

THE URBAN RENEWAL AUTHORITY OF THE CITY  
OF COLORADO SPRINGS, COLORADO,  
the Authority

AND

LOWELL DEVELOPMENT PARTNERS, LLC,  
a Colorado Limited Liability Company,  
the Redeveloper

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AGREEMENT FOR DISPOSITION AND REDEVELOPMENT

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Dated as of

December 16, 1999

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## AGREEMENT FOR DISPOSITION AND REDEVELOPMENT

THIS AGREEMENT (the "Agreement"), is made as of the day of \_\_\_\_\_, 1999, by and between THE URBAN RENEWAL AUTHORITY OF THE CITY OF COLORADO SPRINGS, COLORADO, a body corporate and politic of the State of Colorado (the "Authority"), and LOWELL DEVELOPMENT PARTNERS, LLC, a Colorado Limited Liability company, (the "Redeveloper").

### SECTION 1. DEFINITIONS.

In this Agreement the following terms shall have the following meaning, unless a different meaning clearly appears from the context:

- (a) "Act" means the Colorado Urban Renewal Law, section 31-25-101, et seq., C.R.S., as amended.
- (b) "Agreement" means this Agreement, as amended or supplemented in writing and as in effect from time to time.
- (c) "Authority" means The Urban Renewal Authority of the City of Colorado Springs, Colorado, or any successor or assign.
- (d) "Authority Parcels" means those parcels of real property in the Project Area that as of the date of the Agreement, are owned by the Authority or owned by the City within the Project Area and are identified on Exhibit H.
- (e) "Certificate of Completion" means the certification, in the form attached as Exhibit F and described in section 11 of this Agreement, confirming that all or part of the Improvements, as described in such certificate, that Redeveloper is required to construct on the Property have been completed.
- (f) "City" means the City of Colorado Springs, Colorado.
- (g) "Closing" means the event described in section 6.
- (h) "Commencement of Construction" means the visible commencement by the Redeveloper of actual physical operations on the Property for the erection of the Improvements depicted in the Design Development Documents and Construction Documents as approved by the Authority. Such operations shall be commenced by Redeveloper with the intention to continue the work until the

Improvements are completed as required by this Agreement. Commencement of Construction shall include, but shall not be limited to, obtaining all necessary licenses and construction permits from municipal or other public authorities; excavation of the Property for footings, foundations and/or caissons as shown on the approved Construction Documents and any other reasonable evidence that the work undertaken is that required by the Design Development Documents and Construction Documents for construction of the Improvements.

(i) "Commitment" or "Commitments" means the title insurance commitment or commitments described in section 6.

(j) "Completion of Construction" means the substantial completion of construction of all of the Improvements in accordance with the Construction Plans for each Phase of Development as defined below, or the posting of bonds or cash deposits including reserves held by construction lender in amounts satisfactory to the Authority in its reasonable discretion for any uncompleted portions of the Improvements; provided, however, that completion of, or posting of bonds or deposits for the completion of, the following shall not be required: (i) tenant improvements; and (ii) any work not included as part of the Construction Documents.

(k) "Concept Plan" means the Redeveloper's concept for redevelopment of the Property as described in section 9.1 and in Exhibit B.

(l) "Construction Documents" means the final plans and construction documents for construction of the Improvements for each Phase of the Project as described in section 9.3 and Exhibit B.

(m) "Deed" or "Deeds" means, the special warranty deed or deeds in the form attached as Exhibit E and described in section 6.2.

(n) "Default" and "Event of Default" mean any occurrence or event specified and defined in section 18.

(o) "Deposit" means the deposit delivered by the Redeveloper to the Authority as described in section 4.

(p) "Design Development Documents" means the plans and related design documents for each Phase of the Project described in section 9.2 and Exhibit B.

(q) "Environmental Audit" means the site investigation and related activities described in section 7.3 to determine (within industry review standards) whether the Property is in compliance with all applicable Environmental Obligations and to evaluate the extent, if any, to which hazardous or toxic substances, pollutants or contaminants have been or are being released, discharged, emitted or otherwise disposed of into the environment in violation of federal, state or local statutes, laws, ordinances, rules, regulations or other requirements.

(r) "Environmental Obligations" means all federal, state and local environmental, health and safety statutes, as may from time to time be in effect, including but not limited to federal laws such as the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9602 et seq., the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. § 9601 (20) (D), the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 et seq., the Federal Water Pollution Control Act, as amended by the Clean Water Act Amendments of 1977, 33 U.S.C. §§ 1251 et seq., ("CWA"), the Clean Air Act of 1966, as amended, 42 U.S.C. §§ 7401 et seq., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 et seq., the Occupational Safety and Health Act, 29 U.S.C. §§651 et seq., the Safe Drinking Water Act, 42 U.S.C. §§ 300f et seq., the Toxic Substances Control Act, 15 U.S.C., §§2601 et seq., and any and all federal, state and local rules, regulations, authorizations, judgments, decrees, concessions, grants, franchises, agreements and other governmental restrictions and other agreements relating to the environment or to any Pollutants, as may from time to time be in effect.

(s) "Hard costs" means costs and expenses actually incurred by Redeveloper for labor, materials, and equipment used for demolishing improvements on, excavating, grading, landscaping, constructing, providing tenant finish, reports, testing,

inspections, or otherwise physically converting the Property as received by Redeveloper to a finished state as contemplated by this Agreement, the Design Development Documents, and the Construction Documents. By way of example, Hard Costs shall include, without limitation, (i) the costs of providing utility services and other public improvements, whether on or off site, for the Improvements, (ii) the gross cost of any general or special construction contract for the Improvements that is reduced to writing, and the additional charges for change orders, discharge of mechanic's liens, and other similar expenses contemplated by or resulting from such contract, and (iii) any utility tap or other hook-up fees actually paid by Redeveloper.

(t) "Holder" means the owner of a Mortgage.

(u) "Improvements" means all of the Improvements the Redeveloper is required to construct for each Phase of the Project pursuant to the Concept Plan, the Design Development Documents and the Construction Documents as approved in accordance with this Agreement.

(v) "Mortgage" means one or more mortgages or deeds of trust secured by the Property and obtained by the Redeveloper as described in section 16 for redevelopment of each Phase of the Project.

(w) "Parcel" shall mean any Parcel of real property in the Project Area as detailed and described on Exhibit H and includes Authority Parcels.

(x) "Phase" means the Phase of Development of the Project as reflected on the Lowell Neighborhood Design Report included as part of the Design Development Documents set forth in Exhibit B.

(y) "Plan" and "Urban Renewal Plan" mean the South Central Downtown Urban Renewal Plan, revised March 9, 1988, recorded in Book 5503, at page no. 686 of the records of the Clerk and Recorder for El Paso County, Colorado, as such Plan may be amended from time to time.

(z) "Project" and "Urban Renewal Project" mean the South Central Downtown Urban Renewal Project as described in the Plan.



(aa) "Project Area" means all of the area of real property located within the boundaries of the Project as described and delineated in the Urban Renewal Plan.

(bb) "Property" means all of the real property to be redeveloped by Redeveloper as described in Exhibit A of this Agreement.

(cc) "Purchase Price" means the fair value (as defined in the Act and established in accordance with section 6.1) to be paid by the Redeveloper at the Closing for the Authority Parcels in each Phase in exchange for the Deed or Deeds.

(dd) "Redeveloper" means Lowell Development Partners, LLC, a Colorado Limited Liability Company, or its successors and assigns as approved by the Authority in accordance with this Agreement.

(ee) "Redeveloper Parcels" means those parcels of real property in the Project Area that are owned by the Redeveloper as of the date of the execution of this Agreement or are purchased or acquired by Redeveloper directly from a third party after execution of this Agreement.

(ff) "Redeveloper Permitted Exceptions" means those exceptions to the title to the Property that are permitted pursuant to section 6.4.

(gg) "Redeveloper's Financing" means the financing which is necessary for Redeveloper to purchase or hold the Property for each Phase of the Project, to pay necessary relocation assistance and construct the Improvements for each Phase of the Project as required by the Agreement.

(hh) "Reimbursable Project Costs" means Hard Costs and Soft Costs for improvements paid by the Redeveloper and reimbursable by the Authority to the Redeveloper under Section 8.2 and as more specifically described in Exhibit C.

(ii) "Schedule of Performance" means Exhibit D, the schedule that governs the times for performance by the parties to this Agreement.

(jj) "Soft costs" means reasonable fees and expenses of architects, surveyors, engineers, accountants, attorneys,

construction managers and other professional consultants; real property taxes and assessments; direct salary and overhead expenses; reasonable development, administration and overhead charges (which may be paid to the Redeveloper or an affiliate of the Redeveloper); permit charges; costs for operation of Improvements during lease-up; opportunity cost of capital invested in amounts reasonably approved by the Authority; marketing costs, commissions (including both those paid to employees and those paid to third parties), allowances to tenants, and other costs of initial project lease-up; all interest, loan fees, carrying charges and other costs of obtaining and maintaining project financing; and other commercially recognized costs that are incurred in connection with the ownership, development, operation and marketing of the Improvements; provided that any costs or expenses included in the computation of Hard Costs shall not be included in Soft Costs.

(kk) "Title" means the condition of title (as required by section 6.4) to the Property in each Phase of the Project at the time of Closing.

(ll) "Title Company" means the title insurance company selected for the Project in accordance with section 6.3.

(mm) "Uses specified in the Urban Renewal Plan" and "land use" referring to provisions of the Plan, or similar language in the Agreement, shall include the land and all buildings and structures (including accessory structures), housing, and all requirements and restrictions of the Plan pertaining to such land.

## SECTION 2. PURPOSE

The purpose of the Agreement is to further the goals and objectives of the Act and the Urban Renewal Plan, when amended in accordance with the Agreement, for the Project by eliminating blight and providing for the redevelopment of the Property. The Authority has determined that the Agreement and the Redevelopment of the Property as described in the Agreement are consistent with and conform with the Urban Renewal Plan (when amended in accordance with the Agreement) and the public purposes and provisions of

applicable state and local laws, including the Act. Specifically, but without limitation, this Agreement is intended to promote and facilitate the following objectives:

- (a) Encourage and protect existing development of the Property;
- (b) Renew and improve the character and environment of the Property;
- (c) Enhance the current sales tax base and property tax base of the Property;
- (d) Provide incentives for retail shopping and commercial activity within the Property;
- (e) Encourage and provide incentives for private development of affordable housing within the Property;
- (f) Effectively use undeveloped land within the Property;
- (g) Promote the re-use of Lowell School;
- (h) Encourage financially fragile projects within the Property;
- (i) Encourage land use patterns that reduce dependence on the automobile;
- (j) Stabilize and upgrade property values within the Property;
- (k) Encourage renovation, particularly eligible historic structures within the Property;
- (l) Promote improved traffic, public transportation, public utilities, recreational and community facilities within the Property;
- (m) Promote the participation of existing owners in the revitalization and redevelopment of the Property; and
- (n) Satisfy affirmative action and minority business enterprise goals within the Property.

### SECTION 3. DESCRIPTION OF REDEVELOPMENT, IMPROVEMENTS AND PUBLIC IMPROVEMENTS

Subject to the terms and conditions of this Agreement, Redeveloper agrees to redevelop the Property in substantial

accordance with its Concept Plan described in section 9.1 and in Exhibit B and to construct on the Property the Improvements described in Exhibit B. Subject to the terms and conditions of this Agreement, the Redeveloper agrees to finance and to construct, or cause to be constructed, all Public Improvements necessary to develop the Project Area. All construction required of the parties by the Agreement shall be undertaken and completed in accordance with the Schedule of Performance, the Design Development Documents, the Construction Documents, all applicable laws and regulations, including City codes and ordinances, the Urban Renewal Plan and shall be performed in accordance with and subject to the terms and conditions of the Agreement as it may be amended.

#### SECTION 4.

##### REDEVELOPER'S DEPOSIT AND FEES

4.1 Purpose and Amount. As security for its performance under this Agreement, the Redeveloper shall deliver to the Authority on the date of Closing the Authority Parcels, a certificate of deposit or letter of credit in the amount of One Hundred Thousand Dollars (\$100,000.00). The Deposit shall be held by the Authority as security for the Redeveloper's performance under the Agreement. Upon issuance of a Certificate of Completion for Redeveloper's development obligations for Phase I as described in The Lowell Neighborhood Design Report included as a part of Exhibit B, Fifty Thousand Dollars (\$50,000.00) of the Deposit shall be released or returned to the Redeveloper, provided that Redeveloper is not otherwise in default under this Agreement. Upon issuance of a Certificate of Completion for Redeveloper's development obligations for Phase II Development as described in the Lowell Neighborhood Design Report included as part of Exhibit B, the balance of the Deposit shall be released or returned to Redeveloper; provided that Redeveloper is not otherwise in default under this Agreement. Upon Redeveloper's Default under section 18.1, the Deposit may be retained by the Authority in accordance with section 18.4 as part payment of its damages, if any.

4.2 Administrative Fee. On the date of Closing of the Authority Parcels, Redeveloper shall pay to the Authority a non-refundable administrative fee in the amount of Fifty Thousand Dollars (\$50,000.00) to cover the Authority's costs of review and oversight of contracts, plans and documents associated with the Project and to cover costs incurred in the preparation of the contract documents. In addition, Redeveloper shall pay to the Authority an administrative fee in the amount of Fifty Thousand Dollars (\$50,000.00) on December 30, 2000 and continuing on December 30th of each year thereafter during the term of this Agreement until eighty percent (80%) of the square footage of the Improvements in both Phase I Development and Phase II Development as set forth in Exhibit B are completed and a Certificate of Completion has been issued or five (5) years after Closing of the Authority Parcels has occurred, whichever first occurs.

4.3 Participating Interest. The Redeveloper agrees to pay to the Authority a participating interest in the amount of one half of one percent ( $\frac{1}{2}\%$ ) of any arms length sales price of the Property after substantial completion of Improvements or one half of one percent ( $\frac{1}{2}\%$ ) of the first time valuation by the County Assessor's office of the Property including completed Improvements. In the event of a sale of the Property without completion of Improvements, then the approval by the Authority to the sale shall be conditioned upon approval by the Authority of amount and timing of payment to the Authority of an agreed upon fee based upon the estimated value of the Property after anticipated improvements have been constructed. In addition, the Redeveloper must also meet all of the requirements for approval of the sale as set forth in this Agreement. The participating interest fee on parcels valued by the County Assessor shall be payable by the Redeveloper to the Authority on December 31 of each calendar year commencing December 31, 2000. On parcels sold, the fee shall be paid on the date of Closing. The participating interest fee shall continue to be paid until completion of the project. The Authority shall have the right to deduct from any incremental property taxes received by the

Authority that are to be paid to Redeveloper, any participating interest that remains due and owing at the end of any calendar year.

4.4 Excess Performance Interest On Property Sales.

Redeveloper and Authority have agreed upon a threshold for Excess Performance Interest of TWENTY ONE MILLION NINE HUNDRED FORTY-FIVE THOUSAND DOLLARS (\$21,945,000.00) for all land within the project. When the sum of the sales of the land by the Redeveloper, and the assessed value of land retained by the Redeveloper exceed a total of TWENTY ONE MILLION NINE HUNDRED FORTY FIVE THOUSAND DOLLARS (\$21,945,000.00), Redeveloper shall pay to the Authority THIRTY THREE AND ONE-THIRD PERCENT (33 1/3%) of the sales price in excess of that amount. Redeveloper shall submit quarterly sales reports to the Authority and payment of any amounts due under this section shall be paid quarterly to the Authority when the report is submitted to the Authority.

SECTION 5. ACQUISITION, RELOCATION, DEMOLITION

5.1 Acquisition of Parcels.

(a) First Closing - Authority Parcels. Within thirty (30) days after Redeveloper has satisfied the contingencies as set forth in this section, the Redeveloper will purchase from the Authority all Authority Parcels for the sum of \$1,250,000.00 and shall purchase or have under contract to purchase the Roads Property. The Authority Parcels are identified by parcel number in the attached Exhibit H and designated as owned by CURE or City. It is agreed that contingencies to the first Closing are that Redeveloper shall have received prior to the date of first Closing: (1) zone changes requested; (2) an approved Concept Plan, and (3) an agreement with the City of Colorado Springs concerning development standards applicable to the Project relating to density, mixed uses, landscaping, vesting, open space criteria, set backs and heights that are acceptable to the Redeveloper. The present schedule for satisfying all contingencies is as follows:

- (1) November 4, 1999 - Planning Commission approval;
- (2) November 23, 1999 - First City Council approval;
- (3) December 14, 1999 - Second City Council approval;
- (4) January 13, 2000 - Closing

Further it is understood that the following contingencies must be met prior to the first Closing date:

1. That the Lowell School Purchase by the Housing Authority has all contract contingencies removed and that a Closing will occur at the same time or prior to the closing date under this Agreement;

2. There is a satisfactory resolution of the manner in which the police parking structure will be constructed; and

3. That the Redeveloper will have obtained its financing for acquisition of Authority Parcels prior to the date of the first Closing.

4. That a Phase One environmental audit is completed.

(b) Second Closing - Police Operations Center Parcels and Balance of Property With Exceptions. Within one hundred twenty (120) days after the date of first Closing, the second Closing will take place. On the second Closing, the Redeveloper will purchase from the Authority, that portion of the Police Operations Center as depicted on the Concept Plan consisting of approximately 52,000 square feet for a purchase price as established by an appraisal prepared by a mutually agreed upon appraiser. The Redeveloper shall directly acquire the balance of the Property in the Project Area with the exception of the Doxey Parcel (tax parcel 00-021), the Community Health Center Lots, the T&G Jones Lot, the Phillips Lots, the Central Linen Lots and the Railroad right of way. The excluded parcels are depicted on the map attached as Exhibit I. In the event the Redeveloper does not have a contract negotiated to purchase the Parcels from third party owners by the date of the first Closing, then Redeveloper agrees to advance sufficient monies to the Authority within sixty (60) days of the date of first Closing to allow the Authority to proceed with condemnation proceedings to acquire such properties. After acquisition of such properties by condemnation, the Redeveloper shall purchase such properties from the Authority for the amount that the Authority had to pay for such property in the condemnation proceeding plus all costs incurred in the condemnation proceedings and relocation costs incurred by the Authority.

(c) Third Closing - Balance of Property. On or before December 31, 2002, the Redeveloper will purchase from the Authority or acquire directly from third parties the balance of the Property in the Project Area with the option to exclude the Railroad right of way and the Doxey Parcel. In the event the Redeveloper has not purchased the balance of the parcels from third parties by June 30, 2002, then the Redeveloper agrees to advance sufficient monies to the Authority by July 31, 2002, to allow the Authority to proceed with condemnation proceedings to acquire such property and resell the property to Redeveloper by December 31, 2002. The purchase price for the Property shall be the amount the Authority had to pay in the condemnation proceedings, all costs incurred in the condemnation proceeding and any relocation costs incurred by the Authority.

5.2 Acquisition of Property and Relocation. Subject to the conditions precedent recited in this Agreement, the Authority shall acquire title to parcels that it does not presently own if the Redeveloper is unable to acquire such Parcels. The Authority is responsible for providing relocation assistance to all eligible persons, families and businesses displaced from the Property and as required by law, in accordance with the relocation provisions provided in the Plan. The Authority will use its best efforts to complete such acquisition and relocation on or before the dates specified in this Agreement for closing with Redeveloper. The Authority may temporarily rent or lease any part of the Property it has acquired to third parties pending its disposition for redevelopment. Any income from such interim use shall be the sole and exclusive property of the Redeveloper.

5.3 Acquisition Financing. On or before the dates specified in the Schedule of Performance, the Redeveloper shall deliver to the Authority evidence, in a form and substance reasonably acceptable to the Authority, of the debt and equity financing necessary to acquire the Parcels of Property and provide relocation assistance. Redeveloper agrees to loan or advance to the Authority, prior to initiation of the condemnation proceedings, on



terms mutually agreeable to the parties, sufficient monies to enable the Authority to acquire the Parcels of Property through condemnation and to provide necessary relocation assistance.

5.4 Acquisition Procedure. In accordance with the Schedule of Performance and Colorado Law, the Authority will obtain one or more real estate acquisition appraisals for each Parcel that it is to acquire pursuant to the terms hereof and shall commence and complete actions to acquire title to such parcels in accordance with all applicable laws, ordinances, the Plan and this Agreement.

5.5 Demolition and Clearance. The Redeveloper will demolish and clear existing improvements from the Authority Parcels and other Parcels it acquires within six (6) months from the date of acquisition in conformance with all applicable laws, codes and ordinances, excepting improvements scheduled for renovation.

5.6 Property Subject to Agreement. Redeveloper agrees that any Property located in the Project Area that it acquires directly from third parties shall be subject to the terms and conditions of this Agreement. Within ten (10) days after Closing on any such Property acquired directly from a third party, Redeveloper agrees to record covenants as contained in the Special Warranty Deed attached as Exhibit E, subjecting the directly acquired Property to such covenants.

## SECTION 6. DISPOSITION; TITLE

6.1 Disposition. In accordance with, and subject to, all the terms, covenants and conditions of this Agreement, the Authority agrees to convey to the Redeveloper, Title to the Parcels of Property necessary to construct the Improvements for all Phases of the Project. The Purchase Price for the Authority Parcels owned as of the date of this Agreement shall be \$1,250,000.00. The Redeveloper shall pay the Purchase Price to Authority at the first Closing upon delivery to the Redeveloper of the Deed or Deeds to the Authority Parcels. On parcels that the Authority acquires through condemnation, the Redeveloper shall receive a credit at Closing against any loans previously made to the Authority for

acquisition of those parcels through condemnation and for relocation expenses.

6.2 Closing; Form of Deeds. The Authority shall convey Title to the Parcels at each Closing by the form of Deed, attached as Exhibit E. At the time specified for such conveyance in the Schedule of Performance (the "Closing"), Title to the Parcels shall be in the condition required by section 6.4. The Authority shall deliver the Deed or Deeds to the Redeveloper at the Closing or on such earlier date or dates as the parties may agree in writing. The Closing shall occur at the office of the Title Company, unless the parties agree otherwise in writing. After delivery by the Authority, the Redeveloper shall promptly file the Deeds for recordation among the real estate records of the El Paso County, Colorado. The Redeveloper shall pay all recording costs, including the state documentary fee.

6.3 Title Insurance. The Authority and the Redeveloper hereby agree that Land Title shall be the title insurance company selected by the parties (the "Title Company"). In accordance with the Schedule of Performance, the Authority will order a commitment (the "Commitment") for an owner's policy of title insurance on the Parcels to be purchased from the Authority from the Title Company on ALTA Form Owner's Policy dated 10-21-87 or equivalent form acceptable to the parties, with Environmental Lien Endorsement B.1 (or comparable form), if available for owner's policy upon terms and rates reasonably acceptable to the parties. The Commitment shall show that title to the Parcels is subject only to the Redeveloper Permitted Exceptions as described in section 6.4, and shall commit to insure merchantable title to the Parcels in the amount of the Purchase Price or such greater amounts as Redeveloper may from time to time specify, subject only to the Redeveloper Permitted Exceptions (with standard printed exceptions deleted) and subject only to satisfaction of requirements for delivery of the Deed or Deeds from the Authority to the Redeveloper, the receipt by the Title Company of a survey from the Redeveloper, receipt by the Title Company of any affidavits and agreements of the Authority and

the Redeveloper that the Title Company routinely requires in connection with the deletion of standard printed exceptions. The Commitment shall be accompanied by and include legible copies of all recorded instruments referred to therein. The Authority will cause the Title Company to update the Commitment or Commitments from time to time as and when the Redeveloper shall reasonably require. The Redeveloper, at its expense, may order any additional commitments, endorsements or coverages that it desires. With the Commitment the Title Company shall deliver to Redeveloper its written agreement, in form and substance reasonably satisfactory to Redeveloper, to insure Redeveloper, its lenders, successors and assigns and their lenders against loss or damage arising from uncompleted eminent domain actions where full use and possession of portions of the Parcels have been granted to the Authority by order of court but the final award has not been determined and notwithstanding an adverse appellate decision affecting such acquisition by the Authority. The Redeveloper shall have thirty (30) days from receipt of the Commitment or any Commitment update to review it and notify the Authority of any defect or condition that does not conform with the requirements of section 6.4. After receipt of such notice, the Authority shall immediately proceed to cure all Title defects specified in such notice. If the Authority is unable to cure such defects within thirty (30) days, the Redeveloper may elect by written notice to the Authority delivered within five (5) days thereafter to (i) grant the Authority an extension of thirty (30) days or longer in which to cure all such defects; (ii) accept Title as is; (iii) terminate the Agreement in accordance with section 17; or (iv) renegotiate the terms of the Agreement in accordance with section 7.11. At the Closing, the Title Company shall deliver to the Redeveloper either an owner's policy of title insurance insuring Title to the Property in accordance with section 6.4 or a written agreement acknowledging that Title conforms with section 6.4 and committing to issue the owner's policy notwithstanding the gap in time between the effective date of the last commitment and the owner's policy. The

Title Company shall issue any other title insurance policies that Redeveloper and its mortgagees may require. The Redeveloper shall be responsible for payment of all costs associated with the issuance of the Commitments, including updates, the cost of owner's title insurance policies in favor of Redeveloper attributable to the Purchase Price of the Parcels, and recording costs. The cost of commitments and title insurance policies on Redeveloper Parcels conveyed to the Authority, if any, increased title insurance coverage attributable to the value of the improvements, the premium for any mortgagee title insurance policy issued to insure a Mortgage, any endorsement to title insurance policies required by a Holder, the cost of recording the Deeds to the Parcels, the cost of recording any Mortgage and any documentary fee for the Parcels shall be paid by the Redeveloper. Escrow and closing fees and all other charges and fees charged by the Title Company shall be paid by the Redeveloper.

6.4 Condition of Title. Title to the Parcels shall be merchantable, free and clear of all liens, defects and encumbrances, subject only to: (a) the Urban Renewal Plan, (b) this Agreement, (c) a Mortgage, (d) liens, defects and encumbrances resulting from the Redeveloper's actions, (e) liens, defects or encumbrances waived or approved by the Redeveloper, (f) lack of merchantability resulting from eminent domain suits in which the valuation phase has not been completed but in which the Authority has been granted full possession and use of all or part of the subject property by order of court, provided the Title Company insures over the item (f) in a manner reasonably acceptable to Redeveloper, (g) short-term tenancies by displaced owners or tenants that in the reasonable opinion of Redeveloper do not materially affect the Redeveloper's obligations under the Agreement, and (h) utility easements and rights of way consistent with the Concept Plan created by or consented to by Redeveloper. Subsections (a) through (h) of this section 6.4 are the "Redeveloper Permitted Exceptions."

## SECTION 7. PREPARATION OF THE PROPERTY FOR REDEVELOPMENT

7.1 Zoning. The Redeveloper agrees to initiate and to use its best efforts to cause such zoning changes as are required to carry out the Concept Plan to be completed in accordance with the Schedule of Performance.

7.2 Public Improvements. The Redeveloper shall design and construct the Public Improvements for the Project in accordance with the Schedule of Performance. With respect to each Phase, the Redeveloper shall construct, in the public right-of-way, all mains and lines necessary for the Public Improvements and necessary to provide water, sanitary sewer, storm sewer, natural gas and electricity for the Improvements. The construction and installation of such utilities shall conform with the requirements of all applicable laws and ordinances. The Redeveloper shall also be responsible for the relocation, design and construction and relocation of all new public streets, utilities, sidewalks, alleys, landscaping and street lighting within the public right-of-way shown in the Plan, the Concept Plan and the Design Development Documents. The Redeveloper shall be responsible for the design, construction and cost, if any, of utility and service lines necessary for the construction of the Improvements on the Redeveloper Parcels it acquires and the Parcels conveyed to it under the Agreement; tap connection fees and other City requirements, including the cost of extending such utility lines from the Improvements to the mains in the public right-of-way.

7.3 Environmental Audit. The parties shall jointly engage a qualified environmental audit consultant to commence and complete an initial stage environmental audit of the Project Area. The Redeveloper shall pay the cost of such Environmental Audit. If the results of such audit show the presence of toxic or hazardous substances within the Project Area that adversely affect the entire Project or that the environmental conditions in the Project Area materially affect the economic feasibility of the entire Project or all the uses contemplated by the Agreement, either party, within

thirty (30) days after receipt of such audit report may elect to terminate the Agreement in accordance with section 17 or to renegotiate the Agreement in accordance with section 7.11. It is understood that the existence of toxic or hazardous substances or detrimental environmental conditions on only some parcels does not create a right to terminate unless the economic feasibility of the entire Project is adversely affected.

7.4 Access to Property. At all reasonable times, either party shall permit representatives of the other to have access to any part of the Project Area to which it holds title or has possession by order of court for the purpose of installing signs, obtaining data, making tests, surveys, borings, engineering studies, carrying out or determining compliance with this Agreement, the Urban Renewal Plan or any City code or ordinance, including, but not limited to, inspection of any work being conducted on such property. Any such access or inspection shall not interfere with the use of such property or construction of the Improvements. No compensation shall be payable to the parties nor shall any charge be made in any form by any party for the access provided in this section. A party entering upon such property pursuant to this section shall restore such property to its condition prior to any tests or inspections made by such party and shall indemnify and hold harmless the party owning such property for any loss or damage or claim for loss or damage (including reasonable legal fees) resulting from any such entrance, tests or surveys (but this indemnity shall not apply to conditions existing on such property at the time of such entry, even where such condition was discovered by virtue of the entry). The Authority will initiate such actions as are necessary to obtain entry upon real property that it may not own or have possession by court order for the purpose of the Environmental Audit.

7.5 Soils. In accordance with the Schedule of Performance, and at Redeveloper's expense, the Redeveloper may conduct such soils tests as it may reasonably require for construction of the Improvements for each Phase in accordance with the Concept Plan.

Where the Redeveloper or the Authority do not own or have court ordered possession of property at the time of such tests, the parties agree to cooperate in using their best efforts to obtain access to such property for such purpose with the consent of the owners; provided, however, that nothing herein shall obligate the Authority to seek such access without consent of the owners through court order. If the results of such report show that the condition of soils in the entire Project Area render the uses contemplated in the Concept Plan to be uneconomical for the entire Project in the sole discretion of the Redeveloper, the Redeveloper, within thirty (30) days after receipt of such soils report may elect to terminate the Agreement in accordance with section 17 or to renegotiate the terms of the Agreement in accordance with section 7.11. The soils tests described in this section 7.5 relate to foundation and construction issues and are not intended to include any soils tests or borings conducted as part of any Environmental Audit. It is understood that an adverse report for only some parcels does not create the right to terminate this Agreement unless it renders the uses for the entire Project to be economically unfeasible.

7.6 Survey. In accordance with the Schedule of Performance, the Redeveloper may obtain such boundary and improvement surveys as it may require in connection with and consistent with its duties under the Plan, and this Agreement, with the Redeveloper to pay its own costs. Within ten (10) days of receipt of such survey Redeveloper shall provide the Authority with a copy of each such survey as it obtains. If a survey reveals conditions exist in the Project Area that materially affect the economic feasibility of the entire Project, either party may elect to terminate the Agreement in accordance with section 17 or to renegotiate the terms of the Agreement in accordance with section 7.11. It is agreed that if conditions exist that only affect some parcels, then there is no right to terminate this Agreement unless the economic feasibility for the entire Project is adversely affected.

7.7 Urban Renewal Plan Amendment. In accordance with the Schedule of Performance and subject to review and approval by the

Redeveloper, the Authority agrees to prepare, recommend and use its best efforts to obtain amendments of the Urban Renewal Plan to provide for redevelopment of the Project Area in accordance with the Agreement, including the Concept Plan.

7.8 Replat and Dedications. The Authority is not requiring the Redeveloper to replat or resubdivide the Property, but the Redeveloper agrees to comply with all applicable City codes, ordinances and planning requirements with regard to redevelopment of the Property and construction of the Improvements, including if required by the City, to replat or resubdivide the Property. The Redeveloper shall dedicate, as appropriate, such utility and drainage easements required to properly carry out and maintain the Improvements.

7.9 Antidiscrimination. The Redeveloper agrees that in the construction and use of the Improvements required by this Agreement, the Redeveloper will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin.

7.10 Signage. As soon as reasonably practicable, and until completion of construction, the Redeveloper shall display temporary signage at the Project provided by the Authority and relating to the Authority's participation in the Project. Such signage shall be connected to the primary signage identifying the Project and visible to the general public. In addition, the Redeveloper shall attach to the Improvements, at street level, or in or adjacent to a primary entrance to the Project, a permanent sign acceptable to the Authority not less than ninety (90) square inches acknowledging that the Project was financed and constructed in cooperation with the Authority.

7.11 Renegotiation of Agreement. If there is an election to renegotiate the Agreement for (a) defects of title to Redeveloper Parcels or Authority Parcels; (b) the results of the Environmental Audit (section 7.3); (c) the condition of soils (section 7.5) or (d) conditions revealed by a survey (section (7.6), the party exercising such right shall notify the other of such election



within the time specified for each in this Agreement, and, in such event, the parties agree to negotiate for a period of up to forty-five (45) days after receipt of such notice or notices by the other party to resolve such issue or issues and for modifications of the Agreement consistent with the objectives of the Plan. If such renegotiation efforts fail either party may terminate the Agreement in accordance with section 17.

## SECTION 8. PROJECT FINANCING

8.1 Redeveloper's Financing. On or before the dates specified for in the Schedule of Performance, Redeveloper shall obtain financing commitments for land acquisition, relocation assistance and construction of the Improvements which are acceptable to it, in its sole discretion. The Redeveloper shall submit evidence reasonably satisfactory to the Authority and its financial advisors that it has obtained Redeveloper's Financing, in an amount sufficient to acquire the Property and to construct and complete the Improvements required. It is understood that Redeveloper may wish to place a Special Improvement District or Special Assessment lien upon the Project Area as a part of its financing for the project. The Authority agrees to cooperate in Redeveloper's efforts to create the district or lien. Any net proceeds received by Redeveloper from a district or lien shall be used to reduce the maximum Reimbursable Project Costs as described in Exhibit C.

### 8.2 Authority Financing.

(a) Reimbursement. The sole financing provided by the Authority shall be the reimbursement of Reimbursable Project Costs from Incremental Property Taxes from amounts described in Exhibit C, up to the maximum Reimbursable Project Costs in the amount of \$9,000,000.00, plus interest and such reimbursement shall be subject to this section. The Redeveloper and Authority agree that such reimbursement shall constitute an advance under Colorado Revised Statutes § 31-25-109. In order to establish the amount of Reimbursable Project Costs related to acquisition, the parties

agree that the base value for all Property shall be as set forth in the analysis as prepared by Joseph Hastings And Associates.

(b) Notice of Reimbursable Project Costs. No later than sixty (60) days after incurring any Reimbursable Project Costs, the Redeveloper shall provide to the Authority a payment request. The payment request shall indicate the aggregate Reimbursable Project Cost to be reimbursed by the Authority and such other information as set forth in Exhibit C and as the Authority may from time to time reasonably require, including, but not limited to evidence satisfactory to the Authority of the proper application of past disbursements and evidence substantiating any and all of the Reimbursable Project Costs indicated in such notice. The payment request shall further include a certification by a professional agreed to by the parties that all Reimbursable Project Costs were actually incurred and not previously reimbursed to the Redeveloper pursuant to a payment request and that the improvements made therewith were constructed in compliance with applicable laws, ordinances and regulations, the Concept Plan and the Urban Renewal Plan. Prior to payment, the Authority has the right to require adequate documentation of expenditures from the Redeveloper.

(c) Appointment of Trustee or Escrow Agent. Authority may, from time to time, designate one or more trustees or escrow agents to act as its collection and disbursing agent for incremental property taxes. Redeveloper hereby consents to any such designation and any direction by the Authority to the trustee or escrow agent to deduct from disbursements to the Redeveloper, the Authority's participating interest, administration fees and the Excess Performance Interest (all as set forth in section 4). The Authority has previously received loans from the City of Colorado Springs in the total amount of \$1,250,000.00. From the proceeds of the sale of the Authority's Parcels from the Authority to the Redeveloper, these loans shall be reduced to the sum of \$850,000.00. After Redeveloper has been paid its Reimbursable Project Costs, the incremental property taxes received by the

Authority shall be used to repay to the City of Colorado Springs the loans previously made to the Authority.

(d) Authority's Reimbursement Obligation. The Authority's payment obligation under this section shall be limited to the amount of incremental property taxes actually received and legally available for such purpose, less accrued participating interest, Excess Performance Interest and administrative fees. In the event there are insufficient incremental property taxes to pay Reimbursable Project Costs in any one year, those expenses shall accrue and payment shall be made to Redeveloper when incremental property taxes are available to pay such expenses. Nothing in this Agreement shall be construed to require the Authority to make any payments to the Redeveloper on a periodic and aggregate basis, in excess of such amount, or, in the aggregate, in excess of the maximum Reimbursable Project Costs of \$9,000,000.00. The Authority's payment obligation hereunder shall terminate on the termination date of the Urban Renewal Plan whether or not all Reimbursable Project Costs have been reimbursed. The Redeveloper acknowledges that the generation of incremental property taxes is totally dependent upon the success of the Project and agrees that the Authority is in no way responsible for the amount of incremental property taxes actually generated. The Redeveloper therefore agrees to assume the entire risk that insufficient incremental property taxes will be generated to reimburse all Reimbursable Project Costs. Notwithstanding anything other provision hereof, for purposes of this section, "incremental property taxes" shall include all amounts paid to the Authority by the County Treasurer.

(e) Status of Incremental Property Taxes. The Authority agrees, that in the event that a court of competent jurisdiction determines that all or part of the incremental property taxes are available to the Authority but the Authority is not legally authorized to pledge such amounts to the Redeveloper, the Authority shall include an equivalent amount of such incremental property taxes in its annual budget and in good faith consider appropriating

such amount to or for the account of the Redeveloper. Notwithstanding any provision hereof to the contrary, the Authority agrees that in the event that the Authority is required, pursuant to Article 10, Section 20 of the Colorado Constitution ("TABOR") to make any refund of any property taxes, the Authority shall not reduce or limit the incremental property taxes paid to or for the account of the Redeveloper except to the extent the incremental property taxes otherwise available to the Authority are reduced. The Redeveloper agrees to assume the entire risk that TABOR will impair the ability of the Authority to make incremental property taxes available for reimbursement of Reimbursable Project Costs.

(f) Equal Treatment; Non-Dilution of Benefits. Without limiting any other provision in this Agreement, the Authority acknowledges that a goal and intent of this Agreement is to assure equal treatment of the Redeveloper with other developers who may enter into similar development, reimbursement or incentive agreements with the Authority. Accordingly, the Authority covenants and agrees that the Authority shall not (a) enter into any development, reimbursement or incentive agreement with a third party that provides for payment, reimbursement or incentive payment from property tax revenues, (b) identify for payment any amount of property tax revenues to such party or (c) appropriate any payment under such development, reimbursement or incentive agreement to such third party, unless the Authority acts in a substantially similar manner with respect to the Redeveloper under this Agreement. The parties expressly agree that the foregoing provision shall be severable from this Agreement and in no event shall a finding of the invalidity or unenforceability of this provision, in whole or in part, for any reason, affect any other obligation of the parties hereunder. The parties acknowledge and agree that the foregoing provision does not constitute a compulsion upon the Authority to appropriate any monies to the Redeveloper or a material impairment of the Authority's discretion with respect to any matter, including, the right and ability to the Authority to issue property tax revenue obligations in the future.

8.3 Cooperation Regarding Financing. The parties agree to cooperate with one another in obtaining the Redeveloper's Financing by providing one another with such information, certifications, assurances, opinions and by amending or modifying agreements, including this Agreement, as may be reasonably required in connection with such financing, provided, that neither party shall be required to make amendments or modifications that substantially or materially change the rights or obligations of the parties under the Agreement. If either the Redeveloper's Financing or the Authority's Financing are not secured or available by the dates set forth in the Schedule for Performance, for the purposes set forth in this Agreement, then either party shall have the right to terminate this Agreement.

#### SECTION 9. PLAN REVIEW PROCEDURE

9.1 Concept Plan. In accordance with the Schedule of Performance, the Redeveloper will submit its Concept Plan and the uses it proposes for the Project Area. The Authority shall review and approve the Concept Plan in accordance with the Schedule of Performance or this Agreement may be terminated in accordance with section 17. Unless deviations are specifically approved in writing by the Authority, the Design Development Documents and the Construction Documents for each Phase of the Project shall conform with and shall be a logical development of the Concept Plan, as approved by the Authority.

9.2 Design Development Documents. In accordance with the Schedule of Performance, the Redeveloper shall prepare and submit to the Authority the Design Development Documents for each Phase of development, or portion thereof, as described in Exhibit B. Unless deviations are specifically approved in writing by the Authority, the Design Development Documents shall conform with and shall be logical development of the Concept Plan and shall meet the requirements of all applicable laws, codes and ordinances.

9.3 Construction Documents. The Redeveloper shall prepare and submit to the Authority the Construction Documents for each

Phase, or portion thereof, prior to commencement of actual construction for that Phase.

9.4 Approval, Changes. If the Concept Plan, the Design Development Documents or the Construction Documents for each Phase, or portion thereof, originally submitted conform with the requirements of sections 9.2 and 9.3, respectively, the Authority shall approve them in writing in accordance with the Schedule of Performance. No further approval by the Authority shall be required except for any substantial change in the Concept Plan, Design Development Documents or Construction Documents, as the case may be. If the Authority rejects the Concept Plan, the Design Development Documents or Construction Documents in whole or in part, it shall deliver its rejection to the Redeveloper in writing, specifying the reasons for rejection, within the time stated for each such rejection in the Schedule of Performance. The Redeveloper shall submit new or corrected Design Development Documents or Construction Documents for each Phase, or portion thereof, that conform with the requirements of the Agreement within the time for each provided in the Schedule of Performance. The construction of the Improvements shall conform with the Construction Documents as approved by the Authority. If the Redeveloper desires to make any substantial changes in the Concept Plan, the Design Development Documents or Construction Documents for each Phase, or portion thereof, after their approval, the Redeveloper shall submit the proposed changes to the Authority for approval, which approval shall not be unreasonably withheld. Approvals or rejections of proposed changes shall be made by the Authority in accordance with the Schedule of Performance.

9.5 Construction Budget. During the period of construction of the Project, the Redeveloper shall provide quarterly to the Authority an updated construction budget in form and substance reasonably acceptable to the Authority.

9.6 Public Art. The Redeveloper shall provide and install public art approved by the Authority and the Arts Commission of the Pikes Peak Region. The cost of the public art shall not be less than \$100,000.00.

## SECTION 10. CONSTRUCTION OF IMPROVEMENTS

10.1 Covenants to Commence and Complete Construction. The Redeveloper shall use its best efforts to commence and complete construction of the Improvements on the Property for Phase I of the Project (or portion thereof as approved by the Authority) within the time periods specified in the Schedule of Performance and for subsequent phases in accordance with the time schedule stated in the Design Report contained in Exhibit B. The Deeds shall contain covenants consistent with this Agreement regarding such construction and completion that run with the land and are binding for the benefit of the Authority and enforceable by the Authority against the Redeveloper and its successors and assigns.

10.2 Progress Reports. After Closing and until Completion of Construction of the Improvements, the Redeveloper shall make reports, in such detail and at such times as may reasonably be requested by the Authority, as to its actual progress with respect to construction of the Improvements.

10.3 Insurance Prior to Completion of Construction. At all times while the Redeveloper is engaged in preliminary work on the Property, and during the period from the Closing until Completion of Construction, the Redeveloper shall maintain, and upon request, shall provide the Authority with proof of payment of premiums and certificates of insurance as follows:

(a) Builder's risk insurance (with a deductible in an amount comparable to the deductibles carried by the Redeveloper on builder's risk insurance policies for similar projects) in an amount equal to 100% of the replacement value of the Improvements at the date of Completion of Construction.

(b) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors completed operations and contractual liability insurance) and umbrella liability insurance with a combined single limit for both bodily injury and property damage of not less than \$5,000,000. Such insurance may carry a deductible in an amount comparable to deductibles carried by the Redeveloper on liability insurance policies for similar projects.

(c) Worker's compensation insurance, with statutory coverage, including the amount of deductible permitted by statute. The policies of insurance required under subparagraphs (a) through (c) above shall be reasonably satisfactory to the Authority, placed with financially sound and reputable insurers, require the insurer to give at least thirty (30) days advance written notice to the Authority in the event of cancellation or change in coverage and shall name the Authority as a coinsured.

10.4 Insurance After Completion of Construction. From the Completion of Construction of the Improvements and until the issuance of a Certificate of Completion, the Redeveloper shall maintain, and upon request of the Authority shall furnish proof of the payment of the premiums on insurance against loss and/or damage to the Improvements covering such risks as are ordinarily insured against by similar businesses, including (without limitation) fire, extended coverage, vandalism and malicious mischief, boiler explosion, water damage, and collapse in an amount not less than full insurable replacement value of the Improvements (determined by the Redeveloper with the carrier on an "agreed-amount" basis); provided, such policy may have a deductible in an amount comparable to deductibles carried by the Redeveloper on such insurance policies for similar projects. All such insurance policies shall be issued by responsible companies selected by the Redeveloper. The Redeveloper will deposit annually with the Authority policies or certificates evidencing or stating that such insurance is in force and effect. Each policy shall contain a provision that the insurer shall not cancel or modify it without giving written notice to the Redeveloper and the Authority at least thirty (30) days before the date the cancellation or modification becomes effective.

10.5 Repair or Reconstruction of Improvements. The Redeveloper shall immediately notify the Authority of any damage to the Improvements exceeding \$10,000. If the Improvements are damaged or destroyed by fire or other casualty prior to the issuance of a Certificate of Completion, the Redeveloper, within one hundred and twenty (120) days after such damage or destruction,



shall proceed forthwith to repair, reconstruct and restore the damaged Improvements to substantially the same condition or value as existed prior to the damage or destruction, and the Redeveloper will apply the proceeds of any insurance relating to such damage or destruction to the payment or reimbursement of the costs of such repair, reconstruction and restoration (unless other terms and disposition are agreed to between the Redeveloper and the Authority).

10.6 Delivery of Financial Information. Redeveloper agrees to provide to the Authority copies of the annual financial statements of the Redeveloper, audited, if available, and prepared in accordance with generally accepted accounting principals and relating to the Project as such financial statements become available, but in all events, within one hundred twenty (120) days after the end of each of Redeveloper's fiscal years prior to the termination date of this Agreement. The Authority agrees to keep such information confidential and to the extent legally permissible, to treat it as proprietary commercial and financial information, not subject to disclosure under any applicable law. In the event that the Authority is compelled by a Court of competent jurisdiction to disclose such information, it shall provide prompt notice to the Redeveloper and provide reasonable assistance, at Redeveloper's expense, including the Authority's reasonable attorney fees, to the Redeveloper in seeking a protection order.

## SECTION 11. CERTIFICATE OF COMPLETION

11.1 Completion of Construction of Improvements. Promptly after Completion of Construction of the Improvements for each Phase of the Project, the Authority will furnish the Redeveloper with a Certificate of Completion in the form attached as Exhibit F. Such Certificate of Completion for a Phase shall be a conclusive satisfaction and termination of the agreements and covenants in the Agreement and the Deeds obligating the Redeveloper to construct the

Improvements for each Phase of the Project and the dates for the beginning and completing such construction.

11.2 Certificate of Partial Completion. From time to time, upon Completion of Construction of part of the Improvements, the Authority will certify to the Redeveloper that the Improvements on that part of the Property or Phase or portion thereof have been made and completed in accordance with the Agreement and the Deed or Deeds. Provided that adequate security is given or held by the Authority to assure final Completion of Construction of all of a building or other portion of the Improvements and upon proper application by Redeveloper, the Authority shall deliver to Redeveloper a Certificate of Completion to parts of buildings or separate building or properties for which the City has issued a certificate of occupancy. Such certification shall mean and provide that any purchaser or lessee of the part of the Property and the Improvements described in the certification shall not incur any obligation to construct the Improvements relating to such part or to any other part of the Property. The Authority shall not thereafter exercise any rights, remedies or controls with respect to such part of the Property or the Improvements thereon as a result of a Default under the Agreement or the Deed by the Redeveloper unless such default or breach violates the covenants contained in section 14.1 of the Agreement.

11.3 Recordation and Notice. Each Certificate of Completion shall be in such form as will enable it to be recorded. If the Authority refuses or fails to provide any such certification within fifteen (15) days after written request for such by the Redeveloper, the Authority shall, within such fifteen (15) day period, provide the Redeveloper with a written statement specifying in what respect the Redeveloper has not achieved Completion of Construction or partial Completion of Construction or is otherwise in Default, and what measures or acts will be necessary, in the reasonable opinion of the Authority, for the Redeveloper to take or perform in order to obtain such certification. Approval of or

(b) The activities of the Authority in the Project Area are undertaken for the purpose of eliminating and preventing the development or spread of blight.

(c) The Urban Renewal Plan has been validly adopted in accordance with the Act and is in full force and effect and has not been repealed.

(d) The Authority knows of no litigation or threatened litigation, proceeding or investigation contesting the powers of the Authority or its officials with respect to the Project, the Agreement, the Improvements or the Public Improvements.

13.2 Representations and Warranties by the Redeveloper. The Redeveloper represents and warrants that:

(a) The Redeveloper is a duly organized and validly existing limited liability company under the laws of the State of Colorado in good standing under the laws of Colorado, has the power to enter into this Agreement and has duly authorized the execution, delivery and performance of this Agreement.

(b) The consummation of the transactions contemplated by this Agreement will not violate any provisions of the governing documents of the Redeveloper or constitute a default or result in the breach of any term or provision of any contract or agreement to which the Redeveloper is a party so as to adversely affect the consummation of such transactions.

(c) The Redeveloper knows of no litigation or threatened litigation, proceeding or investigation contesting the powers of the Authority, the Redeveloper with respect to the Project, the Agreement, Redeveloper's Financing or the Improvements.

#### SECTION 14. RESTRICTIONS ON USE OF PROPERTY

14.1 Restrictions on Use. The Redeveloper agrees and the Deed or Deeds shall contain covenants that the Redeveloper shall:

(a) devote the Property and the Improvements to the uses specified in the Agreement and the Urban Renewal Plan, as amended to accommodate the Concept Plan;

(b) not discriminate upon the basis of race, color, religion, sex or national origin in the sale, lease or rental or in the use or occupancy of the Property or any of the Improvements.

14.2 Covenants; Binding Upon Successors in Interest; Period of Duration. The covenants provided in section 14.1 hereof shall be covenants running with the land and enforceable by the Authority, and any successor in interest to any part of the Property. The covenant provided in section 14.1(a) shall remain in effect for the period provided in the Urban Renewal Plan, and the covenant provided in section 14.1(b) shall remain in effect without limitation as to time; provided, that such covenant shall be binding on the Redeveloper and each successor in interest to any part of the Property or the Improvements only for such period as the Redeveloper or such successor shall have any interest in, or possession or occupancy of any part of the Property or the Improvements.

## SECTION 15. RESTRICTIONS ON ASSIGNMENT AND TRANSFER

15.1 Representations as to Redevelopment. The Redeveloper represents and agrees that its purchase or acquisition of the Authority Parcels and other Parcels in the Project Area and its other undertakings under the Agreement are for the purpose of redevelopment of the Property and not for speculation and land holding. The Redeveloper further represents and agrees that;

(a) the redevelopment of the Property is important to the general welfare of the Authority and the City;

(b) substantial financing and other public aids have been made available by the Authority to make such redevelopment possible;

(c) a significant transfer of interest in all or part of the Redeveloper, or any other act or transaction resulting in a significant change in the ownership or control of the Redeveloper, is a transfer or disposition of the Property. Therefore, the qualifications and identity of the Redeveloper and its principals are of particular concern to the Authority. The Redeveloper

further recognizes that it is because of such qualifications and identity that the Authority is entering into the Agreement with the Redeveloper, and is willing to accept and rely on the obligations of the Redeveloper for the faithful performance of all of its undertakings and covenants under the Agreement and Deed.

15.2 Restrictions Against Transfer of Property and Assignment of Agreement Prior to Completion of Construction. The Deeds to Redeveloper shall contain the covenant of this section 15.2, which covenant shall terminate as to any Phase, Parcel, or portion thereof, upon issuance of a Certificate of Completion with respect to such Phase, Parcel, or portion thereof. The Redeveloper further represents and agrees that:

(a) Except as security for obtaining the Redeveloper's Financing, the Redeveloper will not, prior to the Completion of Construction of the Improvements as certified by the Authority, make, create, or suffer to be made or created, any total or partial sale or transfer in any form of the Agreement, or the Property or any part thereof or any interest therein, or any agreement to do the same, without prior written approval of the Authority. Such approval shall not be unreasonably withheld. For the purposes of this Agreement, transfer shall also include transfer of a majority of the membership interests in the Redeveloper.

(b) The Authority shall be entitled to require, the following as conditions to any such approval:

(1) Any proposed transferee shall have the qualifications and financial responsibility, as reasonably determined by the Authority, necessary to fulfill the obligations of the Redeveloper under the Agreement (or, if the transfer is of or related to part of the Property, such obligation to the extent that they relate to such part).

(2) Any proposed transferee, by instrument in writing satisfactory to the Authority, shall assume all of the obligations of the Redeveloper under the Agreement and agree to be subject to the conditions and restrictions to which the Redeveloper is subject (or, if the transfer is part of the Property, such

obligations, conditions and restrictions as they apply to such part) or such different obligations approved by the Authority. The fact that any such transferee or successor has not assumed such obligations or so agreed shall not relieve such transferee or successor from such obligations, conditions or restrictions, or limit any rights or remedies of the Authority with respect to the Property or the construction of the Improvements. No transfer of ownership in all or any part of the Property, or any interest therein, however occurring and whether voluntary or involuntary, shall limit the Authority's rights, remedies or controls provided in the Agreement or the Deeds.

(3) The Redeveloper shall submit to the Authority for review all instruments and other legal documents involved in effecting transfers; and, unless the Authority gives notice of disapproval of a transfer within thirty (30) days after such Redeveloper submittal, such transfer shall be deemed approved by the Authority.

(4) The Redeveloper and its transferee shall comply with such other reasonable conditions as the Authority may reasonably require to safeguard the purposes of the Act and the Urban Renewal Plan. The Redeveloper may enter into any agreements to sell, lease or transfer all or part of the Property or the Improvements after the issuance of a Certificate of Completion. Unless the Redeveloper otherwise agrees in writing, upon the written approval of the Authority of a transfer of all or part or any interest in the Property, the Agreement or the Redeveloper, the Redeveloper or any other party bound by the Agreement shall be relieved of its obligations under the Agreement or Deed to the extent of such transfer or the interest in the Property, Agreement or Redeveloper included in such transfer.

15.3 Information as to Interest Holders. During the period between execution of the Agreement and Completion of Construction of the Improvements as certified by the Authority, the Redeveloper will promptly notify the Authority of any and all changes in the ownership of interests, legal or beneficial, or of any other

transaction resulting in any change in the ownership of such interests or in the relative distribution thereof, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, of which it or any of its parties have been notified or otherwise have knowledge or information. The Redeveloper shall furnish to the Authority a copy of any amendments to its articles of limited liability company required to be filed with appropriate authorities in Colorado.

#### SECTION 16. MORTGAGE FINANCING; RIGHTS OF MORTGAGEES

16.1 Limitation Upon Encumbrance of Property. Except for existing deeds of trust on the Redeveloper Parcels, prior to the Completion of Construction of the Improvements, neither the Redeveloper nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage, deed of trust or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attached to the Property, except for the purpose of obtaining Redeveloper's Financing without the prior written approval of the Authority. For the purpose of such mortgage financing as may be made pursuant to the Agreement, the Property may, at the option of the Redeveloper or successor in interest, be divided into several parts or parcels, provided that such subdivision, in the opinion of the Authority, is not inconsistent with the purposes of the Urban Renewal Plan, as amended, and the Agreement and is approved in writing by the Authority. The liens and encumbrances permitted under this section shall be called, collectively, a "Mortgage."

16.2 Mortgagee Not Obligated to Construct. Notwithstanding the provisions of this Agreement, the Holder of any Mortgage authorized by this Agreement, including a Holder who obtains title to all or part of the Property as a result of foreclosure proceedings, or action in lieu thereof (but not including any other party who acquires title to the Property at or after a foreclosure sale), shall not be obligated by this Agreement or the Deeds to

construct or complete the Improvements; provided, that nothing in this Agreement shall permit a Holder to devote any part of the Property to any uses or to construct any improvements thereon, other than those uses or improvements permitted in the Urban Renewal Plan, as amended, and the Agreement and specifically approved in writing by the Authority.

16.3 Copy of Notice of Default to Mortgagee. The Authority shall deliver to the Redeveloper a demand or notice of any claimed Default by the Redeveloper under the Agreement or Deed. The Authority shall at the same time mail a copy of such demand or notice to each Holder of any Mortgage authorized by the Agreement at the last address of such Holder shown in the records of the Authority.

16.4 Mortgagee's Option to Cure Defaults. After any Default referred to in section 16.3, and after any grace period for the cure of such Default by the Redeveloper has expired, any Holder shall (insofar as the rights of the Authority are concerned) have the right, at its option, to cure or remedy such Default (or such Default to the extent that it relates to the part of the Property covered by its Mortgage) within sixty (60) days and to add the cost thereof to the mortgage debt and the lien of its Mortgage; but if the Default involves construction of the Improvements, the Holder may not construct or complete construction of the Improvements without first having agreed as follows: not later than sixty (60) days after expiration of the time given the Redeveloper by this Agreement to cure said Default, the Holder shall give written notice to the Authority of its intention to undertake, continue or complete the construction of the Improvements in accordance with this Agreement and shall undertake such construction within sixty (60) days after obtaining possession of the Property through foreclosure proceedings or through a deed in lieu of foreclosure. Any Holder who properly completes the Improvements relating to the Property or applicable part thereof shall be entitled, upon written request, to a Certificate of Completion in accordance with section 11.



16.5 Authority's Option to Pay Mortgage Debt or Purchase Property. If after a Default by the Redeveloper under this Agreement or the Deed, a Holder fails to exercise its option to construct or complete the Improvements and has not acted to protect its rights to cure such defaults in accordance with section 16.4 or begins but does not complete such construction within the period agreed upon by the Authority and the Holder, and the Default has not been cured within sixty (60) days after written demand by the Authority (or if such Default cannot be cured in said period, the Holder has failed to commence to cure such default within such period), the Authority shall have the option of paying to the Holder the amount of its mortgage debt and taking an assignment of the Mortgage or, if the Holder is in title to all or part of the Property, the Authority shall be entitled, at its option, to a conveyance to it of the Property or part thereof upon payment to the Holder of:

- (a) the mortgage debt at the time of foreclosure or action in lieu thereof (less all credits, including rental and other income received during foreclosure proceedings); and
- (b) reasonable foreclosure expenses; and
- (c) the costs of improvements approved by the Authority and made by the Holder.

16.6 Authority's Option to Cure Mortgage Default. If there is a Default under the Agreement prior to Completion of Construction of the Improvements by the Redeveloper or if Redeveloper breaches any obligations to the Holder of any Mortgage or other instrument creating an encumbrance or lien upon all or any part of the Property, the Authority may at its option cure such default or breach within sixty (60) days after the time provided by any agreement or by law for the Redeveloper to remedy or cure (or if such default cannot be cured in said period, the Authority shall commence to cure such default within such period), in which case the Authority, in addition to and without limitation upon any other rights or remedies to which it is entitled by the Agreement, operation of law or otherwise, shall be entitled to reimbursement

from the Redeveloper of all costs and expenses incurred by the Authority in curing such default or breach, and to a lien upon the Property (or the applicable part thereof) for such reimbursement; provided, that any such lien shall be subject always to the lien (including liens contemplated because of advances yet to be made) of any Mortgage authorized by the Agreement.

16.7 AUTHORITY'S OPTION TO DELAY FORECLOSURE. If there is a Default under the Agreement prior to completion of construction of the improvements by the Redeveloper or if Redeveloper breaches any obligations to the Holder of any or other instrument creating an encumbrance or lien upon all or any part of the Property, the Authority may, at its option, request the Holder of any mortgage or lien to delay commencement of foreclosure proceedings for a period up to six (6) months after the Authority receives notice of such default or breach. The Redeveloper agrees to obtain the agreement of the Holder of any Mortgage or lien to the terms of this foreclosure delay clause prior to Redeveloper creating an encumbrance or lien upon any or all of the property.

## SECTION 17. TERMINATION

17.1 Redeveloper's Option to Terminate Prior to Closing. The Redeveloper may terminate this Agreement prior to any Closing if:

(a) the City Council of the City fails to approve amendments to the Urban Renewal Plan or zoning changes reasonably acceptable to the Redeveloper to make possible the redevelopment of the Property in accordance with the Concept Plan; or

(b) the Environmental Audit described in section 7.3, the soils report described in section 7.5 or a survey described in section 7.6 reveal the existence of hazardous wastes, environmental conditions, soil conditions, encroachments or conditions of title that materially affect the economic feasibility of the Concept for the entire Project and neither party elects the alternative remedy provided in section 7.11; or

(c) after reasonable good faith efforts, the Redeveloper fails to obtain the Redeveloper's Financing for any Phase or

portion thereof (as approved by the Authority) on or before the dates specified for each in the Schedule of Performance; or

(d) the Authority does not deliver the Commitments from the Title Company as required by section 6.3 or Title does not conform with the requirements of sections 6.3 and 6.4 at the Closing; or

(e) the Authority, on or before the date provided in the Schedule of Performance, fails to approve the Concept Plan, the Design Development Documents or the Construction Documents as required by the Agreement following submission of the same in accordance with section 9; or

(f) the Housing Authority of the City of Colorado Springs does not acquire title to the Lowell School Property and proceed to develop such Property; or

(g) after election by either party in accordance with section 7.11, the parties fail to renegotiate mutually satisfactory amendments to the Agreement.

17.2 Authority's Option to Terminate Prior to Closing. The Authority may terminate this Agreement prior to any Closing if:

(a) The Redeveloper fails to provide and maintain the Deposit in accordance with section 4 of this Agreement; or

(b) the Redeveloper fails to present evidence that it has obtained the Redeveloper's Financing for each Phase of the Project or portion thereof (as approved by the Authority) on or before the dates specified for each in the Schedule of Performance; or

(c) the Environmental Audit described in section 7.3, the soils report described in section 7.5 or a Survey described in section 7.6 reveal the existence of hazardous wastes, environmental conditions, soil conditions, encroachments or conditions of title that materially affect the economic feasibility of the entire Project and neither party elects the alternative remedy provided in section 7.11; or

(d) the City Council of the City fails to approve Amendments to the Urban Renewal Plan or zoning changes to make

possible the redevelopment of the Property in accordance with the Concept Plan; or

(e) after election by either party in accordance with section 7.11, the parties fail to renegotiate mutually satisfactory amendments to the Agreement.

17.3 Action to Terminate. If a party wishes to terminate this Agreement written notice of termination, stating the reasons for termination under sections 17.1 or 17.2, as applicable, must be given by the terminating party to the non-terminating party, on or before the expiration of 30 days from the outside deadline date in the Schedule of Performance (as such date may be extended pursuant to express provisions of this Agreement) for the event for which notice of termination is given; otherwise, such termination rights are waived with respect to such events, and such events only. Termination is effective on the effective date of such properly given notice.

17.4 Effect of Termination. If this Agreement is terminated pursuant to section 17 prior to the Closing of the Authority Parcels, the Deposit shall be promptly returned to the Redeveloper and this Agreement shall be null and void and of no effect, and no action, claim, or demand may be based on any term or provision of this Agreement. If this Agreement is terminated after the Closing of the Authority Parcels the covenants and obligations of this Agreement that survive such termination shall remain in full force and effect and the Agreement shall be terminated only with respect to properties not yet closed and the deposit shall be returned to Redeveloper. In addition, the parties agree to execute such mutual releases or other instruments reasonably required to effectuate and give notice of such termination.

## SECTION 18. EVENTS OF DEFAULT; REMEDIES

18.1 Events of Default by Redeveloper. Default or an Event of Default by Redeveloper under the Agreement shall mean one or more of the following events:

(a) After Closing of the Authority Parcels, failure by the Redeveloper to provide and maintain the Deposit in accordance with section 4 of this Agreement; or

(b) the Redeveloper, in violation of section 15 of this Agreement, assigns or attempts to assign the Agreement, or the Property, or any rights in either; or

(c) there is any change in the ownership of the Redeveloper or in the identity of the parties in control of the Redeveloper that violates this Agreement; or

(d) the Redeveloper fails to Close on the Authority Parcels or any of the Property pursuant to the Schedule of Performance in accordance with section 6; or

(e) Redeveloper fails to provide the Design Development Documents or Construction Documents as required by section 9; or

(f) Redeveloper fails to commence, diligently pursue and complete construction of the Improvements for each Phase of the Project as required by section 10 of the Agreement; or

(g) a Holder exercises any remedy provided by loan documents, law or equity that materially interferes with the construction of the Improvements; or

(h) Redeveloper fails to observe or perform any material and substantial covenant, obligation or agreement required of it under the Agreement or to make good faith efforts to obtain Redeveloper's Financing;

and if such Event or Events of Default are not cured within the time provided in section 18.3 then the Authority may exercise any remedy available under section 18.4 of the Agreement.

18.2 Events of Default by the Authority. Default or an Event of Default by the Authority under the Agreement shall mean one or more of the following events:

(a) The Authority fails to proceed diligently and in good faith to acquire title to the Non-Authority Parcels as required by the Agreement; or

(b) the Authority fails to Close on the Authority Parcels in accordance with section 6; or

(c) the Authority fails to commence and complete relocation of businesses, families and individuals after funds have been made available to Authority by Redeveloper for purposes of relocation; or

(d) the Authority fails to observe or perform any material and substantial covenant, obligation or agreement required of it under the Agreement;

and if such Event or Events of Default are not cured within the time provided in section 18.3 then the Redeveloper may exercise any remedy available under section 18.4 of the Agreement.

18.3 Grace Periods. Upon the occurrence of an Event of Default by either party, such party shall, upon written notice from the other, proceed immediately to cure or remedy such Default and, in any event, such Default shall be cured within thirty (30) days [ninety (90) days if the Default relates to the date for Completion of Construction of Improvements] after receipt of such notice, or such cure shall be commenced and diligently pursued to completion within a reasonable time if curing cannot be reasonably accomplished within thirty (30) days [or ninety (90) days if the Default relates to the date for Completion of Construction of Improvements].

18.4 Remedies on Default. Whenever any Event of Default occurs and is not cured under section 18.3 of this Agreement, the non-defaulting party may take any one or more of the following actions:

(a) Suspend performance under the Agreement until it receives assurances from the defaulting party, deemed adequate by the non-defaulting party, that the defaulting party will cure its default and continue its performance under the Agreement;

(b) cancel and rescind the Agreement;

(c) in the case of the Authority, collect any part of the Deposit it is holding and apply any amounts so collected to repay, in part, its damages, if any;

(d) in the case of the Authority, withhold the Certificate of Completion;

(e) take whatever legal or administrative action or institute such proceedings as may be necessary or desirable in its opinion to enforce observance or performance, including, but not limited to, specific performance or to seek any other right or remedy at law or in equity, including damages.

18.5 Delays; Waivers. Except as otherwise expressly provided in the Agreement, any delay by either party in asserting any right or remedy under this Agreement shall not operate as a waiver of any such right or deprive it of or limit such rights in any way; nor shall any waiver in fact made by such party with respect to any default by the other party under this Agreement be considered as a waiver of rights with respect to any other Default by the other party under this Agreement or with respect to the particular Default except to the extent specifically waived in writing. It is the intent of the parties that this provision will enable each party to avoid the risk of being limited in the exercise of any right or remedy provided in this Agreement by waiver, laches or otherwise at a time when it may still hope to resolve the problems created by the Default involved.

18.6 Enforced Delay in Performance for Causes Beyond Control of Party. Neither the Authority nor the Redeveloper, as the case may be, shall be considered in Default of its obligations under this Agreement in the event of enforced delay due to causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, acts of the public enemy, acts of the Federal, State or local government, acts of the other party, acts of third parties (including the effect of any litigation or petitions for initiative and referendum), the rights of occupants of the Property to remain on the Property for the period specified in the Authority's relocation plan, acts or orders of courts, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays of subcontractors or materialmen due to such causes. In the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the party claiming delay shall be extended for

a period of the enforced delay; provided, that the party seeking the benefit of the provisions of this section shall, within fourteen (14) days after such party knows of any such enforced delay, first notify the other party of the specific delay in writing and claim the right to an extension for the period of the enforced delay. Delays due to general economic or market conditions shall not be considered a cause allowing a delay under this section 18.6.

18.7 Rights and Remedies Cumulative. The rights and remedies of the parties to this Agreement are cumulative and the exercise by either party of any one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other right or remedies for any other Default by the other party.

#### SECTION 19. INDEMNITY

19.1. General Indemnity. The Redeveloper covenants and agrees, at its expense, to pay, and to indemnify, defend and hold harmless, as provided in Section 19.3, the Authority, and its board of commissioners, officers, agents, employees, engineers and attorneys (collectively, "Indemnified Parties" or singularly, each an "Indemnified Party") of, from and against, any and all claims, damages, demands, expenses (including reasonable attorneys' fees and court costs), and liabilities resulting directly or indirectly from the Redeveloper's development, construction, repair, maintenance, management, leasing, sale, and any other conduct or activities with respect to the Project, unless such claims, damages, demands, expenses, or liabilities, arise solely by reason of the negligent act or omission of the Authority or other indemnified parties.

19.2. Environmental Indemnity. Without limiting the foregoing, the Redeveloper hereby agrees to indemnify, defend and hold harmless the Indemnified Parties from and against any and all Environmental Liabilities, following the date of closing and by whomever asserted.



As used in this Section, "Environmental Liabilities" shall mean any obligations or liabilities (including any claims, demands, actions, suits, judgments, orders, writs, decrees, permits or injunctions imposed by any court, administrative agency, tribunal or otherwise, or other assertions of obligations and liabilities) that are:

(a) related to protection of the environment or human health or safety and involving the Project (including, but not limited to, on-site or off-site contamination by Pollutants and occupational safety and health); and

(b) involving the Project and arising out of, based upon or related to (i) the Environmental Laws, or (ii) any judgment, order, writ, decree, permit or injunction imposed by any court, administrative agency, tribunal or otherwise.

The term "Environmental Liabilities" shall include, but not be limited to: (x) fines, penalties, judgments, awards, settlements, losses, damages (including foreseeable and unforeseeable consequential damages), costs, fees (including attorneys' and consultants' fees), expenses and disbursements; (y) defense and other responses to any administrative or judicial action (including claims, notice letters, complaints, and other assertions of liability); and (z) financial responsibility for (i) cleanup costs and injunctive relief, including any removal, remedial or other response actions, and natural resources damages, (ii) any other compliance or remedial measures, and (iii) bodily injury, wrongful death, and property damage.

The terms "removal," "remedial" and "response" action shall include the types of activities covered by CERCLA, as amended, and whether the activities are those which might be taken by a government entity or those which a government entity might seek to require of waste generators, storers, treaters, owners, operators, transporters, disposers or other persons under "removal," "remedial," or other "response" actions.

19.3. Redeveloper's Covenants and Indemnity Concerning Americans With Disabilities Act. Redeveloper, its successors and

assigns, covenant, warrant and represent that the Project shall at all times be in compliance with all applicable requirements of the Americans with Disabilities Act of 1990 (the "ADA"). Without limiting the general indemnities given herein, Redeveloper agrees to and does hereby protect, defend, indemnify and hold the Indemnified Parties harmless from and against any and all liability threatened against or suffered by the Indemnified Parties by reason of a breach by Redeveloper of the foregoing representation and warranty. The foregoing indemnity shall include the cost of all alterations to the Project, including but not limited to architectural, engineering, legal and accounting costs; all fines, fees and penalties; and all legal and other expenses including attorney fees, incurred in connection with the Project being violation of the ADA, including defenses of charges and claims that the Project is in such violation of and for the cost of collection of the sums due under this section. The obligations of Redeveloper under this section shall survive for five (5) years following the Termination Date.

19.4. Indemnification Procedures.

(a) If any claim relating to the matters indemnified against pursuant to this Agreement is asserted against an Indemnified Party that may result in any damage for which any Indemnified Party is entitled to indemnification under this Agreement, then the Indemnified Party shall promptly give notice of such claim to the Redeveloper.

(b) Upon receipt of such notice, the Redeveloper shall have the right to undertake, by counsel or representatives of its own choosing, the good faith defense, compromise or settlement of the claim, such defense, compromise or settlement to be undertaken on behalf of the Indemnified Party.

(c) The Indemnified Party shall cooperate with the Redeveloper in such defense at the Redeveloper's expense and provide the Redeveloper with all information and assistance reasonably necessary to permit the Redeveloper to settle and/or defend any such claim.

(d) The Indemnified Party may, but shall not be obligated to, participate at its own expense in a defense of the claim by counsel of its own choosing, but the Redeveloper shall be entitled to control the defense unless the Indemnified Party has relieved the Redeveloper from liability with respect to the particular matter.

(e) If the Redeveloper elects to undertake such defense by its own counsel or representatives, the Redeveloper shall give notice of such election to the Indemnified Party within ten (10) days after receiving notice of the claim from the Indemnified Party.

(f) If the Redeveloper does not so elect or fails to act within such period of ten (10) days, the Indemnified Party may, but shall not be obligated to, undertake the sole defense thereof by counsel or other representatives designated by it, such defense to be at the expense of the Redeveloper.

(g) The assumption of such sole defense by the Indemnified Party shall in no way affect the indemnification obligations of the Redeveloper provided, that no settlement of any claim shall be effected without the Redeveloper's consent.

SECTION 20. AFFORDABLE HOUSING. Redeveloper and the Authority agree to provide for affordable housing in the Project area. The affordable housing goal shall be to have between ten percent (10%) and fifteen percent (15%) of the housing units in the Project as affordable housing. Affordable housing is defined as that housing provided to meet the needs of residents whose income does not exceed eighty percent (80%) of the median income for the Colorado Springs metropolitan area. The Redeveloper is relying upon the assistance of various City agencies to achieve this goal and the Redeveloper agrees to meet the affordable housing goal if various City agencies are able to provide financing to permit the goal to be met.

SECTION 21. MISCELLANEOUS

21.1 Conflicts of Interest. None of the following shall have

any interest, direct or indirect, in the Agreement: A member of the governing body of the Authority or of the City, an employee of the Authority or of the City who exercises responsibility concerning the Project, or an individual or firm retained by the City or the Authority who has performed consulting services in connection with the Project. None of the above persons or entities shall participate in any decision relating to the Agreement that affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested.

21.2 Provisions Not Merged with Deed. None of the provisions of this Agreement shall be merged with the provisions of the Deed or other instrument transferring possession or title to the Property from the Authority to the Redeveloper or any successor in interest, and neither the Deed nor other instrument shall be deemed to affect or impair the provisions and covenants of the Agreement.

21.3 Titles of Sections. Any titles of the several parts and sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

21.4 Incorporation of Exhibits. All exhibits attached to the Agreement are incorporated into and made a part of the Agreement.

21.5 No Third-Party Beneficiaries. Except for specific rights in favor of Mortgagees, a trustee and others under section 16, no third-party beneficiary rights are created in favor of any person not a party to the Agreement.

21.6 Applicable Law. The laws of the State of Colorado shall govern the interpretation and enforcement of this Agreement.

21.7 Binding Effect. The Agreement shall be binding on the parties hereto, and their successors and assigns.

21.8 Integrated Contract. This Agreement is an integrated contract, and invalidation of any of its provisions by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

21.9 Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which shall constitute but one and the same instrument.

21.10 Notices. A notice, demand, or other communication under this Agreement by any party to the other shall be sufficiently given if delivered in person or if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

(a) in the case of the Redeveloper, is addressed to or delivered to the Redeveloper as follows:

Lowell Development Partners, LLC  
126 Stanwell St.  
Colorado Springs, CO 80906

with a copy to:

Ralph A. Braden, Jr., Esq.  
Braden Frindt & Stinar, LLC  
102 N. Cascade Avenue, Suite 350  
P.O. Box 1435  
Colorado Springs, CO 80901-1435; and

(b) in the case of the Authority, is addressed to or delivered personally to the Authority as follows:

The Urban Renewal Authority of the  
City of Colorado Springs, Colorado  
6 North Tejon, Suite 202  
Colorado Springs, CO 80903

with a copy to:

Dan S. Hughes, Esq.  
524 S. Cascade, Suite 2  
Colorado Springs, CO 80903

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other as provided in this section. Notice is deemed to be given on the date received (if mailed according to this section), or on the date delivered (if personally delivered in accordance with this section).

21.11 Good Faith of Parties. Except in those instances where the Redeveloper may act in its sole discretion, in performance of the Agreement or in considering any requested extension of time, the parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously or unreasonably withhold any approval required by the Agreement.

21.12 Days. If the day for any performance or event provided for herein is a Saturday, Sunday, or other day on which either national banks or the office of the Clerk and Recorder of El Paso County, Colorado are not open for the regular transaction of business, such day therefor shall be extended until the next day on which said banks and said office are open for the transaction of business.

21.13 Further Assurances. The parties hereto agree to execute such documents, and take such action, as shall be reasonably requested by the other party hereto to confirm or clarify the intent of the provisions hereof and to effectuate the agreements herein contained and the intent hereof.

21.14 Estoppel Certificate. The parties hereto agree to execute such documents as the other party hereto shall reasonably request to verify or confirm the status of this Agreement and of the performance of the obligations hereunder and such other matters as the requesting party shall reasonably request.

21.15 Amendments. This Agreement shall not be amended except by written instrument. Each amendment hereof, which is in writing and signed and delivered by the parties hereto shall be effective to amend the provisions hereof, and no such amendment shall require the consent or approval of any other party.

21.16 Non-Liability of Certain Officials, Employees and Individuals. Except for willful and wanton actions, no City Council member, Authority Board member, official, attorney for the Authority or City Attorney, or employee or the Authority or the City shall be personally liable to the Redeveloper for any Event of default by the Authority or for any amount that may become due to the Redeveloper under the terms of this Agreement. Nothing in this

section 21.16 or this Agreement is to be construed as a waiver of any limitations upon or immunity from suits against the City, the Authority, or City or Authority Board of Council members, officials, above-named agents or employees of the Authority or the City, as may be provided by law. Except for willful and wanton actions, no member or manager, employee or attorney of the Redeveloper shall be personally liable to the Authority for any amount that may become due to the Authority under the terms of the Agreement. Nothing herein is to be construed to limit the liability of any individual, member, manager or transferees who become personal signatories to the Agreement, or any modification thereof.

21.17 Agreement Jointly Drafted. The Agreement shall be construed as if jointly drafted by the parties.

21.18 Real Estate Commission. Each party warrants and represents to the other that it did not use the services of a real estate broker, agent or finder in connection with this Agreement. Insofar as pertains to the sale of the Property as described in the Agreement, each party agrees to defend, indemnify and hold the other party harmless from any claim for commissions or fees arising by reason of the indemnifying party's breach of this warranty and representation.

21.19 Assignment of Agreement Pledge or Payments. The parties mutually represent and agree that the Authority may assign its right, title and interest (but not its duties) in the Agreement to a trustee as part of the Authority's Financing and the Redeveloper may be required to assign its right, title and interest in the Agreement (but not duties) to a Mortgagee in connection with the Redeveloper's Financing or as part of a transaction to provide the Redeveloper's Financing. If there is a default under the indenture agreement between the Authority and trustee, this Agreement may be enforced by the trustees on behalf of mortgagees. If there is a default under a note or any other agreement or document delivered by the Redeveloper in connection with the Redeveloper's Financing or as part of a transaction to provide the

Redeveloper's Financing, this Agreement may be enforced by a Mortgagee or other such beneficiary.

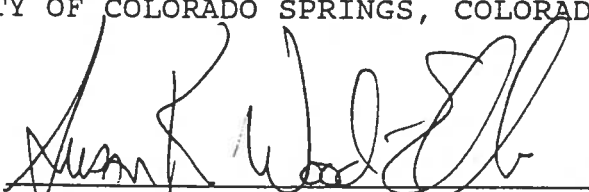
21.20 Authority Not A Partner; Redeveloper Not Authority's Agent. Notwithstanding any language in this Agreement or any other Agreement, representation or warranty to the contrary, the Authority shall not be deemed or constituted a partner or joint venturer of the Redeveloper, the Redeveloper shall not be the agent of the Authority and the Authority shall not be responsible for any debt or liability of the Redeveloper.

IN WITNESS WHEREOF, the Authority and the Redeveloper have caused this Agreement to be duly executed as of the day first above written.

AUTHORITY:

THE URBAN RENEWAL AUTHORITY OF THE  
CITY OF COLORADO SPRINGS, COLORADO

By:

  
Chairman

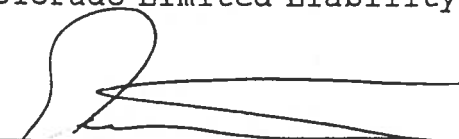
ATTEST:

\_\_\_\_\_  
Secretary  
(SEAL)

REDEVELOPER:

LOWELL DEVELOPMENT PARTNERS, LLC,  
a Colorado Limited Liability Company,

By:

  
MANAGER



LIST OF EXHIBITS  
FOR  
LOWELL DEVELOPMENT PARTNERS

- EXHIBIT A "Property"
- EXHIBIT B "Concept Plan" and  
"Lowell Neighborhood Design Report"
- EXHIBIT C "Reimbursable Project Costs"
- EXHIBIT D "Schedule of Performance"
- EXHIBIT E "Deeds"
- EXHIBIT F "Certificate of Completion"
- EXHIBIT H List of Authority Parcels by schedule number
- EXHIBIT I "Map of Project Area"

EXHIBIT A

A TRACT OF LAND BEING A PORTION OF SECTION 19, TOWNSHIP 14 SOUTH, RANGE 66 WEST OF THE 6TH P.M. IN THE CITY OF COLORADO SPRINGS, EL PASO COUNTY, COLORADO MORE PARTICULARLY DESCRIBED AS FOLLOWS:

(THE BASIS OF BEARING FOR THIS SURVEY IS THE NORTH LINE OF BLOCK 305, ADDITION NO. 2 TO THE TOWN OF COLORADO SPRINGS, AS SAID LINE IS MONUMENTED, WHICH IS ASSUMED TO BEAR N 89°48'55" E.)

BEGINNING AT THE NORTHEAST CORNER OF BLOCK 304 OF ADDITION NO. 2 TO THE TOWN OF COLORADO SPRINGS; THENCE N 89° 37' 52" E A DISTANCE OF 140.16 FEET TO THE NORTHWEST CORNER OF BLOCK 305 OF ADDITION NO. 2 TO THE TOWN OF COLORADO SPRINGS; THENCE N 89° 48' 55" E ALONG THE NORTH LINE OF SAID BLOCK 305 A DISTANCE OF 401.00 FEET TO THE NORTHEAST CORNER OF SAID BLOCK 305; THENCE N 89° 43' 32" E 100.10 FEET TO THE NORTHWEST CORNER OF BLOCK 306 OF SAID ADDITION NO. 2; THENCE S 89° 43' 59" E ALONG THE NORTH LINE OF SAID BLOCK 306 AND THE EASTERLY EXTENSION THEREOF A DISTANCE OF 876.08 FEET; THENCE S 00° 00' 00" E 73.51 FEET THE NORTHWEST CORNER OF BLOCK 3, FORT WORTH ADDITION TO THE CITY OF COLORADO SPRINGS; THENCE S 06° 08' 28" E ALONG THE WESTERLY BOUNDARY OF SAID BLOCK 3, A DISTANCE OF 101.23 FEET; THENCE S 18°01'15" W ALONG SAID WESTERLY BOUNDARY 103.85 FEET; THENCE S 08° 05' 15" W ALONG SAID WESTERLY BOUNDARY 100.55 FEET; THENCE S 28° 01' 49" W ALONG SAID WESTERLY BOUNDARY 110.89 FEET TO THE SOUTHWEST CORNER OF SAID BLOCK 3; THENCE S 20° 08' 13" W 104.92 FEET TO THE NORTHWEST CORNER OF BLOCK 6 OF SAID FORT WORTH ADDITION TO THE CITY OF COLORADO SPRINGS; THENCE S 02°57' 10" W ALONG THE WESTERLY BOUNDARY OF BLOCK 6 A DISTANCE OF 100.00 FEET; THENCE S 01° 48' 25" W ALONG SAID WESTERLY BOUNDARY 100.01 FEET; THENCE S 03° 19'45" E ALONG SAID WESTERLY BOUNDARY 100.52 FEET; THENCE S 11° 38'52" E 103.14 FEET TO THE SOUTHWEST CORNER OF SAID BLOCK 6; THENCE N 87° 28' 40" W 74.42 FEET; THENCE S 00° 31' 41" W 152.70 FEET; THENCE S 88° 18' 08" W 66.80 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF THE A. T. & S. F. RAILROAD; THENCE SOUTHEASTERLY ALONG SAID RIGHT-OF-WAY LINE AND ON A CURVE TO THE LEFT, HAVING A RADIUS OF 1382.39 FEET, A CENTRAL ANGLE OF 11° 54' 21", THE CHORD OF WHICH BEARS S 18° 16' 46" E 286.74 FEET AN ARC DISTANCE OF 287.25 FEET; THENCE N 65° 46' 03" E RADIALLY ALONG SAID RIGHT-OF-WAY LINE 50.00 FEET; THENCE SOUTHEASTERLY ALONG SAID RIGHT-OF-WAY LINE AND ON A CURVE TO THE LEFT HAVING A RADIUS OF 1332.39 FEET, A CENTRAL ANGLE OF 19° 07' 25", THE CHORD OF WHICH BEARS S 33° 47' 39" E 442.65 FEET AN ARC DISTANCE OF 444.71 FEET; THENCE S 46° 38' 38" W RADIALLY A DISTANCE OF 100.00 FEET TO A POINT ON THE CENTERLINE OF THE ATCHISON TOPEKA & SANTA FE RAILWAY RIGHT-OF-WAY; THENCE S 06° 13' 26" E 349.96 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF THE SOUTHERN PACIFIC/DENVER & RIO GRANDE WESTERN RAILROAD MAINLINE, SAID NORTHERLY RIGHT-OF-WAY BEING 50.00 FEET NORTHERLY OF THE CENTERLINE OF THE NEW MAINLINE RAILROAD TRACK ALIGNMENT; THENCE N 59° 00' 48" W ALONG SAID NORTHERLY RIGHT-OF-WAY LINE 628.29 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY CONTINUING ALONG SAID NORTHERLY RIGHT-OF-WAY LINE ON A CURVE TO THE LEFT HAVING A RADIUS OF 1544.95 FEET, A CENTRAL ANGLE OF 08° 54' 40", THE CHORD OF WHICH BEARS N 63° 28' 08" W 240.04 FEET AN ARC DISTANCE OF 240.28 FEET TO A POINT OF TANGENT; THENCE N 57° 55' 28" W ALONG SAID TANGENT AND ALONG SAID NORTHERLY RIGHT-OF-WAY LINE 1016.93 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF NEVADA AVENUE; THENCE N 05° 39' 04" E ALONG SAID WESTERLY RIGHT-OF-WAY LINE 21.67 FEET; THENCE N 00° 44'56" W ALONG SAID WESTERLY RIGHT-OF-WAY LINE 59.00 FEET; THENCE N 05° 39' 04" E ALONG SAID RIGHT-OF-WAY LINE 115.19 FEET; THENCE N 05° 29' 04" E ALONG SAID WESTERLY RIGHT-OF-WAY LINE 135.21 FEET; THENCE N 08° 52' 26" E ALONG SAID WESTERLY RIGHT-OF-WAY LINE 100.55 FEET TO THE SOUTHEAST CORNER OF BLOCK 314 OF ADDITION NO. 2 TO THE TOWN OF COLORADO SPRINGS; THENCE N 02° 22'52" E ALONG THE EASTERLY LINE OF SAID BLOCK 314 A DISTANCE OF 400.25 FEET TO THE NORTHEASTERLY CORNER OF SAID BLOCK 314; THENCE N 02° 24' 42" E A DISTANCE OF 99.73 FEET TO THE SOUTHEAST CORNER OF BLOCK 304 OF ADDITION NO. 2 TO THE TOWN OF COLORADO SPRINGS; THENCE N 02° 22' 46" E ALONG THE EAST LINE OF SAID BLOCK 304 A DISTANCE OF 417.83 FEET TO THE POINT OF BEGINNING.  
CONTAINING 2,514,054 SQUARE FEET (57.71 ACRES).

EXHIBIT C

REIMBURSABLE PROJECT COSTS

Those costs that are in excess of normal development costs are as follows:

1. Land acquisition costs in excess of current value as established in the estimate of value prepared by Joseph Hastings and Associates.
2. Relocation costs.
3. Demolition costs.
4. Infrastructure costs in excess of \$2,000,000.00.
5. Special District - Costs of issuing bonds.
6. Interest on costs advanced by Redeveloper at the rate of nine percent (9%) from the date of payment by the Redeveloper to the date of repayment.
7. Improvements on the land whether purchased or acquired through condemnation.
8. Hard and soft costs related to the above items.

## EXHIBIT D

## SCHEDULE OF PERFORMANCE

Redeveloper and Authority execute redevelopment contract	11-19-99
Redeveloper provides evidence of financing for acquisition and relocation expenses for second closing	3-13-00
Redeveloper provides evidence of financing for Construction and Development	6-13-00
Redeveloper acquires property - First Closing - Authority Parcels	(estimated) 1-13-00
Second closing - Police Operations Parcel and Balance of Property with Exceptions	(estimated) 5-13-00
Third closing - Balance of Property	12-31-02
Authority orders title commitment	12-19-99
Redeveloper submits concept plan to Authority	11-19-99
Authority approves concept plan	11-19-99
Redeveloper submits all required zoning applications to the City	11-19-99
Redeveloper submits environmental assessment, soils test and survey to Authority	1-13-00
Redeveloper submits plans and specifications for Public Improvements	8-13-00
Redeveloper submits design development and construction documents to Authority - Phase I	8-13-00
Authority approves or disapproves development and construction documents	9-13-00
If design development and construction documents are not approved by Authority, Redeveloper submits new or corrected documents	10-13-00
Authority approves new or corrected documents	11-13-00
Redeveloper begins construction - Phase I Development	11-13-00
Redeveloper completes construction - Phase I Development	5-13-02

EXHIBIT E

SPECIAL WARRANTY DEED

THE URBAN RENEWAL AUTHORITY OF THE CITY OF COLORADO SPRINGS COLORADO, a body corporate and politic of the state of Colorado, whose address is \_\_\_\_\_,

hereinafter called Grantor, for the consideration of \$ \_\_\_\_\_ and other good and valuable consideration, receipt and adequacy of which are hereby acknowledged hereby sells and conveys to

\_\_\_\_\_, a, \_\_\_\_\_, whose address is \_\_\_\_\_,

\_\_\_\_\_, hereinafter called Grantee, the real property (the "Property") described in Exhibit A, attached hereto and hereby made a part hereof, with all its appurtenances and warrants the title to the same against all and every person or persons lawfully claiming or to claim the whole or any part thereof by, through or under Grantor, subject only to those items in Exhibit B attached hereto (the "Permitted Exceptions").

COVENANTS

The property shall be used in accordance with the following covenants, and the Grantee, by acceptance of this Deed, agrees to be bound by, and to use the Property only in accordance with the following covenants:

A. Construction of the Improvements on the Property shall be commenced and completed as required by the terms of, and within the time periods set forth in, the Agreement and the Schedule of Performance.

B. Except as security for obtaining Grantee's financing, the Grantee will not, without the prior written approval of Grantor and prior to the Completion of Construction of the Improvements as certified by the Grantor, make, create or suffer to be made or created, any total or partial sale or transfer in any form, of the Agreement between Grantor and Grantee dated \_\_\_\_\_ or the Property, or any part thereof, or any interest therein, violation of said Agreement.

C. Until December 31, 2018, or the Maturity Date (as that term is defined in the Agreement), whichever is later, the Property shall only be devoted to, and shall only be used in accordance with, the uses specified in the urban renewal plan known as the South Central Downtown Urban Renewal Plan, revised March 9, 1988, recorded in Book 5563 at page no. 686 of the records of the Clerk and Recorder for El Paso County, Colorado, as amended on \_\_\_\_\_, \_\_\_\_\_, recorded in Book \_\_\_\_\_ at page no. \_\_\_\_\_ of the records of the Clerk and Recorder for El Paso

County, Colorado, as such plan may be further amended provided however, that no such further amendment shall increase or provide for any additional restrictions on the use of the Property without the Grantee's consent.

D. Neither Grantee nor any successor to Grantee's interest shall discriminate upon the basis of race color, religion, sex or national origin in the sale, lease or rental or in the use or occupancy of the Property or any Improvements erected or to be erected thereon, or any part thereof.

It is intended by the parties hereto, and the Grantee expressly covenants for itself and all its successors in interest, that these covenants shall run with the land. Covenants A and B shall terminate as to the Property herein conveyed, or any portion thereof, upon issuance of a Certificate of Completion with respect to the Property, or the portion thereof stated in said Certification of Completion. Covenant C shall remain in effect until December 31, 2018, or until the Maturity date (as that term is defined in the Agreement), whichever is later. Covenant D shall remain in effect without limitation as to time.

#### CERTIFICATE OF COMPLETION

Upon completion of construction of the Improvements or upon partial completion of construction of the Improvements, as provided in the Agreement, Grantor shall execute, acknowledge, and record a Certificate of Completion in the form provided in the Agreement. Each such Certificate of Completion shall satisfy and release the covenant concerning completion of construction as set forth in section A, above, and the covenant concerning restricted transfers set forth in section B, above, with regard to the real property specifically designated in each such certificate. No Certificate of Completion shall release the covenants contained in sections C and D above. Upon recording of the Certificate of Completion the burden of said covenants shall terminate with regard to that property described in such Certificate of Completion. The Grantor covenants and agrees that, as applicable, it will take such actions, and execute such documents, as shall from time to time be reasonably necessary to confirm that the covenants concerning completion of the Improvements and restrictions against transfer have been terminated and/or released and that the applicability of any covenant provided for herein has terminated or expired. The recorded Certificate of Completion shall further mean:

- (1) That any party purchasing or leasing the property designated therein shall not incur any obligation with respect to the construction of the Improvements relating to the property described in the certificate.



ACCEPTED BY:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Title

(THIS FORM MAY BE MODIFIED TO ADD REVERSIONARY COVENANTS, WHERE APPLICABLE IN ACCORDANCE WITH THE AGREEMENT; BY INCORPORATING MORE PRECISELY TERMS OF COVENANTS AS SET FORTH IN THE AGREEMENT; AND TO OTHERWISE CONFORM TO THE AGREEMENT, AS SUCH AGREEMENT MAY BE AMENDED FROM TIME TO TIME)



EXHIBIT F

CERTIFICATE OF COMPLETION OF IMPROVEMENTS

The Urban Renewal Authority of the City of Colorado Springs, Colorado, a body corporate and politic of the State of Colorado (the "Authority") whose street address is \_\_\_\_\_

hereby certifies that all the improvements ("Improvements") constructed on the property (the "Released Property") described in Exhibit A, attached hereto and hereby made a part hereof, conform with (1) the uses specified in the South Central Downtown Urban Renewal Plan, revised March 9, 1988, recorded in Book 5503, at page no. 686 of the records of the Clerk and Recorder for El Paso County, Colorado, as amended on \_\_\_\_\_, recorded in Book \_\_\_\_\_ at page no. \_\_\_\_\_, which Plan, as amended is incorporated herein by reference (2) the requirements set forth in the Agreement for Disposition and Redevelopment (the "Agreement") dated as of \_\_\_\_\_, between the Authority and \_\_\_\_\_, which Agreement is incorporated herein by reference, with respect to covenants to commence and complete construction of the Improvements on the Released Property and to transfers regarding the Released Property and the Improvements thereon and (3) the requirements set forth in the following deed (the "Deed") recorded in the office of the Clerk and Recorder, El Paso County, State of Colorado; Special Warranty Deed dated \_\_\_\_\_, 19\_\_\_\_, recorded \_\_\_\_\_, 19\_\_\_\_, in Book \_\_\_\_\_ at page \_\_\_\_\_ as set forth in covenant sections \_\_\_\_\_ and \_\_\_\_\_ of the Deed. Accordingly, the covenants contained in covenant section \_\_\_\_\_ and \_\_\_\_\_ of the Deed are hereby terminated with respect to the Released Property and the Improvements thereon.

This Certificate of Completion shall be a conclusive determination that the Improvements comply with the requirements for Completion of construction of Improvements contained in the Deed and the Agreement.

The conditions recited in the Deed have been fulfilled as to the Released Property. Except for those covenants in the Deed that survive the delivery of this Certificate of Completion, the Authority hereby quitclaims any interest in the Released Property that it may have to the record owner or owners of the Released property as their interests may appear.

Signed and delivered this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

THE URBAN RENEWAL AUTHORITY OF THE  
CITY OF COLORADO SPRINGS, COLORADO

By: \_\_\_\_\_,  
\_\_\_\_\_, Chairman



EXHIBIT H

Parcel	Owner					
ACQUISITION PHASE I—CURE and City Owned, plus Roads						
64191-00-024	CURE					
64191-00-002	City					
64191-00-018	City					
64191-06-006	City					
64191-05-003	CURE					
64191-05-004	CURE					
64191-05-019	CURE					
64191-05-020	CURE					
64191-06-002	CURE					
64191-07-002	city					
64191-07-003	city					
64191-07-004	city					
64191-07-017	CURE					
64191-07-018	CURE					
64191-07-020	CURE					
64191-14-006	CURE					
64191-14-015	CURE					
64191-15-015	CURE					
64191-15-016	CURE					
64191-15-018	CURE					
64191-15-020	CURE					
64191-16-001	CURE					
64191-16-009	CURE					
64191-16-023	CURE					
64191-16-020	CURE					
64191-16-021	City					
64191-16-015	CURE					
64191-16-025	CURE					
64191-16-013	CURE					
64191-15-014	CURE					
64191-15-012	CURE					
64191-15-010	CURE					
64191-07-014	CURE					
64191-07-010	CURE					
64191-07-005	CURE					
64191-14-001	CURE					
64191-16-002	CURE					
64191-07-023	CURE					
64191-14-012	CURE					
64191-16-024	CURE					

Parcel	Owner					
64191-15-003	CURE					
64191-15-008	CURE					
64191-15-009	CURE					
64191-07-032	Private					
64191-07-031	Private					
64191-07-008	Private					

Parcel	Owner				
ACQUISITION PHASE II—Balance, except Doxey,					
Community Health, T/G Jones, Phillips, Cenral Linen					
Portion of POC	POC	Southerly X feet of whatever the legal is on POC			
64191-00-019	Murfin				
64191-16-019	Murfin				
64191-16-017	Murfin				
64191-16-016	Murfin				
64191-16-014	Murfin				
64191-16-007	Murfin				
64191-14-011	Murfin				
64191-15-013	Murfin				
64191-15-011	Murfin				
64191-14-010	Murfin				
64191-07-025	Murfin				
64191-06-012	Murfin	Except Lots 3 through 8 sold to Sullivan			
64191-07-016	Murfin				
64191-06-007	Murfin				
64191-06-005	Murfin				
64191-06-004	Murfin				
64191-06-003	Murfin				
64191-07-009	Murfin				
64191-05-018	Murfin				
64191-05-017	Murfin				
64191-05-013	Murfin				
64191-05-012	Murfin				
64191-05-011	Murfin				
64191-05-009	Murfin				
64191-05-008	Murfin				
64191-05-006	Murfin				
64191-05-007	Murfin				
64191-05-005	Murfin				
64191-14-002	Murfin				
64191-14-004	Murfin				
64191-07-019	Murfin				
64191-14-005	Murfin				
64191-14-014	Murfin				
64191-05-002	Murfin				
64191-07-021	Murfin				
64191-14-007	Murfin				
64191-07-022	Murfin				

Parcel	Owner					
64191-14-008	Murfin					
64191-14-013	Murfin					
64191-14-009	Murfin					
64191-07-024	Murfin					
64191-15-022	Murfin					
64191-15-021	Murfin					
64191-15-002	Murfin					
64191-16-026	Murfin					
64191-15-019	Murfin					
64191-15-005	Murfin					
64191-15-017	Murfin					
64191-15-006	Murfin					
64191-16-010	Murfin					
64191-15-007	Murfin					
64191-16-011	Murfin					
64191-05-001	Murfin					
64191-15-004	Murfin					
64191-16-018	Private					
64191-07-015	Private					
64191-07-013	Private					
64191-16-003	Private					
64191-16-004	Private					
64191-16-005	Private					
64191-15-001	Private					
64191-16-012	Private					

Parcel	Owner					
ACQUISITION PHASE III-						
64191-05-021	Private	Aok				
64191-05-024	Private					
64191-05-025	Private	Will have to amend plan				
64191-07-033	Private	Will have to amend plan				
64191-00-021	Private	Optional				
RR Right of Way	Railroad	Optional				
RR Right of Way	Railroad	Optional				