LOAN AGREEMENT

by and between

COLORADO SPRINGS URBAN RENEWAL AUTHORITY

and

ZIONS BANCORPORATION, N.A. dba VECTRA BANK COLORADO

Relating to:

Not to exceed $15,000,000 2020 Tax-Exempt Note

Dated as of May 1, 2020

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EXHIBIT C BORROWING BASE DETERMINATION

LOAN AGREEMENT

**THIS LOAN AGREEMENT** (this “Agreement”) is made and entered into as of May 1, 2020, by and between **COLORADO SPRINGS URBAN RENEWAL AUTHORITY**, a body corporate and politic of the State of Colorado (the “Borrower”), and **ZIONS BANCORPORATION, N.A. dba VECTRA BANK COLORADO**, in its capacity as lender (the “Bank”).

W I T N E S S E T H :

WHEREAS, the Borrower is an urban renewal authority duly organized under the laws of the State of Colorado (all capitalized terms used and not otherwise defined herein shall have the respective meanings assigned in Article I hereof); and

WHEREAS, pursuant to Colorado law, the Borrower is authorized to incur indebtedness and to carry out the purposes of the Borrower; and

WHEREAS, the Borrower, Vineyard Metropolitan District (the “District”) and IP Vineyard LLC, a Delaware limited liability company (the “Developer”), as assignee of Vineyard LLC, a Colorado limited liability company, entered into the Vineyard Redevelopment and Reimbursement Agreement dated as of September 5, 2012, as amended by the First Amendment to Vineyard Redevelopment and Reimbursement Agreement dated as of April 29, 2020 (as so amended, the “TIF Agreement”) whereby certain property tax increment revenues described more particularly in the TIF Agreement (the “TIF Revenue”) received by the Borrower shall be delivered to the Developer; and

WHEREAS, the Borrower and the Developer have requested that the Bank provide financing by making available to the Borrower a loan in the aggregate maximum principal amount of $15,000,000 (as more particularly defined herein, the “Loan” or the “2020 Loan”); and

WHEREAS, the Borrower and the Developer have agreed that proceeds of the Loan may be used to reimburse the Developer for Eligible Costs (as defined in the TIF Agreement); and

WHEREAS, the Bank is willing to enter into this Agreement and to make the Loan to the Borrower pursuant to the terms and conditions stated below; and

WHEREAS, the Loan shall be payable from and secured by the Pledged Revenue as more fully set forth herein;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the parties hereto agree as follows.

1. DEFINITIONS

Words and terms defined in the recitals hereof, as hereby supplemented and amended, shall have the same meanings herein or therein assigned to them, unless the context or use indicates another meaning or intent, and except to the extent amended by the definitions hereinafter set forth. In addition, the following terms shall have the meanings set forth herein:

“*2020 Loan*” or “*Loan*” means the not to exceed $15,000,000 2020 revenue loan made by the Bank to the Borrower as evidenced by the 2020 Note and made in accordance with the terms and provisions of this Agreement.

“*2020 Note*” or “*Note*” means the Colorado Springs Urban Renewal Authority not to exceed $15,000,000 2020 Tax-Exempt Note evidencing the 2020 Loan from the Borrower, as maker, to the Bank, as payee.

“*Act*” means the Colorado Urban Renewal Law, constituting Sections 31-25-101 et seq., Colorado Revised Statutes, as amended.

“*Advance*” means a disbursement of proceeds of the Unfunded Portion of the Loan pursuant to the terms hereof.

“*Advance Period*” means the period commencing on the date of the Closing Date and terminating on the third anniversary of the Closing Date unless terminated or extended as provided herein.

“*Advance Termination Date*” means the earlier to occur of (a) the Full Funding Date; (b) the date which is the last day of the Advance Period or (c) a date determined by the Borrower and provided in writing to the Bank.

“*Applicable Interest Rate*” means the then applicable interest rate on the Loan or any part thereof, whether such interest rate is the Base Rate or the Default Rate.

“*Authorized Person*” means the Chair or the Executive Director of the Borrower, and also means any other individual authorized by the Chair or Executive Director of the Borrower to act as an Authorized Person hereunder.

“*Authorizing Resolution*” means the resolution adopted by the Borrower on April 29, 2020 authorizing the Borrower to enter into the Loan and execute and deliver the Note, this Agreement, and the other Financing Documents.

“*Bank*” means Zions Bancorporation, N.A., dba Vectra Bank Colorado, Denver, Colorado, in its capacity as lender of the Loan.

“*Base Rate*” means the interest rate applicable to the Loan which, for so long as the Default Rate does not apply, shall be the Index Rate, as such Index Rate is reset on each Interest Reset Date.

“*Business Day*” means any day of the week on which the Bank is conducting its banking operations nationally and on which day the Bank’s offices are open for business in Denver, Colorado.

“*Closing*” means the date of the concurrent execution and delivery of the Note, this Agreement, and the other Financing Documents by the respective parties thereto and the Initial Advance in accordance with the provisions hereof.

“*Closing Date*” means date of the Closing for the Loan.

“*Code*” means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“*Commitment Fee*” means the fee paid by the Borrower to the Bank set forth in Section 2.01(e) hereof.

“*C.R.S.*” means the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

“*Custodial Agreement*” means the Custodial Agreement, dated as of May \_\_, 2020, by and between the Borrower, the Bank and the Custodian, as amended or supplemented from time to time.

“*Custodian*” means Zions Bancorporation, National Association and its successors and assigns, as custodian under the Custodial Agreement.

“*Debt*” means, without duplication, all of the following obligations of the Borrower for the payment of which the Borrower has pledged the Pledged Revenues: (a) borrowed money of any kind; (b) obligations evidenced by bonds, debentures, notes or similar instruments; (c) obligations upon which interest charges are customarily paid; (d) obligations under conditional sale or other title retention agreements relating to property or assets purchased by the Borrower; (e) obligations issued or assumed as the deferred purchase price of property or services; (f) obligations in connection with indebtedness of others secured by (or which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any lien or other encumbrance on property owned or acquired by the Borrower, whether or not the obligations secured thereby have been assumed (only to the extent of the fair market value of such asset if such indebtedness has not been assumed by the Borrower); (g) obligations arising from guarantees made by the Borrower; (h) obligations evidenced by capital leases; (i) obligations as an account party in respect of letters of credit and bankers’ acceptances or similar obligations issued in respect of the Borrower; and (j) obligations evidenced by any interest rate exchange agreement; provided that notwithstanding the foregoing, the term “Debt” does not include obligations issued for any purpose, the repayment of which is contingent upon the Borrower’s annual determination to appropriate moneys therefore so long as (i) such obligations are payable only to the extent the Borrower has excess moneys on hand, (ii) such obligations are payable in any Fiscal Year only after the last scheduled payment of principal or interest on the Loan in such Fiscal Year, and (iii) the Borrower makes no promise to impose any tax, fee, or other governmental charge for the payment of such obligations.

“*Default Rate*” means a rate per annum equal to the lesser of (a) the Prime Rate plus 4% or (b) 18%.

“*Electronic Notification*” means telecopy, facsimile transmissions, email transmissions or other similar electronic means of communication providing evidence of transmission.

“*Event of Default*” has the meaning set forth in Section 7.01 hereof.

“*Financing Documents*” means this Agreement, the Note, the Authorizing Resolution, the Custodial Agreement and any other document or instrument required or stated to be delivered hereunder or thereunder, all in form and substance satisfactory to the Bank.

“*Full Funding Date*” means the date on which, if at all, the aggregate amount of all Advances equals the Maximum Advance Amount.

“*Fiscal Year*” means the 12 months commencing January 1 of any year and ending December 31 of such year.

“*Index*” means the Des Moines Federal Home Loan Bank Long-Term Fixed-Rate Advances Five-Year Bullet Rate for the applicable term or terms, as set forth at https://www.fhlbdm.com/products-services/advances/, or if such service is no longer available, such other comparable service selected by the Bank for determining the regular Federal Home Loan Bank Long Term Fixed-Rate Advances Five-Year Bullet Rate for the applicable term or terms. Notwithstanding the foregoing, the Index for purposes of this Loan Agreement may never be less than 1%.

“*Index Rate*” means (i) with respect to the Initial Advance. from the Closing Date to the first Interest Reset Date, the per annum interest rate of \_\_\_\_%, and (ii) with respect to each Advance made after the Initial Advance for the portion of the Loan constituting such Advance and with respect to the balance of the Loan on each Interest Reset Date, the Index for the five year term, plus 2.50%, as such sum is multiplied by .80. Notwithstanding the foregoing, the Index Rate for purposes of this Loan Agreement may never be less than 3.25%.

“*Initial Advance*” means the Advance in the amount of $7,377,872 made on the Closing Date.

“*Loan Amount*” means, with respect to the 2020 Loan, Fifteen Million Dollars ($15,000,000).

“*Loan Payment Fund*” means the fund by that name established by the provisions of this Agreement to be held and administered by the Custodian pursuant to the provisions of the Custodial Agreement for the purposes set forth therein.

“*Mandatory Prepayment Fund*” means the fund by that name established by the provisions of this Agreement to be held and administered by the Custodian pursuant to the provisions of the Custodial Agreement for the purposes set forth therein.

“*Maturity Date*” means December 1, 2036.

“*Maximum Advance Amount*” means, with respect to the 2020 Note, $15,000,000.

“*Non-Use Fee*” has the meaning set forth in Section 2.01(e) hereof.

“*Parity Debt*” means any Debt issued by the Borrower payable from the Pledged Revenue on a parity basis with the 2020 Note.

“*Payment Date*” means December 1 of each year, commencing December 1, 2020 and continuing through and including the Maturity Date.

“*Payment Account*” means the account as may be designated by the Bank in writing to the Borrower and the Custodian.

“*Permitted Investments*” means any investment or deposit permissible under then applicable law for governmental entities such as the Borrower.

“*Person*” means an individual, a corporation, a partnership, an association, a joint venture, a trust, an unincorporated organization or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“*Pledged Revenue*” means all TIF Revenue and all amounts in the funds and accounts pledged under the Custodial Agreement to secure the Loan and the Note.

“*Pledged Revenue Fund*” means the fund by that name established by the provisions of this Agreement to be held and administered by the Custodian pursuant to the provisions of the Custodial Agreement for the purposes set forth therein.

“*Prime Rate*” means a variable per annum rate of interest equal at all times to the rate of interest established and quoted by the Bank as its “Prime Rate,” “Base Rate” or “Reference Rate,” such rate to change contemporaneously with each change in such established and quoted rate, provided that it is understood that the Prime Rate shall not necessarily be representative of the rate of interest actually charged by the Bank on any loan or class of loans.

“*Principal Payment Date*” means December 1 of each year, commencing December 1, 2020 and continuing through and including the Maturity Date.

“*Project Fund*” means the fund by that name established by the provisions of this Agreement to be held and administered by the Custodian pursuant to the provisions of the Custodial Agreement for the purposes set forth therein.

“*Rate Reset Date*” means December 1, 2026, and each five year anniversary of such date until the Maturity Date. If the Rate Reset Date falls on a non-Business Day, the Rate Reset Date shall be deemed to be the immediately preceding Business Day before December 1st of that year.

*“Tax Certificate*” means the tax compliance certificate to be signed by the Borrower, in a form acceptable to Tax Counsel, relating to the requirements of Sections 103 and 141-150 of the Code.

*“Tax Counsel*” means (a) as of the Closing Date, Kutak Rock LLP, Denver Colorado, and (b) as of any other date, Kutak Rock, LLP, Denver, Colorado, or such other attorneys selected by the Borrower and acceptable to the Bank with nationally recognized expertise in the issuance of tax-exempt debt.

“*TIF Agreement*” means the Vineyard Redevelopment and Reimbursement Agreement dated as of September 5, 2012, as amended and supplemented.

“*TIF Revenue*” means the TIF Revenue as defined in the TIF Agreement.

“*Unfunded Portion*” means, as of any date, an amount equal to the Maximum Advance Amount less the total amount of all Advances funded as of such date.

1. LOAN
   1. **Term Loan**.
      1. ***Agreement to Make Loan***. The Bank hereby agrees to extend the Loan to the Borrower in the aggregate principal amount of $15,000,000 (as previously defined, the “Loan Amount”) subject to the terms and conditions of this Agreement. The Loan shall be evidenced by the 2020 Note, the form of which is set forth in Exhibit A attached hereto.
      2. ***Initial Advance***. Subject to the terms and conditions of this Agreement, the Bank hereby agrees to extend the Initial Advance on the 2020 Loan to the Borrower on the Closing Date in the original principal amount of $7,377,872 (as previously defined, the “Initial Advance”). The Borrower shall make an Advance Request (as described in 2.01(c) below) for the Initial Advance.
      3. ***Advances***. Subject to the terms and conditions of this Agreement, including without limitation satisfaction of the conditions set forth in Section 2.06 hereof and upon delivery to the Bank and the Custodian of an Advance Request in the form of Exhibit B hereto, the Bank hereby agrees to make Advances to the Borrower from time to time during the Advance Period (but not more than once per calendar quarter) in the aggregate original principal amounts not to exceed $15,000,000 with respect to the 2020 Loan (as more particularly defined in Article I hereof, the “Maximum Advance Amount”). On the Advance Termination Date, the Unfunded Portion shall be reduced to zero.
      4. ***Note***. The Loan shall be evidenced by the 2020 Note. On the Closing Date, the Borrower shall execute and deliver the 2020 Note payable to the Bank, the form of which is set forth in Exhibit A attached hereto. With respect to each Advance funded by the Bank from time to time hereunder, the Bank shall maintain, in accordance with its usual practices, an account or accounts evidencing the indebtedness resulting from each such Advance and the amounts of principal and interest payable and paid from time to time hereunder on the Outstanding Loan Amount. In any legal action or proceeding with respect of any Advance or to the Loan, the entries made in such account or accounts shall be conclusive evidence (absent manifest error) of the existence and amounts of the obligations therein recorded. The Note shall evidence the obligation of the Borrower to pay the Loan and shall evidence the obligation of the Borrower to pay the principal amount of each Advance funded by the Bank hereunder, as such amounts are outstanding from time to time. Each shall constitute a special, limited revenue obligation of the Borrower payable from and secured solely by the Pledged Revenue, subject to the limitations set forth herein.
      5. Fees.
         1. The Borrower shall pay to the Bank on or before the Closing Date a commitment fee in the amount of $150,000 (the “Commitment Fee”).
         2. Non-Use Fee. The Borrower shall pay to the Bank a nonrefundable fee (the “Non-Use Fee”), which shall be in the amount of 0.20% of the Unfunded Portion as the same exists from time to time calculated quarterly, beginning September 1, 2020, computed on the basis of a 360-day year and actual days elapsed. The Non-Use Fee shall be payable in arrears on the first day of June and December each year, commencing on December 1, 2020, through and including the date upon which the earlier of the following occurs (i) the Full Funding Date or (ii) the expiration or termination of the Advance Period; provided, however, the Non-Use Fee due on June 1, 2020 shall be the period running from the date of this Agreement to May 31, 2020. It is acknowledged and agreed that, notwithstanding anything else herein to the contrary, the Non-Use Fee shall be deemed to be additional interest on the Initial Advance and on any Advances which are funded by the Bank, but that such interest shall not be exempt from federal or state income taxation thereon. Prior to the first day of each accrual period, Borrower may request the Bank to terminate any portion of the Unfunded Portion and such extinguished commitment shall no longer accrue the Non-Use Fee.
      6. ***Application of Series 2020 Loan Proceeds*** On the Closing Date, the Bank shall disburse the proceeds of the Initial Advance (minus the Commitment Fee) and any costs and expenses of the Bank in connection with the Loan and the Borrower and the Custodian shall apply such proceeds as follows:
         1. $\_\_\_\_\_\_\_\_\_\_\_\_ of the 2020 Loan proceeds will be deposited into the 2020 Costs of Issuance Account and expended to pay the costs of issuance of the Loan;
         2. $\_\_\_\_\_\_\_\_\_\_ of the 2020 Loan proceeds shall be disbursed to the Custodian for deposit in the Project Fund and disbursed to the Borrower upon receipt by the Custodian of a Project Fund Requisition in accordance with the terms of the Custodial Agreement; and
         3. $\_\_\_\_\_\_\_\_\_\_ of the 2020 Loan proceeds shall be deposited into the Capitalized Interest Account of the Loan Payment Fund and applied in accordance with the terms of the Custodial Agreement.
   2. **Applicable Interest Rate; Interest Payments; Principal Payments**.
      1. ***Interest Payments***.
         1. *Payment Dates and Computations; Compounding*. Interest payments on the Loan shall be due on each Interest Payment Date. All interest due and payable hereunder shall be calculated on the basis of a 360-day year and actual number of days elapsed in the applicable period. Interest not paid when due shall compound on each Interest Payment Date at the then-applicable interest rate. The Bank’s internal records of applicable interest rates shall be determinative in the absence of manifest error.
      2. ***Applicable Interest Rate***. The unpaid principal balance of the Loan will bear interest as follows:
         1. prior to the first Rate Reset Date, each Advance of the 2020 Loan shall bear interest at a rate specific to that Advance determined on the date of the Advance at a rate equal to the Applicable Interest Rate as determined by the Bank and provided by the Bank to the Custodian and Borrower, upon which the Custodian may conclusively rely;
         2. upon each Rate Reset Date, all Advances under the 2020 Loan shall bear interest for the ensuing five-year period at the Applicable Interest Rate as determined by the Bank on such Rate Reset Date (and provided by the Bank to the Custodian and Borrower) upon which the Custodian may conclusively rely; and
         3. all interest due and payable under this Agreement shall be calculated on the basis of a 360-day year and actual number of days elapsed.
         4. Interest payments on the Loan shall be due annually on each Payment Date and on the Maturity Date.
      3. ***Default Rate***. Immediately upon the occurrence of an Event of Default interest shall immediately begin to accrue and compound annually on all principal amounts owing on the Loan at the Default Rate for so long as such Event of Default continues and remains uncured; notwithstanding the foregoing, in the case of an Event of Default pursuant to Section 7.01(o), the Loan shall bear interest at the Taxable Rate until the Maturity Date.
      4. ***Principal Payments***. Repayment of principal amounts owing under the Loan shall occur on each Principal Payment Date in the calendar years set forth below. On the Maturity Date, the outstanding principal balance of the Loan shall be due and payable in full. The annual principal payment amounts shall be determined as a percentage of the total principal amount of any Advance and by the year or years of such Advance in accordance with the following:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Initial Draw** | **2020 Draws** | **2021 Draws** | **2022 Draws** | **2023 Draws** |
| **2020** | 221,336 | 3.00% | 0.00% | 0.0% | 0.0% |
| **2021** | 258,226 | 3.50% | 0.0% | 0.0% | 0.0% |
| **2022** | 313,560 | 4.25% | 1.0% | 0.0% | 0.0% |
| **2023** | 313,560 | 4.25% | 3.0% | 3.5% | 0.0% |
| **2024** | 332,004 | 4.50% | 4.0% | 4.5% | 4.0% |
| **2025** | 332,004 | 4.50% | 5.0% | 5.0% | 5.0% |
| **2026** | 368,894 | 5.00% | 5.0% | 5.0% | 5.0% |
| **2027** | 405,783 | 5.50% | 5.0% | 5.0% | 5.0% |
| **2028** | 442,672 | 6.00% | 7.0% | 7.0% | 7.0% |
| **2029** | 442,672 | 6.00% | 8.0% | 8.0% | 8.0% |
| **2030** | 461,117 | 6.25% | 8.0% | 8.0% | 8.0% |
| **2031** | 498,006 | 6.75% | 9.0% | 9.0% | 9.0% |
| **2032** | 516,451 | 7.00% | 9.0% | 9.0% | 9.0% |
| **2033** | 553,340 | 7.50% | 9.0% | 9.0% | 10.0% |
| **2034** | 608,674 | 8.25% | 9.0% | 9.0% | 10.0% |
| **2035** | 645,564 | 8.75% | 9.0% | 9.0% | 10.0% |
| **2036** | 664,008 | 9.00% | 9.0% | 9.0% | 10.0% |
| **Total** | **7,377,872** | **100.00%** | **100.00%** | **100.00%** | **100.00%** |

For purposes of the foregoing table, (i) if there are no Advances during any calendar year set forth above, the column for such calendar year shall be inapplicable; and (ii) optional or mandatory prepayment of any principal of the Loan shall reduce the principal amount due on the Loan in such year or years as may be determined by the Borrower or as set forth in the mandatory prepayment provisions of the Custodial Agreement.

* + 1. ***Optional Prepayment; Prepayment Fee; Mandatory Prepayment***. At its option and subject to the provisions set forth in this Section 2.02(e), the Borrower may prepay all or any part of the principal of the Loan upon payment to the Bank of the principal amount so prepaid and accrued interest thereon to the prepayment date.
       1. *No Prepayment*. During the first three years after the Closing Date and during the first two years of each five year period occurring between Rate Reset Dates, the Loan shall not be repaid. Specifically, the Loan may not be prepaid during the following periods:
          1. From the Closing Date to but not including May 1, 2023;
          2. December 1, 2026 to but not including December 1, 2028; and
          3. December 1, 2031 to but not including December 1, 2033.
       2. *Prepayment at Par*. During the period of May 1, 2023 to but not including December 1, 2026, of December 1, 2028 to but not including December 1, 2031 and of December 1, 2033 to the Maturity Date the Loan may be prepaid in whole, but not in part, upon payment of the then current Loan Balance plus accrued and unpaid interest thereon to the date of such prepayment, without a prepayment fee.
       3. *Mandatory Prepayment*. Notwithstanding the foregoing, to the extent funds are available in the Mandatory Prepayment Fund, such funds shall be applied by the Custodian to the prepayment of the Loan without penalty or premium pursuant to the terms and conditions set forth in the mandatory prepayment provisions of the Custodial Agreement.
    2. ***Obligations Unconditional***. The Borrower’s obligation to repay the Loan hereunder and all of its other obligations under this Agreement shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the Borrower may have against the Bank, any Participant (as defined in Section 8.02(c)), or any other Person, including, without limitation, any defense based on the failure of any nonapplication or misapplication of the proceeds of the Loan hereunder, and irrespective of the legality, validity, regularity or enforceability of all or any of the Financing Documents, and notwithstanding any amendment or waiver of (other than an amendment or waiver signed by the Bank explicitly reciting the release or discharge of any such obligation), or any consent to, or departure from, all or any of the Financing Documents or any exchange, release, or nonperfection of any collateral securing the obligations of the Borrower hereunder and any other circumstances or happening whatsoever, whether or not similar to any of the foregoing; provided, however, that nothing contained in this Section 2.02(e) shall abrogate or otherwise affect the rights of the Borrower pursuant to Section 8.16 hereof or the limitations set forth in Section 2.07 below.
    3. ***Waivers, Etc***. To the full extent permitted by law: (i) the Borrower hereby waives (A) presentment, demand, notice of demand, protest, notice of protest, notice of dishonor and notice of nonpayment; (B) to the extent the Bank is not in default hereunder, the right, if any, to the benefit of, or to direct application of, any security hypothecated to the Bank until all obligations of the Borrower to the Bank hereunder, howsoever arising, has been paid; (C) the right to require the Bank to proceed against the Borrower hereunder, or against any Person under any guaranty or similar arrangement, or under any agreement between the Bank and any Person or to pursue any other remedy in the Bank’s power; (D) all statutes of limitation; and (E) any defense arising out of the election by the Bank to foreclose on any security by one or more non-judicial or judicial sales; (ii) the Bank may exercise any other right or remedy, even though any such election operates to impair or extinguish the Borrower’s right to repayment from, or any other right or remedy it may have against, any Person, or any security; and (iii) the Borrower agrees that the Bank may proceed against the Borrower or any Person directly and independently of any other, and that any forbearance, change of rate of interest, or acceptance, release or substitution of any security, guaranty, or loan or change of any term or condition thereunder or under any Financing Document (other than by mutual agreement between the Borrower and the Bank) shall not in any way affect the liability of the Borrower hereunder.
    4. ***Manner of Payments***. All interest, fees, and other payments to be made hereunder by or on behalf of the Borrower to the Bank shall be made, and shall not be considered made until received, in United States dollars from amounts in the Loan Payment Fund in immediately available funds. The Borrower or the Custodian shall make each payment hereunder in the manner and at the time necessary so that each such payment is received not later than 12:00 p.m., Mountain time, on the day when due in lawful money of the United States of America in immediately available funds. Any payment received after 12:00 p.m., Mountain time, shall be deemed made on the next succeeding Business Day. All payments made hereunder by or on behalf of the Borrower to the Bank may be applied to such amounts due hereunder and under the Financing Documents in such order as the Bank shall elect.
    5. ***Default Rate; Calculation of Interest and Fees***. All interest and fees due and payable under this Agreement shall be calculated on the basis of a 360-day year and actual number of days elapsed. Any sum due to the Bank and not paid when due and any sum due to the Bank upon the occurrence or during the continuance of any Event of Default hereunder shall bear interest and compound annually at the Default Rate.
  1. **Costs, Expenses and Taxes**. The Borrower agrees to pay all reasonable costs and expenses actually incurred by the Bank in connection with (a) the preparation, execution and delivery of this Agreement or any other documents, including the other Financing Documents, which may be delivered by any party in connection with this Agreement and the other Financing Documents; (b) the filing, recording, administration (other than normal, routine administration), enforcement, transfer, amendment, maintenance, renewal or cancellation of this Agreement and all amendments or modifications thereto (or supplements hereto), including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Bank and independent public accountants and other outside experts retained by the Bank in connection with any of the foregoing; and (c) the fees and expenses of the Custodian or any other custodian appointed by the Bank to hold any collateral securing the obligations of the Borrower hereunder. In addition, the Borrower agrees to pay promptly all reasonable costs and expenses of the Bank, including, without limitation, the actual, reasonable fees and expenses of external counsel, for (i) any and all amounts which the Bank has paid relative to the Bank’s curing of any Event of Default under this Agreement or any of the Financing Documents; (ii) the enforcement of this Agreement or any of the Financing Documents; or (iii) any action or proceeding relating to a court order, injunction, or other process or decree restraining or seeking to restrain the Bank from paying any amount hereunder. Costs and expenses described in this Section shall be payable from the Pledged Revenue. Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations contained in this Section 2.03 shall survive the payment in full of all amounts owing to the Bank hereunder.
  2. **Pledge**. The Borrower hereby pledges, assigns and grants to the Bank a first priority security interest in the Pledged Revenue to secure its obligations to the Bank hereunder and under the other Financing Documents. The lien of the Bank on the Pledged Revenue hereunder and under the Custodial Agreement shall be subject to no other liens except those liens granted on the Pledged Revenue to the Parity Debt and except the other liens of the TIF Agreement which are junior in priority to the lien hereunder and under the Custodial Agreement. The Borrower represents and warrants that, except as described in this Section 2.04, the Pledged Revenue is not and shall not be subject to any other lien or encumbrance without the prior written consent of the Bank
  3. **Conditions to Closing**. The funding by the Bank of the Loan is conditioned upon the satisfaction of each of the following:
     1. all Financing Documents and other instruments applicable to the Loan are in form and content satisfactory to the Bank and have been duly executed and delivered in form and substance satisfactory to the Bank and shall have not been modified, amended or rescinded, shall be in full force and effect on and as of the Closing Date and executed original or certified copies of each thereof shall have been delivered to the Bank;
     2. the Bank has received a certified copy of the Authorizing Resolution of the Borrower, which shall be in form and content satisfactory to the Bank and authorize the Borrower to obtain the Loan and perform all acts contemplated by this Agreement and all other Financing Documents, and a certified copy of all other ordinances, resolutions and proceedings taken by the Borrower authorizing the Borrower to obtain the Loan and the execution, delivery and performance of this Agreement and the other Financing Documents and the transactions contemplated hereunder and thereunder, together with such other certifications as to the specimen signatures of the officers of the Borrower authorized to sign this Agreement and the other Financing Documents to be delivered by the Borrower hereunder and as to other matters of fact as shall reasonably be requested by the Bank;
     3. the Borrower has provided a certificate certifying that on the Closing Date each representation and warranty on the part of the Borrower contained in this Agreement and in any other Financing Document is true and correct in all material respects and no Event of Default, or event which would, with the passage of time or the giving of notice, constitute an Event of Default, has occurred and is continuing and no default exists under any other Financing Documents, or under any other agreements by and between the Borrower and the Bank relating to the Pledged Revenue and certifying as to such other matters as the Bank might reasonably request;
     4. all proceedings taken in connection with the transactions contemplated by this Agreement, and all instruments, authorizations and other documents applicable thereto, are satisfactory to the Bank and its counsel;
     5. the Bank shall have received an opinion of counsel to the Borrower relating to due organization, due delivery and due execution of the Financing Documents standard in similar transactions and reasonably satisfactory to the Bank;
     6. the Custodian shall be Zions Bancorporation, National Association;
     7. the Custodian shall have received a certificate from the Borrower, in a form acceptable to the Custodian, identifying the names, titles and signature specimens of Authorized Persons of the Borrower;
     8. no law, regulation, ruling or other action of the United States, the State of Colorado or any political subdivision or authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the Borrower from fulfilling its obligations under this Agreement or the other Financing Documents;
     9. all Bank counsel fees and any other fees and expenses due and payable in connection with the execution and delivery of this Agreement shall have been paid by the Borrower upon issuance of the Loan;
     10. the Bank shall have been provided with the opportunity to review all pertinent financial information regarding the Borrower, agreements, documents, and any other material information relating to the Borrower or the Pledged Revenue or any other component of the collateral securing the obligations of the Borrower hereunder;
     11. all information provided by the Borrower to the Bank is accurate in all material respects;
     12. the Borrower is not in violation or breach of any other agreement with the Bank of any type or amount or of any third-party obligation in excess of $10,000 which would have a material adverse effect on the ability of the Borrower to perform its obligations hereunder or under the other Financing Documents, or which would affect the enforceability hereof or thereof;
     13. evidence of a first and exclusive perfected security interest in favor of the Bank in the collateral securing the obligations of the Borrower hereunder;
     14. the Bank shall have received such other certificates, approvals, filings, opinions and documents as shall be reasonably requested by the Bank; and
     15. all other legal matters pertaining to the execution and delivery of this Agreement and the other Financing Documents shall be reasonably satisfactory to the Bank.
  4. **Procedures for Requesting and Funding Advances**.
     1. ***Conditions to Funding Advances***. Other than the Initial Advance, no Advance shall be requested by the Borrower and the Bank shall have no obligation to honor an Advance Request except in accordance with the provisions and upon fulfillment of the terms and conditions set forth in this Agreement. The funding by the Bank of each Advance (other than the Initial Advance) is conditioned upon the satisfaction of each of the following, each of which shall be satisfactory in all respects to the Bank:
        1. *Advance Frequency*. Advance Requests may only be made during the Advance Period and shall be submitted to the Bank no more than once in any calendar quarter. Advances shall be made in amounts of $50,000 or more except in the event the applicable Fund or Account has less than $50,000 remaining on deposit.
        2. *Representations and Warranties True; No Default*. At the time any Advance is to be made and as a result thereof, immediately thereafter, all representations and warranties of the Borrower set forth in Article IV are true and correct in all material respects as though made on the date of such Advance Request and on the date when such Advance is funded and no Event of Default hereunder has occurred and is continuing and no litigation is then pending or threatened concerning the Borrower’s authority to pledge the Pledged Revenue as provided herein, and the Borrower shall deliver an executed certificate of an Authorized Person to such effect in connection with each Advance in substantially the form of Exhibit B.
        3. *Payments Current*. The Borrower shall be current on all of its obligations hereunder.
        4. *Use of Advance Proceeds*. The Borrower shall not use the proceeds of any Advance for any payment which is not permitted by the Act.
        5. *Advance Request*. The Bank shall have received an Advance Request from the Borrower, the form of which is attached hereto as Exhibit B (each, an “Advance Request”), signed by the Authorized Person of the Borrower and containing the calculation of the amount of such Advance requested by the Borrower, which amount shall be based on the formula set forth in Schedule 1 of Exhibit B.
        6. *Amount of Advance*. The amount of the requested Advance, when combined with the sum of all prior Advances made hereunder shall not exceed the Maximum Advance Amount for the Loan upon which the Advance is made. From each Advance the Bank will transfer amounts as specified in each Advance Request.
        7. *Other Conditions Precedent to Funding Each Advance*.
           1. The Borrower shall have provided the Bank with each Advance Request all documentation requested by the Bank supporting calculations made on Schedule 1 of the Advance Request;
           2. No Advance shall be requested or made after the Advance Termination Date;
           3. The Bank shall have approved such Advance Request; and
           4. The obligation of the Bank to make future Advances hereunder subject to the terms of this Agreement shall not have been terminated in accordance with the terms hereof.
     2. ***Funding of Advances***. Provided that the conditions set forth in Section 2.06(a) above are satisfied, within five days of receipt by the Bank of an Advance Request signed by the Authorized Person, the Bank shall provide in writing to the Borrower and the Custodian: (i) the latest date on which the Bank will fund such Advance if requested by the Borrower, which date shall not be more than 10 days after the date of the Advance Request; and (ii) the interest rate applicable to said Advance.
  5. **Discharge on December 1, 2036**. Notwithstanding any other provision in this Agreement, in the event that any amount of principal of or interest on the Loan remains unpaid after the application of all Pledged Revenue available therefor on December 1, 2036, the Loan and the lien of this Agreement and the Custodial Agreement securing payment thereof shall be deemed discharged, the estate and rights hereby granted shall cease, terminate, and be void, and thereupon the Bank shall cancel and discharge the lien of this Agreement and the Custodial Agreement, and execute and deliver to the Borrower such instruments in writing as shall be requisite to evidence the same. Upon such discharge, the Bank will have no recourse to the Borrower or any property of the Borrower for the payment of any amount of principal of or interest on the Loan remaining unpaid.

1. FUNDS AND ACCOUNTS
   1. **Acknowledgement of Funds**. The Borrower hereby creates and establishes the following funds and accounts, which shall be held and administered by the Custodian in accordance with the provisions of the Custodial Agreement:
      1. the Pledged Revenue Fund;
      2. the Loan Payment Fund; (including a Capitalized Interest Account and a 2020 Cost of Issuance Account therein);
      3. the Project Fund; and
      4. the Mandatory Prepayment Fund.

The Custodian is hereby authorized for the purpose of facilitating the administration of the Loan Agreement to create further accounts or subaccounts in any of the various funds and accounts established hereunder which are deemed necessary or desirable.

* 1. **Application of Pledged Revenue**. After Closing, the Borrower shall transfer all amounts comprising Pledged Revenue to the Custodian as soon as may be practicable after the receipt thereof for application by the Custodian in accordance with the Custodial Agreement (to the extent Pledged Revenue is received by the Borrower in any month, such transfer shall occur in no case less frequently than monthly and no later than the 10th day of the month preceding any Payment Date).
  2. **Pledged Revenue Fund**. The Pledged Revenue Fund shall be held and administered by the Custodian in accordance with the terms of the Custodial Agreement. Moneys in the Pledged Revenue Fund shall be applied by the Custodian only as set forth in the Custodial Agreement and the Pledged Revenue Fund is pledged to the payment of the Loan. The Custodian shall deposit the Pledged Revenue received from the Borrower in the Pledged Revenue Fund as set forth in the Custodial Agreement.
  3. **Loan Payment Fund**. The Loan Payment Fund shall be held and administered by the Custodian in accordance with the terms of the Custodial Agreement. Moneys in the Loan Payment Fund shall be applied by the Custodian only as set forth in the Custodial Agreement and the Loan Payment Fund is pledged to the payment of the Loan.
  4. **Mandatory Prepayment Fund**. The Mandatory Prepayment Fund shall be held and administered by the Custodian in accordance with the terms of the Custodial Agreement. Moneys in the Mandatory Prepayment Fund shall be applied by the Custodian only as set forth in the Custodial Agreement and are pledged to the payment of the Loan.
  5. **Project Fund**. The Project Fund shall be held and administered by the Custodian in accordance with the terms of the Custodial Agreement. Moneys in the Project Fund shall be applied by the Custodian only as set forth in the Custodial Agreement and are pledged to the payment of the Loan.

1. REPRESENTATIONS AND WARRANTIES OF THE BORROWER

While any obligations hereunder or under any of the other Financing Documents are unpaid or outstanding, the Borrower continuously represents and warrants to the Bank as follows:

* 1. **Due Organization**. The Borrower is an urban renewal authority validly existing under the laws of the State of Colorado.
  2. **Power and Authorization**. The Borrower has all requisite power and authority to own and convey its properties and to carry on its business as now conducted and as contemplated to be conducted under the Financing Documents; to execute, deliver and to perform its obligations under this Agreement and the other Financing Documents; and to cause the execution, delivery and performance of the Financing Documents.
  3. **No Legal Bar**. To the best of the Borrower’s knowledge, the Borrower is not in violation of any of the provisions of the laws of the State of Colorado or the United States of America or any of the provisions of any order of any court of the State of Colorado or the United States of America which would affect its existence or its powers referred to in the preceding Section 4.02. The execution, delivery and performance by the Borrower of this Agreement and of the other Financing Documents (a) will not violate any provision of any applicable law or regulation or of any order, writ, judgment or decree of any court, arbitrator or governmental authority; (b) will not violate any provisions of any document constituting, regulating or otherwise affecting the operations or activities of the Borrower; and (c) will not violate any provision of, constitute a default under, or result in the creation, imposition or foreclosure of any lien, mortgage, pledge, charge, security interest or encumbrance of any kind other than liens created or imposed by the Financing Documents, on any of the revenues or other assets of the Borrower which could have a material adverse effect on the assets, financial condition, business or operations of the Borrower, on the Borrower’s power to cause the Financing Documents to be executed and delivered, or its ability to pay in full in a timely fashion the obligations of the Borrower under this Agreement or the other Financing Documents.
  4. **Consents**. The Borrower has obtained all consents, permits, licenses and approvals of, and has made all registrations and declarations with any governmental authority or regulatory body required for the execution, delivery and performance by the Borrower of this Agreement and the other Financing Documents.
  5. **Litigation**. There is no action, suit, inquiry or investigation or proceeding to which the Borrower is a party, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official which is pending or, to the best knowledge of the Borrower, threatened in connection with any of the transactions contemplated by this Agreement or against or affecting the assets of the Borrower, nor, to the best knowledge of the Borrower, is there any basis therefor, wherein an unfavorable decision, ruling or finding (a) would adversely affect the validity or enforceability of, or the authority or ability of the Borrower to perform its obligations under, the Financing Documents; (b) would, in the reasonable opinion of the Borrower, have a materially adverse effect on the ability of the Borrower to conduct its business as presently conducted or as proposed or contemplated to be conducted; or (c) would adversely affect the exclusion of interest on the Loan from gross income for federal income tax purposes or the exemption of such interest from State of Colorado personal income taxes.
  6. **Enforceability**. This Agreement and each other Financing Document constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms (except as such enforceability may be limited by bankruptcy, moratorium or other similar laws affecting creditors’ rights generally and provided that the application of equitable remedies is subject to the application of equitable principles).
  7. **Changes in Law**. To the best knowledge of the Borrower, there is not pending any change of law which, if enacted or adopted could have a material adverse effect on the assets, financial condition, business or operations of the Borrower, on the Borrower’s power to enter into this Agreement or the other Financing Documents or its ability to pay in full in a timely fashion the obligations of the Borrower under this Agreement or the other Financing Documents.
  8. **Financial Information and Statements**. The financial statements and other information previously provided to the Bank or provided to the Bank in the future are or will be complete and accurate in all material respects and prepared in accordance with generally accepted accounting principles. There has been no material adverse change in the Borrower’s financial condition since such information was provided to the Bank.
  9. **Accuracy of Information**. All information, certificates or statements given to the Bank pursuant to this Agreement and the other Financing Documents will be true and complete in all material respects when given.
  10. **Reserved**.
  11. **Financing Documents**. Each representation and warranty of the Borrower contained in any Financing Document is true and correct in all material respects as of the Closing Date.
  12. **Regulations U and X**. The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U or X issued by the Board of Governors of the Federal Reserve System); and no proceeds of the Loan will be or have been used to extend credit to others for the purpose of purchasing or carrying any margin stock.
  13. **Default, Etc**. The Borrower is not in default in the performance, observance, or fulfillment of any of the obligations, covenants or conditions contained in any Financing Document or other resolution, agreement or instrument to which it is a party which would have a material adverse effect on the ability of the Borrower to perform its obligations hereunder or under the other Financing Documents, or which would affect the enforceability hereof or thereof.
  14. **Sovereign Immunity**. Except for actions that lie or could lie in tort, the Borrower does not enjoy any rights of immunity on the grounds of sovereign immunity in respect of its obligations arising solely under this Agreement or any of the other Financing Documents.
  15. **No Filings**. No filings, recordings, registrations or other actions are necessary to create and perfect the pledges provided for herein and in the Custodial Agreement; all obligations of the Borrower hereunder are secured by the lien and pledge provided for herein and in the Custodial Agreement; and the liens and pledges provided for herein and in the Custodial Agreement constitute valid prior liens subject to no other liens other than the other liens of the TIF Agreement which are junior in priority to the lien provided for herein and in the Custodial Agreement.
  16. **Outstanding Debt**. Except for this Agreement, the Borrower has no other Debt outstanding payable from or secured by the Pledged Revenue or any portion thereof or any other component of the collateral securing the obligations of the Borrower hereunder. The Borrower represents and warrants that it will incur additional Debt only in accordance with the provisions of Section 5.11 of this Agreement.
  17. **Appropriation**. No portion of the Pledged Revenue or any other component of the collateral securing the obligations of the Borrower hereunder is subject to appropriation by any other Person.

1. COVENANTS OF THE BORROWER

While any obligations hereunder or under any of the other Financing Documents are unpaid or outstanding, the Borrower continuously warrants and agrees as follows:

* 1. **Performance of Covenants, Authority**. The Borrower covenants that it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations, and provisions contained in the Authorizing Resolution, this Agreement, the Note, the other Financing Documents and all its proceedings pertaining thereto as though such covenants, undertakings, stipulations, and provisions were set forth in full herein (for the purpose of this provision the Financing Documents shall be deemed to continue in full force and effect notwithstanding any earlier termination thereof so long as any obligation of the Borrower under this Agreement shall be unpaid or unperformed). The Borrower covenants that it is duly authorized under the constitution and laws of the State of Colorado to enter into the Loan and to execute and deliver the Note, this Agreement, and the other Financing Documents, and that all action on its part for the issuance of the Loan and the execution and delivery of the Note, this Agreement, and the other Financing Documents has been duly and effectively taken and will be duly taken as provided herein, and that the Loan, the Note, this Agreement, and the other Financing Documents are and will be valid and enforceable obligations of the Borrower according to the terms hereof and thereof.
  2. **Laws, Permits and Obligations**. The Borrower will comply in all material respects with all applicable laws, rules, regulations, orders and directions of any governmental authority and all agreements and obligations binding on the Borrower, noncompliance with which would have a material adverse effect on the Borrower, its financial condition, assets or ability to perform its obligations under this Agreement and/or the other Financing Documents; provided that the Borrower may in good faith contest such laws, rules, regulations, orders and directions and the applicability thereof to the Borrower to the extent that such action would not be likely to have a material adverse effect on the Borrower’s ability to perform its obligations hereunder.
  3. **Tax Covenants**.
     1. The Borrower covenants that it will not take any action or omit to take any action with respect to the Loan, the proceeds thereof, any other funds of the Borrower or any facilities financed or refinanced with the proceeds of the Loan if such action or omission (i) would cause the interest on the Loan to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code, (ii) would cause interest on the Loan to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income or (iii) would cause interest on the Loan to lose its exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law.
     2. In the event that at any time the Borrower is of the opinion that for purposes of this Section 5.03 it is necessary to restrict or to limit the yield on the investment of any moneys held by the Bank, the Custodian or the Borrower, the Borrower shall so restrict or limit the yield on such investment or shall so instruct the Custodian to restrict or limit the yield in a detailed certificate.
     3. The Borrower specifically covenants to comply with the provisions and procedures of the Tax Certificate.
     4. The Borrower further covenants to pay from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed, or final Treasury Regulations as may be applied to the Loan from time to time. The payment of such rebate amounts as required by this paragraph supersedes all other provisions of this Agreement and the Custodial Agreement concerning the deposit and transfer of interest earnings to or from any other fund or account. Moneys set aside to pay such rebate amounts pursuant to this paragraph are not subject to any lien created hereunder for the benefit of the Bank.
     5. The covenants contained in this Section shall remain in full force and effect until the date on which all obligations of the Borrower in fulfilling such covenants under the Code and Colorado law have been met, notwithstanding the payment in full or defeasance of the Loan.
  4. **Bonding and Insurance**. The Borrower shall carry general liability coverage, public liability, and such other forms of insurance on insurable Borrower property upon the terms and conditions, and issued by recognized insurance companies, as in the judgment of the Borrower would ordinarily be carried by entities having similar properties of equal value, such insurance being in such amounts as will protect the Borrower and its operations. In addition, each Borrower official or other Person having custody of any Borrower funds or responsible for the handling of such funds, shall be bonded or insured against theft or defalcation at all times.
  5. **Other Liabilities**. The Borrower shall pay and discharge, when due, all of its liabilities the nonpayment of which, in the reasonable judgment of the Borrower, is likely to have a material adverse effect on the financial condition of the Borrower or affect the ability of the Borrower to perform its obligations under this Agreement or under any other Financing Documents, except when the payment thereof is being contested in good faith by appropriate procedures which will avoid financial liability and with adequate reserves provided therefor.
  6. **Proper Books and Records**. The Borrower shall keep or cause to be kept adequate and proper records and books of account in which complete and correct entries shall be made with respect to the Borrower, the Pledged Revenue and all of the funds and accounts established or maintained pursuant to any of the Financing Documents. The Borrower shall (a) maintain accounting records in accordance with generally recognized and accepted principles of accounting consistently applied throughout the accounting periods involved; (b) provide the Bank with such information concerning the business affairs and financial condition (including insurance coverage) of Borrower as the Bank may request; and (c) without request, provide the Bank with the information set forth below.
  7. **Reporting Requirements**.
     1. (a) The Borrower shall notify the Bank promptly of all interim litigation or administrative proceedings, threatened or pending, against the Borrower which would, if adversely determined, in the Borrower’s reasonable opinion, have a material adverse effect on the Borrower’s financial condition arising after the date hereof or materially adversely affect the ability of the Borrower to perform its obligations under this Agreement or under any other Financing Documents.
     2. The Borrower shall provide the following to the Bank at the times and in the manner provided below:
        1. as soon as available, but not later than 240 days following the end of each Fiscal Year, the Borrower shall furnish to the Bank the audited financial statements prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and certified by a firm of independent certified public accountants satisfactory to the Bank, together with a certificate of an authorized representative of the Borrower evidencing the Borrower’s continuing compliance with Sections 5.11, 5.12 and 5.16 and stating whether there exists on the date of such certificate any Event of Default and, if any Event of Default then exists, setting forth the details thereof and the actions which the Borrower is taking or proposes to take with respect thereto; provided, however, to the extent that the Borrower is exempt under Colorado law from the requirement to prepare audited financial statements, the Borrower may satisfy the reporting requirements of this subsection with the written consent of the Bank (i) by delivering to the Bank written certification of its exemption from the audit requirements and a financial statement prepared by management of the Borrower for such Fiscal Year;
        2. as soon as available, but in no event later than 90 days after each calendar quarter’s end, the Borrower shall furnish to the Bank financial statements relating to the collection of the TIF Revenue;
        3. by December 31st of each year, the annual budget of the Borrower for the subsequent calendar year; and
        4. promptly upon request of the Bank, the Borrower shall furnish to the Bank such other reports or information regarding the collateral securing the obligations of the Borrower hereunder or the assets, financial condition, business or operations of the Borrower, as the Bank may reasonably request.
     3. The Borrower shall promptly notify the Bank of any Event of Default of which the Borrower has knowledge, setting forth the details of such Event of Default and any action which the Borrower proposes to take with respect thereto.
     4. The Borrower shall immediately notify the Bank of any resignation of the Custodian.
     5. The Borrower shall notify the Bank as soon as possible after the Borrower acquires knowledge of the occurrence of any event which, in the reasonable judgment of the Borrower, is likely to have a material adverse effect on the financial condition of the Borrower or affect the ability of the Borrower to perform its obligations under this Agreement or under any other Financing Documents.
  8. **Visitation and Examination**. Unless otherwise prohibited by law, upon not less than two Business Days’ prior written notice, the Borrower will permit any Person designated by the Bank to visit any of its offices to examine the Borrower’s books and financial records, and make copies thereof or extracts therefrom, and to discuss its affairs, finances and accounts with its principal officers, all at such reasonable times and as often as the Bank may reasonably request.
  9. **Further Assurances**. The Borrower shall do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments, and transfers as the Bank may reasonably require for the better assuring, transferring, and pledging unto the Bank the Pledged Revenue; provided, however, that the Borrower shall not be obligated to incur in excess of nominal expenses in complying with this covenant.
  10. **Reserved**.
  11. **Additional Debt**. The Borrower covenants not to issue any additional Debt which is secured by the Pledged Revenue or any portion thereof or any other component of the collateral securing the obligations of the Borrower hereunder without the prior written consent of the Bank.
  12. **Continued Existence**. The Borrower shall maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Loan, and will continue to operate and manage the Borrower and its facilities in an efficient and economical manner in accordance with all applicable laws, rules and regulations.
  13. **Restructuring**. In the event the Pledged Revenue is insufficient or is anticipated to be insufficient to pay the principal of and interest on the Loan when due, the Borrower shall use its best efforts to refinance, refund, or otherwise restructure the Loan so as to avoid such a default.
  14. **Borrower Operations**. The Borrower shall manage its finances and day to day operations in an economical and efficient manner and in accordance with all applicable laws, rules and regulations.
  15. **Enforcement and Collection**. The Borrower shall diligently collect all Pledged Revenue and shall take all necessary action to enforce such collection.
  16. **Material Adverse Action**. The Borrower shall neither take any action nor consent to any action that would materially adversely affect any portion of the Pledged Revenue or any other component of the collateral securing the obligations of the Borrower hereunder.
  17. **No Change in Financing Documents**. The Borrower shall not cancel, terminate, amend, supplement, modify or waive any of the provisions of the Financing Documents to which it is party or consent to any such cancellation, termination, amendment, supplement, modification or waiver, without the prior written consent of the Bank. The Borrower shall take no action, nor shall it cause the Custodian to take any action under any of the Financing Documents to which it is a party inconsistent with the rights of the Bank under this Agreement including, without limitation, its obligations to make payments to the Bank hereunder.
  18. **Removal or Appointment of Agents**. The Custodian shall not be removed, and no successor Custodian shall be appointed by the Borrower without the prior written consent of the Bank.
  19. **References to Bank**. The Borrower shall not refer to the Bank in any official statement, offering memorandum, or private placement memorandum without the Bank’s prior written consent thereto.
  20. **Termination of Agreement**. So long as the Borrower’s obligations hereunder remain unpaid or unperformed, the Borrower shall not terminate this Agreement.
  21. **No Priority Claim**. Except as permitted by Section 5.11 hereof or disclosed in Section 4.15 hereof, the Borrower shall not grant or permit to be granted any lien on or security interest in and to any portion of the Pledged Revenue or any other component of the collateral securing the obligations of the Borrower hereunder.

1. INVESTMENTS
   1. **Permitted Investments Only**. All moneys held by the Custodian in any of the funds or accounts held and administered by the Custodian under the Custodial Agreement shall be promptly invested or reinvested by the Custodian, at the written or oral request (followed by written instructions) and direction of the Authorized Person, in Permitted Investments only. The Custodian may conclusively rely on the investment direction given by the Borrower as being a Permitted Investment.
   2. **Other Investment Requirements**. Such investments shall mature or be redeemable at the option of the owner thereof no later than the respective dates when moneys held for the credit of such fund or account will be required for the purposes intended. The Authorized Person shall direct the Custodian to, or in the absence of direction, an authorized representative of the Bank may direct the Custodian, in accordance with this Section, to invest and reinvest the moneys in any investment permitted hereby so that the maturity date, interest payment date, or date of redemption, at the option of the owner of such investment, shall coincide as nearly as practicable with the times at which money is needed to be so expended. The Custodian may make any and all such investments through its investment department. In the absence of direction from the Borrower or the Bank, the Custodian shall purchase or invest in shares of any investment company that (a) is registered under the Investment Company Act of 1940, as amended (including both corporations and Massachusetts business trusts, and including companies for which the Custodian or Bank may provide advisory, administrative, custodial, or other services for compensation); (b) invests substantially all of its assets in short-term high-quality money-market instruments, limited to obligations issued or guaranteed by the United States; and (c) maintains a constant asset value per share subject to Colorado law.
2. EVENTS OF DEFAULT AND REMEDIES
   1. **Events of Default**. The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an Event of Default under this Agreement (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation or order of any court or any administrative or governmental body):
      1. the Borrower fails to apply pay the principal and interest or any other amount owed to the Bank hereunder when due as required by this Loan Agreement;
      2. the Authority fails to apply the Pledged Revenue as required by this Agreement;
      3. the Borrower fails to apply the Pledged Revenue as required by this Agreement and the Custodial Agreement;
      4. (i) the Borrower fails to observe or perform any of the covenants, agreements or conditions in Sections 5.04, 5.11, 5.15 5.16, 5.17, 5.18, 5.20, and 5.21 hereof or (ii) the Borrower fails to observe or perform any other of the covenants, agreements or conditions on the part of the Borrower in this Agreement, the Note, or the Authorizing Resolution, and, solely in the case of this clause (ii), the Borrower fails to remedy the same within 30 days after the Bank has provided the Borrower with notice thereof; provided that such period shall be extended to sixty (60) days so long as the Borrower shall proceed with reasonable diligence to effect such remedy;
      5. any representation or warranty made by the Borrower in this Agreement or in any other Financing Document or any certificate, instrument, financial or other statement furnished by the Borrower to the Bank, proves to have been untrue or incomplete in any material respect when made or deemed made;
      6. the occurrence and continuance of an event of default or an event of nonperformance under the Custodial Agreement or any of the other Financing Documents after the expiration of any grace period as determined by the Bank;
      7. the pledge of the collateral or any other security interest created hereunder or under the Custodial Agreement fails to be fully enforceable with the priority required hereunder or thereunder;
      8. any judgment or court order for the payment of money exceeding any applicable insurance coverage by more than $100,000 in the aggregate is rendered against the Borrower which would have a material adverse effect on the ability of the Borrower to perform its obligations hereunder or under the other Financing Documents and the Borrower fails to vacate, bond, stay, contest, pay or satisfy such judgment or court order for 60 days (such satisfaction shall include, but not be limited to, compliance with the provisions of §24-10-113(3) C.R.S. or §13-60-101 C.R.S.);
      9. the Borrower shall initiate, acquiesce or consent to any proceedings to dissolve the Borrower or to consolidate the Borrower with other similar entities into a single entity or the Borrower shall otherwise cease to exist;
      10. a change occurs in the financial or operating conditions of the Borrower, or the occurrence of any other event that, in the Bank’s reasonable judgment, will have a materially adverse impact on the ability of the Borrower to generate Pledged Revenue sufficient to satisfy the Borrower’s obligations under this Agreement or its other obligations, and the Borrower fails to cure such condition within six months after receipt by the Borrower of written notice thereof from the Bank;
      11. (i) the Borrower shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts; or (B) seeking appointment of a receiver, trustee, custodian or other similar official for itself or for any substantial part of its property, or the Borrower shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Borrower any case, proceeding or other action of a nature referred to in clause (i) and the same shall remain undismissed; or (iii) there shall be commenced against the Borrower any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within 60 days from the entry thereof; or (iv) the Borrower shall take action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Borrower shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;
      12. this Agreement, the Custodial Agreement or any other Financing Document, or any material provision hereof or thereof, (i) ceases to be valid and binding on the Borrower or is declared null and void, or the validity or enforceability thereof is contested by the Borrower (unless being contested by the Borrower in good faith), or the Borrower denies it has any or further liability under any such document to which it is a party; or (ii) any pledge or security interest created hereunder or under the Custodial Agreement fails to be fully enforceable with the priority required hereunder or thereunder;
      13. the Borrower’s auditor delivers a qualified opinion with respect to the Borrower’s status as an on-going concern;
      14. any funds or investments on deposit in, or otherwise to the credit of, any of the funds or accounts established hereunder or under the Custodial Agreement shall become subject to any writ, judgment, warrant or attachment, execution or similar process; or
      15. any determination, decision, or decree is made by the Commissioner or any Director of the Internal Revenue Service, or by any court of competent jurisdiction, that the interest payable on the Loan is includable in the gross income for federal income tax purposes of the Bank by virtue of the occurrence of any event, including any change in the Constitution or laws of the United States of America or the State of Colorado, which results in interest payable on the Loan becoming includable in the gross income of the Bank pursuant to Section 103(b) of the Internal Revenue Code, and the rules and regulations promulgated thereunder if and so long as such determination, decision or decree is not being appealed or otherwise contested in good faith by the Borrower.
   2. **Remedies**. Upon the occurrence and during the continuance of any Event of Default, the 2020 Loan shall become immediately due and payable, and the Bank may seek recovery of all unpaid principal and interest then due. The Bank, at its option, may do any one or more of the following:
      1. require that the 2020 Loan shall bear interest at the Default Rate;
      2. exercise any and all remedies available under the Custodial Agreement; or
      3. take any other action or remedy available under the other Financing Documents or any other document, or at law or in equity.

In exercising any remedy hereunder, the Bank shall give notice to all Notice Parties listed in Section 8.05 hereof.

* 1. **Notice to Bank of Default**. Notwithstanding any cure period described above, the Borrower will immediately notify the Bank in writing (with a copy to the Custodian) when the Borrower obtains knowledge of the occurrence of any Event of Default or any event which would, with the passage of time or the giving of notice, constitute an Event of Default.
  2. **Additional Bank Rights**. Upon the occurrence of an Event of Default the Bank may at any time take such other steps to protect or preserve the Bank’s interest in the Pledged Revenue.
  3. **Reserved**.
  4. **Delay or Omission No Waiver**. No delay or omission of the Bank to exercise any right or power accruing upon any default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such default, or acquiescence therein; and every power and remedy given by this Agreement may be exercised from time to time and as often as may be deemed expedient.
  5. **No Waiver of One Default To Affect Another; All Remedies Cumulative**. No waiver of any Event of Default hereunder shall extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. All rights and remedies of the Bank provided herein shall be cumulative and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.
  6. **Other Remedies**. Nothing in this Article VII is intended to restrict the Bank’s rights under any of the Financing Documents or at law or in equity, and the Bank may exercise all such rights and remedies as and when they are available.

1. MISCELLANEOUS
   1. **Loan Agreement and Relationship to Other Documents**. The warranties, covenants and other obligations of the Borrower (and the rights and remedies of the Bank) that are outlined in this Agreement and the other Financing Documents are intended to supplement each other. In the event of any inconsistencies in any of the terms in the Financing Documents, all terms will be cumulative so as to give the Bank the most favorable rights set forth in the conflicting documents, except that if there is a direct conflict between any preprinted terms and specifically negotiated terms (whether included in an addendum or otherwise), the specifically negotiated terms will control.
   2. **Assignments, Participations, etc. by the Bank**. Any assignment or participation by the Bank is not subject to the Borrower’s consent. In connection with any such assignment or participation, the Bank may disclose to any proposed assignee or participant any information that the Borrower discloses pursuant to this Agreement and the other Financing Documents. Any such assignment or participation is also subject to the following conditions:
      1. The rights, options, powers and remedies granted in this Agreement and the other Financing Documents will extend to the Bank and to its successors and assigns, will be binding upon the Borrower and its successors and assigns and will be applicable hereto and to all renewals and/or extensions hereof.
      2. In addition, the Bank may collaterally assign and pledge, without the consent of the Borrower, all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank; provided that any payment in respect of such assigned obligations made by the Borrower to the Bank in accordance with the terms of this Agreement shall satisfy the Borrower’s obligations hereunder in respect of such assigned obligation to the extent of such payment. No such collateral assignment shall release the Bank from its obligations hereunder.
      3. The Bank may at any time, without the consent of the Borrower, sell to one or more commercial banks or other Persons not affiliates of the Borrower (a “Participant”) participating interests in its rights and obligations hereunder or under the other Financing Documents; provided, however, that (i) the Bank’s obligations hereunder shall remain unchanged, (ii) the Bank shall remain solely responsible for the performance of such obligations, and (iii) the participation of one or more Participants shall not reduce or alter the Bank’s obligations hereunder or affect in any way the rights or obligations of the Borrower hereunder and the Borrower has the right to continue to deal solely with the Bank. The Bank will give notice of the sale of such participation and the name of the Participant to the Borrower within 30 days of the date of such sale. In the case of any such participation, the Participant shall be entitled to the benefit of Sections 2.02(g) and 8.03 hereof as though it were also the Bank hereunder.
   3. **Litigation/Indemnification**. The Borrower agrees, to the extent permitted by law and as set forth herein, to completely indemnify and hold harmless the Bank and its agents, employees, officers, directors and controlling Persons, together with any Participant and its agents, employees, officers, directors and controlling Persons (hereinafter collectively referred to in this Section 8.03 as the “Indemnitees”) from and against any and all claims, damages, liabilities, settlements, judgments, losses, legal fees and costs or expenses incurred (including all reasonable fees and disbursements of the Indemnitees’ legal counsel and allocated cost of in-house counsel and staff and all of the Indemnitees’ reasonable travel and other out-of-pocket expenses incurred in connection with the investigation of and preparation for any such pending or threatened claims and any litigation and other proceedings arising therefrom) arising out of or based upon (a) the Loan; or (b) the holding or owning by the Bank, the Participant, or their respective nominees of any collateral securing the obligations of the Borrower hereunder; or (c) any matters for which neither the Bank nor any Participant has any liability as set forth under Section 8.16 of this Agreement; provided, however, that the Borrower shall not be required to indemnify the Indemnitees pursuant to Section 8.02 (c) above for any claims, damages, losses, liabilities, settlements, judgments, legal fees or costs or expenses to the extent proven to be caused by the Bank’s or any Participant’s willful or grossly negligent failure to make lawful payment under the Loan. Nothing in this Section 8.03 is intended to limit the Borrower’s obligations contained in Article II hereof.

If any action, lawsuit or claim shall be brought or asserted against the Indemnitees in respect of which indemnity may be sought by the Indemnitees from the Borrower under this Section 8.03, the Indemnitees shall promptly notify the Borrower in writing, and the Borrower shall promptly assume the defense thereof, including, but not limited to, the employment of counsel (the selection of which has been approved by the Indemnitees and such approval shall not be unreasonably withheld), the payment of all reasonable legal fees and expenses and the right to negotiate and consent to settlement; provided, however, that the Borrower shall not settle any such action which may adversely affect the Bank without the Bank’s written consent, which consent shall not be unreasonably withheld.

In the event that the Indemnitees shall be advised by counsel experienced in matters of banking or securities laws that the Indemnitees have defenses or causes of action separate from those of the Borrower, or that there is otherwise a conflict of interest, the Indemnitees have the right to employ their own counsel (“Independent Counsel”) to defend the Indemnitees against such action at the expense of the Borrower, who shall pay all reasonable legal fees and expenses incurred by such Independent Counsel. The Indemnitees’ selection of Independent Counsel shall be approved by the Borrower, and such approval shall not be unreasonably withheld. With respect to claims against the Indemnitees defended by Independent Counsel, the Indemnitees have the right to negotiate settlement of any such claims; provided, however, that the Borrower shall not be liable for any such settlement effected by the Indemnitees without the written consent of the Borrower, which consent shall not be unreasonably withheld.

The obligations of the Borrower under this Section 8.03 shall be in addition to any rights that any Indemnitee may have at common law or otherwise and shall survive the payment in full of all amounts owing to the Bank hereunder. If indemnification pursuant to this Section 8.03 shall be found to be unlawful or invalid for any reason, then the Borrower and each Indemnitee shall to the extent lawful make contributions in payment of any liabilities incurred pursuant to the above referenced issuance, sale and distributions and statements or omissions in accordance with the respective fault of the Borrower and each Indemnitee.

* 1. **Notice of Claims Against Bank; Limitation of Certain Damages**. In order to allow the Bank to mitigate any damages to the Borrower from the Bank’s alleged breach of its duties under the Financing Documents or any other duty, if any, to the Borrower, the Borrower agrees to give the Bank written notice no later than 10 days after the Borrower knows of any claim or defense it has against the Bank, whether in tort or contract, relating to any action or inaction by the Bank under the Financing Documents, or the transactions related thereto, or of any defense to payment of the obligations of the Borrower hereunder for any reason. The requirement of providing timely notice to the Bank represents the parties’ agreed-to standard of performance regarding the duty of the Bank to mitigate damages related to claims against the Bank. Notwithstanding any claim that the Borrower may have against the Bank, and regardless of any notice the Borrower may have given the Bank, the Bank will not be liable to the Borrower for indirect, consequential and/or special damages arising therefrom, except those damages arising from the Bank’s willful misconduct, gross negligence or bad faith. Failure by the Borrower to give notice to the Bank shall not waive any claims of the Borrower but such failure shall relieve the Bank of any duty to mitigate damages prior to receiving notice.
  2. **Notices**. Notice of any record shall be deemed delivered when the record has been (a) deposited in the United States Mail, postage pre-paid; (b) received by overnight delivery service; (c) received by Electronic Notification; or (d) when personally delivered at the following addresses (the “Notice Parties”):

to Borrower: Colorado Springs Urban Renewal Authority

30 South Nevada Avenue

Suite 603

Colorado Springs, CO 80903

Telephone: 719-385-5714

Email: jariah.walker@coloradosprings.gov

Attention: Executive Director

With a copy to: Kraemer Kendall Rupp Deen Neville LLC

430 North Tejon St.

Suite 300

Colorado Springs, CO 80903

Telephone: 719-471-3690

Email: dneville@k2blaw.com

Attention: David M. Neville

to Bank: Zions Bancorporation, N.A., dba Vectra Bank Colorado  
Suite 2-1200  
2000 S. Colorado Boulevard  
Denver, CO 80222  
Telephone: 720-947-8802  
Email: cfreeman@vectrabank.com  
Attention: Conrad Freeman

to Custodian: Zions Bancorporation, National Association

1001 17th Street, Suite 850

Denver, CO 80202

Telephone: 720-947-7448

Email: emily.stribling@zionsbancorp.com

Attention: Emily Stribling

with a copy to DenverCorporateTrust@zionsbancorp.com

* 1. **Payments**. Payments due on the Loan shall be made in lawful money of the United States. All payments may be applied by the Bank to principal, interest and other amounts due under the Note and this Agreement pursuant to the terms of the Custodial Agreement and this Agreement.
  2. **Applicable Law and Jurisdiction; Interpretation; Severability**. This Agreement and all other Financing Documents will be governed by and interpreted in accordance with the internal laws of the State of Colorado, except to the extent superseded by Federal law. Invalidity of any provisions of this Agreement will not affect any other provision. TO THE EXTENT PERMITTED BY LAW, THE BORROWER AND THE BANK HEREBY CONSENT TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN DENVER, COLORADO, AND WAIVE ANY OBJECTIONS BASED ON *FORUM NON CONVENIENS*, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE NOTE, THE PLEDGED REVENUE, ANY OTHER FINANCING DOCUMENT, OR ANY TRANSACTIONS ARISING THEREFROM, OR ENFORCEMENT AND/OR INTERPRETATION OF ANY OF THE FOREGOING. Nothing in this Agreement will affect the Bank’s rights to serve process in any manner permitted by law. This Agreement, the other Financing Documents and any amendments hereto (regardless of when executed) will be deemed effective and accepted only at the Bank’s offices, and only upon the Bank’s receipt of the executed originals thereof. Invalidity of any provision of this Agreement shall not affect the validity of any other provision.
  3. **Copies; Entire Agreement; Modification**. The Borrower hereby acknowledges the receipt of a copy of this Agreement and all other Financing Documents.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING, EXPRESSING CONSIDERATION AND SIGNED BY THE PARTIES ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. THE TERMS OF THIS AGREEMENT MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT. THIS NOTICE SHALL ALSO BE EFFECTIVE WITH RESPECT TO ALL OTHER CREDIT AGREEMENTS NOW IN EFFECT BETWEEN THE BORROWER AND THE BANK. A MODIFICATION OF ANY OTHER CREDIT AGREEMENT NOW IN EFFECT BETWEEN THE BORROWER AND THE BANK, WHICH OCCURS AFTER RECEIPT BY THE BORROWER OF THIS NOTICE, MAY BE MADE ONLY BY ANOTHER WRITTEN INSTRUMENT. ORAL OR IMPLIED MODIFICATIONS TO ANY SUCH CREDIT AGREEMENT IS NOT ENFORCEABLE AND SHOULD NOT BE RELIED UPON.

* 1. **Waiver of Jury Trial; Dispute Resolution**. This section contains a jury waiver, arbitration clause, and a class action waiver. READ IT CAREFULLY.

JURY TRIAL WAIVER; CLASS ACTION WAIVER. As permitted by applicable law, each party to this Agreement waives their respective rights to a trial before a jury in connection with any Dispute (as "Dispute" is hereinafter defined), and Disputes shall be resolved by a judge sitting without a jury. If a court determines that this provision is not enforceable for any reason and at any time prior to trial of the Dispute, but not later than 30 days after entry of the order determining this provision is unenforceable, any party shall be entitled to move the court for an order compelling arbitration and staying or dismissing such litigation pending arbitration ("Arbitration Order"). If permitted by applicable law, each party also waives the right to litigate in court or an arbitration proceeding any Dispute as a class action, either as a member of a class or as a representative, or to act as a private attorney general.

ARBITRATION. If a claim, dispute, or controversy arises between us with respect to this Agreement, related agreements, or any other agreement or business relationship between any of us whether or not related to the subject matter of this Agreement (all of the foregoing, a "Dispute"), and only if a jury trial waiver is not permitted by applicable law or ruling by a court, any of us may require that the Dispute be resolved by binding arbitration before a single arbitrator at the request of any party. By agreeing to arbitrate a Dispute, each party gives up any right that party may have to a jury trial, as well as other rights that party would have in court that are not available or are more limited in arbitration, such as the rights to discovery and to appeal.

Arbitration shall be commenced by filing a petition with, and in accordance with the applicable arbitration rules of, JAMS or National Arbitration Forum ("Administrator") as selected by the initiating party. If the parties agree, arbitration may be commenced by appointment of a licensed attorney who is selected by the parties and who agrees to conduct the arbitration without an Administrator. Disputes include matters (i) relating to a deposit account, application for or denial of credit, enforcement of any of the obligations we have to each other, compliance with applicable laws and/or regulations, performance or services provided under any agreement by any party, (ii) based on or arising from an alleged tort, or (iii) involving either of our employees, agents, affiliates, or assigns of a party. However, Disputes do not include the validity, enforceability, meaning, or scope of this arbitration provision and such matters may be determined only by a court. If a third party is a party to a Dispute, we each will consent to including the third party in the arbitration proceeding for resolving the Dispute with the third party. Venue for the arbitration proceeding shall be at a location determined by mutual agreement of the parties or, if no agreement, in the city and state where lender or bank is headquartered.

After entry of an Arbitration Order, the non-moving party shall commence arbitration. The moving party shall, at its discretion, also be entitled to commence arbitration but is under no obligation to do so, and the moving party shall not in any way be adversely prejudiced by electing not to commence arbitration. The arbitrator: (i) will hear and rule on appropriate dispositive motions for judgment on the pleadings, for failure to state a claim, or for full or partial summary judgment; (ii) will render a decision and any award applying applicable law; (iii) will give effect to any limitations period in determining any Dispute or defense; (iv) shall enforce the doctrines of compulsory counterclaim, res judicata, and collateral estoppel, if applicable; (v) with regard to motions and the arbitration hearing, shall apply rules of evidence governing civil cases; and (vi) will apply the law of the state specified in the agreement giving rise to the Dispute. Filing of a petition for arbitration shall not prevent any party from (i) seeking and obtaining from a court of competent jurisdiction (notwithstanding ongoing arbitration) provisional or ancillary remedies including but not limited to injunctive relief, property preservation orders, foreclosure, eviction, attachment, replevin, garnishment, and/or the appointment of a receiver, (ii) pursuing non-judicial foreclosure, or (iii) availing itself of any self-help remedies such as setoff and repossession. The exercise of such rights shall not constitute a waiver of the right to submit any Dispute to arbitration.

Judgment upon an arbitration award may be entered in any court having jurisdiction except that, if the arbitration award exceeds $4,000,000, any party shall be entitled to a de novo appeal of the award before a panel of three arbitrators. To allow for such appeal, if the award (including Administrator, arbitrator, and attorney's fees and costs) exceeds $4,000,000, the arbitrator will issue a written, reasoned decision supporting the award, including a statement of authority and its application to the Dispute. A request for de novo appeal must be filed with the arbitrator within 30 days following the date of the arbitration award; if such a request is not made within that time period, the arbitration decision shall become final and binding. On appeal, the arbitrators shall review the award de novo, meaning that they shall reach their own findings of fact and conclusions of law rather than deferring in any manner to the original arbitrator. Appeal of an arbitration award shall be pursuant to the rules of the Administrator or, if the Administrator has no such rules, then the JAMS arbitration appellate rules shall apply.

Arbitration under this provision concerns a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. sec. 1 et seq. This arbitration provision shall survive any termination, amendment, or expiration of this Agreement. If the terms of this provision vary from the Administrator's rules, this arbitration provision shall control.

Each party to this Agreement (i) certifies that no one has represented to such party that the other party would not seek to enforce jury and class action waivers in the event of suit, and (ii) acknowledges that it and the other party have been induced to enter into this Agreement by, among other things, the mutual waivers, agreements, and certifications in this section.

* 1. **Attachments**. All documents attached hereto, including any appendices, schedules, riders and exhibits to this Agreement, are hereby expressly incorporated by reference.
  2. **Document Imaging**. The Bank shall be entitled, in its sole discretion, to image all or any selection of the instruments, Related Documents, other loan documents, and items and records governing, arising from or relating to any of Borrower's loans, and may destroy or archive the paper originals. The parties hereto waive any right to insist the Bank produce paper originals, agree that such images shall be accorded the same force and effect as the paper originals, and further agree that the Bank is entitled to use such images in lieu of destroyed or archived originals for any purpose, including as admissible evidence in any demand, presentment or proceedings.
  3. **Conclusive Recital**. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this Agreement is entered into pursuant to certain provisions of the Supplemental Public Securities Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of this Agreement after delivery for value.
  4. **Limitation of Actions**. Pursuant to Section 11-57-212 of the Supplemental Public Securities Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Loan shall be commenced more than 30 days after the authorization of the Loan.
  5. **Pledge of Revenues**. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Loan provided herein shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Agreement, the Note and the Authorizing Resolution. The amounts pledged to the payment of the Loan shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall have a first priority. The lien of such pledge shall be valid, binding, and enforceable as against all Persons having claims of any kind in tort, contract, or otherwise against the Borrower irrespective of whether such Persons have notice of such liens.
  6. **Reserved**.
  7. **No Liability**. Any action taken or omitted by the Bank under or in connection with the Financing Documents, if taken or omitted in good faith and without willful misconduct or gross negligence, shall be binding upon the Borrower and shall not put the Bank under any resulting liability to the Borrower. The Bank, including its agents, employees, officer’s directors and controlling Persons, shall not have any liability to the Borrower, and the Borrower assumes all risk, responsibility and liability for (a) the form, sufficiency, correctness, validity, genuineness, falsification and legal effect of any demands and other documents, instruments and other papers relating to the Loan even if such documents, should prove to be in any or all respects invalid, insufficient, fraudulent or forged; (b) the general and particular conditions stipulated therein; (c) the good faith acts of any Person whosoever in connection therewith; (d) failure of any Person (other than the Bank, subject to the terms and conditions hereof) to comply with the terms of the Loan; (e) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telex, telegraph, wireless or otherwise, whether or not they be in code; (f) errors in translation or errors in interpretation of technical terms; (g) for any other consequences arising from causes beyond the Bank’s control; or (h) any use of which may be made of the proceeds of the Loan, except to the extent of any direct, as opposed to indirect, consequential, or special damages suffered by the Borrower which direct damages are proven by the Borrower to be caused by the Bank’s willful or grossly negligent failure to make lawful payment under the Loan.
  8. **No Waiver; Modifications in Writing**. No failure or delay on the part of the Bank in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other right, power or remedy. The remedies provided for herein are cumulative and are not exclusive of any remedies that may be available to the Bank at law or in equity or otherwise. No amendment, modification, supplement, termination or waiver of or to any provision of this Agreement, nor consent to any departure by the Borrower therefrom, shall be effective unless the same shall be in writing and signed by or on behalf of the Bank. Any amendment, modification or supplement of or to any provision of this Agreement, and any consent to any departure by the Borrower from the terms of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of the Bank to any other or further action in any circumstances without notice or demand. The Bank shall notify the Custodian of each amendment to this Agreement.
  9. **Payment on Non-Business Days**. Whenever any payment hereunder shall be stated to be due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day.
  10. **Further Assurances**. The Borrower agrees to do such further acts and things and to execute and deliver to the Bank such additional assignments, agreements, powers and instruments as the Bank may reasonably require or deem advisable to carry into effect the purposes of this Agreement or to better assure and confirm unto the Bank its rights, powers and remedies hereunder and under the Financing Documents.
  11. **Execution in Counterparts; Electronic Documentation**. This Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same Agreement. The Bank shall be entitled, in its sole discretion, to image all or any selection of the Financing Documents, other documents, items and records governing, arising from or relating to the Borrower’s Loan, and may destroy or archive the paper originals. The parties hereby waive any right to insist that the Bank produce paper originals, agree that such images shall be accorded the same force and effect as the paper originals and further agree that the Bank is entitled to use such images in lieu of destroyed or archived originals for any purpose, including as admissible evidence in any demand, presentment or judicial or administrative proceedings.
  12. **Severability**. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.
  13. **Headings**. Article and Section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.
  14. **Waiver of Rules of Construction**. The Borrower hereby waives any and all provisions of law to the effect that an ambiguity in a contract or agreement should be interpreted against the party responsible for its drafting.
  15. **Integration**. This Agreement is intended to be the final agreement between the parties hereto relating to the subject matter hereof and this Agreement and any agreement, document or instrument attached hereto or referred to herein shall supersede all oral negotiations and prior writings with respect to the subject matter hereof.
  16. **No City Debt**. The debt of the Borrower hereunder does not constitute a debt or obligation of the City of Colorado Springs in any manner. The faith and credit of the City of Colorado Springs is not pledged for the repayment of the debt of the Borrower hereunder.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date set forth above.

**ZIONS BANCORPORATION, N.A., dba VECTRA BANK COLORADO**

By

Name

Title

**COLORADO SPRINGS URBAN RENEWAL AUTHORITY**, a body corporate and politic of the State of Colorado

By

Randle W. Case II, Chair

Attest:

By

Secretary

[Signature Page to Loan Agreement]

# EXHIBIT A FORM OF 2020 Note

UNITED STATES OF AMERICA  
STATE OF COLORADO  
COLORADO SPRINGS URBAN RENEWAL AUTHORITY

2020 Tax-Exempt Note

IN THE AGGREGATE PRINCIPAL AMOUNT OF  
NOT TO EXCEED $15,000,000

US $15,000,000 May \_\_, 2020

FOR VALUE RECEIVED, COLORADO SPRINGS URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (hereinafter referred to as “Maker”), promises to pay to the order of ZIONS BANCORPORATION, N.A., dba VECTRA BANK COLORADO, its successors and assigns (hereinafter referred to as “Payee”), at the office of Payee or its agent, designee, or assignee at Vectra Bank, 2000 South Colorado Boulevard, Suite 2-1200, Denver, Colorado 80222 or at such place as Payee or its agent, designee, or assignee may from time to time designate in writing, all Advances made in the principal sum of FIFTEEN MILLION DOLLARS (US $15,000,000) (this “Note”) pursuant to the terms of the Loan Agreement dated of even date herewith by and between Maker and Payee (the “Loan Agreement”), in lawful money of the United States of America.

This Note shall bear interest, be payable, and mature pursuant to the terms and provisions of the Loan Agreement. All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed in the Loan Agreement.

Amounts received by Payee under this Note shall be applied in the manner provided by the Loan Agreement. All amounts due under this Note shall be payable without setoff, counterclaim or any other deduction whatsoever by Maker.

Unless payments are made in the required amount in immediately available funds in accordance with the provisions of the Loan Agreement, remittances in payment of all or any part of the amounts due and payable hereunder shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Payee in funds immediately available at the place where this Note is payable (or any other place as Payee, in Payee’s sole discretion, may have established by delivery of written notice thereof to Maker) and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Payee of any payment in an amount less than the amount then due shall be deemed an acceptance on account only and any unpaid amounts shall remain due hereunder, all as more particularly provided in the Loan Agreement.

In the event of nonpayment of this Note, Payee shall be entitled to all remedies under the Loan Agreement and at law or in equity, and all remedies shall be cumulative.

It is expressly stipulated and agreed to be the intent of Maker and Payee at all times to comply with applicable state law and applicable United States federal law. If the applicable law (state or federal) is ever judicially interpreted so as to render usurious any amount called for under this Note or under the Loan Agreement, or contracted for, charged, taken, reserved or received with respect to the indebtedness evidenced by this Note, then it is Maker’s and Payee’s express intent that all excess amounts theretofore collected by Payee be credited on the principal balance of this Note (or, if this Note has been or would thereby be paid in full, refunded to Maker), and the provisions of this Note shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and under the Loan Agreement. All sums paid or agreed to be paid to Payee for the use, forbearance and detention of the indebtedness evidenced hereby and by the Loan Agreement shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the maximum rate permitted under applicable law from time to time in effect and applicable to the indebtedness evidenced hereby for so long as such indebtedness remains outstanding.

Maker and any endorsers, sureties or guarantors hereof jointly and severally waive presentment and demand for payment, protest and notice of protest and nonpayment, all applicable exemption rights, valuation and appraisement, notice of demand, and all other notices in connection with the delivery, acceptance, performance, default or enforcement of the payment of this Note and the bringing of suit and diligence in taking any action to collect any sums owing hereunder or in proceeding against any of the rights and collateral securing payment hereof. Maker and any surety, endorser or guarantor hereof agree (a) that the time for any payments hereunder may be extended from time to time without notice and consent; (b) to the acceptance of further collateral; (c) to the release of any existing collateral for the payment of this Note; (d) to any and all renewals, waivers or modifications that may be granted by Payee with respect to the payment or other provisions of this Note; and/or (e) that additional makers, endorsers, guarantors or sureties may become parties hereto all without notice to them and without in any manner affecting their liability under or with respect to this Note. No extension of time for the payment of this Note shall affect the liability of Maker under this Note or any endorser or guarantor hereof even though Maker or such endorser or guarantor is not a party to such agreement.

Failure of Payee to exercise any of the options granted herein to Payee upon the happening of one or more of the events giving rise to such options shall not constitute a waiver of the right to exercise the same or any other option at any subsequent time in respect to the same or any other event. The acceptance by Payee of any payment hereunder that is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the options granted herein or in the Loan Agreement to Payee at that time or at any subsequent time or nullify any prior exercise of any such option without the express written acknowledgment of Payee.

Maker (and the undersigned representative of Maker, if any) represents that Maker has full power, authority and legal right to execute, deliver and perform its obligations pursuant to this Note and this Note constitutes the legal, valid and binding obligation of Maker.

All notices or other communications required or permitted to be given hereunder shall be given in the manner and be effective as specified in the Loan Agreement, directed to the parties at their respective addresses as provided therein.

This Note is governed by and interpreted in accordance with the internal laws of the State of Colorado, except to the extent superseded by federal law. Invalidity of any provisions of this Note will not affect any other provision.

By acceptance of this instrument, the owner of this Note agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Note contained herein, in the resolution of the Maker authorizing the issuance of this Note, as the same may be further amended from time to time.

TO THE EXTENT PERMITTED BY LAW, MAKER HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN DENVER, COLORADO, AND WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS NOTE, THE LOAN AGREEMENT, THE PLEDGED REVENUE, ANY OTHER FINANCING DOCUMENT, OR ANY TRANSACTIONS ARISING THEREFROM, OR ENFORCEMENT AND/OR INTERPRETATION OF ANY OF THE FOREGOING.

TO THE EXTENT PERMITTED BY LAW, MAKER HEREBY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS NOTE, THE LOAN AGREEMENT, OR ANY OF THE OTHER FINANCING DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. MAKER REPRESENTS TO PAYEE THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

THE PROVISIONS OF THIS NOTE MAY BE AMENDED OR REVISED ONLY BY AN INSTRUMENT IN WRITING SIGNED BY MAKER AND PAYEE. THERE ARE NO ORAL AGREEMENTS BETWEEN MAKER AND PAYEE WITH RESPECT TO THE SUBJECT MATTER HEREOF.

This Note is a special, limited revenue obligation of the Maker payable from and secured solely by the Pledged Revenue and any other sources provided therefor in the 2020 Loan Agreement, subject to the limitations set forth in the 2020 Loan Agreement.

IT IS ACKNOWLEDGED THAT, PURSUANT TO THE LOAN AGREEMENT, IN THE EVENT THAT ANY AMOUNT OF PRINCIPAL OF OR INTEREST ON THIS NOTE REMAINS UNPAID AFTER THE APPLICATION OF ALL PLEDGED REVENUE AVAILABLE THEREFOR ON DECEMBER 1, 2036, THE LOAN AND THE LIEN OF THE LOAN AGREEMENT AND CUSTODIAL AGREEMENT SECURING PAYMENT THEREOF SHALL BE DEEMED DISCHARGED. IN SUCH EVENT THE PAYEE WILL HAVE NO RECOURSE TO THE MAKER OR ANY PROPERTY OF THE MAKER FOR THE PAYMENT OF ANY AMOUNT OF PRINCIPAL OF OR INTEREST ON THIS NOTE REMAINING UNPAID.

**The debt of the Maker hereunder does not constitute a debt or obligation of the City of Colorado Springs in any manner. The faith and credit of the City of Colorado Springs is not pledged for the repayment of the debt of the Borrower hereunder.**

IN WITNESS WHEREOF, an authorized representative of Colorado Springs Urban Renewal Authority, as Maker, has executed this Note as of the day and year first above written.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY

By

Authorized Signatory

# .EXHIBIT B FORM OF ADVANCE REQUEST

Colorado Springs Urban Renewal Authority 2020 Loan Agreement

The undersigned certifiesthat he/she is an Authorized Person under that certain Loan Agreement dated as of May 1, 2020 (the “Agreement”) by and between Colorado Springs Urban Renewal Authority and ZIONS BANCORPORATION, N.A. dba Vectra Bank Colorado (the “Bank”). All capitalized terms used in this Advance Request (“Advance Request”) shall have the respective meanings assigned in the Agreement.

The undersigned Authorized Person hereby makes a request to the Bank for an Advance on the 2020 Loan, and in support thereof states:

(i) The amount of the Advance so requested is $\_\_\_\_\_\_\_\_\_\_\_.

(ii) Upon the funding of such Advance, the sum of all Advances will not exceed the Maximum Advance Amount of the 2020 Loan.

(iii) Attached hereto is the most recent 12-month report on the TIF Revenue. The Undersigned certifies to the best of its knowledge that as of the date of this Advance Request that attached report is true and correct in all material respects.

(iv) At the time the requested Advance is to be made and as a result thereof, immediately thereafter, all representations and warranties of the Borrower set forth in Article IV of the Loan Agreement are true and correct in all material respects as though made on the date hereof and will be true and correct in all material respects as though made on the Advance Date and no Event of Default shall have occurred and be continuing on the date hereof and on the Advance Date and no litigation is currently pending or threatened concerning the Borrower’s authority to pledge the Pledged Revenue as provided in the Loan Agreement.

(vi) The requested Advance shall be made by the Bank by wire transfer of immediately available funds to the Custodian in accordance with the instructions set forth below:

[Insert wire instructions]

(vii) Attached hereto is Schedule 1 with sufficient detail supporting the calculation of the applicable Advance.1

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_\_\_\_, 20\_\_.

COLORADO SPRINGS URBAN RENEWAL AUTHORITY

By

Authorized Person

Schedule 1

BANK APPROVAL

In response to the above Advance Request, the Bank hereby agrees to advance moneys to the Borrower in the amount of $\_\_\_\_\_\_\_\_\_\_. The Applicable Interest Rate applicable to this Advance until the next Rate Reset Date is \_\_\_\_\_%

The Advance shall be deposited with the Custodian as follows:

(1) $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to the Project Fund;

(2) $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to the Capitalized Interest Account within the Loan Payment Fund; and

(3) $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to the Costs of Issuance Account within the Loan Payment Fund.

Total: $\_\_\_\_\_\_\_\_\_\_\_\_.

The Calculation of Debt Service Coverage equal to or greater than 1.20x is as follows:

Projected Incremental Property Tax Revenue: \_\_\_\_\_\_\_\_\_\_\_\_

Outstanding balance of the Loan: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Debt Service Coverage: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For purposes of this Bank Approval, Projected Incremental Property Tax Revenue shall be calculated in accordance with the Borrowing Base Determination formula which is appended to the Agreement as Exhibit C.

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**APPROVED BY:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ZIONS BANCORPORATION, N.A. dba Vectra Bank Colorado

cc: THE CUSTODIAN

# EXHIBIT C BORROWING BASE DETERMINATION

Closing Draw: Based upon the 2020 Projected Assessed Value within the Urban Renewal Area of [$10,178,104] an initial draw of $7,377,872, less closing costs of the Note and capitalized interest, will be available at closing.

Note Availability: Additional Draws under the Note shall be available to the Borrower based on the following calculations of projected assessed valuation so long as there is no uncured event of default. Quarterly, or more frequently if necessary, Bank shall recalculate the borrowing base based upon the Projected Incremental Property Tax Revenue generated by Construction and Completed Buildings. Note availability shall be the amount by which the new borrowing base exceeds the current Note balance outstanding, adjusted for current principal payments held by the Custodian, less any required Capitalized Interest.

PV Calculation: Note Availability will be based upon the Present Value calculation of projected Pledged Revenue at the full projected commercial valuation divided as appropriate by the debt service coverage ratio for Completed Buildings described above. The projected revenue will be increased by a 2% bi-annual appreciation, and the Present Value will be calculated at the greater of 5.75% or the current Taxable Interest Rate.

Projected Assessed Value: Projected Assessed Value for Construction Buildings, will be based upon comparable values provided by the El Paso County Assessor and acceptable to the Bank. For purposes of calculations, valuations that are subject to percent of completion discount will be adjusted accordingly.

Actual Assessed Value: Actual Assessed Value of completed buildings will be based upon the actual Assessor valuation used in the Certification of Assessed Value of the land and improvements in the urban renewal area. The Projected Assessed Value will be replaced by the Actual Assessed Value once available.

Property Tax Revenue: Property Tax Revenue will be calculated as the tax revenue to be generated by the Construction Buildings and Completed Building based upon the Projected or Actual Assessed Value, as appropriate, and increased bi-annually at 2%, less the base amount, multiplied by the eligible Mill Levies less CSURA’s Administrative Fee.

Construction Buildings: Buildings for which construction has commenced, may be available for advance based upon the present value of projected incremental property tax at the full commercial valuation as appropriate, adjusted for a 1.25x coverage at the maximum mill levy.

Eligibility of Construction Buildings for advance may occur, and be included in the borrowing base, when sufficient information regarding the project has been received and accepted by the Bank. Such information will include

* + - 1. Adequate knowledge or financial disclosure by the developer or sponsor indicating capacity to complete the project;
      2. Adequate disclosure of the basic terms and conditions of construction financing sufficient to complete the project from a National Bank with demonstrated construction lending expertise, and evidence that all equity, and pre-sale or preleasing requirements have been met;
      3. Or bonding of the Construction Project;
      4. Completion guaranty to the construction lender;
      5. A GMAX from a Bank approved general contractor;
      6. Issuance of all permits, and other approvals necessary for construction;
      7. Verification of Comparable Properties by the El Paso County Assessor; and
      8. Commencement of actual construction.

Completed Buildings: Commercial buildings for which a certificate of occupancy is issued will be available for advance based upon the present value of projected property tax at the full commercial valuation as appropriate, adjusted for a 1.20x debt service coverage ratio when calculated at the maximum mill levy. Prior to Certification by the Assessor, full valuation will be based upon guidance from the El Paso County Assessor as described above.