

**Brownstein Hyatt  
Farber Schreck**

April 12, 2011

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Loveland Midtown Metropolitan District  
c/o Loveland Commercial, LLC  
1943 Eagle Dr  
Loveland, CO 80537

**RE: Loveland Midtown Metropolitan District (the "District")**

Ladies and Gentlemen:

You have asked us, and we have agreed, subject to our firm's conflicts of interest check, to act as bond counsel to the District in connection with its issuance of two series of general obligation bonds ("Bonds"), a tax-exempt series for the capital costs and a taxable series for the operation and maintenance costs. We will also serve as your counsel on other matters in which you may request our involvement from time to time and which we agree to undertake. The purpose of this letter is to confirm the terms and conditions of this firm's representation of your interests.

As bond counsel, we will assist the District in the issuance of the Bonds to be purchased by several members of the developer of the property in the District as reimbursement for costs it incurred in constructing the basic infrastructure in the District. The principal documents that we will prepare for issuance of the Bonds are a bond resolution, the Bonds, a tax agreement, miscellaneous closing certificates, other necessary documents in connection therewith and our tax opinion. We will also review such documents as necessary to prepare the documents referenced above and to render such opinions. It is our understanding that the District does not intend to use an offering document in connection with its sale of the Bonds. The purchasers, however, will need to execute investor letters in order to comply with applicable securities laws.

It is anticipated that Mike McGinnis, Greg Berger and Marybeth Jones of this firm will perform most of the work on this matter, with the assistance of any legal assistants and associates working with them. We may assign other lawyers in our firm to work on this matter if, in our judgment, that becomes necessary or desirable. We also may assign lawyers who are independent contractors to the firm and whose hourly billing rate will be passed on to you with a factor for the firm's overhead and profit.

In order to provide the bond counsel services described above, we anticipate that our legal fees will not exceed \$15,000. If circumstances regarding the issuance of the Bonds as we presently contemplate change, our legal fees may also decrease or increase. If, at any time, we believe that circumstances require an increase of our original fee estimate, we will contact you to discuss further.

In addition to charging fees for legal work, we also charge for certain out-of-pocket costs incurred by us in representing you. Charges for long distance telephone calls (domestic only), telecopy charges (domestic only), in-office copying, ordinary postage (under \$10.00), and deliveries made by in-house staff are covered by an administrative fee, currently equal to 2.5% of the legal fees charged. This administrative fee is in lieu of itemizing those expenses and may be adjusted over time. If there are other fees, such as, filing fees, transcript fees, computer-assisted legal research fees, overnight delivery service charges, travel, or meals, those will be billed separately. We may require that you pay the party providing those services directly or that you advance to us the estimated amount for such items prior to our incurring those expenses on your behalf.

We do not anticipate submitting monthly billing statements to you, and instead expect that our legal fees and costs will be paid at the time of issuance of the Bonds, however, if there is a substantial delay in issuance of the Bonds beyond September 30, 2011, we reserve the right to present to you for payment an interim statement.

If, for any reason, the Bonds are not issued or are issued without the delivery of our opinion as bond counsel, we will expect you to compensate us at our normal hourly rates for time actually spent on the matter, plus client charges as described above.

You shall at all times have the right to terminate our firm's services upon written notice. Our firm shall at all times have the right to terminate our representation of you upon written notice, if you do not pay our fees, or if we determine that our continued representation of you would be unethical or inappropriate, or if we have another reasonable basis for termination consistent with our professional duties to you.

You also agree that the work product of our attorneys and staff, including notes, research, and documents which we prepare, is the property of the firm. It is our policy to destroy all client files (including all documents and materials therein), eight years after we close such files upon completion of each matter. This file destruction procedure is automatic and you will not receive further notice prior to the destruction of these files. Accordingly, we advise you to maintain your own files relating to the matters which we are handling.


We are very pleased and privileged to work with you. Occasionally, we may provide lists of representative clients to legal or other publications and may use your company name in marketing materials. Unless you instruct us to the contrary, you hereby consent that such use is acceptable.

Please indicate your agreement to the terms of this letter by executing the enclosed copy and returning it to me. We appreciate the opportunity to represent you.

Sincerely,

BROWNSTEIN HYATT FARBER SCHRECK, LLP

By

  
Michael R. McGinnis

Loveland Midtown Metropolitan District  
April 12, 2011  
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ACCEPTED AND AGREED TO:

LOVELAND MIDTOWN METROPOLITAN DISTRICT

By:   
\_\_\_\_\_

SHANE CARPE, DIRECTOR

Date: \_\_\_\_\_

5/11

cc: Kristen L. Starman  
Deborah Early