



**AGENDA FOR THE REGULAR MEETING
OF THE MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SPRINGVILLE, UTAH
COUNCIL CHAMBERS, 50 SOUTH MAIN STREET
DECEMBER 02, 2014 – 6:40 P.M.**

CALL TO ORDER

**MOTION FOR REVIEW AND FINALIZATION OF THE DECEMBER 02, 2014
MINUTES**

REGULAR AGENDA

1. Presentation and Approval of a Resolution of the Governing Board of the Municipal Building Authority of Springville, Utah authorizing the execution and delivery of documents in connection with the amendment of certain terms with respect to the Municipal Building Authority of Springville, Utah Lease Revenue Bonds, Series 2008.

ADJOURNMENT

This meeting was noticed in compliance with Utah Code 52-4-202 on November 26, 2014. Agendas and minutes are accessible through the Springville City website at www.springville.org/agendasminutes. Council Meeting agendas are available through the Utah Public Meeting Notice website at <http://www.utah.gov/pmn/index.html>. Email subscriptions to Utah Public Meeting Notices are available through their website.

In compliance with the Americans with Disabilities Act, the City will make reasonable accommodations to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Recorder at (801) 489-2700 at least three business days prior to the meeting.

DATE: December 2, 2014

TO: Honorable Mayor and City Council

FROM: Bruce Riddle, Finance Director

**SUBJECT: MBA LEASE REVENUE BONDS SERIES 2008 (CIVIC CENTER)
MODIFICATIONS**

RECOMMENDED MOTION

There are two actions that need to be taken, one as the Municipal Building Authority Board and the other as the Springville City Council.

When convened as the MBA Board, the Finance Department recommends adopting Resolution ____, AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND AMENDMENT TO INDENTURE OF TRUST, MORTGAGE, ASSIGNMENT OF MASTER LEASE AGREEMENT AND SECURITY AGREEMENT, A SECOND AMENDMENT TO MASTER LEASE AGREEMENT, AND OTHER INSTRUMENTS REQUIRED IN CONNECTION WITH THE MODIFICATION OF CERTAIN TERMS OF THE LEASE REVENUE BONDS, SERIES 2008.

When convened as the City Council, the Finance Department recommends adopting Resolution ____, AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND AMENDMENT TO MASTER LEASE AGREEMENT AND OTHER INSTRUMENTS REQUIRED IN CONNECTION WITH THE MODIFICATION OF CERTAIN TERMS OF THE MUNICIPAL BUILDING AUTHORITY OF SPRINGVILLE CITY, UTAH LEASE REVENUE BONDS, SERIES 2008

SUMMARY OF ISSUES/FOCUS OF ACTION

Adoption of these resolutions authorizes the Administration to take advantage of current bond market conditions and proceed with amendments to the terms of the Springville MBA Lease Revenue Bonds, Series 2008, which will result in a refinancing of the debt associated with the Civic Center.

In terms of action, the MBA Board is considering a resolution to amend the indenture and other documents associated with the 2008 Lease Revenue Bonds. The City Council is considering a resolution to amend the lease agreement with the MBA to reflect the amended lease payments to the MBA.

BACKGROUND

In 2008 the Springville Municipal Building Authority issued Lease Revenue Bonds in the amount of \$6,435,000 to fund the construction of the Civic Center. At that time, the City of Springville entered into a Master Lease Agreement with the Springville MBA for the lease of the Civic Center. The issuance of the bonds in 2008 occurred at a critical time as the bond markets were experiencing significant volatility resulting from an economic recession. As a result, the City agreed to (1) a term shorter than originally anticipated, (2) rates higher than expected and (3) an amortization schedule that ballooned from annual debt service payments of approximately

\$650k to \$1.1M in year five.. The Series 2008 bonds had a call date of October 15, 2011, which would have allowed the City to call the bonds at a one percent premium in order to refinance.

In 2011, our financial advisor, John Crandall of George K. Baum & Co. (GKB), contacted the current bond holder, Capital One Public Finance (COPF), to inform them of our intentions to market the issue publicly. In response, COPF came back with an attractive offer to both allow for a refinancing and restructuring of the bonds through a supplementary amendment to the existing agreement with COPF.

The following is a summary of the COPF offer that was subsequently accepted by the City:

- COPF would waive the 1percent call premium that would otherwise be in effect if we issued refunding bonds and will lock the rate until June 15
- Interest Rate: 4.1 percent (negotiated down from their original offer of 4.3 percent and competitive with the current market)
- Term: final maturity Oct 15, 2030—approximately 1 year longer than originally discussed
- Level debt service: approximately \$450k/yr.
- The total (gross) debt service went up (by about \$1.1M) because we extended the term, but because of the lower interest rate, there is a net present value savings of \$262k or 4.2 percent (well above the rule-of-thumb 3 percent hurdle) over the current bonds
- This offer afforded cost of issuance savings of approximately \$132k over a public offering

DISCUSSION

The historic low interest rate environment has continued since the 2011 amendment to the 2008 bonds. With a call date of 10/15/2015 and a call premium of 2%, a publically offered advance refunding of the 2008 bonds was being considered. While a traditional refunding would have generated attractive savings, our financial advisor, George K. Baum and Associates once again opened a dialog with the bond holders, COPF, and was successful in negotiating an amendment to the existing indenture. Highlights of the deal are as follows:

- Call date of 10/15/2015 has been waived and the amendment can take place now
- Call premium of 2% (\$101,000) has been waived by the purchaser
- COPF has offered a rate of 2.55%, which is competitive in today's market
- Minimal costs of issuance as this is a simple amendment to the existing indenture
- Net present value (NPV) savings of approximately 11.67% (\$617,118), well above the traditional 3% NPV savings threshold

ALTERNATIVES

At its option, the City Council could consider any of the following alternatives:

- Do nothing and continue servicing the existing bonds
- Reject the COPF offer and market refunding bonds publicly
- Reject the COPF offer and shop for a more attractive private placement

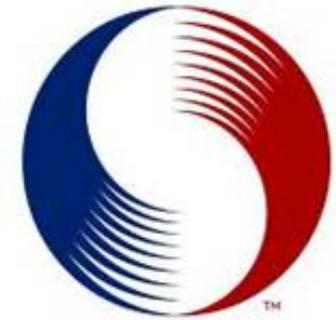
FISCAL IMPACT

The amendment to the current indenture changes only the interest rate on the bonds and the redemption feature to an 8-year par call. The resulting debt service savings are approximately \$42k per year for the life of the bonds, which is a NPV savings of approximately \$617k.

Presentation to the
Springville City, Utah

(Restructure Series 2008 Lease Revenue Bonds)

November 7, 2014



Springville

John Crandall
Executive Vice President & Manager
crandall@gkbaum.com

Matt Dugdale
First Vice President
dugdale@gkbaum.com

Elizabeth Read
First Vice President
reade@gkbaum.com



George K. Baum & Company

INVESTMENT BANKERS SINCE 1928

Utah Public Finance • 15 West South Temple, Suite 1090 • Salt Lake City, UT 84101 • Tel: (801) 538-0351

Restructuring Summary

Timeline of Events

- George K. Baum & Company analyzed a refunding opportunity on the City's 2008 Lease Revenue Bonds.
- With a call date of 10/15/2015 and a call premium of 2%, a publically offered advance refunding of the City's 2008 Lease
- Revenue Bonds (issued as Sales Tax Revenue Bonds) would generate approximately 5.645% / \$298,629 of NPV savings.
- Although savings were positive, exploring other options we recognized a potential opportunity to amend the bonds similar to the 2011 amendment.
- George K. Baum & Company engaged in conversations with the sole investor of the bonds.
- George K. Baum & company was successful in procuring an enticing proposal from the investor that will result in far greater savings than a traditional refunding.

Restructuring Highlights

- Call date of October 15, 2015 has been waived by the purchaser to enable the amendment to take place now.
- Call premium of 2% (\$101,000) has been waived by the purchaser.
- Current investor offered a rate of 2.55%.
- Minimal costs of issuance.
- NPV savings of approximately 11.67% / \$617,118 (includes contingency amount). The restructuring analysis can be found on the following page.



Restructuring Analysis

**MUNICIPAL BUILDING AUTHORITY OF SPRINGVILLE CITY, UTAH
RESTRUCTURING OF THE 2008 LEASE REVENUE BONDS (AMENDED JULY 1, 2011)**

GKB ANALYSIS

As of November 4, 2014

ORIGINAL DEBT SERVICE						NEW DEBT SERVICE							
Date	Principal	Coupon	Interest	Total P+I	Fiscal Total	Date	Principal	Coupon	Interest	Total P+I	Fiscal Total	Gross Savings	NPV Savings
07/06/2011	\$ -	-	\$ -	\$ -	\$ -	07/06/2011	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
10/15/2011	160,000.00	4.10%	68,890.25	228,890.25	-	10/15/2011	160,000.00	4.10%	68,890.25	228,890.25	-	-	-
04/15/2012	-	-	121,975.00	121,975.00	350,865.25	04/15/2012	-	-	121,975.00	121,975.00	350,865.25	-	-
10/15/2012	210,000.00	4.10%	121,975.00	331,975.00	-	10/15/2012	210,000.00	4.10%	121,975.00	331,975.00	-	-	-
04/15/2013	-	-	117,670.00	117,670.00	449,645.00	04/15/2013	-	-	117,670.00	117,670.00	449,645.00	-	-
10/15/2013	220,000.00	4.10%	117,670.00	337,670.00	-	10/15/2013	220,000.00	4.10%	117,670.00	337,670.00	-	-	-
04/15/2014	-	-	113,160.00	113,160.00	450,830.00	04/15/2014	-	-	113,160.00	113,160.00	450,830.00	-	-
10/15/2014	230,000.00	4.10%	113,160.00	343,160.00	-	10/15/2014	230,000.00	4.10%	113,160.00	343,160.00	-	-	-
04/15/2015	-	-	108,445.00	108,445.00	451,605.00	04/15/2015	-	-	45,180.33	45,180.33	388,340.33	63,264.67	62,721.94
10/15/2015	240,000.00	4.10%	108,445.00	348,445.00	-	10/15/2015	275,000.00	2.55%	68,340.00	343,340.00	-	-	-
04/15/2016	-	-	103,525.00	103,525.00	451,970.00	04/15/2016	-	-	64,833.75	64,833.75	408,173.75	43,796.25	42,368.11
10/15/2016	250,000.00	4.10%	103,525.00	353,525.00	-	10/15/2016	285,000.00	2.55%	64,833.75	349,833.75	-	-	-
04/15/2017	-	-	98,400.00	98,400.00	451,925.00	04/15/2017	-	-	61,200.00	61,200.00	411,033.75	40,891.25	38,526.84
10/15/2017	260,000.00	4.10%	98,400.00	358,400.00	-	10/15/2017	290,000.00	2.55%	61,200.00	351,200.00	-	-	-
04/15/2018	-	-	93,070.00	93,070.00	451,470.00	04/15/2018	-	-	57,502.50	57,502.50	408,702.50	42,767.50	39,298.08
10/15/2018	270,000.00	4.10%	93,070.00	363,070.00	-	10/15/2018	295,000.00	2.55%	57,502.50	352,502.50	-	-	-
04/15/2019	-	-	87,535.00	87,535.00	450,605.00	04/15/2019	-	-	53,741.25	53,741.25	406,243.75	44,361.25	39,750.14
10/15/2019	280,000.00	4.10%	87,535.00	367,535.00	-	10/15/2019	305,000.00	2.55%	53,741.25	358,741.25	-	-	-
04/15/2020	-	-	81,795.00	81,795.00	449,330.00	04/15/2020	-	-	49,852.50	49,852.50	408,593.75	40,736.25	35,552.44
10/15/2020	295,000.00	4.10%	81,795.00	376,795.00	-	10/15/2020	315,000.00	2.55%	49,852.50	364,852.50	-	-	-
04/15/2021	-	-	75,747.50	75,747.50	452,542.50	04/15/2021	-	-	45,836.25	45,836.25	410,688.75	41,853.75	35,620.30
10/15/2021	305,000.00	4.10%	75,747.50	380,747.50	-	10/15/2021	320,000.00	2.55%	45,836.25	365,836.25	-	-	-
04/15/2022	-	-	69,495.00	69,495.00	450,242.50	04/15/2022	-	-	41,756.25	41,756.25	407,592.50	42,650.00	35,393.81
10/15/2022	320,000.00	4.10%	69,495.00	389,495.00	-	10/15/2022	330,000.00	2.55%	41,756.25	371,756.25	-	-	-
04/15/2023	-	-	62,935.00	62,935.00	452,430.00	04/15/2023	-	-	37,548.75	37,548.75	409,305.00	43,125.00	34,895.36
10/15/2023	330,000.00	4.10%	62,935.00	392,935.00	-	10/15/2023	335,000.00	2.55%	37,548.75	372,548.75	-	-	-
04/15/2024	-	-	56,170.00	56,170.00	449,105.00	04/15/2024	-	-	33,277.50	33,277.50	405,826.25	43,278.75	34,145.37
10/15/2024	345,000.00	4.10%	56,170.00	401,170.00	-	10/15/2024	345,000.00	2.55%	33,277.50	378,277.50	-	-	-
04/15/2025	-	-	49,097.50	49,097.50	450,267.50	04/15/2025	-	-	28,878.75	28,878.75	407,156.25	43,111.25	33,164.05
10/15/2025	360,000.00	4.10%	49,097.50	409,097.50	-	10/15/2025	355,000.00	2.55%	28,878.75	383,878.75	-	-	-
04/15/2026	-	-	41,717.50	41,717.50	450,815.00	04/15/2026	-	-	24,352.50	24,352.50	408,231.25	42,583.75	31,940.92
10/15/2026	375,000.00	4.10%	41,717.50	416,717.50	-	10/15/2026	365,000.00	2.55%	24,352.50	389,352.50	-	-	-
04/15/2027	-	-	34,030.00	34,030.00	450,747.50	04/15/2027	-	-	19,698.75	19,698.75	409,051.25	41,696.25	30,496.01
10/15/2027	390,000.00	4.10%	34,030.00	424,030.00	-	10/15/2027	370,000.00	2.55%	19,698.75	389,698.75	-	-	-
04/15/2028	-	-	26,035.00	26,035.00	450,065.00	04/15/2028	-	-	14,981.25	14,981.25	404,680.00	45,385.00	32,382.03
10/15/2028	405,000.00	4.10%	26,035.00	431,035.00	-	10/15/2028	380,000.00	2.55%	14,981.25	394,981.25	-	-	-
04/15/2029	-	-	17,732.50	17,732.50	448,767.50	04/15/2029	-	-	10,136.25	10,136.25	405,117.50	43,650.00	30,370.25
10/15/2029	425,000.00	4.10%	17,732.50	442,732.50	-	10/15/2029	395,000.00	2.55%	10,136.25	405,136.25	-	-	-
04/15/2030	-	-	9,020.00	9,020.00	451,752.50	04/15/2030	-	-	5,100.00	5,100.00	410,236.25	41,516.25	28,171.57
10/15/2030	440,000.00	4.10%	9,020.00	449,020.00	449,020.00	10/15/2030	400,000.00	2.55%	5,100.00	405,100.00	405,100.00	43,920.00	29,071.47
	\$ 6,110,000.00	-	\$ 2,804,000.25	\$ 8,914,000.25	-		\$ 6,180,000.00	-	\$ 1,985,413.08	\$ 8,165,413.08	-	\$ 748,587.17	\$ 613,868.68

RESTRUCTURE HIGHLIGHTS

- 1) Reduced interest rates and positive Net Present Value.
- 2) Low associated costs of issuance.

When Recorded Please Return to:
Eric T. Hunter
Chapman and Cutler LLP
201 South Main Street, Suite 2000
Salt Lake City, Utah 84111

SECOND AMENDMENT
DATED AS OF DECEMBER 1, 2014

TO INDENTURE OF TRUST, MORTGAGE, ASSIGNMENT
OF MASTER LEASE AGREEMENT AND SECURITY AGREEMENT
DATED AS OF NOVEMBER 1, 2008, AS PREVIOUSLY AMENDED BY A
FIRST AMENDMENT DATED AS OF JULY 1, 2011

MUNICIPAL BUILDING AUTHORITY OF SPRINGVILLE CITY, UTAH
(Trustor, Mortgagor and Debtor)

To

U.S. BANK NATIONAL ASSOCIATION,
as Trustee (Trustee, Mortgagee and Secured Party)

Relating to the Lease Revenue Bonds, Series 2008, of the Municipal Building Authority of
Springville City, Utah

**SECOND AMENDMENT TO INDENTURE OF TRUST
MORTGAGE, ASSIGNMENT OF
MASTER LEASE AGREEMENT AND
SECURITY AGREEMENT**

THIS SECOND AMENDMENT TO INDENTURE OF TRUST, MORTGAGE, ASSIGNMENT OF MASTER LEASE AGREEMENT AND SECURITY AGREEMENT, dated as of December 1, 2014 (the "*Second Amendment*"), by and between the Municipal Building Authority of Springville City, Utah, a Utah nonprofit corporation (the "*Issuer*"), whose mailing address is located at 110 South Main, Springville, Utah 84663, acting as a public entity and instrumentality of the State of Utah performing essential governmental functions on behalf of Springville City, Utah (the "*Lessee*"), and U.S. Bank National Association, as Trustee (the "*Trustee*"), a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out whose mailing address and principal corporate trust office are located at 170 South Main Street, Suite 200, Salt Lake City, Utah 84101;

WITNESSETH:

WHEREAS, the Issuer has heretofore issued its Lease Revenue Bonds, Series 2008 (the "*Series 2008 Bonds*") under the Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement, dated as of November 1, 2008, as previously amended by a First Amendment to Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement, dated as of July 1, 2011 (collectively, the "*Original Indenture*"), between the Issuer and the Trustee;

WHEREAS, the Issuer has determined that it is in the best interest of the Issuer and the City to amend certain terms of the Series 2008 Bonds and corresponding provisions of the Original Indenture; and

WHEREAS, Capital One Public Funding, LLC, as the owner of all of the outstanding Series 2008 Bonds, has agreed to the amendments with respect to the Series 2008 Bonds and the Original Indenture, as contemplated in this Second Amendment;

NOW, THEREFORE, THIS SECOND AMENDMENT WITNESSETH:

ARTICLE I

DEFINITIONS

Except as otherwise defined herein, all words and phrases defined in the Original Indenture shall have the same meaning when used in this Second Amendment.

ARTICLE II

AMENDMENT OF ORIGINAL INDENTURE

Section 201. Amendment of Original Indenture. (a) The penultimate sentence of Section 202(a) of the Original Indenture is hereby amended to read as follows:

“The Series 2008 Bonds shall bear interest at the rate of 2.55% and shall mature on October 15, 2030.

(b) The first paragraph of Section 602(a) of the Original Indenture is hereby amended to read as follows:

The Series 2008 Bonds shall be subject to optional redemption on or after October 15, 2022 (i) in whole in the event that the Lessee exercises its option pursuant to Section 14.01 of the Lease to purchase the Leased Property, or (ii) in part, in inverse order of maturity, in the event that the Lessee prepays additional Base Rentals pursuant to Section 4.01(d) of the Lease, in either such case at a redemption price equal to 100% of the principal amount of the Series 2008 Bonds to be redeemed, plus accrued interest.

ARTICLE III

MISCELLANEOUS

Section 301. Partial Invalidity. The unenforceability or invalidity of any provision or provisions of this Second Amendment shall not render any other provision or provisions herein contained unenforceable or invalid.

Section 302. Original Indenture Otherwise to Remain in Full Force and Effect. Except as otherwise herein expressly provided, the Original Indenture shall remain in full force and effect as originally executed and delivered.

IN WITNESS WHEREOF, the Issuer has caused this Second Amendment to be duly executed by its officers, and U.S. Bank National Association has caused this Second Amendment to be executed on its behalf by one of its Vice Presidents, all as of the day and year first above written.

MUNICIPAL BUILDING AUTHORITY OF
SPRINGVILLE CITY, UTAH

By _____
President

ATTEST:

By _____
Secretary

[MBA SEAL]

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By _____
Trustee

ACKNOWLEDGMENTS

STATE OF UTAH)
 :SS
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this _____ day of December, 2014 by _____ and _____, respectively, the President and Secretary of the Municipal Building Authority of Springville City, Utah.

Notary Public

[SEAL]

STATE OF UTAH)
 :SS
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me (within the meaning of such phrase as provided in Section 57-2a-2(1) of the Utah Code Annotated 1953, as amended) this _____ day of December, 2014, by _____, who, acknowledged that he is a Vice President of U.S. Bank National Association, a national banking association.

NOTARY PUBLIC

[SEAL]

EXHIBIT A

DESCRIPTION OF REAL ESTATE

The real property referred to in the Indenture is located in Utah County, State of Utah, and is more particularly described as follows:

A part of Lots 2, 3 and 4, Block 21, and Lots 1, 2, 3 and 4 Block 28, Plat "A" Springville City Survey being a part of Southwest Quarter of Section 33, Township 7 South, Range 3 East, Salt Lake Base and Meridian, U.S. Survey:

Beginning at the Northwest corner of said Block 28, said point is 31.09 feet South 0°08'20" West along the Section line and 1378.01 feet South 89°51'40" East from the Northwest corner of said Quarter Section; and running thence South 89°40'59" East (East) 415.27 feet along the South right-of-way line of Center Street to the West right-of-way line of Main Street; thence South 0°20'56" West (South) 688.02 feet along said West right-of-way line to North line of Lot 1 of said Block 21; thence North 89°37'59" West (West) 207.03 feet along said North line to the Northeast corner of said Lot 2 of said Block 21; thence South 0°17'58" West (South 49.5) 51.61 feet along the East line of said Lot 2; thence North 89°37'57" West (West) 207.01 feet to the East right-of-way line of 100 West Street; thence North 0°15'00" East (North) 124.00 feet along said East right-of-way; thence South 89°37'59" East (East) 83.91 feet; thence North 0°26'08" East (North) 200.28 feet to the North right-of-way line of 100 South Street; thence North 89°39'29" West (West) 84.55 feet along said North right-of-way line to said East right-of-way line of 100 West Street; thence North 0°15'00" East (North) 415.02 feet along said East right-of-way line to the point of beginning.

Contains 6.406 Acres

Tax ID Nos.: 06-028-0001
06-021-0012
06-021-0013
06-021-0016
06-021-0017
06-021-0018

CONSENT OF BONDHOLDER TO AMENDMENT

Capital One Public Funding, LLC (the “*Bondholder*”) hereby certifies that it is the owner of \$5,290,000 currently outstanding aggregate principal amount of the Lease Revenue Bonds, Series 2008 of the Municipal Building Authority of Springville City, Utah (the “*Authority*”), and hereby consents to the amendment of the Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement, dated as of November 1, 2008, as previously amended by the First Amendment to Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement, dated as of July 1, 2011 (the “*Original Indenture*”), between the Authority and U.S. Bank National Association, as trustee (the “*Trustee*”), as set forth in the Second Amendment to Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement, dated as of December 1, 2014 (the “*Second Amendment*”), between the Authority and the Trustee. The Bondholder hereby waives its right to receive any notices required to be given with respect to the amendment of the Original Indenture as set forth in the Second Amendment.

Executed as of December ____, 2014.

CAPITAL ONE PUBLIC FUNDING, LLC

By _____
its _____

When Recorded Please Return to:
Eric T. Hunter
Chapman and Cutler LLP
201 South Main Street, Suite 2000
Salt Lake City, Utah 84111

**SECOND AMENDMENT TO
MASTER LEASE AGREEMENT**

BETWEEN

MUNICIPAL BUILDING AUTHORITY OF SPRINGVILLE CITY, UTAH
as Lessor

AND

SPRINGVILLE CITY, UTAH
as Lessee

DECEMBER 1, 2014

Amending the Master Lease Agreement, dated as of November 1, 2008, between the Municipal Building Authority of Springville City, Utah and Springville City, Utah, as previously amended by a First Amendment to Master Lease Agreement, dated as of July 1, 2011

**SECOND AMENDMENT TO
MASTER LEASE AGREEMENT**

This Second Amendment to Master Lease Agreement (the “*Second Amendment*”), dated as of December 1, 2014, by the MUNICIPAL BUILDING AUTHORITY OF SPRINGVILLE CITY, UTAH, (the “*Authority*”) a Utah nonprofit corporation, whose address is 110 South Main, Springville, Utah 84663, and SPRINGVILLE CITY, Utah (the “*City*”), a municipal corporation, whose address is 110 South Main, Springville, Utah 84663, in order to amend that Master Lease Agreement, dated as of November 1, 2008, between the Authority and the City, as previously amended by the First Amendment to Master Lease Agreement, dated as of July 1, 2011 (collectively, the “*Original Lease*” and, together with this Second Amendment, the “*Lease*”);

WITNESSETH

WHEREAS, the Authority and the City previously entered into the Original Lease in connection with the issuance of the Authority’s Lease Revenue Bonds, Series 2008 (the “*Series 2008 Bonds*”);

WHEREAS, the City and the Authority desire to make certain amendments to the Original Lease; and

WHEREAS, Capital One Public Funding, LLC, as the owner of all of the outstanding Series 2008 Bonds, has agreed to such amendments;

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. *Definitions.* Unless the context otherwise requires capitalized terms used but not defined herein have the meanings assigned to such terms in the Original Lease.

2. *Amendment of Original Lease.* The Original Lease is hereby amended as follows:

(a) Schedule I of the Original Lease is hereby amended to be as set forth in Schedule I to this Second Amendment.

(b) Schedule II of the Original Lease is hereby amended to be as set forth in Schedule II to this Second Amendment.

3. *Applicability of the Agreement.* Except as amended and supplemented by this Second Amendment, all of the provisions of the Original Lease shall remain in full force and effect. From and after the date hereof, the Original Lease shall be amended and supplemented as set forth herein.

IN WITNESS WHEREOF, the Authority and the City have caused this Second Amendment to be executed as of this 1st day of December, 2014.

MUNICIPAL BUILDING AUTHORITY OF
SPRINGVILLE CITY, UTAH, as Lessor

By _____
President

ATTEST:

By _____
Secretary

[MBA SEAL]

SPRINGVILLE CITY, UTAH, as Lessee

By _____
Mayor

ATTEST AND COUNTERSIGN:

By _____
City Recorder

[SEAL]

CONSENT OF TRUSTEE TO AMENDMENT

U.S. Bank National Association, as trustee (the "*Trustee*") under the Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement, dated as of November 1, 2008, as supplemented and amended, between the Trustee and the Municipal Building Authority of Springville City, Utah (the "*Authority*"), hereby consents to the amendment of the Master Lease Agreement, dated as of November 1, 2008, as previously supplemented and amended, between the Authority and Springville City, Utah (the "*City*"), as set forth in the Second Amendment to Master Lease Agreement, dated as of December 1, 2014, between the Authority and the City.

Executed as of December ____, 2014.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By _____
Vice President

CONSENT OF BONDHOLDER

Capital One Public Funding, LLC (the “*Bondholder*”) hereby certifies that it is the owner of \$5,290,000 currently outstanding aggregate principal amount of the Lease Revenue Bonds, Series 2008 of the Municipal Building Authority of Springville City, Utah (the “*Authority*”), and hereby consents to the amendment of the Master Lease Agreement, dated as of November 1, 2008, as previously amended by the First Amendment to Master Lease Agreement dated as of July 1, 2011 (collectively, the “*Original Lease*”), between the Authority and Springville City, Utah (the “*City*”), as set forth in the Second Amendment to Master Lease Agreement, dated as of December 1, 2014 (the “*Second Amendment*”), between the Authority and the City. The Bondholder hereby waives its right to receive any notices required to be given with respect to the amendment of the Original Lease as set forth in the Second Amendment.

Executed as of December ____, 2014.

CAPITAL ONE PUBLIC FUNDING, LLC

By _____
its _____

STATE OF UTAH)
 :SS
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this ____ day of December, 2014 by _____ and _____, respectively, the President and Secretary of the Municipal Building Authority of Springville City, Utah.

Notary Public

[SEAL]

STATE OF UTAH)
 :SS
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this ____ day of December, 2014 by _____ and _____, respectively, the Mayor and City Recorder of Springville City, Utah.

Notary Public

[SEAL]

EXHIBIT A

DESCRIPTION OF THE CIVIC CENTER SITE

A part of Lots 2, 3 and 4, Block 21, and Lots 1, 2, 3 and 4 Block 28, Plat "A" Springville City Survey being a part of Southwest Quarter of Section 33, Township 7 South, Range 3 East, Salt Lake Base and Meridian, U.S. Survey:

Beginning at the Northwest corner of said Block 28, said point is 31.09 feet South $0^{\circ}08'20''$ West along the Section line and 1378.01 feet South $89^{\circ}51'40''$ East from the Northwest corner of said Quarter Section; and running thence South $89^{\circ}40'59''$ East (East) 415.27 feet along the South right-of-way line of Center Street to the West right-of-way line of Main Street; thence South $0^{\circ}20'56''$ West (South) 688.02 feet along said West right-of-way line to North line of Lot 1 of said Block 21; thence North $89^{\circ}37'59''$ West (West) 207.03 feet along said North line to the Northeast corner of said Lot 2 of said Block 21; thence South $0^{\circ}17'58''$ West (South 49.5) 51.61 feet along the East line of said Lot 2; thence North $89^{\circ}37'57''$ West (West) 207.01 feet to the East right-of-way line of 100 West Street; thence North $0^{\circ}15'00''$ East (North) 124.00 feet along said East right-of-way; thence South $89^{\circ}37'59''$ East (East) 83.91 feet; thence North $0^{\circ}26'08''$ East (North) 200.28 feet to the North right-of-way line of 100 South Street; thence North $89^{\circ}39'29''$ West (West) 84.55 feet along said North right-of-way line to said East right-of-way line of 100 West Street; thence North $0^{\circ}15'00''$ East (North) 415.02 feet along said East right-of-way line to the point of beginning.

Contains 6.406 Acres

Tax ID Nos.: 06-028-0001
06-021-0012
06-021-0013
06-021-0016
06-021-0017
06-021-0018

SCHEDULE I

SCHEDULE OF BASE RENTAL PAYMENTS

DATE	PRINCIPAL	INTEREST	TOTAL
April 1, 2015		\$	\$
October 1, 2015	240,000		
April 1, 2016			
October 1, 2016	250,000		
April 1, 2017			
October 1, 2017	260,000		
April 1, 2018			
October 1, 2018	270,000		
April 1, 2019			
October 1, 2019	280,000		
April 1, 2020			
October 1, 2020	295,000		
April 1, 2021			
October 1, 2021	305,000		
April 1, 2022			
October 1, 2022	320,000		
April 1, 2023			
October 1, 2023	330,000		
April 1, 2024			
October 1, 2024	345,000		
April 1, 2025			
October 1, 2025	360,000		
April 1, 2026			
October 1, 2026	375,000		
April 1, 2027			
October 1, 2027	390,000		
April 1, 2028			
October 1, 2028	405,000		
April 1, 2029			
October 1, 2029	425,000		
April 1, 2030			
October 1, 2030	<u>440,000</u>		
Totals	<u>\$5,290,000</u>		

SCHEDULE II

OPTION PRICE SCHEDULE

OPTIONAL PAYMENT DATES	OPTION PRICE [*]
October 15, 2022 through October 14, 2023	\$3,070,000
October 15, 2023 through October 14, 2024	2,740,000
October 15, 2024 through October 14, 2025	2,395,000
October 15, 2025 through October 14, 2026	2,035,000
October 15, 2026 through October 14, 2027	1,660,000
October 15, 2027 through October 14, 2028	1,270,000
October 15, 2028 through October 14, 2029	865,000
October 15, 2029 through October 14, 2030	440,000

* Excludes Base Rental payment otherwise due on the first day of such period. Does not include amounts other than principal of the Series 2008 Bonds that are included as part of the purchase price pursuant to Section 14.01 of the Lease, including accrued interest on the Series 2008 Bonds to the such date, premium on the Series 2008 Bonds applicable to such date, if any, fees and expenses which must be paid to retire the then outstanding Series 2008 Bonds, costs of transferring title to the Leased Property to the Lessee, and other reasonable costs and expenses incidental thereto.

REGISTERED

REGISTERED

NUMBER 1

\$5,290,000.00*

**UNITED STATES OF AMERICA
STATE OF UTAH**

**MUNICIPAL BUILDING AUTHORITY OF
SPRINGVILLE CITY, UTAH,
LEASE REVENUE BOND, SERIES 2008**

INTEREST RATE	MATURITY DATE	DATED DATE
2.55%	October 15, 2030	November 5, 2008**

Registered Owner: CAPITAL ONE PUBLIC FUNDING, LLC

Principal Amount: ----- FIVE MILLION TWO HUNDRED NINETY THOUSAND DOLLARS-----

KNOW ALL MEN BY THESE PRESENTS that the Municipal Building Authority of Springville City, Utah, a Utah nonprofit corporation, (the “*Issuer*”) acting as a public entity and instrumentality of the State of Utah performing essential governmental functions on behalf of Springville City, Utah, for value received, hereby promises to pay, but only from the Trust Estate as provided in the Indenture (hereinafter defined), to the registered owner identified hereon, or registered assigns, on the maturity date specified hereon, upon presentation and surrender hereof, the principal amount specified hereon (the “*Principal Amount*”), and in like manner to pay to the registered owner hereof interest on the balance of the Principal Amount from time to time remaining unpaid from the Bond Interest Payment Date (as defined in the Indenture) next preceding the date of registration and authentication hereof, unless this Bond is registered and authenticated as of a Bond Interest Payment Date, in which event the Principal Amount shall bear interest from such Bond Interest Payment Date, or unless this Bond is registered and authenticated prior to the first Bond Interest Payment Date, in which event the Principal Amount shall bear interest from the dated date specified above (the “*Dated Date*”), or unless, as shown by the records of the Trustee (hereinafter defined), interest on the Bonds is in default, in which event the Principal Amount shall bear interest from the date to which such interest has been paid in full, or unless no interest has been paid on this Bond, in which event the Principal Amount shall bear interest from the Dated Date, at the rate specified hereon (calculated on the basis of a year of 360 days consisting of twelve 30-day months), payable semiannually on April 15 and October 15 of each year, commencing April 15, 2009, until payment in full of the Principal Amount, except as the provisions set forth in the Indenture with respect to redemption prior to

* Outstanding principal amount as of the execution and delivery of the Second Amendment to Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement, dated as of December 1, 2014.

** Amended effective December _____, 2014.

maturity may become applicable hereto, and to pay interest on overdue principal at the lesser of the rate of ten percent (10%) per annum or the maximum rate permitted by law from the date on which such principal becomes due until the same is paid. The principal of and premium, if any, on this Bond shall be payable at the principal corporate trust office of the Trustee in Salt Lake City, Utah, or at the principal corporate trust office of its successor, upon presentation and surrender hereof, and interest on this Bond shall be paid to the person in whose name this Bond is registered (the “*registered owner*”) in the registration books of the Issuer maintained by the Trustee (the “*Register*”) as of the close of business on the first day of the month in which each Bond Interest Payment Date occurs (the “*Regular Record Date*”) and shall be paid by check or draft drawn on the Trustee and mailed on the Bond Interest Payment Date to the registered owner hereof at the address on the Register or at such other address as is furnished to the Trustee in writing by the registered owner hereof prior to the Regular Record Date, provided, however, that an owner of \$1,000,000 or more in aggregate principal amount of Bonds may be paid by wire transfer to an account in the continental United States if such owner makes a written request to the Trustee at least two business days before the Regular Record Date specifying the account number and address. Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof as of the close of business on the Regular Record Date and shall be payable to the person who is the registered owner hereof as of the close of business on a Special Record Date (as defined in the Indenture) for the payment of any such defaulted interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owner hereof not less than ten days prior thereto. The principal of, and premium, if any, and interest on, the Bonds shall be paid in lawful money of the United States of America.

This Bond is one of the Issuer’s Lease Revenue Bonds, Series 2008 (the “*Series 2008 Bonds*”), limited in aggregate principal amount to \$6,435,000, issued under and by virtue of the Local Building Authority Act, Chapter 2 of Title 17D, Utah Code Annotated 1953, as amended, (the “*Act*”), and under and pursuant to, and equally and ratably with said other Bonds (as hereinafter defined) secured by, the Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement, dated as of November 1, 2008, as amended (the “*Indenture*”), between the Issuer and U.S. Bank National Association, as Trustee (the “*Trustee*”), for the purpose of financing a portion of the costs of acquiring, constructing and equipping a civic center and related facilities on a certain tract of land located in Springville City, Utah, for the benefit of Springville City, Utah (the “*Lessee*” or “*City*”).

Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Indenture.

As provided in the Indenture, the Issuer may hereafter issue Additional Bonds from time to time under certain terms and conditions contained therein, and, if issued, such Additional Bonds will rank *pari passu* with the Series 2008 Bonds. The Additional Bonds and the Series 2008 Bonds are herein referred to collectively as the “*Bonds*.”

Pursuant to the Indenture and except as therein expressly provided, the Issuer has mortgaged, assigned and pledged to the Trustee for the benefit of the owners of the Bonds all of

its right, title and interest in and to the Leased Property and the Lease (each as hereinafter defined). Copies of the Indenture are on file at the principal corporate trust office of the Trustee in Salt Lake City, Utah, and reference is hereby made to the Indenture for a description of the rights, duties and obligations of the Issuer, the Trustee and the owners of the Bonds, a description of the pledges and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledges, the rights with respect thereto, a description of the property mortgaged, the issuance of Additional Bonds and the other terms and conditions upon which the Bonds are or may be issued and secured, to all of the provisions of which the owner hereof, by the acceptance of this Bond, does hereby assent and agree.

Under that certain Master Lease Agreement, dated as of November 1, 2008, as amended (the "*Lease*"), the Leased Property has been leased by the Issuer to the Lessee, and the Lessee has agreed to pay directly to the Trustee (as assignee of the Issuer) the base rental payments (the "*Base Rentals*") commencing on the later of the date the acquisition, construction and improvement of the Leased Property is completed and the Leased Property is available for use, occupancy and operation as provided in the Lease or April 1, 2010 in consideration of the Lessee's right to use, occupy and operate the Leased Property. In addition to the Base Rentals, the Lessee has agreed to make certain other payments (the "*Additional Rentals*") sufficient to pay the fees and expenses of the Trustee, certain insurance premiums, taxes, utility charges, costs of maintenance and repair, payments to the Reserve Fund (as defined in the Lease) and other expenses expressly required to be paid by the Lessee under the Lease.

The term of the Lease is subject to annual renewal with respect to the rights and obligations of the Lessee. The obligation of the Lessee to pay the Base Rentals and the Additional Rentals (collectively, the "*Rentals*") under the Lease will terminate in the event that the governing body of the Lessee fails or refuses to appropriate, specifically with respect to the Lease, moneys sufficient to pay all the Base Rentals and reasonably estimated Additional Rentals for the next succeeding renewal term of the Lease or in the event of the unavailability of such moneys for such purpose for any other reason. In the event that the term of the Lease is terminated as to the Lessee's possessory rights in the Leased Property as a result of the occurrence of any event described in the foregoing sentence (herein referred to as an "*Event of Nonappropriation*") or is terminated by reason of the occurrence of an Event of Default (as defined in the Lease), the principal of and interest on the Bonds will be payable from such moneys, if any, as may be available for such purpose, including any moneys received by the Trustee from foreclosure on and liquidation, reletting or sale of the Leased Property as provided in the Indenture. Under certain circumstances, the principal of and interest on the Bonds may also be payable from the net proceeds of title or casualty insurance policies, performance bonds of contractors for the Leased Property, or condemnation awards, or the net proceeds received as a consequence of default under construction contracts with respect to the Leased Property. The term of the Lease may also be terminated in the event that the Lessee shall exercise its option (commencing October 15, 2022) to purchase the Leased Property by making payment of the Option Price (as defined in the Lease) as provided in the Lease. In the event that the Lessee shall pay the Option Price, the proceeds thereof are required to be used to redeem principal of the Bonds then outstanding in whole and interest thereon to the redemption date and premium (if any) thereon.

The Bonds are issuable solely as fully registered Bonds, without coupons, in denominations of \$100,000 and any integral multiple of \$1,000 in excess thereof.

The Series 2008 Bonds shall be subject to optional redemption on or after October 15, 2022, (i) in whole in the event that the Lessee exercises its option pursuant to Section 14.01 of the Lease to purchase the Leased Property, or (ii) in part in the event that the Lessee prepays additional Base Rentals pursuant to the Lease, in either such case at a redemption price of 100% of the principal amount of the Series 2008 Bonds to be redeemed, plus accrued interest.

The Series 2008 Bonds shall be subject to redemption prior to maturity in whole or in part from time to time, in inverse order of maturity and within each maturity as provided in the Indenture, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest thereon to the redemption date, but without premium, in the event that (i) the Facilities are damaged or destroyed, in whole or in part, or the Leased Property or any portion thereof is taken in a condemnation proceeding, or certain other events occur with respect to the title to the Leased Property or construction defects in the Facilities as described in the Lease, (ii) the net proceeds of any insurance policy, performance bond or condemnation award, or the net proceeds received as a consequence of defaults under any construction contract, made available by reason of one or more such occurrences, and any other legally available moneys, shall be insufficient to pay in full the cost of rebuilding, replacing or repairing the Leased Property, and (iii) the Lessee elects, pursuant to the Lease, to waive its obligation to rebuild, repair or replace the affected portion of the Leased Property by depositing such net proceeds into the Redemption Fund under the Indenture for application to the redemption of the then outstanding Bonds in accordance with the Lease and the Indenture. If called for redemption pursuant to this paragraph, the Series 2008 Bonds to be redeemed shall be redeemed on such date or dates as the Trustee may determine to be in the best interests of the Bondowners.

The Series 2008 Bonds are subject to mandatory sinking fund redemption prior to their stated maturity, in part, by lot in such manner as the Trustee shall determine to be fair and equitable, at a redemption price equal to 100% of the principal amount to be redeemed, together with accrued interest thereon to the redemption date, but without premium, on the dates and in the principal amounts set forth below.

SINKING FUND REDEMPTION DATE OCTOBER 15	SINKING FUND REQUIREMENTS
2015	\$240,000
2016	250,000
2017	260,000
2018	270,000
2019	280,000
2020	295,000
2021	305,000
2022	320,000
2023	330,000
2024	345,000
2025	360,000
2026	375,000
2027	390,000
2028	405,000
2029	425,000
2030 [*]	440,000

* Stated maturity.

In the event any of the Bonds are called for redemption as aforesaid, notice thereof identifying the Bonds (or portions thereof) to be redeemed and specifying the terms of such redemption will be given by mailing a copy of the redemption notice by first-class mail, postage prepaid, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the Register; *provided, however,* that failure to give such notice by mailing, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bond or portion thereof with respect to which no such failure has occurred, and *provided, further* that no notice of mandatory sinking fund redemption need be given. The principal of the Bonds so called for redemption will cease to bear interest after the specified redemption date, *provided* that sufficient funds for their redemption are on deposit at the place of payment at that time.

Upon the termination of the Lessee's possessory interests in the Leased Property under the Lease by reason of the occurrence of an Event of Nonappropriation or an Event of Default, the Trustee shall give notice to the Lessee to vacate the Leased Property immediately (but in no event earlier than the expiration of the Initial Term or the then current Renewal Term for which the Lessee has paid or appropriated moneys sufficient to pay all Rentals due for such Initial Term or Renewal Term, in the case of an Event of Nonappropriation) and shall have the right, at its option, without any further demand or notice, (a) to terminate the Lease or the Lessee's possessory rights thereunder (without otherwise terminating the Lease), re-enter the Leased Property and eject all parties in possession thereof therefrom and relet the Leased Property or then or at any time thereafter commence proceedings for the foreclosure on and liquidation, reletting or sale of the Leased Property in the manner permitted by law and as otherwise

provided in the Indenture, subject to the Trustee giving preference to those lessees or buyers whose use or ownership of the Leased Property would preserve the excludability from gross income for federal income tax purposes of interest on the Bonds; (b) to exercise any of the remedies provided to the Trustee upon the occurrence of an Event of Default under the Indenture as the Trustee shall determine to be in the best interests of the Bondowners and as are consistent with the terms and provisions for the exercise of such remedies provided in the Indenture, including but not limited to the exercise of such remedies as the Trustee may be entitled to as a secured party under the Utah Uniform Commercial Code; or (c) to take any action at law or in equity deemed necessary or desirable to enforce its and the Bondowners' rights with respect to the Leased Property and the Lessee. All moneys then held in any fund or account under the Indenture shall be held by the Trustee for the benefit of the owners of the Bonds, except as otherwise provided in the Indenture. The net proceeds received on such foreclosure, liquidation, reletting or sale and such other moneys shall be applied as provided in the Indenture. A BONDOWNER SHOULD NOT ANTICIPATE THAT IT WILL BE POSSIBLE TO FORECLOSE ON THE LEASED PROPERTY AND LIQUIDATE, RELET OR SELL THE LEASED PROPERTY AFTER THE OCCURRENCE OF AN EVENT OF NONAPPROPRIATION OR AN EVENT OF DEFAULT FOR AN AMOUNT EQUAL TO THE AGGREGATE PRINCIPAL AMOUNT OF THE BONDS THEN OUTSTANDING PLUS ACCRUED INTEREST THEREON.

The Trustee may, with Capital One's (defined below) consent (so long as Capital One is the owner of any Series 2008 Bonds), waive an Event of Nonappropriation or an Event of Default under certain circumstances as provided in the Lease and the Indenture.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before their stated maturity dates, together with interest accrued thereon. Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

Any consent or request by the registered owner of this Bond shall be conclusive and binding upon such registered owner and upon all future registered owners of this Bond and on any Bond issued upon the transfer or exchange of this Bond whether or not notation of such consent or request is made upon this Bond.

EXCEPT FOR THE SECURITY PROVIDED BY THE INDENTURE PURSUANT TO SECTION 17D-2-505 OF THE ACT, THIS BOND AND THE PREMIUM, IF ANY, AND THE INTEREST HEREON SHALL BE PAYABLE SOLELY OUT OF BASE RENTALS AND ADDITIONAL RENTALS UNDER SECTION 4.01(b)(ix) OF THE LEASE RECEIVED BY THE TRUSTEE (AS ASSIGNEE OF THE ISSUER) UNDER THE LEASE. NOTHING HEREIN SHALL BE CONSTRUED AS REQUIRING THE STATE OF UTAH OR ANY POLITICAL SUBDIVISION OF THE STATE OF UTAH TO PAY THIS BOND OR THE PREMIUM (IF ANY) OR INTEREST HEREON OR TO APPROPRIATE ANY MONEY TO PAY THE SAME. THE ISSUER HAS SECURED THIS BOND AND THE PREMIUM, IF ANY, AND THE INTEREST HEREON BY THE INDENTURE, PURSUANT TO

WHICH THE MONEYS IN CERTAIN FUNDS AND ACCOUNTS CREATED THEREBY ARE PLEDGED TO THE PAYMENT OF THIS BOND AND THE PREMIUM, IF ANY, AND INTEREST HEREON, TOGETHER WITH ALL OTHER SECURITY PROVIDED BY THE INDENTURE INCLUDING A MORTGAGE LIEN ON THE LEASED PROPERTY. NEITHER THIS BOND NOR THE INTEREST HEREON SHALL CONSTITUTE OR GIVE RISE TO A GENERAL OBLIGATION OR LIABILITY OF, OR A CHARGE AGAINST, THE GENERAL CREDIT OR TAXING POWER OF THE ISSUER, THE LESSEE, THE STATE OF UTAH OR ANY POLITICAL SUBDIVISION OF THE STATE OF UTAH. THE ISSUER HAS NO TAXING POWER.

THE OBLIGATION OF THE LESSEE TO MAKE PAYMENTS OF BASE RENTALS AND OTHER AMOUNTS UNDER THE LEASE IS ANNUALLY RENEWABLE AS PROVIDED THEREIN. THE OBLIGATION OF THE LESSEE TO MAKE SUCH PAYMENTS WILL NOT CONSTITUTE A DEBT OF THE LESSEE, THE STATE OF UTAH OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE ISSUANCE OF THE BONDS NOR THE EXECUTION AND DELIVERY OF THE LEASE DIRECTLY OR CONTINGENTLY OBLIGATE THE LESSEE TO APPROPRIATE ANY MONEY TO PAY RENTALS UNDER THE LEASE OR TO PAY ANY RENTALS BEYOND THOSE APPROPRIATED FOR THE LESSEE'S THEN CURRENT FISCAL YEAR OR OBLIGATE THE STATE OF UTAH OR ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE LESSEE TO THE EXTENT PROVIDED IN THE LEASE) TO PAY ANY RENTALS DUE TO THE ISSUER UNDER THE TERMS OF THE LEASE. NO PERSON EXECUTING THE BONDS OR THE LEASE SHALL BE SUBJECT TO PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS OR THE EXECUTION OF THE LEASE.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the constitution or statutes of the State of Utah and by the Act and the Indenture to exist, to have happened or to have been performed precedent to or in connection with the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law, and that the issue of the Series 2008 Bonds, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by said constitution and statutes.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the Municipal Building Authority of Springville City, Utah has caused this Bond to be signed in its name and on its behalf by its President and attested by its Secretary and has caused its corporate seal to be imprinted hereon, all as of the Dated Date.

MUNICIPAL BUILDING AUTHORITY OF SPRINGVILLE
CITY, UTAH

By _____
President

ATTEST:

By _____
Secretary

[MBA SEAL]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within-mentioned Indenture and is one of the Lease Revenue Bonds, Series 2008, of the Municipal Building Authority of Springville City, Utah.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee and Bond Registrar

By _____
Authorized Officer

Date of registration and authentication: December _____, 2014.

ASSIGNMENT

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	—	as tenants in common	UNIF TRAN MIN ACT—
TEN ENT	—	as tenants by the entirety	_____ Custodian _____
JT TEN	—	as joint tenants with right of survivorship and not as tenants in common	(Cust) _____ (Minor) under Uniform Transfers to Minors Act of _____
			(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

Insert Social Security or Other
Identifying Number of Assignee

(Please Print or Typewrite Name and Address of Assignee)

the within Bond of the MUNICIPAL BUILDING AUTHORITY OF SPRINGVILLE, UTAH, and hereby irrevocably constitutes and appoints _____ attorney to register the transfer of the Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

SIGNATURE: _____

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Bond Registrar, which requirements include membership or participation in STAMP or such other “signature guarantee program” as may be determined by the Bond Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities and Exchange Act of 1934, as amended.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

RESOLUTION NO.

A RESOLUTION OF THE GOVERNING BOARD OF THE MUNICIPAL BUILDING AUTHORITY OF SPRINGVILLE CITY, UTAH, AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO INDENTURE OF TRUST, MORTGAGE, ASSIGNMENT OF MASTER LEASE AGREEMENT AND SECURITY AGREEMENT, A FIRST AMENDMENT TO MASTER LEASE AGREEMENT, AND OTHER INSTRUMENTS REQUIRED IN CONNECTION WITH THE MODIFICATION OF CERTAIN TERMS OF THE LEASE REVENUE BONDS, SERIES 2008

WHEREAS, Springville City, Utah (the “City”) has organized the Municipal Building Authority of Springville City, Utah (the “Issuer”) for the purpose of acquiring, improving and extending projects on behalf of the City and financing the costs of such projects, in accordance with the procedures and subject to the limitations of the Local Building Authority Act, Title 17D, Chapter 2 of the Utah Code Annotated 1953, as amended, and other applicable provisions of law;

WHEREAS, the Issuer has previously issued its Lease Revenue Bonds, Series 2008 (the “Series 2008 Bonds”) pursuant to an Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement, dated as of November 1, 2008, as previously amended by a First Amendment to Master Lease Agreement, dated as of July 1, 2011 (collectively, the “Original Indenture”), between the Issuer and U.S. Bank National Association, as trustee (the “Trustee”);

WHEREAS, the Issuer and the City have previously entered into a Master Lease Agreement, dated as of November 1, 2008, as previously amended by the First Amendment to Master Lease Agreement, dated as of July 1, 2011 (collectively, the “Original Lease”);

WHEREAS, the Issuer has determined that it is in the best interest of the Issuer and the City to modify certain terms of the Series 2008 Bonds and corresponding provisions of the Original Indenture and the Original Lease, by executing and delivering amended Bonds (the “Amended Bonds”) and entering into a Second Amendment to Indenture of Trust, Mortgage, Assignment of Master Lease Agreement and Security Agreement (the “Amended Indenture”), between the Issuer and U.S. Bank National Association, as trustee, and a Second Amendment to Master Lease Agreement between the Issuer and the City (the “Amended Lease” and, collectively with the Amended Bonds and the Amended Indenture, the “Amended Documents”);

WHEREAS, Capital One Public Funding, LLC, as the owner of all of the outstanding Series 2008 Bonds, has agreed to such amendments; and

WHEREAS, the City Council of Springville City, Utah, by resolution previously adopted on the date hereof, has approved the execution and delivery of the Amended Documents;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Governing Board of the Municipal Building Authority of Springville City, Utah, as follows:

Section 1. Approval of the Amended Documents. The forms, terms and provisions of the Amended Documents are each hereby approved in substantially the forms presented at this meeting and attached hereto as *Exhibits A, B, and C*, with such insertions, omissions and changes as shall be approved by the President, the execution of such documents being conclusive evidence of such approval; and the President is hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, each of the Amended Documents, and the Secretary is hereby authorized and directed to affix the corporate seal of the Issuer to each of the Amended Documents.

Section 2. Other Actions with Respect to the Amended Documents. The officers and employees of the Issuer shall take all action necessary to carry out the execution and delivery of the Amended Documents, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the execution and delivery of the Amended Documents. If the President or the Secretary shall be unavailable to execute or attest (as applicable) the Amended Documents or the other documents that they are hereby authorized to execute and attest, the same may be executed and attested (as applicable) by any other member of the Governing Board of the Issuer or by any Assistant Secretary, respectively.

Section 3. Resolution Irrepealable. After any of the Amended Documents are executed and delivered, this Resolution shall be and remain irrepealable until the Amended Bonds and interest thereon shall have been fully paid, canceled and discharged.

Section 4. Severability. If any section, paragraph, clause or provision of this Resolution 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.

Section 5. Conflicting Resolutions. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 6. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the Governing Board of the Municipal Building Authority of Springville City, Utah, this 2nd day of December, 2014.

MUNICIPAL BUILDING AUTHORITY OF
SPRINGVILLE CITY, UTAH

By _____
President

ATTEST:

Secretary

[MBA SEAL]

EXHIBIT A

[FIRST AMENDMENT TO MASTER LEASE AGREEMENT]

EXHIBIT B

[FIRST AMENDMENT TO INDENTURE]

EXHIBIT C

[FORM OF AMENDED BONDS]