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CITY OF DANBURY

OFFICE OF THE CORPORATION COUNSEL
155 DEER HILL AVENUE
DANBURY, CONNECTICUT 06810

(203) 797-4518
(203) 796-8043 FAX

PLEASE REPLY TO:

January 27, 2005

Hon. Mark D. Boughton
Hon. Members of the Common Council
155 Deer Hill Avenue
Danbury, Connecticut 06810

Re: Tax Lien Assignments
Consent to Security Interest

Dear Mayor and Council Members:

As indicated in the attached letter to me from Justin Weisenbacher of American Tax Funding ("ATF") of January 24, 2005, ATF is seeking consent to secure additional borrowings by granting its lender a security interest in the tax liens that they obtain from the city. When assigning city tax liens, you have routinely granted consent to such security arrangements in the past. Please consider this request and authorize Mayor Mark D. Boughton to grant consent on behalf of the city in the usual fashion.

Sincerely,

Eric L. Gottschalk
Deputy Corporation Counsel

cc: Dena Diorio, Director of Finance
Catherine Skurat, Tax Collector

RECEIVED
JAN 25 2005
CORPORATION COUNSEL

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MEMO

January 24, 2005

To: Rick Gottschalk, Esq
From : Justin Weisenbacher
Re: Harris Nesbitt

As discussed, we are going through a refinance of our business to increase our total credit facility by bringing on an additional lender, Harris Nesbitt. Our existing relationship with Wells Fargo Foothill is excellent and will continue.

With this change, we will be increasing our total line of credit from $100 million to just over $145 million, to better serve both our current accounts and the future inquires. As you may know, our program has expanded around the country (in CT, 4 new cities / towns were added in 2004 alone).

There are no changes to the existing shareholders or management of the business, only pledging a security interest to a different lender.

Please feel free to call me with any questions. Thanks.

AMERICAN TAX FUNDING SERVICING, LLC

Mark D. Boughton, Mayor
155 Deer Hill Avenue
Danbury, CT.06810

January 24, 2005

Subject: Consent to Collateral Assignment of Tax Liens

Dear Mayor Boughton:

Pursuant to Section 10 (b) of the Assignment of Certain Real Property Municipal Tax Liens between the City of Danbury and Transamerica Business Credit Corp dated August 15, 1997 as amended and the Assignment of Certain Real Property Municipal Tax Liens between the City of Danbury and American Tax Funding, LLC dated January 10, 2001, as amended, (collectively, the "Assignment Agreements") your consent is hereby requested to pledge, hypothecate and assign a security interest in all delinquent Tax Liens, future Tax Liens, subsequent Tax Liens and additional Tax Liens acquired by the Assignee from the City pursuant to the Assignment Agreements to Harris Nesbitt Corporation as Collateral Agent for the secured parties.

Sincerely,

American Tax Funding, LLC

By: _____
Justin Weisenbacher, President

Agreed to and Acknowledged this __th Day of
January, 2005

City of Danbury

By: _____

Its: Mayor

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