1. CALL TO ORDER AND ROLL CALL
   Chairperson     Jill Grossman-Belisle
   Co-Chair        Bryan Voronin
   Commissioner    Bill Neal
   Commissioner    Aaron Pearson
   Commissioner    Paul Steinway

2. CONSENT
   a. Approval of the February 27, 2018, Timnath Development Authority Meeting Minutes
   b. Approval of the TDA Check Register

3. BUSINESS
   a. RESOLUTION NO. TDA-03, SERIES 2018, A Resolution Approving the Loan Term Sheet
      and Rate Lock Agreement

4. ADJOURNMENT
1. CALL TO ORDER AND ROLL CALL
Chairperson Grossman-Belisle called to order the regular meeting of the Timnath Development Authority on February 27, 2018, at 6:04 p.m.

Present:
   a. Chairperson Jill Grossman-Belisle
   b. Co-Chairperson Bryan Voronin
   c. Commissioner Aaron Pearson

Absent:
   a. Commissioner Bill Neal
   b. Commissioner Paul Steinway

Also Present:
   a. April Getchius, Town Manager
   b. Robert Rogers, Contracted Town Attorney
   c. Don Taranto, Contracted Town Engineer
   d. Matt Blakely, Contracted Community Development Director
   e. Kevin Koelbel, Contracted Town Planner
   f. Brian Williamson, Contracted Town Planner

2. CONSENT
   a. Approval of the February 13, 2018, Timnath Development Authority Meeting Minutes
   b. Approval of the TDA Check Register
Commissioner Pearson moved to approve THE CONSENT AGENDA. Commissioner Voronin seconded the motion. The motion passed unanimously by voice vote.

3. BUSINESS
   a. RESOLUTION NO. TDA-02, SERIES 2018, A Resolution Approving the Fourth Amendment to Right of First Offer (Riverbend Lot 7) and Town Hall Option Agreement
      • Mr. Rogers spoke to the Commissioners about the proposed resolution.
Commissioner Pearson moved to approve RESOLUTION NO. TDA-02, SERIES 2018, A Resolution Approving the Fourth Amendment to Right of First Offer (Riverbend Lot 7) and Town Hall Option Agreement. Commissioner Voronin seconded the motion. The motion passed unanimously by voice vote.

4. ADJOURNMENT
Chairperson Grossman-Belisle adjourned the meeting at 6:06 p.m.
The Timnath Development Authority approved the February 27, 2018, TDA Meeting Minutes on March 20, 2018.

TIMNATH DEVELOPMENT AUTHORITY

__________________________________________
Jill Grossman-Belisle, Chairperson

ATTEST:

__________________________________________
Milissa Peters, CMC
Secretary
# TIMNATH DEVELOPMENT AUTHORITY COMMUNICATION

<table>
<thead>
<tr>
<th>Meeting Date:</th>
<th>Item: Ayres &amp; Boxelder Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 20, 2018</td>
<td></td>
</tr>
</tbody>
</table>

Presented by: Don Taranto, Town Engineer

<table>
<thead>
<tr>
<th>Resolution</th>
<th>Discussion</th>
<th>For Consent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>✔</td>
</tr>
</tbody>
</table>

## EXECUTIVE SUMMARY:
The Timnath Development Authority is responsible for the payment of various contracts. The Ayres Associates payments are per our agreement with Ayres Associates as it relates to the LOMR for the Boxelder drainage improvements in the amount of $7,093.70. The Boxelder payments are per our agreement with the Boxelder Regional Storm Water Authority for $1,638.23 for administration expenses for the regional storm water system improvements.

## STAFF RECOMMENDATION:
Staff recommends approval of these payments.

## KEY POINTS/SUPPORTING INFORMATION:
Payments for obligations per our contract with Ayres Associates and our IGA with the Boxelder Authority to pay 25% of BRSWA expenses for regional storm water improvements.

## ADVANTAGES: Satisfies our contractual obligations.

## DISADVANTAGES: None.

## FINANCIAL IMPACT: Monies are budgeted for these expenses.

## RECOMMENDED MOTION: This motion should be part of the motion approving the consent agenda items.
<table>
<thead>
<tr>
<th>Vendor</th>
<th>Invoice Number</th>
<th>Description</th>
<th>Amount</th>
<th>Check total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ayres</td>
<td>172387</td>
<td>LOMR for Boxelder</td>
<td>$1,307.20</td>
<td>$1,307.20</td>
</tr>
<tr>
<td>Ayres</td>
<td>172791</td>
<td>LOMR for Boxelder</td>
<td>$5,786.50</td>
<td>$5,786.50</td>
</tr>
<tr>
<td>Boxelder</td>
<td>1024</td>
<td>Construction</td>
<td>$1,638.23</td>
<td>$1,638.23</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$8,731.93</strong></td>
</tr>
</tbody>
</table>
**EXECUTIVE SUMMARY:** The Timnath Development Authority (the “TDA”) is contemplating entering into a loan agreement with Compass Bank in the estimated principal aggregate amount of up to $20,000,000 (the “Series 2018 Loan”). The Resolution approves the Term Sheet and Rate Lock Agreement for the Series 2018 Loan.

**STAFF RECOMMENDATION:** Staff recommends approval of this Resolution.

**KEY POINTS/SUPPORTING INFORMATION:** The TDA plans to fund various needed public infrastructure through the Series 2018 Loan.

- Pursuant to the Rate Lock Agreement, Compass Bank will lock the interest rate on the Series 2018 Loan on March 21, 2018.
- The Series 2018 Loan matures on December 1, 2029.
- Interest on the Series 2018 Loan is payable semi-annually on June 1 and December 1, commencing on June 1, 2018.
- The Series 2018 Loan is on parity with the Series 2015 Loan.

**ADVANTAGES:** The Rate Lock Agreement provides the TDA with a guaranteed interest rate and protection from the increased cost of borrowing if the market interest rates were to rise between now and closing.

**DISADVANTAGES:** There is a risk that interest rates will fall between now and closing and the TDA is required to honor the interest rate in the Rate Lock Agreement that could be higher than market rate. If the Series 2018 Loan does not close the TDA may be required to pay a penalty to Compass Bank.

**FINANCIAL IMPACT:** The Series 2018 Loan has an estimated principal amount up to $20,000,000 which will be used to fund Capital Project Expenses and pay the costs related to the issuance of the Series 2018 Loan.

**RECOMMENDED MOTION:** I move for approval of Resolution No. TDA-03, Series 2018, A Resolution Approving the Loan Term Sheet and Rate Lock Agreement.

**ATTACHMENTS:**
1) Resolution
2) Term Sheet
3) Rate Lock Agreement
A RESOLUTION APPROVING THE 2018 LOAN TERM SHEET
AND RATE LOCK AGREEMENT

WHEREAS, the Board of Commissioners of the Timnath Development Authority (the “TDA”), pursuant to the provision of the Colorado Revised Statutes, has the power to pass resolutions and enter into contracts and agreements; and

WHEREAS, the TDA is contemplating entering into a loan agreement with Compass Bank in the estimated principal aggregate amount of up to $20,000,000 (the “Series 2018 Loan”); and

WHEREAS, attached hereto as Exhibit A is the commitment letter and term sheet for the Series 2018 Loan (the “Term Sheet”) and attached hereto as Exhibit B is the rate lock agreement (the “Rate Lock Agreement”); and

WHEREAS, the Board of Commissioners is familiar with the Term Sheet and Rate Lock Agreement and finds the terms of both documents to be in the best interest of the TDA, the residents within its boundaries, and the general public.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TIMNATH DEVELOPMENT AUTHORITY, COLORADO AS FOLLOWS:

Section 1. Approval
The Term Sheet and Rate Lock Agreements are hereby ratified and approved in substantially the form as attached hereto as Exhibit A and Exhibit B respectively, with such modifications and additions as the Chairperson, in consultation with Legal Counsel, determines to be necessary and appropriate to protect the interests of the TDA or effectuate the purposes set forth herein and not otherwise inconsistent with this Resolution.

INTRODUCED, MOVED, AND ADOPTED ON MARCH 20, 2018.

TIMNATH DEVELOPMENT AUTHORITY

_____________________________________
Jill Grossman-Belisle, Chairperson

ATTEST:

___________________________________
Milissa Peters, CMC
Secretary
EXHIBIT A

Term Sheet
March 14, 2018

Jill Grossman-Belisle
Chairperson
Timnath Development Authority
4800 Goodman Street
Timnath, Colorado 80547

Dear Jill:

BBVA Compass, through its subsidiary Compass Mortgage Corporation (the “Lender”), is very pleased to provide a commitment (the “Commitment”) to the Timnath Development Authority (the “Authority”) for a tax-exempt loan (the “Loan”) in the principal amount of $20,000,000.

The summary terms and conditions pursuant to which the Lender agrees to make the Loan are outlined in the Summary Terms and Conditions attached hereto as Exhibit A (the “Summary Terms”), which Summary Terms, incorporated herein by reference, and the provisions of this letter constitute the Lender’s commitment hereunder (together, the “Commitment Letter”). Any matters which are not covered by or made clear in this Commitment Letter shall be subject to mutual agreement between the Lender and the Authority.

This Commitment Letter is being provided to the Authority on a confidential basis and except as required by law, neither this Commitment Letter nor its contents may be disclosed, except to individuals who are officers, employees or advisors of the Authority who have a need to know of such matters and then only on the condition that such matters remain confidential.

The Authority hereby represents and covenants (and it is a condition to the Lender’s Commitment hereunder) that (a) all information related to the Authority and the proposed financing (the “Information”) that has been or will be made available to the Lender by the Authority or any of Authority’s representatives or consultants is or will be, when furnished, complete and correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made. The Authority agrees that if at any time prior to the closing of the Loan any of the representations in the preceding sentences would be incorrect if the Information were being furnished, and such representations were being made, at such time, then the Authority will promptly supplement the Information, as the case may be, so that such representations will be correct at such time. The Authority understands and acknowledges that in arranging the Loan, the Lender may use and rely on the Information without independent verification thereof. Notwithstanding anything herein to the contrary, Lender’s obligation to make the Loan shall be subject to the condition precedent that from the date hereof to the Closing Date, there shall not have occurred any material adverse change in the financial condition or general affairs of the Authority.
Further, the making of the Loan is subject to satisfactory review by the Lender and Lender’s counsel of all documentation related or incidental to the Loan, including without limitation a Loan Agreement in form and substance satisfactory to the Lender and opinions of counsel as required by the Lender and Lender’s counsel which are customary in similar transactions and are in form and substance satisfactory to the Lender and Lender’s counsel in its reasonable discretion (collectively, the “Loan Documents”).

By acceptance of this Commitment Letter, the Authority, to the extent permitted by law, agree to indemnify, protect, defend, save and hold harmless the Lender and its affiliates, and its respective directors, officers, agents, attorneys and employees (collectively, the “Indemnitees”) from and against all claims, losses, liabilities, damages, costs and expenses which may be suffered or incurred by or asserted against any Indemnitee as a result of, or otherwise relating to or arising out of, this letter or the proposed financing, provided that no Indemnitee shall be entitled to indemnification under this paragraph for matters caused solely by such Indemnitee’s gross negligence or willful misconduct.

If the terms of this Commitment are acceptable to the Authority, please execute this letter below and return this Commitment Letter to the Lender by no later than 5:00 p.m., Mountain Time, on March 21, 2018. If the Commitment Letter is not accepted by such date, it shall expire and be of no further force and effect as of that date and time. If this Commitment Letter is accepted in the manner aforesaid, the closing of the Loan must occur on or prior to 5:00 p.m., Mountain Time, on June 21, 2018.

BBVA Compass sincerely appreciates our long-term relationship with the Authority and the opportunity to support the Authority again with this proposed financing. Please do not hesitate to contact us if you have any questions regarding this Commitment Letter or its attachments.

Respectfully submitted,

BBVA COMPASS

Matthew J. Chorske
Senior Vice President & Manager
Municipal Finance Group
999 18th Street, Suite 2800
Denver, Colorado 80202
Phone: (303) 217-2235
Email: matt.chorske@bbva.com

Shane M. Miner
Senior Vice President
Municipal Finance Group
999 18th Street, Suite 2800
Denver, Colorado 80202
Phone: (303) 217-2234
Email: shane.miner@bbva.com
Accepted this ____ day of ___________________, 2018

TIMNATH DEVELOPMENT AUTHORITY

By: ____________________
Name: ____________________
Title: ____________________
EXHIBIT A

TIMNATH DEVELOPMENT AUTHORITY
$20,000,000 TAX FREE LOAN FACILITY
SUMMARY TERMS AND CONDITIONS

Unless otherwise specifically provided herein, the terms and provisions of the 2015 Loan, as contained in the 2015 Loan Agreement (each as hereinafter defined), shall be applicable to the proposed 2018 Loan. In addition, certain provisions of the 2015 Loan Agreement shall be amended as necessary, and as determined by Lender and Lender’s counsel, to accommodate the proposed 2018 Loan. Unless otherwise defined herein or the context otherwise requires, capitalized terms used herein shall have the meanings set forth in the 2015 Loan Agreement.

<table>
<thead>
<tr>
<th>Borrower</th>
<th>Timnath Development Authority (the “Authority”).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related Party</td>
<td>Town of Timnath (the “Town”).</td>
</tr>
<tr>
<td>Lender</td>
<td>Compass Mortgage Corporation (the “Lender”).</td>
</tr>
<tr>
<td>2015 Loan</td>
<td>Means the loan made by the Lender to the Authority in the original principal amount of $50,000,000 (the “2015 Loan”) pursuant to that certain Amended and Restated Loan Agreement, dated September 29, 2015, by and between the Authority and the Lender (the “2015 Loan Agreement”).</td>
</tr>
<tr>
<td>Credit Facility</td>
<td>Tax-exempt loan (the “2018 Loan”) in an amount not to exceed $20,000,000 (the “Loan Amount”). The 2018 Loan will be issued on parity with the 2015 Loan.</td>
</tr>
<tr>
<td>Use of Proceeds</td>
<td>Proceeds from the 2018 Loan will be used to (i) fund Capital Project Expenses and (ii) pay the costs related to the issuance of the 2018 Loan.</td>
</tr>
<tr>
<td>Closing Date</td>
<td>Expected to be on or before April 16, 2018 (the “Closing Date”).</td>
</tr>
<tr>
<td>Term</td>
<td>The 2018 Loan shall have a final maturity of December 1, 2029.</td>
</tr>
<tr>
<td>Interest Rate</td>
<td>The outstanding principal balance of the 2018 Loan shall bear interest at a fixed rate per annum to be determined on the Rate Lock Date. The indicative fixed rate as March 14, 2018 4.98%. The</td>
</tr>
</tbody>
</table>
indicative rate remains subject to change daily based on market fluctuations until locked in writing by the Authority on the Rate Lock Date.

The fixed rate applicable to the 2018 Loan shall be increased by 4.50% upon the occurrence and continuation of an Event of Default and shall be increased to the Taxable Rate upon an Event of Taxability, as provided herein.

**Rate Lock Date**

The date on which the Authority may lock the fixed rate with the Lender, which shall be a date on or after which (i) the Authority has formally approved the 2018 Loan by accepting the Commitment Letter in writing and the terms and conditions of the 2018 Loan as set forth herein by way of formal resolution by the governing board of the Authority, and (ii) the Authority instructs the Lender in writing to lock the fixed rate by executing a Rate Lock Agreement with the Lender, the form of which is attached hereto as Schedule I.

**Commitment Fee**

0.50% of the Loan Amount, payable on the Closing Date.

**Interest Payment Dates**

Interest on the 2018 Loan shall be payable semi-annually on each June 1 and December 1, commencing on June 1, 2018.

**Interest Payment Dates**

Principal shall be paid annually on December 1 of each year, commencing on December 1, 2019 in accordance with the following anticipated amortization schedule:

<table>
<thead>
<tr>
<th>Payment Date</th>
<th>Principal Amount</th>
<th>Payment Date</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/1/2018</td>
<td>$ -</td>
<td>12/1/2024</td>
<td>$2,165,000</td>
</tr>
<tr>
<td>12/1/2019</td>
<td>200,000</td>
<td>12/1/2025</td>
<td>2,285,000</td>
</tr>
<tr>
<td>12/1/2020</td>
<td>500,000</td>
<td>12/1/2026</td>
<td>2,405,000</td>
</tr>
<tr>
<td>12/1/2021</td>
<td>850,000</td>
<td>12/1/2027</td>
<td>2,540,000</td>
</tr>
<tr>
<td>12/1/2022</td>
<td>1,450,000</td>
<td>12/1/2028</td>
<td>2,710,000</td>
</tr>
<tr>
<td>12/1/2023</td>
<td>2,045,000</td>
<td>12/1/2029</td>
<td>2,850,000</td>
</tr>
</tbody>
</table>

**Prepayment Provisions**

The 2018 Loan may not be prepaid prior to the seven (7) year anniversary of the Closing Date. Thereafter, the 2018 Loan may be prepaid in whole, or with the consent of the Lender, in part, on any Interest Payment Date, upon payment of the principal amount of the Loan so prepaid plus accrued interest thereon to the date of such prepayment, together with any applicable Prepayment Penalty if the 2018 Loan, or any portion thereof, is prepaid prior to the ten (10) year anniversary of the Closing Date (the Prepayment Penalty shall not apply after such date).
Pledged Revenue

The 2018 Loan shall be secured by and payable from the Pledged Revenue on parity with the lien thereon of the 2015 Loan.

Project Account

On the Closing Date, proceeds from the 2018 Loan, less the costs of issuance, shall be deposited to the 2015 Project Fund, or as determined by tax counsel, a new project fund to be established in connection with the 2018 Loan. Upon receipt by the Lender of a 2015 Project Fund Disbursement Request (or similar form of disbursement request if a new project fund is established), proceeds of the 2018 Loan deposited into the 2015 Project Fund (or new project fund) shall be available for disbursements to the Authority or for direct payment of a designated invoice to fund Capital Project Expenses.

Reserve Fund

No additional reserve fund will be funded in connection with the 2018 Loan. The 2018 Loan will be secured by a parity pledge of the Reserve Fund securing the 2015 Loan, and the 2015 Loan Agreement shall be amended accordingly.

Additional Debt

The Authority shall not be permitted to issue any debt on parity with the 2015 Loan or the 2018 Loan without the prior written consent of the Lender. In connection with the issuance of the 2018 Loan, Section 5.14(c)(i) of the 2015 Loan Agreement shall be amended as follows:

“(i) the Pledged Property Tax Revenue and Pledged Sales Tax Revenue collected in the twelve month period immediately preceding issuance of the Subordinate Debt, which Pledged Property Tax Revenue shall be adjusted for future reductions in the Pledged Property Tax Revenue as required by the Tax Increment Agreement and any planned reductions in the mill levy of the taxing entities whose revenues are part of the Pledged Property Tax Revenue (which reductions are known to the Borrower after reasonable investigation), shall be equal to one hundred and ten percent (110%) of the Maximum Annual Debt Service on the 2015 Loan, the 2018 Loan, any Parity Debt and any Subordinate Debt (including the Subordinate Debt to be issued).”

Reporting Requirements

The Authority will be required to continue to provide at all times the reporting requirements listed in Section 5.11 of the 2015 Loan Agreement; provided, however, that (i) Section 5.11(a) shall be amended to reflect a due date of October 1, (ii) Section 5.11(b) shall be amended to reflect a due date of February 15 and (iii) Section 5.11(d)(iii) shall be amended as follows:
“(iii) the amount of the Pledged Property Tax Revenue anticipated to be received for such Fiscal Year based on the information provided in (i) and (ii) above.”

Event of Taxability

If interest on the 2018 Loan is determined not to be exempt from taxation as a result of any action or omission of action on the part of the Authority, the interest rate on the 2018 Loan, if elected by the Purchaser, shall be at a rate per annum equal to the interest rate otherwise then in effect on the 2018 Loan, divided by 79% (the “Taxable Rate”).

In connection with the issuance of the 2018 Loan, the 2015 Loan shall be amended to include the same Event of Taxability, which Taxable Rate for the 2015 Loan shall be 5.62%.

Other Conditions

The terms and conditions contained herein are further subject to, but not limited to, the following other conditions:

(i) receipt of final credit approval by the Lender for the terms and conditions described herein;

(ii) absence of any adverse financial or other information pertaining to any portion of the Pledged Revenue or the Authority received by the Lender prior to the Closing Date;

(iii) satisfactory review by Lender and Lender’s counsel of any outstanding agreement(s) to which the Authority is a party and which may impact the Pledged Revenue or the obligations of the Authority with respect to the proposed 2018 Loan;

(iv) satisfactory review and approval by the Lender and Lender’s counsel of all documentation required to perfect the Lender’s security interest in the Pledged Revenue (subject to the parity lien thereof in favor of the 2015 Loan);

(v) satisfactory review and approval by Lender’s counsel of all other related transaction documents;

(vi) opinions of counsel as required by the Lender and Lender’s counsel, including but not limited to an opinion from counsel that interest payable on the 2018 Loan is tax-exempt;
(vii) any authorizing resolution(s) of the Authority required for the issuance and repayment of the 2018 Loan and the obligations under the 2018 Loan Agreement;

(viii) opinions of counsel as required by the Lender, including but not limited to, opinions from counsel to the Authority (as applicable, general counsel or special counsel engaged for specific purposes) as to the enforceability of the 2018 Loan Agreement, any resolutions authorizing the 2018 Loan, and the Lender’s security in the Pledged Revenue; and

(ix) any other reasonable conditions following review of the Financing Agreements by Lender and Lender’s counsel.

Legal Fees

The Lender shall be represented by Sherman & Howard. Legal fees of the Lender, estimated to be $30,000, shall be payable by the Authority on the Closing Date.

Indemnification

The 2018 Loan shall be subject to the same indemnification provisions as contained in Section 9.03 of the 2015 Loan Agreement.
SCHEDULE I

FORM OF INTEREST RATE LOCK AGREEMENT
EXHIBIT B

Rate Lock Agreement
INTEREST RATE LOCK AGREEMENT

This INTEREST RATE LOCK AGREEMENT ("Agreement"), dated as of March 21, 2018, is by and between the TIMNATH DEVELOPMENT AUTHORITY ("Authority"), and COMPASS MORTGAGE CORPORATION, an Alabama corporation, its successors and assigns (collectively, "Lender"). Capitalized terms used in this Agreement and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Commitment Letter (as hereinafter defined).

RECITALS

WHEREAS, pursuant to that certain Commitment Letter issued by the Lender to the Authority on March 14, 2018 and executed by the Authority on March 20, 2018 (the "Commitment Letter"), Lender has outlined the terms and conditions pursuant to which Lender will make available to the Authority a loan in the aggregate principal amount not to exceed $20,000,000 (the "Loan");

WHEREAS, pursuant to this Agreement, the Authority desires that the per annum fixed interest rate for the Loan be determined and fixed by the Lender as of the Rate Lock Date (as hereinafter defined) in accordance with the terms of this Agreement (the "Fixed Rate Lock");

WHEREAS, the Lender and the Authority will enter into definitive documents evidencing the 2015 Loan and providing for the terms and conditions thereof (the "Loan Documents"); and

WHEREAS, the Authority acknowledges and agrees that, notwithstanding Lender’s entering into and performing under this Agreement, Lender shall have no obligation to enter into the Loan until the Lender and the Authority enter into the Loan Documents and all conditions precedent to the closing of the Loan, as set forth in such Loan Documents, are, in the sole judgment of Lender, satisfied.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the mutual agreements hereinafter set forth and other good and valuable consideration, Lender and Authority hereby agree as follows:

Section 1. Definitions. For purposes of this Agreement, the following additional terms shall be defined as follows:

(a) Business Day. Any day other than a Saturday, a Sunday or a day which banking institutions are authorized by law or other governmental actions to close.

(b) Break Fee. The amount, if any, determined by multiplying (a) the difference (but not less than zero) between (i) the U.S. Treasury constant maturity yield (from the Federal Reserve daily H.15 Report) having a maturity closest to the Maturity Date of the Loan, as of the Rate Lock Date, or, if no such maturity is reported, an interpolated yield based on the maturity that is next shorter than the Maturity Date, and the maturity that is next longer than the Maturity Date, and (ii)
the U.S. Treasury constant maturity yield (from the Federal Reserve daily H.15 Report) having a maturity closest to the Maturity Date of the Loan, as of the Rate Lock Expiration Date, or, if no such maturity is reported, an interpolated yield based on the maturity that is next shorter than the Maturity Date, and the maturity that is next longer than the Maturity Date, times (b) 50% of the principal amount of the Loan, times (c) the term of the Loan, in years (sample Break Fee calculation is included as Schedule I hereto).

(c) **Closing Date.** The date established for the closing of the Loan.

(d) **Maturity Date.** The date established as the maturity date of the Loan as provided in the Commitment Letter.

(e) **Rate Lock Request and Confirmation.** The Rate Lock Request and Confirmation, in the form attached hereto as Exhibit B, to be completed by the Lender and delivered to, and executed by, the Authority on the Rate Lock Date to confirm the Fixed Rate Lock and the terms thereof. The Rate Lock Request and Confirmation shall constitute a part of this Agreement

(f) **Rate Lock Date.** The date established in the Rate Lock Confirmation for the occurrence of the Fixed Rate Lock, which Rate Lock Date shall not occur earlier than 30 days prior to the Closing Date.

(g) **Rate Lock Expiration Date.** The date specified by the Lender in the Rate Lock Confirmation as the date upon which the Fixed Rate Lock expires.

### Section 2. Establishment of Interest Rate.

Upon written request by the Authority (by e-mail transmission) received by the Lender on or prior to 3:00 p.m. MST on any Business Day, the Lender shall, on such Business Day so received, promptly undertake such actions as are necessary to fix the interest rate on the Loan.

The Lender shall deliver the Rate Lock Request and Confirmation to the Authority (by e-mail) setting forth: (i) the Fixed Rate Lock established for the Loan, which, subject to the provisions hereof and notwithstanding any provisions to the contrary contained in the Loan Documents, shall be the fixed rate of interest on the Loan from the Closing Date to the Maturity Date; (ii) the Rate Lock Date; and (iii) the Rate Lock Expiration Date.

### Section 3. Break Fee Payment.

If the Loan does not close on or before the Rate Lock Expiration Date, the Authority shall and hereby agrees to promptly pay to Lender the Break Fee, but in no event shall such fee be paid later than five (5) Business Days after the Rate Lock Expiration Date. If the Authority requests that the Lender extend the Rate Lock Expiration Date, and if the Rate Lock Expiration Date is so extended by the Lender, in its sole discretion, the Authority agrees to pay Lender upon demand any Break Fees applicable to any extension of the Rate Lock Expiration Date.

### Section 4. Compliance With Documents.

Authority acknowledges that nothing in this Agreement shall: (a) modify the terms of the Commitment Letter or (b) affect the Authority’s obligations under the Loan Documents.
Section 5. **Applicable Law.** This Agreement will be governed by the laws of the State of Colorado applied without regard to any conflict of law provisions.

Section 6. **Assignment.** The Authority shall not assign this Agreement or any right hereunder.

Section 7. **Headings.** All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

Section 8. **Waiver.** The waiver of any terms and conditions of this Agreement on any occasion or occasions shall not be deemed a waiver of such on any future occasions.

Section 9. **Severability.** In the event any provision of this Agreement is deemed illegal or unenforceable, the same shall be struck here from and all other provisions shall remain valid and in full force and effect.

[SIGNATURE PAGE FOLLOWS]
IN WITNESS WHEREOF, the parties hereto have executed this Interest Rate Lock Agreement with an effective date of March 21, 2014.
AUTHORITY:
TIMNATH DEVELOPMENT AUTHORITY

By: _________________________________
Name: _______________________________
Title: _______________________________

LENDER:
COMPASS MORTGAGE CORPORATION,
an Alabama corporation

By: Matthew J. Chorske
Name: Matthew J. Chorske
Title: Senior Vice President

[Signature Page to Interest Rate Lock Agreement]
Compass Mortgage Corporation  
Municipal Finance Group  
999 18th Street  
Suite 2800  
Denver, CO 80202

Pursuant to the Interest Rate Lock Agreement (the “Agreement”), dated as of March 21, 2018, entered into by and between the TIMNATH DEVELOPMENT AUTHORITY ("Authority") and COMPASS MORTGAGE CORPORATION, an Alabama corporation, its successors and assigns (collectively, “Lender”), the District hereby requests that the Lender lock the interest rate on the Loan, as of the date hereof, in accordance with the terms specified below. Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Agreement.

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Rate:</td>
<td>_____% per annum</td>
</tr>
<tr>
<td>Principal Amount of Loan:</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Amortization Schedule:</td>
<td>As provided in the Commitment Letter</td>
</tr>
<tr>
<td>Rate Lock Date:</td>
<td>March 21, 2018</td>
</tr>
<tr>
<td>Rate Lock Expiration Date:</td>
<td>April 20, 2018</td>
</tr>
<tr>
<td>Closing Date:</td>
<td>On or prior to April 22, 2018</td>
</tr>
</tbody>
</table>

**AUTHORITY:**

TIMNATH DEVELOPMENT AUTHORITY

By: ____________________________
Name: __________________________
Title: __________________________
SCHEDULE I

SAMPLE BREAK FEE CALCULATION

Generally, if treasury rates are equal or higher, the customer will incur no charge. The Federal Reserve H.15 report for treasury rates can be accessed from the Fed's website currently @ <http://www.federalreserve.gov/releases/h15/current/default.htm>.

Example of Break Fee Calculation:
Anticipated Loan Amount at Rate Lock Date: $20,000,000
Final maturity: Approximately 11.8 years (based on an 4/15/18 Closing Date)
Amount Remaining at Maturity: $0.0
Assumed 11.8-year US Treasury Rate at time of rate lock: 3.00% 2.50%

Scenario: 15 days prior to the Closing Date and funding, the Authority elects to not enter into the financing after previously locking the rate. The 11.8-year Treasury rate at the time of notification is 2.95% 2.45%.

Break Fee Calculation:
Annual Yield Differential = 5 bps (3.00% - 2.95%)
50% of the Par Amount = $10,000,000
Days to Maturity / 360 = 11.96 ((14.2 x 365)/360)
Break Fee = .0005 * $10,000,000 * 11.96 = $59,800

“Force Majeure Event” means acts of God; acts of public enemies; orders of any kind of the government of the United States of America or the State of California or any political subdivision thereof, or any of their departments, agencies or officials; any outbreak of civil or military insurrections, riots or epidemics; landslides; lightning; earthquake; fire; hurricanes; tornadoes; floods; or any other cause or event not insurable or reasonably within the control of Authority which makes Authority unable to consummate the Financing or perform its obligations thereunder.