secretary

STATE OF COLORADO

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] ss.

CITY AND COUNTY OF DENVER

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I, Barbara Weiske, Secretary of the Board of Directors of the Auraria Higher Education Center (the "Board"), do hereby certify that the foregoing pages numbered 1 through 6, inclusive, constitute a true, correct and complete copy of the Resolution contained therein and of that portion of the record of the proceedings of the Board relating to the authorization of the issuance of the Certificates and the current refunding of the 2005 Certificates; which Resolution was adopted and which proceedings occurred at a meeting of the Board held in Rooms 320 A, B and C, of the Tivoli Center, in Denver, Colorado, on December 17, 2014, as recorded in the regular official records of proceedings of the Board, kept in my office; that said proceedings were duly had and taken; that said meeting was duly held and the persons therein named were present and voted at said meeting, all as therein shown.

WITNESS my hand and the seal of the Board, this 17<sup>th</sup> day of December, 2014.

[SEAL]



BOARD OF DIRECTORS OF THE  
AURARIA HIGHER EDUCATION  
CENTER

By: Barbara Weiske  
Secretary