Higher Education Revenue Bond Intercept Program Participation

Background information about total borrowing and intercept borrowing for all participating governing boards, including: Adams State, Community Colleges, School of Mines, Colorado Mesa, Colorado State, Fort Lewis, Metro State, University of Northern Colorado, and Western State

Existing v. Proposed Test to Participate in Intercept Program

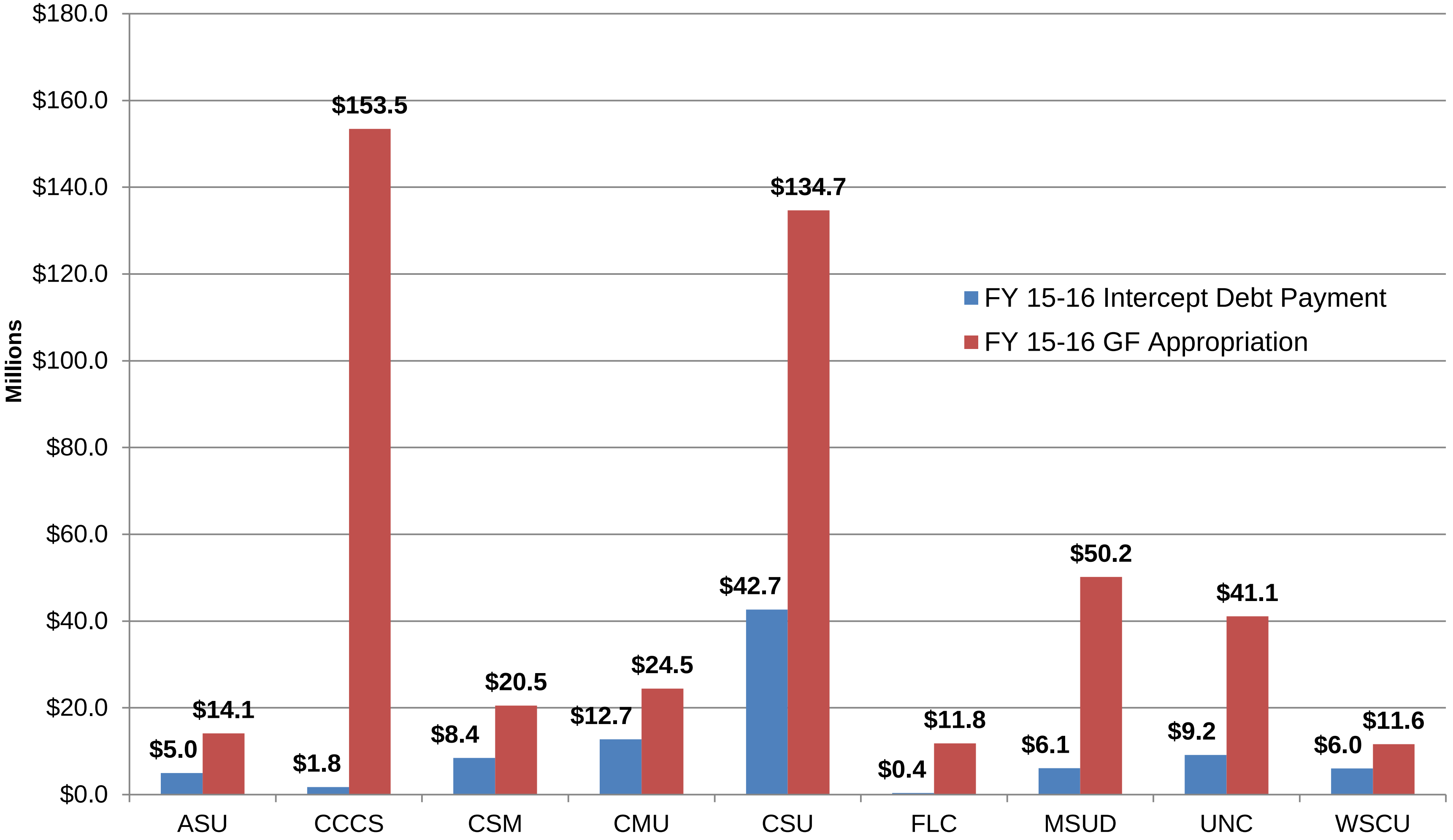
EXISTING TEST

1. 150 percent debt coverage ratio.
2. A credit rating in one of the three highest categories, without regard to modifiers within a category, from at least one nationally recognized statistical rating organization (and no rating in a category below the three highest categories).

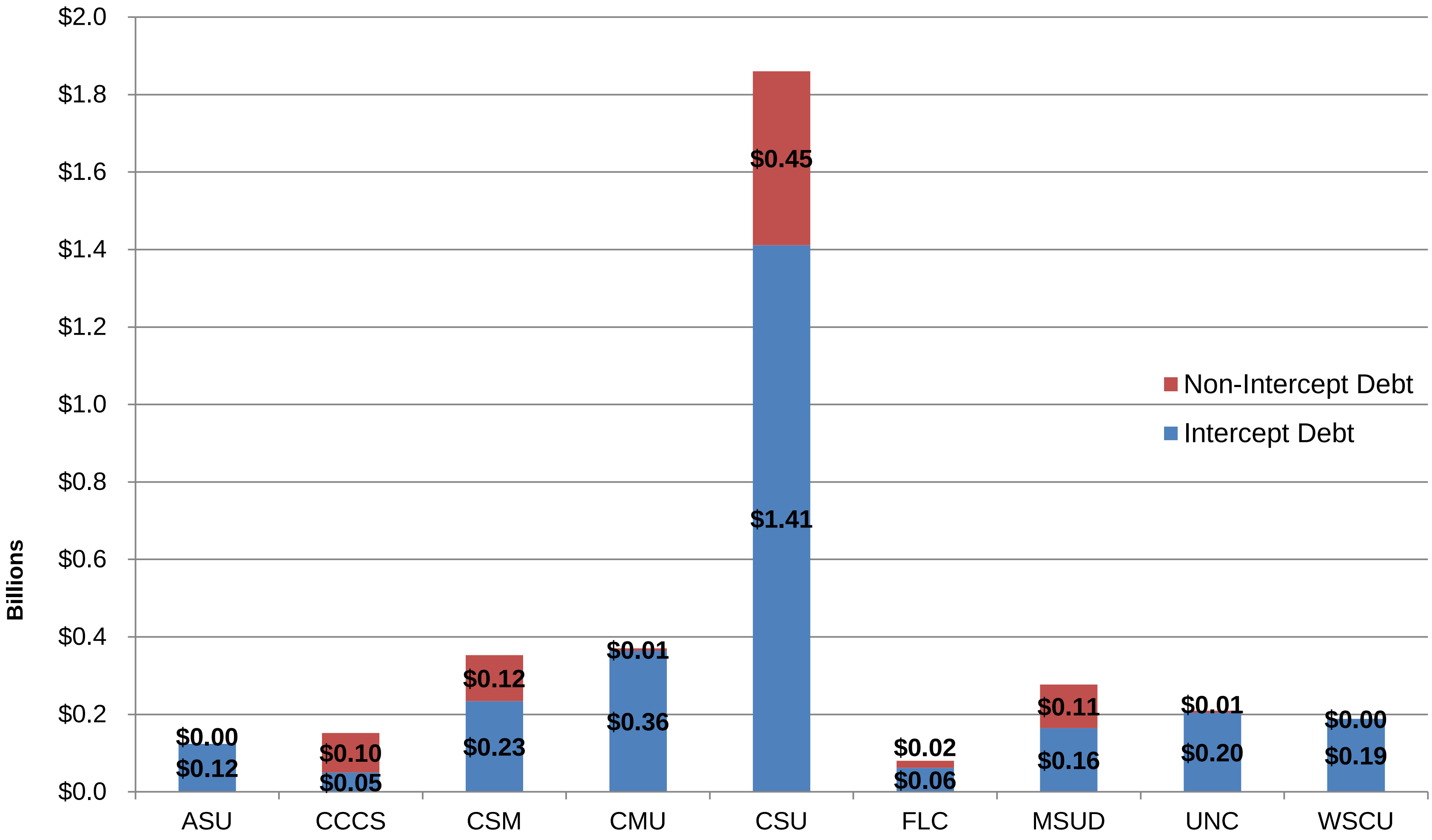
PROPOSED TEST

3. All of the above *and* the maximum total existing and proposed debt service payments cannot exceed 75 percent of the most recent General Fund appropriation for stipends and fee-for-service contracts.

FY 15-16 Intercept Debt Payments Compared to FY 15-16 General Fund Appropriations



All Outstanding Debt



Adams State University

Does ASU meet the current and proposed tests to use the intercept program? NO

Total FY 15-16 Debt Service	**$5,006,934**
FY 15-16 Intercept Debt Service	5,006,934
Pledged Revenues: FY 14-15	7,095,458
Ratio - All Bonds	**1.42**
Ratio - Intercept Bonds	**1.42**

Sources: ASU, North Slope Capital Advisors, 2016 continuing disclosure on EMMA – FY 2014-15 audit supplemental Information pledged revenues plus $618K in BAB subsidy.

Credit Ratings

Underlying *(Moody's)*	A3 (negative)
Enhanced *(Moody's)*	Aa2 (stable)

Source: Moody's, January 26, 2016

Bonds Outstanding ($ in millions)

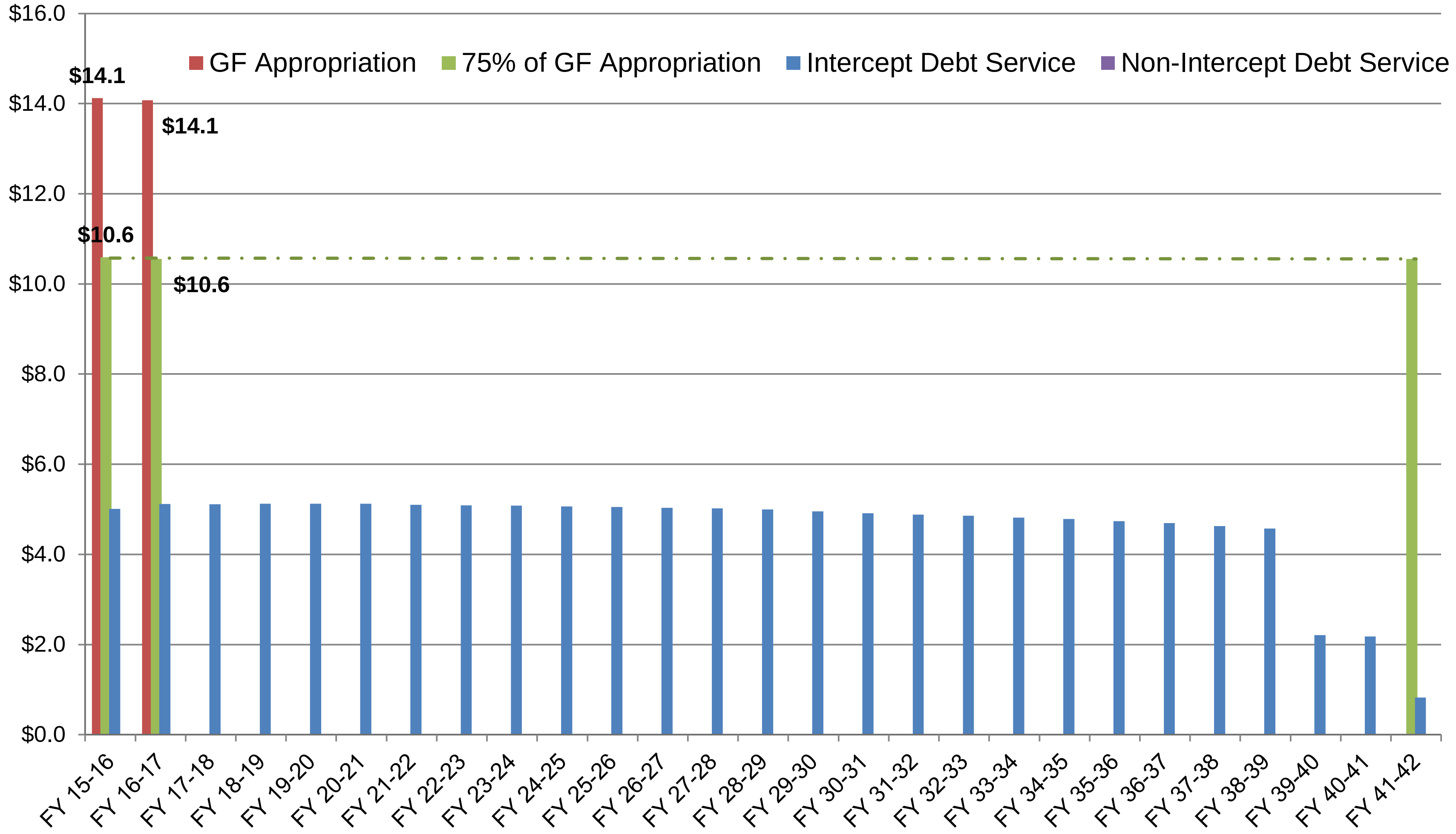
Series	Remaining	Intercept	Non-Intercept
Series 2009A	1,973,581	1,973,581	-
Series 2009B	12,793,813	12,793,813	-
Series 2009C	59,740,581	59,740,581	-
Series 2012	22,119,098	22,119,098	-
Series 2015	27,471,613	27,471,613	-
Total	**$124,098,685**	**$124,098,685**	**$0**

Sources: ASU and North Slope Capital Advisors

According to Moody's, "the *negative outlook* reflects uncertainty in the university's ability to successfully balance operating performance in the face of variable state operating support and declining enrollment. A high need student population and ongoing tuition increases, as well as a planned guaranteed tuition pricing program, could potentially hinder longer term enrollment growth and intensify top line pressure. The *stable outlook* for the enhanced rating is based on the state's current stable long-term outlook."

ASU Annual Debt Service

amounts shown in millions



Sources: ASU and North Slope Capital Advisors

Colorado Community College System

Does CCCS meet the current and proposed tests to use the intercept program? YES

Total FY 15-16 Debt Service	**$7,749,981**
FY 15-16 Intercept Debt Service	1,771,893
Pledged Revenues: FY 14-15	32,068,598
Ratio - All Bonds	**4.14**
Ratio - Intercept Bonds	**18.10**

Sources: CCCS, North Slope Capital Advisors, and 2016 Series Official Statement on EMMA.

Bonds Outstanding ($ in millions)

Series	Remaining	Intercept	Non-Intercept
Series 2003	172,763	-	172,763
Series 2004	534,581	-	534,581
Series 2010A	3,588,613	3,588,613	-
Series 2010B-2	18,323,260	18,323,260	-
Series 2010C	3,856,900	-	3,856,900
Series 2010D	52,858,246	-	52,858,246
Series 2012	12,547,497	-	12,547,497
Series 2013	32,290,125	-	32,290,125
Series 2016	28,112,879	28,112,879	-
Total	**$152,284,863**	**$50,024,751**	**$102,260,112**

Sources: CCCS and North Slope Capital Advisors

Credit Ratings

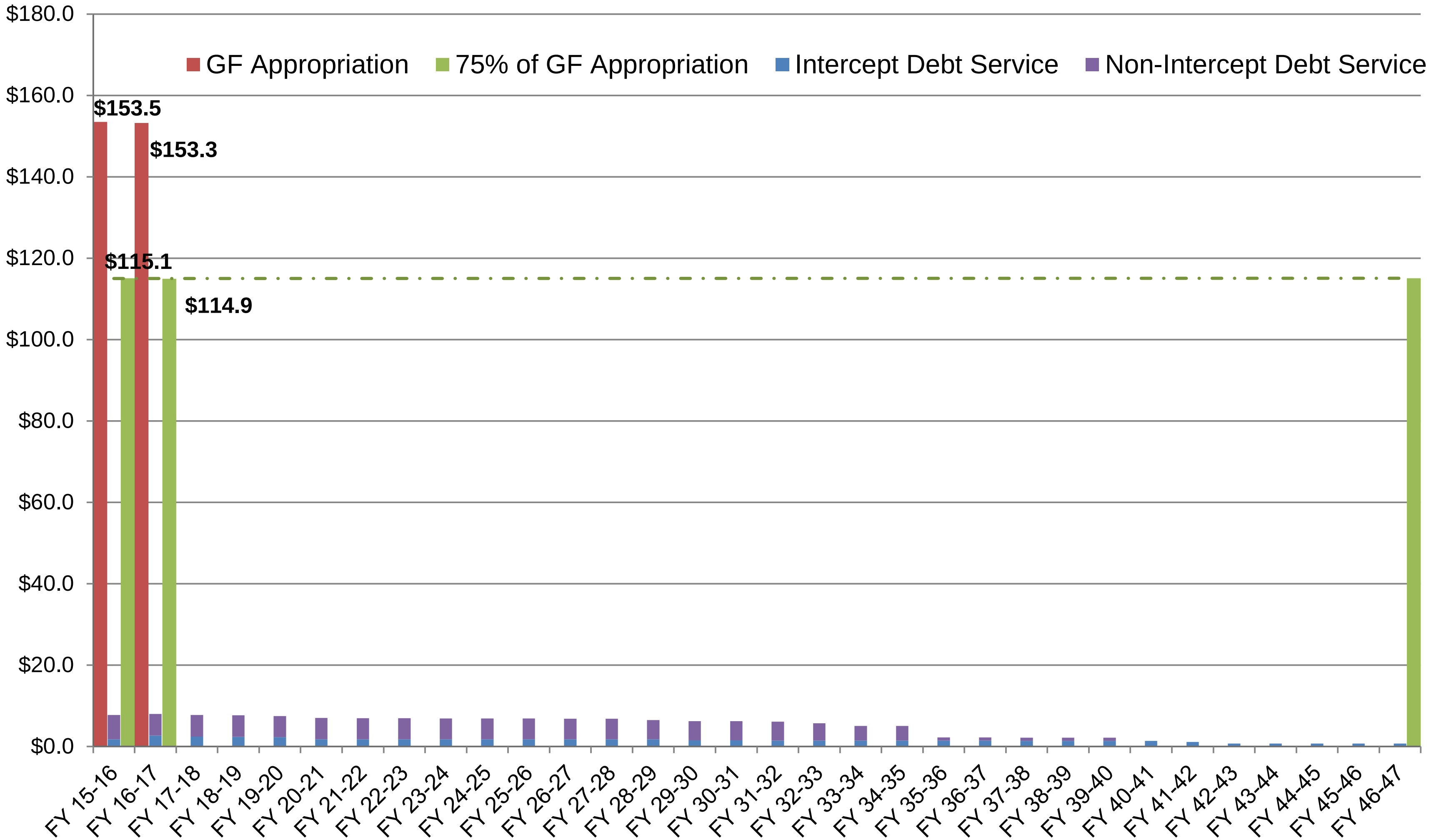
Underlying *(Moody's)*	Aa3 (stable)
Enhanced *(Moody's)*	Aa2 (stable)

Source: Moody's, January 7, 2016

According to Moody's, "the *stable outlook* on the underlying rating is based on the expectation that enrollment will remain fairly flat during the continued economic recovery, that management will take steps to reduce expenses as warranted to maintain cash flow margins above 7 percent, and that the system will not issue any debt beyond the current offering. The *stable outlook* for the enhanced rating is based on the State of Colorado's current stable outlook."

CCCS Annual Debt Service

amounts shown in millions



Sources: CCCS and North Slope Capital Advisors

Colorado School of Mines

Does CSM meet the current and proposed tests to use the intercept program? YES

Total FY 15-16 Debt Service	**$13,602,242**
FY 15-16 Intercept Debt Service	8,447,124
Pledged Revenues: FY 14-15	45,119,000
Ratio - All Bonds	**3.32**
Ratio - Intercept Bonds	**5.34**

Sources: CSM, North Slope Capital Advisors, and 2016 Series Official Statement on EMMA.

Credit Ratings	
Underlying *(Moody's)*	Aa3 (stable)
Enhanced *(Moody's)*	Aa2 (stable)

Source: Moody's, December 10, 2015

According to Moody's, "the *stable outlook* on the Aa3 underlying rating reflects our expectation of stable student demand and sustained strong cash flow operations to generate good debt service coverage. It also incorporates prospects for continued growth of spendable cash and investments and limited plans for additional debt. The *stable outlook* for the enhanced rating is based on the state's current stable long-term outlook."

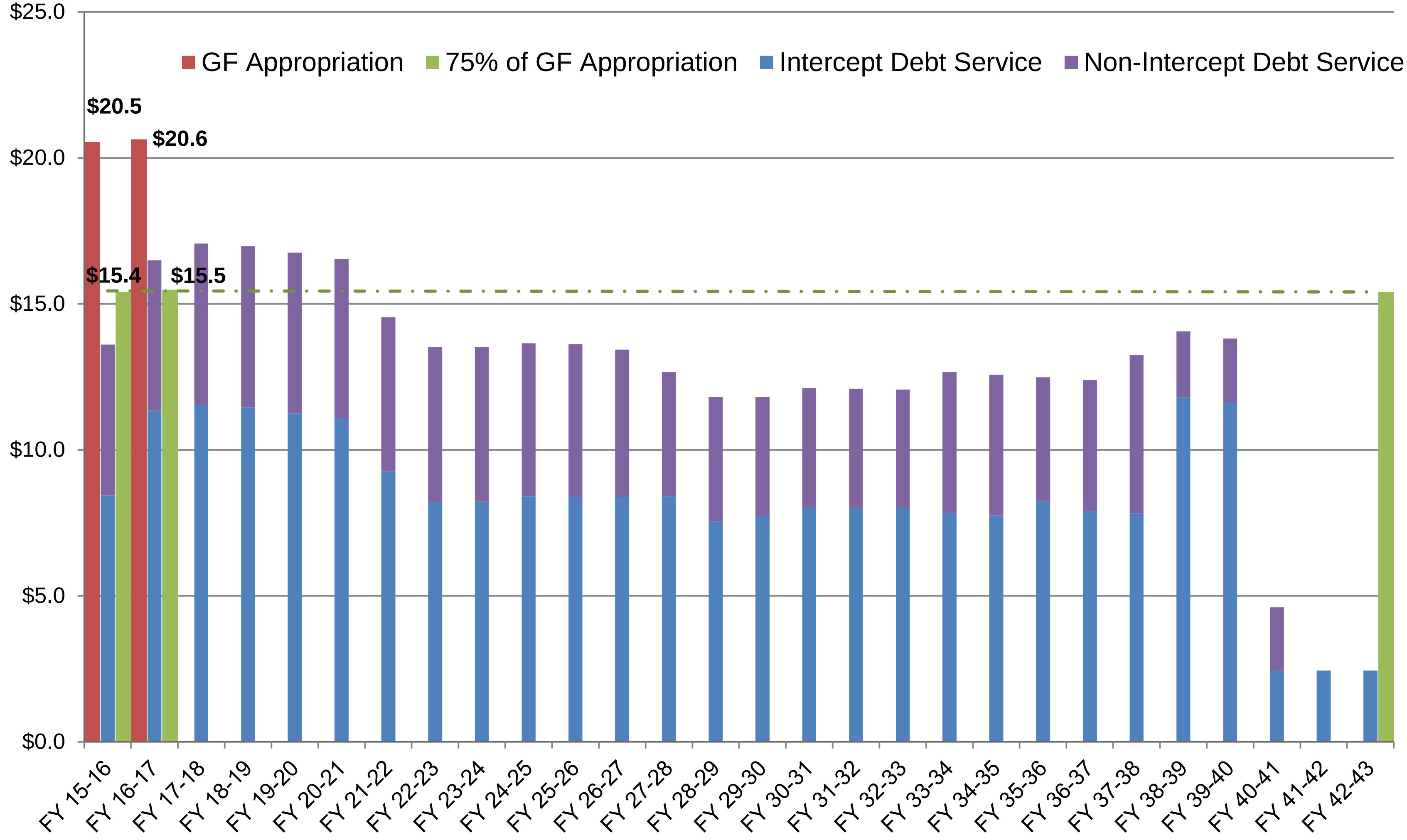
Bonds Outstanding ($ in millions)

Series	Remaining	Intercept	Non-Intercept
Series 1999	15,015,000	-	15,015,000
Series 2008A	61,633,346	-	61,633,346
Series 2009A	4,886,066	4,886,066	-
Series 2009B	98,842,828	98,842,828	-
Series 2009C	3,530,234	3,530,234	-
Series 2010B	26,937,992	-	26,937,992
Series 2011	2,273,065	-	2,273,065
Series 2012A	13,095,200	-	13,095,200
Series 2012B	81,419,475	81,419,475	-
Series 2016	45,401,747	45,401,747	-
Total	**$353,034,952**	**$234,080,350**	**$118,954,602**

Sources: CSM and North Slope Capital Advisors

CSM Annual Debt Service

amounts shown in millions



Sources: CSM and North Slope Capital Advisors

Colorado Mesa University

Does CMU meet the current and proposed tests to use the intercept program? YES

Total FY 15-16 Debt Service	**$13,574,116**
FY 15-16 Intercept Debt Service	12,736,170
Pledged Revenues: FY 14-15	22,762,931
Ratio - All Bonds	**1.68**
Ratio - Intercept Bonds	**1.79**

Sources: CMU, North Slope Capital Advisors, Series 2016 Official Statement

Credit Ratings	
Underlying *(Moody's)*	A2 (stable)
Enhanced *(Moody's)*	Aa2 (stable)

Source: Moody's, January 11, 2016

According to Moody's, "the *stable outlook* assumes steady enrollment growth with modest growth in net tuition per student offset by escalating expenses resulting in narrowing operations. The *stable outlook* for the enhanced rating is based on the state's current stable long-term outlook."

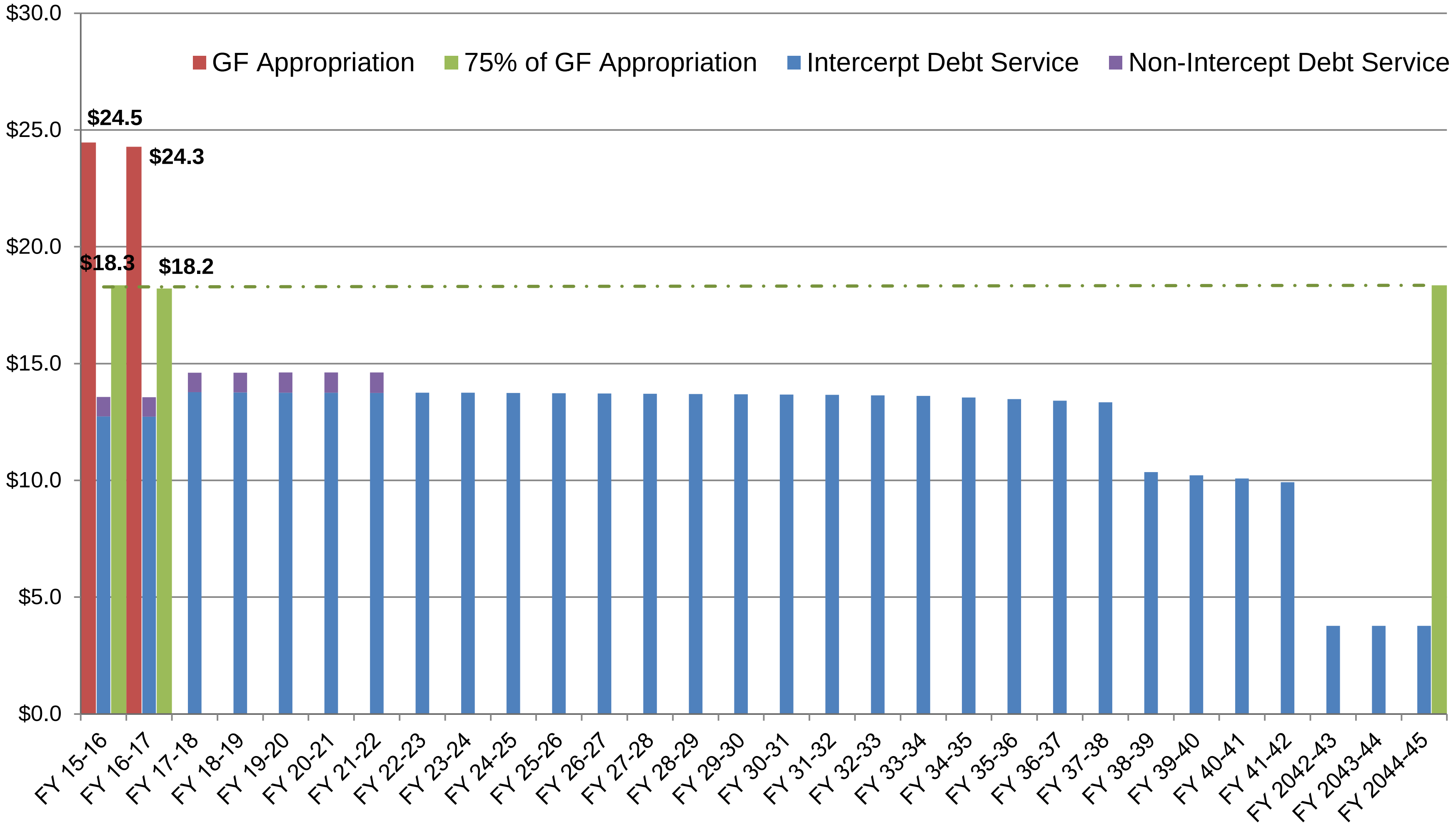
Bonds Outstanding ($ in millions)

Series	Remaining	Intercept	Non-Intercept
Series 2009A	44,213,000	44,213,000	-
Series 2009B	69,275,570	69,275,570	-
Series 2010B	72,301,300	72,301,300	-
Series 2011A	5,971,604	-	5,971,604
Series 2011B	3,351,198	3,351,198	-
Series 2011C	2,299,935	2,299,935	-
Series 2012A	23,833,288	23,833,288	-
Series 2012B	19,580,388	19,580,388	-
Series 2013	28,904,606	28,904,606	-
Series 2014A	18,971,685	18,971,685	-
Series 2014B	27,441,620	27,441,620	-
Series 2014C	5,228,439	5,228,439	-
Series 2016	48,875,719	48,875,719	-
Total	**$370,248,352**	**$364,276,748**	**$5,971,604**

Sources: CMU and North Slope Capital Advisors

CMU Annual Debt Service

amounts shown in millions



Sources: CMU and North Slope Capital Advisors

Colorado State University

Does CSU meet the current and proposed tests to use the intercept program? YES

Bonds Outstanding ($ in millions)

Series	Remaining	Intercept	Non-Intercept
Series 2007A	35,470,756	-	35,470,756
Series 2007B	7,918,963	-	7,918,963
Series 2008C	11,734,350	-	11,734,350
Series 2009A	1,544,200	1,544,200	-
Series 2010A	19,507,050	19,507,050	-
Series 2010B	59,099,684	59,099,684	-
Series 2010C	57,601,835	57,601,835	-
Series 2012A	233,135,300	233,135,300	-
Series 2012B	75,796,250	75,796,250	-
Series 2012C	2,228,172	2,228,172	-
Series 2013A	307,821,250	307,821,250	-
Series 2013B	9,235,287	9,235,287	-
Series 2013C	39,755,350	-	39,755,350
Series 2013D	10,066,670	-	10,066,670
Series 2013E	261,843,000	261,843,000	-
Series 2015A	193,869,491	-	193,869,491
Series 2015B	41,576,406	-	41,576,406
Series 2015C	110,713,213	110,713,213	-
Series 2015D	89,288,449	-	89,288,449
Series 2015E-1	203,480,510	203,480,510	-
Series 2015E-2	68,857,115	68,857,115	-
Series 2015F	19,904,546	-	19,904,546
Total	**$1,860,447,847**	**$1,410,862,866**	**$449,584,981**

Sources: CSU and North Slope Capital Advisors

Total FY 15-16 Debt Service	**$51,695,703**
FY 15-16 Intercept Debt Service	42,675,724
Pledged Revenues: FY 14-15	141,070,723
Ratio - All Bonds	**2.73**
Ratio - Intercept Bonds	**3.31**

Sources: CSU, North Slope Capital Advisors, FY 14-15 Continuing Disclosure Report - FY15 Pledged Revenues of $139.5 million plus Federal BAB and RZEDB FY15 subsidies of $1.6 million on EMMA, FY 14-15 audit supplemental Information pledged revenues plus $618K in BAB subsidy.

Credit Ratings

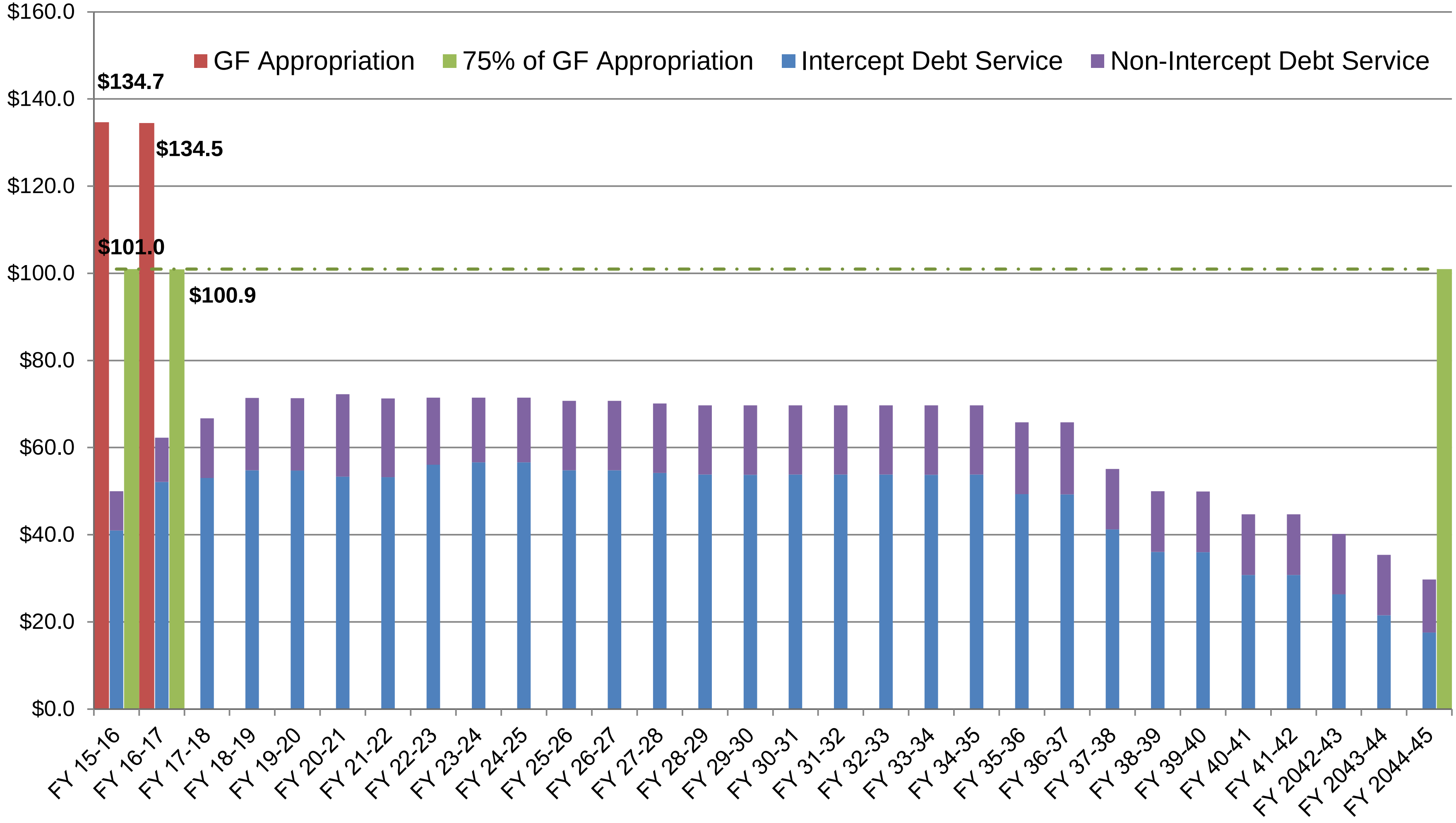
Underlying *(Moody's)*	Aa3 (stable)
Underlying *(Standard and Poors)*	A+ (negative)
Enhanced *(Moody's)*	Aa2 (stable)
Enhanced *(Standard and Poors)*	AA- (stable)

Sources: Moody's, July 29, 2015; Standard and Poors, August 4, 2015

According to Moody's, "the *stable outlook* on the Aa3 underlying rating reflects our expectation of stable student demand and ongoing operational adjustments and strategic prioritizations to sustain balanced operating performance. The stable outlook further reflects our expectation that the university will successfully manage the construction risk of the multiple projects underway."

CSU Annual Debt Service

amounts shown in millions



Sources: CSU and North Slope Capital Advisors

Fort Lewis College

Does FLC meet the current and proposed tests to use the intercept program? YES*

Total FY 15-16 Debt Service	**$2,105,395**
FY 15-16 Intercept Debt Service	397,086
Pledged Revenues: FY 14-15	8,743,674
Ratio - All Bonds	**4.15**
Ratio - Intercept Bonds	**22.02**

Sources: FLC, North Slope Capital Advisors, and 2016 Series Official Statement on EMMA.

Credit Ratings

Underlying *(Moody's)*	A2 (stable)
Enhanced *(Moody's)*	Aa2 (stable)

Source: Moody's, February 11, 2016

According to Moody's, "the *stable outlook* incorporates our expectation that the college will be able to absorb growing expenses over the short term with savings from the refunding and that operations will remain break-even or modestly positive as the college strives to increase enrollment and tuition revenue. Debt service coverage by operating cash flow will remain solid and liquidity will remain good. The *stable outlook* for the enhanced rating is derived from the state's current stable outlook."

Bonds Outstanding ($ in millions)

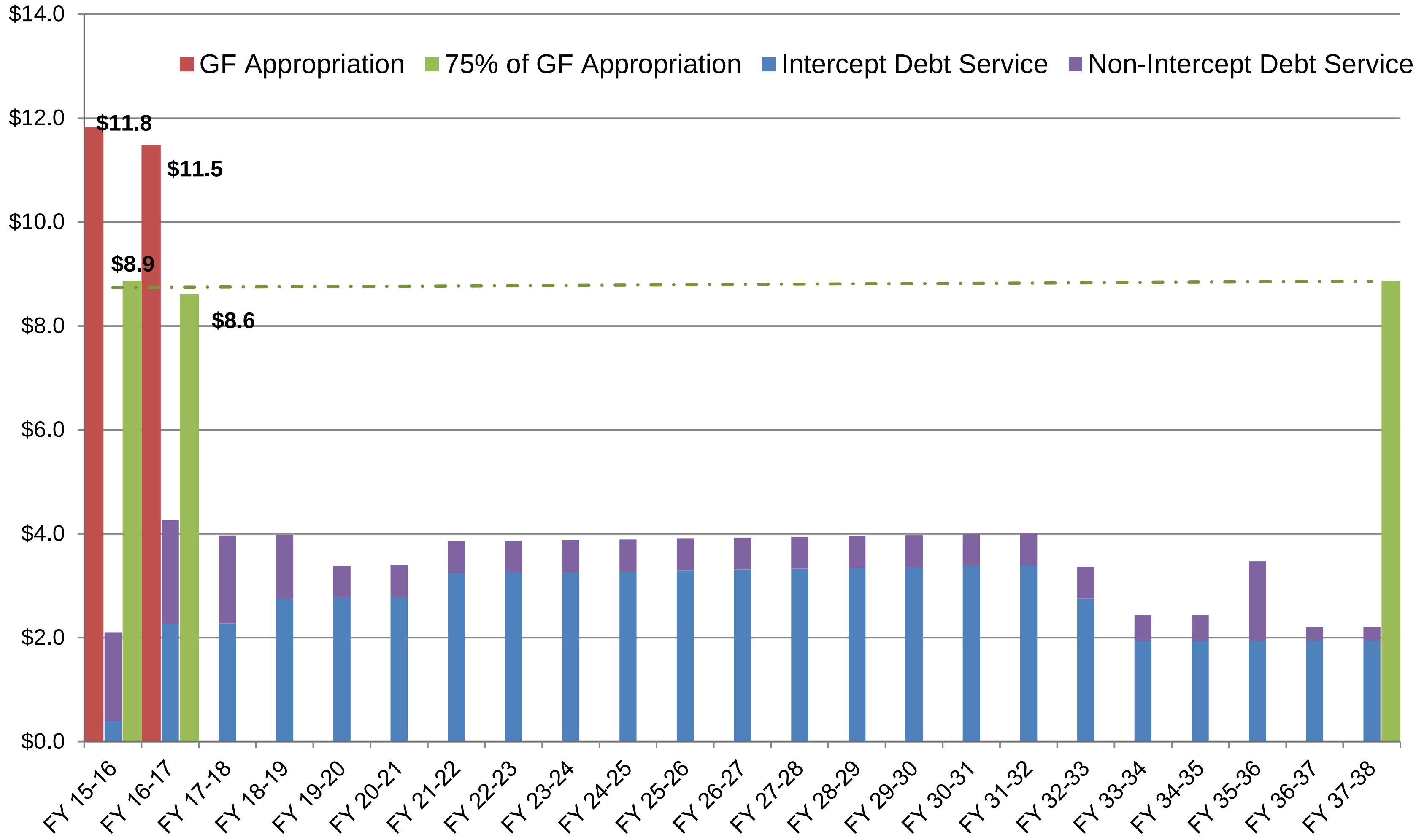
Series	Remaining	Intercept	Non-Intercept
Series 2007A	2,017,481	-	2,017,481
Series 2007B-1	5,693,275	-	5,693,275
Series 2007B-2	2,282,908	-	2,282,908
Series 2007C	2,427,650	-	2,427,650
Series 2012	8,641,218	8,641,218	-
Series 2016A	13,928,969	13,928,969	-
Series 2016B	39,635,671	39,635,671	
Series 2016C	5,825,047	-	5,825,047
Total	**$80,452,220**	**$62,205,859**	**$18,246,361**

Sources: FLC and North Slope Capital Advisors

*FLC does not have enterprise status in FY 15-16.

FLC Annual Debt Service

amounts shown in millions



Sources: FLC and North Slope Capital Advisors

Metropolitan State University of Denver

Does MSUD meet the current and proposed tests to use the intercept program? YES

Total FY 15-16 Debt Service	**$10,003,322**
FY 15-16 Intercept Debt Service	6,084,824
Pledged Revenues: FY 14-15	28,438,545
Ratio - All Bonds	**2.84**
Ratio - Intercept Bonds	**4.67**

Sources: MSUD, North Slope Capital Advisors, and 2016 Series Official Statement on EMMA.

Bonds Outstanding ($ in millions)

Series	Remaining	Intercept	Non-Intercept
Series 2009	92,929,467	92,929,467	-
Series 2010	18,000,897	18,000,897	-
Series 2010A,B,C	112,463,427	-	112,463,427
Series 2014	4,612,392	4,612,392	-
Series 2016	48,934,580	48,934,580	-
Total	**$276,940,763**	**$164,477,335**	**$112,463,427**

Sources: MSUD and North Slope Capital Advisors

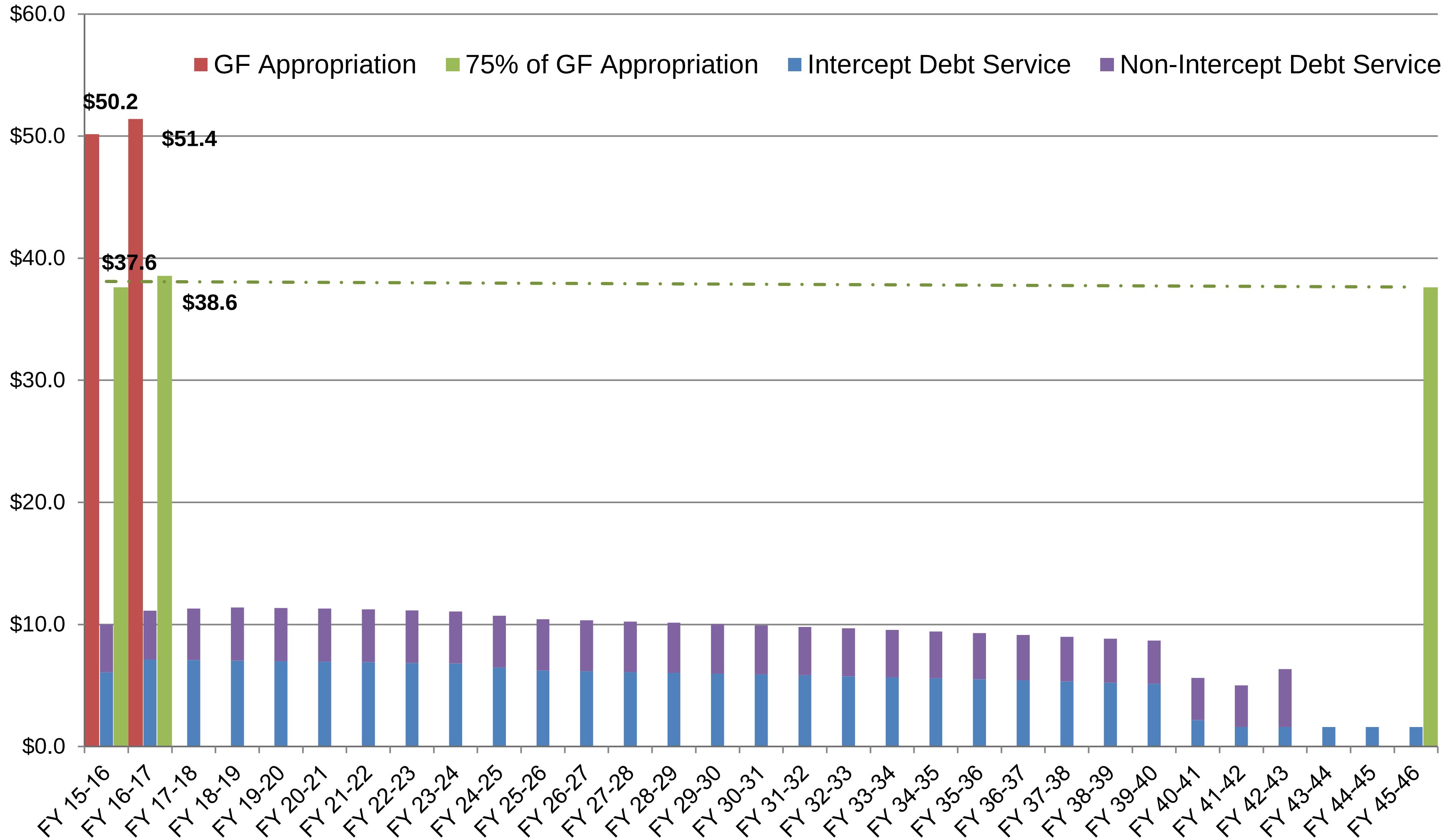
Credit Ratings	
Underlying *(Moody's)*	A1 (stable)
Enhanced *(Moody's)*	Aa2 (stable)

Source: Moody's, January 6, 2016

According to Moody's, "the *stable outlook* on the A1 underlying rating reflects our expectation of continued positive operating cash flow to meet good debt service coverage, stable hotel operations, and limited use of reserves. It also incorporates recent additions to state funding, management's current plans to stabilize enrollment trends, and no additional debt plans. The *stable outlook* for the enhanced rating is based on the state's current stable long-term outlook."

MSUD Annual Debt Service

amounts shown in millions



Sources: MSUD and North Slope Capital Advisors

University of Northern Colorado

Does UNC meet the current and proposed tests to use the intercept program? YES

Total FY 15-16 Debt Service	**$9,812,267**
FY 15-16 Intercept Debt Service	9,171,649
Pledged Revenues: FY 14-15	26,725,086
Ratio - All Bonds	**2.72**
Ratio - Intercept Bonds	**2.91**

Sources: UNC, North Slope Capital Advisors, and 2015 Annual Financial Report on EMMA.

Credit Ratings

Underlying *(Moody's)*	A1 (negative)
Enhanced *(Moody's)*	Aa2 (stable)

Source: Moody's, April 30, 2015

Bonds Outstanding ($ in millions)

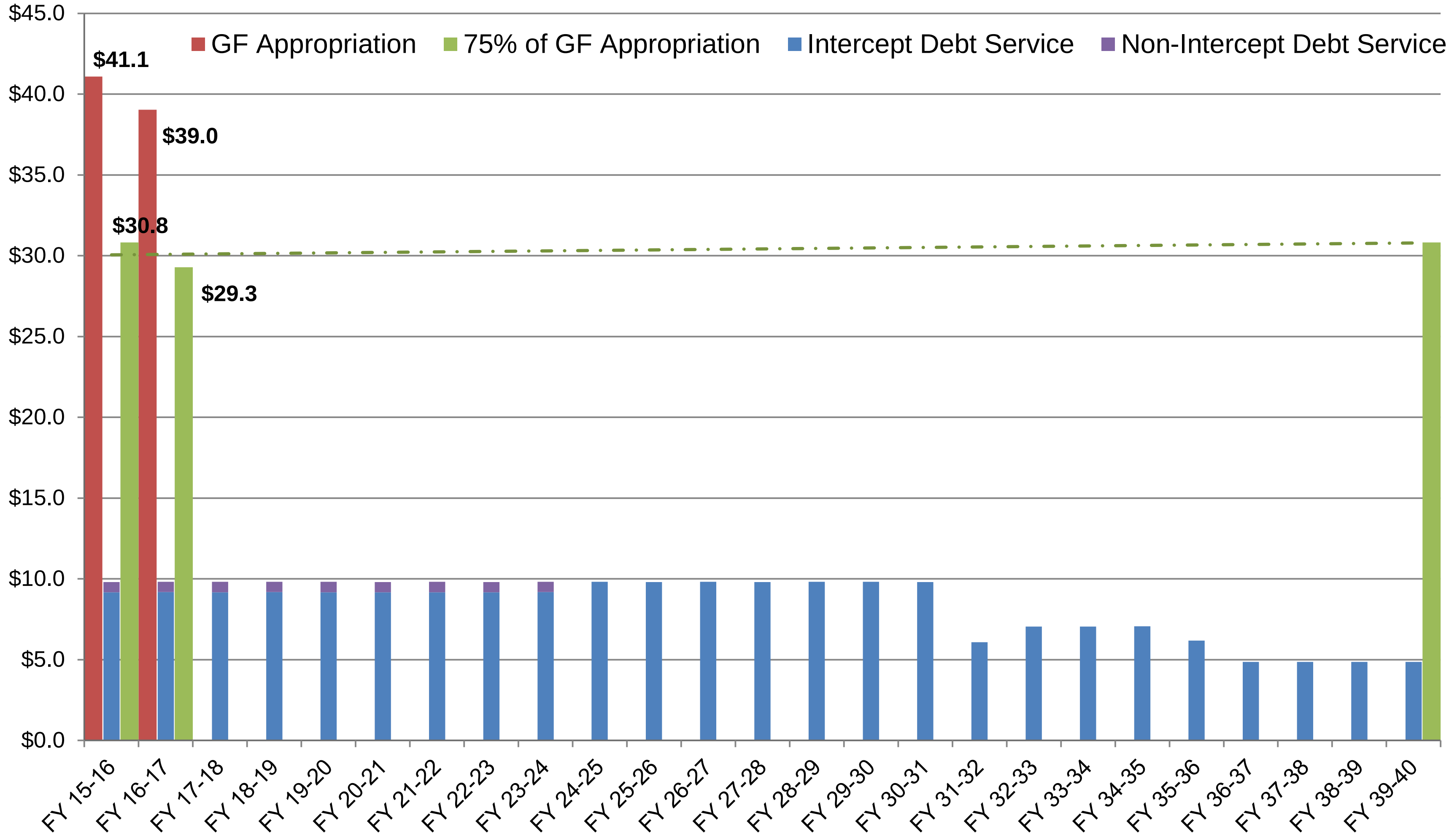
Series	Remaining	Intercept	Non-Intercept
Series 2008A	5,751,619	-	5,751,619
Series 2011A	53,877,800	53,877,800	-
Series 2011B	27,637,900	27,637,900	-
Series 2014A	80,142,075	80,142,075	-
Series 2015A	42,520,792	42,520,792	-
Total	**$209,930,186**	**$204,178,568**	**$5,751,619**

Sources: UNC and North Slope Capital Advisors

According to Moody's, “the university's *negative outlook* reflects expected declines in liquidity and operating performance in FY 2015. Inability of UNC to meet enrollment and revenue targets for fall 2015 or to alter plans accordingly would result in a downgrade. The *stable outlook* for the enhanced rating is based on the state's outlook."

UNC Annual Debt Service

amounts shown in millions



Sources: UNC and North Slope Capital Advisors

Western State Colorado University

Does WSCU meet the current and proposed tests to use the intercept program? NO

Total FY 15-16 Debt Service	**$6,024,069**
FY 15-16 Intercept Debt Service	6,024,069
Net Operating Revenues: FY 14-15	8,057,978
Ratio - All Bonds*	**1.34**
Ratio - Intercept Bonds*	**1.34**

Sources: WSCU and North Slope Capital Advisors

*The ratio calculation does not include a portion of debt service paid from the Debt Service Reserve Fund. If included, the ratio would be 1.45.

Credit Ratings

Underlying *(Moody's)*	Baa1 (stable)
Enhanced *(Moody's)*	Aa2 (stable)

Source: Moody's, July 22, 2015

Bonds Outstanding ($ in millions)

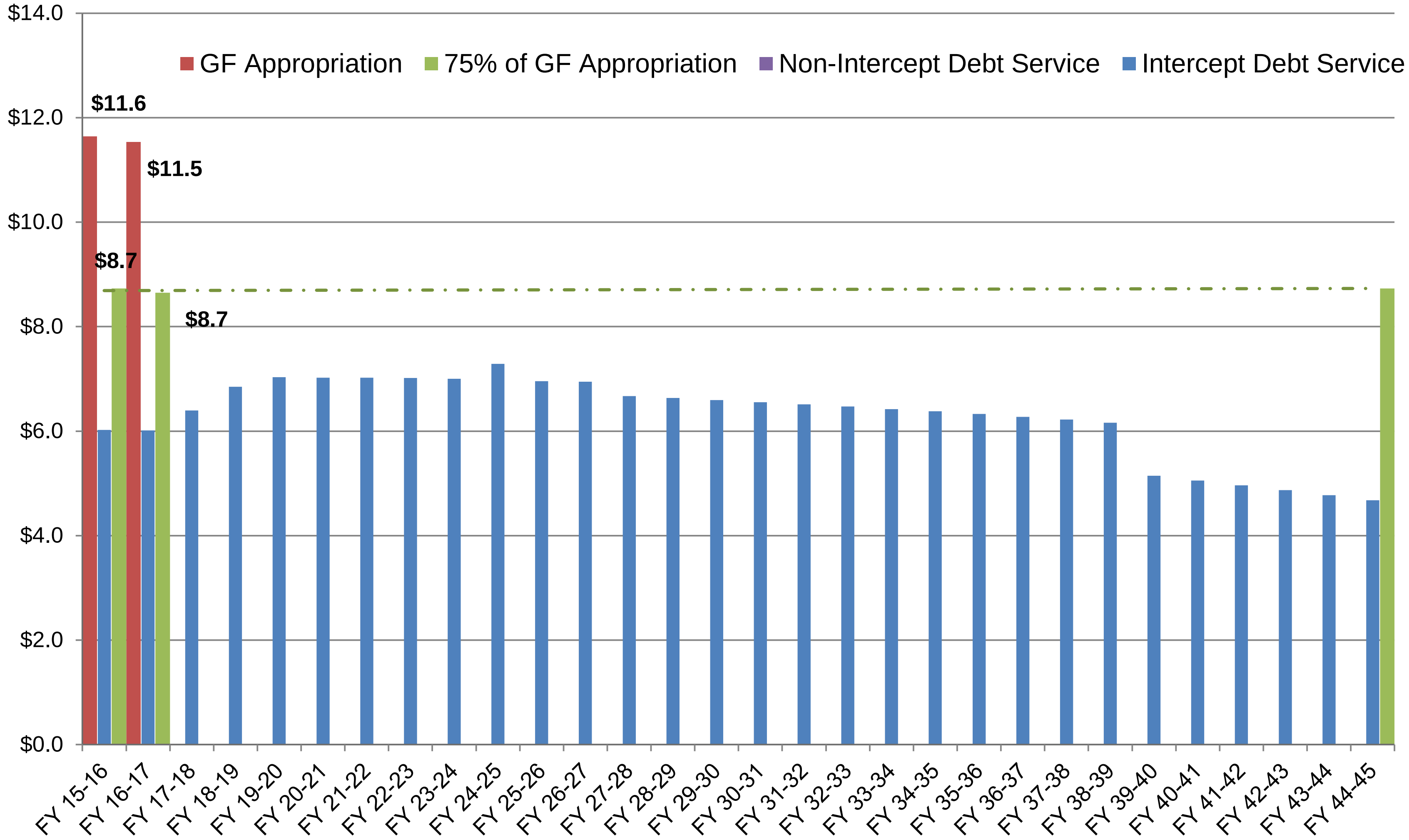
Series	Remaining	Intercept	Non-Intercept
Series 2009	37,179,250	37,179,250	-
Series 2010A	11,955,083	11,955,083	-
Series 2010B	125,436,150	125,436,150	-
Series 2010C	2,547,070	2,547,070	-
Series 2011A	7,604,488	7,604,488	-
Series 2011B	3,574,366	3,574,366	-
Total	**$188,296,406**	**$188,296,406**	**$0**

Sources: WSCU and North Slope Capital Advisors

According to Moody's, “the *stable outlook* reflects expectations of continued improvements in operating cash flow leading to strengthened debt service coverage, and moderate growth in flexible reserves. The stable outlook further reflects our expectations that WSCU will make budgetary adjustments in response to enrollment fluctuations given the very competitive student market. The *stable outlook* for the enhanced rating is based on the state's stable outlook."

WSCU Annual Debt Service

amounts shown in millions



Sources: WSCU and North Slope Capital Advisors

Moody's Ratings

Global Long-Term Rating Scale

Aaa	Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.
Aa	Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
A	Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.
Baa	Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.
Ba	Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.
B	Obligations rated B are considered speculative and are subject to high credit risk.
Caa	Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk.
Ca	Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
C	Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms.*

Note: For more information on long-term ratings assigned to obligations in default, please see the definition "Long-Term Credit Ratings for Defaulted or Impaired Securities" in the Other Definitions section of this publication.

** By their terms, hybrid securities allow for the omission of scheduled dividends, interest, or principal payments, which can potentially result in impairment if such an omission occurs. Hybrid securities may also be subject to contractually allowable write-downs of principal that could result in impairment. Together with the hybrid indicator, the long-term obligation rating assigned to a hybrid security is an expression of the relative credit risk associated with that security.*

Source: Moody's Investors Service.

S&P's Ratings

Long- Term Issue Credit Ratings*	
Category	**Definition**
AAA	An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
A	An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.
BBB	An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.
BB; B; CCC; CC; and C	Obligations rated 'BB', 'B', 'CCC', 'CC', and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.
BB	An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.
B	An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.

CCC	An obligation rated 'CCC' is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.
CC	An obligation rated 'CC' is currently highly vulnerable to nonpayment. The 'CC' rating is used when a default has not yet occurred, but Standard & Poor's expects default to be a virtual certainty, regardless of the anticipated time to default.
C	An obligation rated 'C' is currently highly vulnerable to nonpayment, and the obligation is expected to have lower relative seniority or lower ultimate recovery compared to obligations that are rated higher.
D	An obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless Standard & Poor's believes that such payments will be made within five business days in the absence of a stated grace period or within the earlier of the stated grace period or 30 calendar days. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. An obligation's rating is lowered to 'D' if it is subject to a distressed exchange offer.
NR	This indicates that no rating has been requested, or that there is insufficient information on which to base a rating, or that Standard & Poor's does not rate a particular obligation as a matter of policy.

***The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major**

Source: Standard & Poor's Ratings Services.