VECTRABANK® COLORADO

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COMMITMENT LETTER
Private Placement
Colorado Springs Urban Renewal Authority
Tax Increment Finance Revenue Loan

This Commitment Letter shall serve as a guide for the general terms and structure for a Direct Purchase by Zions Bancorporation, N.A dba Vectra Bank Colorado (the "Bank") of a Private Placement of the Colorado Springs Urban Renewal Authority Series 2019 Tax-Exempt Loan. The terms within this Commitment Letter may be amended and adjusted going forward as due diligence on the transaction is completed and new issues or concerns arise regarding covenants, structure, financial ratio levels, and Note mechanics, amortization, etc.

The terms and conditions herein remain subject to formal commitment and final negotiation of the financing documents, which must be negotiated in conformance with state statute, the Bank, and the Colorado Springs Urban Renewal Authority. Therefore, the Bank shall not be liable to the Colorado Springs Urban Renewal Authority, or any other third party for damages or specific performance as a result of the Bank's failure to close the transaction and Colorado Springs Urban Renewal Authority shall not be liable to the Bank beyond the legal fees discussed below for failure to close this transaction. The terms and conditions of this Commitment sheet are confidential and may not be shown or disclosed by you except to those individuals who have a need to know as a result of being involved in the proposed transaction.

I. Parties

Issuer:	Colorado Springs Urban Renewal Authority ("CSURA")
Purchaser:	Zions Bancorporation, N.A. dba Vectra Bank Colorado (the "Bank")
Developer:	Ivywild Core Development, Inc.
Collateral:	Sales Tax TIF as defined in and payable under the Amended and Restated Urban Renewal Agreement for Development of the South Nevada Avenue Area Urban Renewal Area dated as of June 21, 2018, by and among the COLORADO SPRINGS URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the "Authority"), and IVYWILD CORE DEVELOPMENT, INC., a Colorado corporation (the "Developer"), CANYON CREEK METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado, and CANYON CREEK METROPOLITAN DISTRICT NO. 3, a quasi-municipal corporation and political subdivision of the State of Colorado (the "Development Agreement").
CSURA Counsel:	David Neville
Developer's Counsel:	Paul Benedetti
Bank & Bond Counsel:	Kutak – Ken Guckenberger
Custodian:	Zions First National Bank Trust Department
Custodial Agreement:	Ivywild TIF Custodial Agreement

II. Series 2019 Loan

Loan Amount:	An amount not to exceed $792,791 upon mutual agreement of the parties.
Purpose:	Proceeds to be used exclusively to reimburse the Developer for the construction of up to $792,791 in Reimbursable Project Costs (as defined in the Development

	Agreement) as certified by the Developer and approved by the Authority for those Public Improvements eligible for reimbursement from Sales Tax TIF in accordance with the Development Agreement to be disbursed as described under the description of Section III, "Draw Availability" beginning on page 3.
<u>Subordinate Debt:</u>	Subordinate debt is permitted and may be documented by a subordinate note, assignment, or similar instrument in accordance with applicable terms and conditions of the Development Agreement, including, without limitation, the irrevocable pledge of Pledged Revenues (including Sales Tax TIF revenues) to payment of the Authority's Reimbursement Obligation to the Developer in Section 8.11 of the Development Agreement.
<u>Maturity Date:</u>	The note shall have a stated maturity of 12/01/2040 or the termination of the Development agreement. Every five years the Bank shall refix the interest rate as described in Interest Rate below.
<u>Amortization:</u>	Interest and principal shall be do annually commencing December 1st 2019 with the final principal and interest due on the Maturity Date.
<u>Interest Rate:</u>	The Taxable Rate shall be equal to the sum of the Des Moines Federal Home Loan Bank Long-Term, Fixed-Rate Advances Five Year Bullet Rate plus 350 basis points, currently 6.05% as of May 22, 2019. Notes that are designated Qualified Tax-Exempt Obligation as described under Section 265(b) of the Code will accrue interest at an interest rate equal to the product of the Taxable Rate multiplied by 80%, currently 4.84%. The Tax Exempt and Taxable Rates will be recalculated at the Refix Date, December 1st, 2024, the Reset Date, and each five-year anniversary thereafter but not to exceed 18%. Additional advances shall be priced based upon the above formula at the time of advance to the Refix Date, at a spread equal to 350 basis points plus the next full year Federal Home Loan Bank Advance Rate, and adjusted for the appropriate tax treatment
<u>Option Reprice:</u>	On the Refix Date, December 1, 2024, and every five-year anniversary thereafter until the Loan is repaid in full, the Taxable Rate will refix at a rate equal to the Des Moines Federal Home Loan Bank Long-Term, Fixed-Rate Advances Five Year Bullet Rate plus 350 basis points. The Tax-Exempt rate will be equal to 80% of the Taxable Rate.

(Five Year Federal Home Loan Bank Advance Rate (current at refix) + 350 basis points) X 80%

<u>Default Interest Rate:</u>	Upon a material default of the Note that remains uncured for 30 days after receipt of notice of default, the Note, at the option of the Bank, shall accrue interest at a Default Rate, which shall not exceed a rate equal to the lesser of the Wall Street Journal Prime Rate plus 4.00%, or 18%.
<u>Commitment Fee:</u>	One percent (1%) of the committed amount of the 2019 Note; payable at closing.
<u>Non-use Fee:</u>	A Non-use Fee equal to 20 basis points per annum on the undrawn amount of the Commitment shall be calculated quarterly commencing June 1st, 2020 and collected semi-annually commencing December 1st, 2020. The Non-use Fee will continue to be due to the Bank semi-annually in arrears until fully drawn or availability is extinguished. Prior to the first day of each quarterly accrual period, the URA may request the Bank to terminate any portion of the undrawn commitment availability, and such extinguished commitment shall no longer accrue the Non-use Fee. It is contemplated that the Non-Use Fee will be paid as interest expense from Pledged Revenues

Prepayment Fee: The Note shall be subject to the following prepayment restrictions

i. Commencing with the closing of the Note until the third anniversary, the note will not be repayable.

ii. Subsequent to the third anniversary the Note shall be fully pre-payable without penalty thereafter, until the next refix date.

iii. All prepayments occurring by application of Excess Revenues shall occur without penalty or restriction.

Should the loan be prepaid as a part of a refinance of the current indebtedness, and Vectra Bank is the purchaser of the new debt, the prepayment penalty shall be waived.

Security for the Note: The Note shall be secured by "Pledged Revenues" consisting of; that portion of Pledged Revenues from Sales Tax TIF deposited in the Revenue Account as defined in and pledged to pay the Developer for certified and approved Reimbursable Project Costs pursuant to the Development Agreement.

Upon full retirement of the Series 2019 Loan, the residual reimbursement under the Agreement will revert back to the Urban Renewal Authority.

TIF Agreements: An opinion will be given by Counsel stating the plan is in compliance with the Colorado State Statues and the Sales Taxes in the definitions will be collected.

The Bank and CSURA agree that a condition of this financing, will be execution of Agreements between CSURA and those authorities consenting to the continued receipt of the pledged revenues until the earlier of, the outstanding obligation is repaid in full or 2040.

Debt Service Coverage: Debt Service Coverage shall be calculated as: pledged revenue received divided by actual debt service.

III. Draw Availability

Closing Draw: Based upon the Projected Sales Tax Revenue, a closing draw will be $517,241 less closing costs of the Note will be available at closing.

This advance is based upon a projected debt service coverage ratio of 1.50xs when calculated at the projected sales tax revenue.

Total Commitment	**792,791**
Closing Draw @ 1.50x	517,241
Bank Discount	7,928
Borrower's Counsel	TBD
Bank Counsel	TBD
Developer's Counsel	N/A
Custodian	4,000
Debt Service Fund	50,000
Total at Closing	TBD
Net Proceeds at Closing	**TBD**

Additional Draws: Will be made available to CSURA for three-years with receipt of trailing twelve months sales tax revenue numbers. The draws will be subject to the Prime 25

Restaurant, or bank approved establishment, operating a minimum of six days a week and sales tax revenues achieving a 1.50x debt service coverage.

PV Calculation: The initial draw will be based upon the Present Value calculation of projected Pledged Revenue at the projected sales tax valuation divided as appropriate by the debt service coverage ratio. The projected revenue will be increased by a 1% annual appreciation, and the Present Value will be calculated at the greater of; 6.50% or the current Taxable Rate.

Projected Sales Tax Revenue: Will be calculated based upon projections of Bank accepted tenants open in Completed Buildings, projected forward at 1% annual increase. The Bank may in its sole discretion, advance against projected sales tax revenue of non-bank qualified tenants upon receipt of sufficient financial information. For the purposes of this Commitment Letter we have used the average of $314 sales per square foot sales which will be finalized in due diligence. The advance will be sized for a 1.50x coverage ratio.

Excess Revenue: Sales tax revenue remaining after the payment of all fees, principal, and interest on the Note is paid.

IV. Flow of Funds:

Flow of Funds: Sales Tax TIF comes from the City and is deposited in the Revenue Account for payment of certified and approved Reimbursable Project Costs in accordance with the Development Agreement and must be used exclusively to pay this loan in full and then to pay any Subordinate Debt or the Developer. Upon receipt by the Custodian, funds from the Debt Service Fund shall be applied as follows:

i. To payment of Custodian fees.

ii. To payment of Non-Use Fees.

iii. To the payment of all past due interest, and principal, and any other collection or other fees due the Bank under the Loan Agreement.

iv. To the payment of all current interest and principal

v. To the prepayment of principal on the loans in increments of $5,000 or greater beginning with the final principal payment due on 12/01/2040 and continuing forward in reverse chronological order.

V. Loan Covenants

The following covenants shall be part of the Loan Agreement(s). Other additional covenants may be added, or these may be adjusted going forward by agreement between the Parties as due diligence on the transaction is completed and new issues or concerns arise regarding Loan covenants, Loan structure, financial ratio levels, etc.

Primary Reps, Warranties and Covenants:

i. CSURA will act in good faith to enforce the Development Agreement(s) with Ivywild Core Development, Inc.

ii. CSURA has consented to the hypothecation of the Redevelopment Agreement between CSURA and Ivywild, and further state that Ivywild has fulfilled all requirements of the agreement to receive such pledge revenues and CSURA will remit all received pledged revenues to the Paying Agent upon receipt.

iii. CSURA will provide the Bank with annual audited financial statements (CAFR) within 240 days of their fiscal year-end
iv. CSURA shall not issue additional indebtedness on parity with this loan, without the Bank's express written agreement and in compliance with any limitations contained within the Development Agreement. Such agreement shall not be unreasonably withheld.
v. The loan will be subject to a cash flow recapture covenant which will allow for the accelerated repayment of principal.
vi. Other covenants considered standard for this type of transaction and industry to be negotiated in good faith between the Parties during the due diligence period and Loan approval and documentation process.

VI. Events of Default

Events of Default customarily found in this type of loan to include, but not limited to:

i. Failure of CSURA to pay the principal or interest on the Loan when due or any other amount due and payable to the Bank under the Financing Documents;
ii. Any pledge or other security interest pledged as Security for the loan fails to be fully enforceable with the priority required hereunder;
iii. Failure of Colorado Springs Urban Renewal Agency to pay Pledged Revenues into the Pledged Revenue Fund or cooperate with the Bank to verify same.
iv. Bankruptcy or similar issue of The Authority or any other entity that is party to the Financing Documents or agreements related to the Security for the proposed financing that impairs the Pledged Revenue; and
v. Any other actions or in-actions by CSURA that would otherwise constitute a breach of the provisions of the Financing Documents, including such actions or in-actions that, with the passage of time, would constitute a breach thereunder.

VII. Conditions Precedent:

Conditions to Closing: The Credit Agreement shall contain conditions to closing, including, but not limited to;

i. Execution of the TIF agreements described above in form acceptable to the Banks Counsel.
ii. An opinion of legal counsel for CSURA, acceptable to the Bank, and its legal counsel including, but not limited to, Ivywild Core Development, Inc. capacity and CSURA to enter into the Loan agreement.
iii. An opinion from Bank & Bond Counsel, that such Loans are qualified tax-exempt obligations should CSURA wish to use the tax-exempt pricing option.

Other Conditions: Our respective obligations in connection with the Loan shall be as set forth in Financing Documents. The Financing Documents shall contain provisions for warranties, representations, legal opinions and covenants of CSURA and closing conditions that are customary in similar transactions and are in form and substance satisfactory to the Bank in its sole discretion.

VIII. Other Provisions

Other Costs:	CSURA will be required to pay all out-of-pocket costs including, but not limited to, outside legal fees (including but not limited to Bank Counsel and Underwriter's Counsel) for Loan documentation, filing and recording fees and any other reasonable costs associated with this transaction.
Indemnification:	To the extent permitted by law, CSURA shall indemnify and hold the Bank harmless from and against any and all claims by reason of the execution and delivery of the Loan, except as may result from the Bank' gross negligence or willful misconduct.
Waiver by Borrower:	The 2019 Agreement will contain, among other things, a provision to the effect that: except for harm arising from the Bank's willful misconduct, gross negligence or bad faith, the Borrower, to the extent allowed by law, indemnifies and agrees, to defend and hold the Bank harmless from any and all losses, costs, damages, claims and expenses of any kind suffered by or asserted against the Bank relating to claims by third parties as a result of, or arising out of, the negligence or other misconduct of the Borrower, or any claim made against the Borrower that impairs the Pledged Revenue, in connection with the financing provided under the 2019 Agreement and other 2019 Loan financing documents. To the extent permitted by law, such indemnification and hold harmless provision will survive the termination of the 2019 Agreement and financing documents and the satisfaction of Borrower's obligations to the Bank thereunder.
Waiver by URA:	The 2019 Loan financing documents will include a certificate/acknowledgment of the URA acknowledging Borrower's rights to pledge the Development Agreement as security for the 2019 Loan pursuant to the Agreement and will contain a waiver of the URA's rights to obtain notice or its consent rights.
Document Imaging:	The Bank shall be entitled, in its sole discretion, to image all or any selection of the instruments, other loan documents, items and records governing, arising from or relating to any of Borrower's loan or 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.
Interest & Fee Basis:	All interest and fee calculations will be computed on an Actual/360-day year basis. All principal and interest shall be payable in immediately available funds.

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IX. Commitment sheet Acceptance

By signing below, we hereby accept the Terms and Conditions outlined within this Commitment sheet, subject to normal adjustments agreed upon by both Parties.

By: Megan Severs

Megan J. Severs
Assistant Vice President,
Public Sector Finance
Vectra Bank Colorado

Accepted and agreed to this ______day of________________________, 2018.

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By: ____________________________

Name: ____________________________

Title: ____________________________

By: ____________________________

Name: ____________________________

Title: ____________________________