

Timnath Development Authority Agenda
Meeting Agenda
Tuesday, March 27, 2018, at 6:00 p.m.
Meeting will be held at *Timnath Administration Building*
4800 Goodman Street, Timnath, Colorado

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 March 20, 2018, Timnath Development Authority Meeting Minutes

3. BUSINESS

a. **RESOLUTION NO. TDA-04, SERIES 2018**, A Resolution Authorizing the Timnath Development Authority to Obtain a Loan For the Purpose of Financing the Costs of Capital Improvements and Paying the Costs of Obtaining the Loan; Approving the Form of a Third Amended and Restated Loan Agreement in connection therewith; and authorizing the execution, delivery and performance of such agreement and related documents

4. ADJOURNMENT

Timnath Development Authority Agenda
Regular Meeting Minutes
Tuesday, March 20, 2018
IMMEDIATELY FOLLOWED THE TIMNATH LIQUOR BOARD MEETING
at 6:00 p.m.
4800 Goodman Street, Timnath, Colorado

1. CALL TO ORDER AND ROLL CALL

Co-Chairperson Voronin called to order the regular meeting of the Timnath Development Authority on March 20, 2018, at 6:01 p.m.

Present:

- a. Co-Chairperson Bryan Voronin
- b. Commissioner Bill Neal
- c. Commissioner Aaron Pearson

Absent:

- a. Chairperson Jill Grossman-Belisle
- b. Commissioner Paul Steinway

Also Present:

- a. April Getchius, Town Manager
- b. Milissa Peters, Town Clerk
- c. Robert Rogers, Contracted Town Attorney
- 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 27, 2018, Timnath Development Authority Meeting Minutes
- b. Approval of the TDA Check Register

Commissioner Pearson moved to approve THE CONSENT AGENDA. Commissioner Neal seconded the motion. The motion passed unanimously by voice vote.

3. BUSINESS

- a. **RESOLUTION NO. TDA-03, SERIES 2018**, A Resolution Approving the Loan Term Sheet and Rate Lock Agreement
 - Mr. Rogers spoke to the Commissioners about the proposed resolution.

Commissioner Pearson moved to approve RESOLUTION NO. TDA-03, SERIES 2018, A Resolution Approving the Loan Term Sheet and Rate Lock Agreement. Commissioner Neal seconded the motion. The motion passed unanimously by voice vote.

4. ADJOURNMENT

Co-Chairperson Voronin adjourned the meeting at 6:06 p.m.

The Timnath Development Authority approved the March 20, 2018, TDA Meeting Minutes on March 27, 2018.

TIMNATH DEVELOPMENT AUTHORITY

Jill Grossman-Belisle, Chairperson

ATTEST:

Milissa Peters, CMC
Secretary



TIMNATH DEVELOPMENT AUTHORITY

Meeting Date: March 27, 2018	Item: A Resolution Authorizing the Timnath Development Authority to Obtain a Loan For the Purpose of Financing the Costs of Capital Improvements and Paying the Costs of Obtaining the Loan; Approving the Form of a Third Amended and Restated Loan Agreement in connection therewith; and authorizing the execution, delivery and performance of such agreement and related documents (the “ Resolution ”).	Resolution <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> For Information <input type="checkbox"/>
Presented by: Robert Rogers Attorney	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 TDA previously approved the Term Sheet and Rate Lock Agreement for the Series 2018 Loan on March 20, 2018. The Resolution approves the Loan Agreement and related documents.	
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. The Series 2018 Loan is structured substantially similar to the Series 2015 Loan between the TDA and Compass Bank. The key information from the Term Sheet is summarized below. <ul style="list-style-type: none"> • Proceeds from the Series 2018 Loan will be used to fund Capital Project Expenses and pay the cost related to the issuance of the Series 2018 Loan. • The closing date is anticipated to be April 16, 2018. • The Series 2018 Loan will mature on December 1, 2029. • Pursuant to the Rate Lock Agreement, the interest rate is 4.99% per annum. • Interest on the Series 2018 Loan is payable semi-annually on June 1 and December 1, commencing June 1, 2018. Principal is paid annually on December 1 of each year, commencing on December 1, 2019. 		
ADVANTAGES: The Series 2018 Loan will fund Capital Project Expenses within and benefiting the TDA Urban Renewal Plan Area.		
DISADVANTAGES: None.		
FINANCIAL IMPACT: The Series 2018 Loan has an estimated principal amount up to \$20,000,000 that 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-04, Series 2018, A Resolution Authorizing the Timnath Development Authority to Obtain a Loan For the Purpose of Financing the Costs of Capital Improvements and Paying the Costs of Obtaining the Loan; Approving the Form of a Third Amended and Restated Loan Agreement in connection therewith; and authorizing the execution, delivery and performance of such agreement and related documents.		
ATTACHMENTS: 1) Resolution		

**TIMNATH DEVELOPMENT AUTHORITY
RESOLUTION NO. TDA-04-2018**

A RESOLUTION AUTHORIZING THE TIMNATH DEVELOPMENT AUTHORITY TO OBTAIN A LOAN FOR THE PURPOSE OF FINANCING THE COSTS OF CAPITAL IMPROVEMENTS AND PAYING THE COSTS OF OBTAINING THE LOAN; APPROVING THE FORM OF A THIRD AMENDED AND RESTATED LOAN AGREEMENT IN CONNECTION THEREWITH; AND AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE OF SUCH AGREEMENT AND RELATED DOCUMENTS.

RECITALS

WHEREAS, the Timnath Development Authority (the "Authority") is a public body corporate and politic duly established by the Town of Timnath, Colorado (the "Town") on December 15, 2004 under and pursuant to the laws of the State of Colorado (the "State") and Resolution No. AJ-2004 adopted by the Town Council of the Town on December 15, 2004; and

WHEREAS, an urban renewal plan, known as the "Timnath Urban Renewal Plan," originally approved in December 2004 and amended in March 2007 and August 2015 (as so amended, the "Plan") has been duly and regularly approved by the Town for an urban renewal project as defined in C.R.S. § 31-25-103(10) and described in the Plan (the "Urban Renewal Project") under the Colorado Urban Renewal Law, Title 31, Article 25, Part 1, Colorado Revised Statutes (the "Act" or the "Colorado Urban Renewal Law"); and

WHEREAS, all applicable requirements of the Act and other provisions of law for and precedent to the adoption and approval by the Town of the Plan have been duly complied with; and

WHEREAS, the Authority is authorized to transact business and exercise its powers as an urban renewal authority, including the power and authority to borrow money and to apply for and accept loans, all under and pursuant to the and Act; and

WHEREAS, the Authority has previously issued, for the purpose of paying a portion of the costs of the Urban Renewal Project, its Variable Rate Tax Increment Revenue Bonds, Series 2007, in the aggregate principal amount of \$25,000,000 (the "Series 2007 Bonds"); and

WHEREAS, the Authority and Compass Mortgage Corporation (the "Lender") have entered into the following loan agreements and notes:

(a) \$24,500,000 Loan Agreement dated as of April 1, 2011 (the "Original Loan Agreement"), for the purpose of providing funds to refund the Series 2007 Bonds, the repayment of which was evidenced by a promissory note (the "Original Note"); and

(b) \$2,400,000 First Amendment to Loan Agreement dated as of February 10, 2012 (the "First Amendment"), for the purpose of providing additional funds to the Authority for the Urban Renewal Project, thereby increasing (after taking into account payments of principal previously made by the Authority) the amount of the Original Note to \$26,035,000 (the "Amended Note"), as amended by that certain Second Amendment to Loan Agreement dated as

of July 10, 2013, entered into for the purpose of extending the advance period (the “Second Amendment”) (the Original Loan Agreement, the First Amendment and the Second Amendment are referred to, collectively, as the “Amended Loan Agreement”); and

(c) \$36,725,000 Amended and Restated Loan Agreement dated as of February 26, 2014 (the “2014 First Restated Loan Agreement”), for the purpose of re-amortizing the amounts due under the Amended Loan Agreement and providing additional funds in the amount of \$13,000,000 to the Authority for the Urban Renewal Project, the repayment of which was evidenced by a promissory note (the “2014 First Restated Note”) which replaced the Amended Note; and

(d) \$50,000,000 Second Amended and Restated Loan Agreement dated as of September 29, 2015 (the “2015 Second Restated Loan Agreement”), for the purpose of reamortizing the amounts due under the 2014 First Restated Loan Agreement and providing additional funds in the amount of \$14,395,000 to the Borrower for the Urban Renewal Project, the repayment of which was evidenced by a promissory note dated September 29, 2015 in the amount of \$50,000,000 (the “2015 Original Note”) which replaced the 2014 First Restated Note; and

WHEREAS, the Authority has identified certain additional costs of the Urban Renewal Project and the Authority and Lender have agreed to amend and restate the Second Restated Loan Agreement for the purpose of (a) providing additional funds to the Authority for the Urban Renewal Project; and (b) amending and restating other terms of the 2015 Second Restated Loan Agreement as described herein; and

WHEREAS, the Lender submitted to the Authority a commitment letter, dated March 14, 2018 (the “Commitment Letter”) setting forth in general the proposed terms and conditions upon which the Lender has committed to making a new loan to the Authority which is defined herein as the “2018 Loan Portion”; and

WHEREAS, accordingly, the Authority and the Lender have agreed to amend and restate the 2015 Second Restated Loan Agreement by entering into a Third Amended and Restated Loan Agreement (the “2018 Loan Agreement”); have agreed to execute and deliver a new promissory note (the “2018 Note”) to evidence the payment obligations of the Authority pursuant to the 2018 Loan Agreement; and have agreed to amend and restate the 2015 Original Note by executing and delivering a new promissory note (the “2015 Restated Note”) to evidence the 2015 Loan Portion of the Loan; and

WHEREAS, the Loan, as evidenced by the 2018 Loan Agreement, the 2015 Restated Note and 2018 Note (collectively, the “Loan Documents”), shall constitute a special limited revenue obligation of the Authority payable from and secured by the Pledged Revenue (as defined in the 2018 Loan Agreement), subject to the limitations set forth in the 2018 Loan Agreement; and

WHEREAS, the Authority’s authority to execute and deliver the Loan Documents and perform its obligations thereunder is authorized pursuant to this Resolution, the Act, the

provisions of Title 11, Article 57, Part 2, C.R.S. (the “Supplemental Public Securities Act”) and all other laws thereunto enabling; and

WHEREAS, the Board of Commissioners of the Authority (the “Board”) specifically elects to apply the provisions of the Supplemental Act to the Loan Documents; and

WHEREAS, there is no known conflict of interest of any member of the Board of Commissioners of the Authority in connection with the Loan; and

WHEREAS, the Board has the authority, as provided in Section 11-57-205(1), C.R.S., to delegate to any member of the Board the authority to determine certain provisions of the 2018 Loan Portion to be set forth in the Sale Certificate (defined herein) in accordance with the provisions of this Resolution; and

WHEREAS, the Board desires to authorize the execution and delivery of the Loan Documents; to delegate the authority to the Delegated Authorized Representative pursuant to Section 11-57-205(1), C.R.S. to execute and deliver the Sale Certificate and to make certain determinations regarding the Loan as more specifically set forth therein and herein; and to authorize the execution, completion, and delivery of such certificates and other documents as may be necessary to effect the intent of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF TIMNATH DEVELOPMENT AUTHORITY, IN THE TOWN OF TIMNATH, LARIMER COUNTY, COLORADO:

Section 1. Definitions. Unless the context indicates otherwise, as used herein, capitalized terms shall have the meanings ascribed in the preambles hereto and the 2018 Loan Agreement, and the following capitalized terms shall have the respective meanings set forth in this Section:

“*2015 Loan Amount*” means Forty-Six Million Fifty Thousand and 00/100 U.S. Dollars (\$46,050,000).

“*2015 Loan Portion*” means the portion of the Loan made by the Lender to the Borrower on September 29, 2015, currently in the 2015 Loan Amount, for the purposes described herein in accordance with the terms and provisions of the 2018 Loan Agreement.

“*2015 Original Note*” means the Promissory Note evidencing the 2015 Loan Portion issued in the original principal amount of \$50,000,000 from the Borrower, as maker, to the Lender, as payee, and dated as of September 29, 2015.

“*2015 Restated Note*” means the amended and restated Promissory Note evidencing the 2015 Loan Portion issued in the original principal amount of \$46,050,000 from the Borrower, as maker, to the Lender, as payee, and dated as of the Closing Date, in the form attached to the 2018 Loan Agreement as Exhibit A.

“*2018 Loan Agreement*” has the meaning set forth in the recitals hereof.

“*2018 Loan Amount*” means Twenty Million and 00/100 U.S. Dollars (\$20,000,000).

“*2018 Loan Portion*” means the portion of the Loan made by the Lender to the Borrower on the Closing Date, in the amount of the 2018 Loan Amount, for the purposes described herein in accordance with the terms and provisions of the 2018 Loan Agreement.

“*2018 Note*” means the Promissory Note evidencing the 2018 Loan Portion issued in the original principal amount authorized herein from the Borrower, as maker, to the Lender, as payee, and dated as of the Closing Date.

“*Act*” has the meaning set forth in the recitals hereof.

“*Authority*” has the meaning set forth in the recitals hereof.

“*Authorized Person*” has the meaning set forth in the 2018 Loan Agreement and, initially, means the persons identified as such in Section 7 hereof.

“*Board*” has the meaning set forth in the recitals hereof.

“*Bond Counsel*” means Butler Snow LLP.

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

“*Closing Date*” means the date the Authority executes and delivers the Loan Documents to the Lender.

“*Closing Memorandum*” means the closing memorandum, dated as of the Closing Date and approved by the Delegated Authorized Representative, delineating all sources of funds, and setting forth the uses of such funds, including the transfer and credit to the funds and accounts established and/or affirmed under the 2018 Loan Agreement and the application of such funds to payment of the costs, expenses and fees incurred in connection with the execution and delivery of the Loan Documents.

“*Commitment Letter*” has the meaning set forth in the recitals hereof.

“*Delegated Authorized Representative*” means the Chairperson of the Board or, alternatively, in his or her absence means the Vice-Chairperson of the Board, each having the authority delegated pursuant to Sections 4 and 5 of this Resolution.

“*Delegated Authority*” has the meaning set forth in Section 4 hereof.

“*General Counsel*” means White Bear Ankele Tanaka & Waldron, Professional Corporation.

“*Lender*” has the meaning set forth in the recitals hereof.

“*Loan*” means, collectively, the 2015 Loan Portion and the 2018 Loan Portion.

“*Loan Documents*” means, collectively, the 2015 Restated Note, the 2018 Note and the 2018 Loan Agreement.

“*Pledged Revenue*” has the meaning set forth in the 2018 Loan Agreement.

“*Resolution*” means this Resolution which authorizes the Authority to execute, deliver and perform its obligations under the Loan Documents and authorizes the delegation of authority to the Delegated Authorized Representative to execute the Sale Certificate and make the determinations set forth therein.

“*Sale Certificate*” means the certificate executed by the Delegated Authorized Representative under the authority delegated pursuant to Section 11-57-205(1), C.R.S. and this Resolution.

“*Supplemental Public Securities Act*” has the meaning set forth in the recitals hereof.

Section 2. Approval, Ratification and Authorization of Loan Documents and Payment of Transaction Costs. The Authority is hereby authorized to obtain the 2018 Loan Portion and to enter into the Loan Documents in the forms of such documents presented to the Board at or prior to this meeting. The Authority shall enter into and perform its obligations under such Loan Documents, with such changes as are made pursuant to this Section 2 and are not inconsistent herewith. The Chairperson of the Authority, Vice-Chairperson of the Authority, Secretary of the Authority, and other appropriate officers of the Authority are authorized to execute and deliver the Loan Documents and are further authorized to execute and authenticate such other documents, instruments, or certificates, including the Commitment Letter, as are deemed necessary or desirable in connection with the execution and delivery of the Loan Documents. Payment of the transaction costs set forth in the Closing Memorandum shall be made from 2018 Loan Portion proceeds or other legally available funds of the Authority and such payment is hereby authorized. The remaining proceeds of the 2018 Loan Portion shall be applied to finance certain capital improvements within or benefitting the urban renewal area as described in the Plan. The Loan Documents may be completed, corrected, or revised as deemed necessary or convenient and approved by General Counsel in order to carry out the purposes of this Resolution and such approval by General Counsel shall be deemed approval by the Board; provided, however, that General Counsel shall consult with a representative of the Authority in connection with such approval. To the extent any document, instrument, or certificate in connection with the Loan has been executed prior to the date hereof, then said execution is hereby ratified and affirmed. Copies of all of the Loan Documents shall be delivered, filed, and recorded as provided therein.

Upon execution of the Loan Documents, the covenants, agreements, recitals, and representations of the Authority therein shall be effective with the same force and effect as if specifically set forth herein, and such covenants, agreements, recitals, and representations are hereby adopted.

The appropriate officers of the Authority are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the

Authority relating to the Loan and the Loan Documents and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

The execution of any instrument by any appropriate officer of the Authority in connection with the Loan and the execution and delivery of the Loan Documents not inconsistent herewith shall be conclusive evidence of the approval by the Authority of such instrument in accordance with the terms thereof and hereof.

Section 3. Purpose of and Security for Loan Agreement and Note. In accordance with the Constitution of the State of Colorado; the Act; the Supplemental Act; and all other laws of the State of Colorado thereunto enabling, the Authority shall execute and deliver the Loan Documents for the purposes of funding certain capital improvements within or benefitting the urban renewal area as described in the Plan and paying the costs of obtaining the 2018 Loan Portion, all as further provided in the Loan Documents and the Closing Memorandum. The Loan, as evidenced by the Loan Documents, shall constitute a special limited revenue obligation of the Authority, payable from the Pledged Revenue as provided in the Loan Documents.

Section 4. Delegation of Authority. Pursuant to Section 11-57-205(1), C.R.S., the Board hereby delegates to the Delegated Authorized Representative, for a period of ninety (90) days following adoption of this Resolution, the authority to (a) make the determinations with respect to the 2018 Loan Portion and the Loan Documents set forth in Section 5(a) hereof, subject to the parameters and restrictions set forth hereof in Section 5(b) hereof, and (b) execute and deliver the Sale Certificate (collectively, the “Delegated Authority”).

Section 5. Terms and Parameters of Delegated Authority.

(a) Pursuant to the Delegated Authority, the Delegated Authorized Representative is hereby authorized to make the following determination with respect to the 2018 Loan Portion, subject to the parameters set forth in Section 5(b) hereof:

- (i) the rate or rates of interest on the 2018 Loan Portion;
- (ii) the conditions on which and the prices at which the 2018 Loan Portion may be redeemed before maturity;
- (iii) the existence and amount of any reserve funds;
- (iv) the principal amount of the 2018 Loan Portion;
- (v) the amount of principal maturing on the 2018 Loan Portion in any particular year; and
- (vi) the dates on which principal and interest on the 2018 Loan Portion shall be paid.

(b) The Delegated Authorized Representative’s Delegated Authority to make the determination with respect to the 2018 Loan Portion set forth in Section 5(a) hereof is subject to the following limitation:

- (i) the interest rate shall not exceed 5.25% per annum;
- (ii) the final maturity date shall be no later than December 1, 2029;
- (iii) the principal amount shall not exceed \$20,000,000; and
- (iv) the 2018 Loan Portion shall not be subject to prepayment prior to the seventh anniversary of the Closing Date.

Section 6. Permitted Amendments to Resolution. Except as otherwise provided herein, the Authority may amend this Resolution in the same manner, and subject to the same terms and conditions, as apply to an amendment or supplement to the 2018 Loan Agreement.

Section 7. Appointment of Authorized Person. The Chairperson of the Board or Executive Director of the Authority is hereby appointed as the Authorized Person for the Authority, as defined in the 2018 Loan Agreement, for the purposes specified in the 2018 Loan Agreement. A different Authorized Person may be appointed by resolution adopted by the Board with a copy thereof provided to the Lender.

Section 8. Costs and Expenses; Appropriation of Funds. All costs and expenses incurred in connection with obtaining the 2018 Loan Portion and preparing, executing and delivering the Loan Documents shall be paid either from the proceeds of the 2018 Loan Portion or from legally available moneys of the Authority, or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Section 9. Pledge of Revenues. The creation, perfection, enforcement, and priority of the revenues pledged to secure or pay the Loan as provided herein and in the Loan Documents shall be governed by Section 11-57-208 of the Supplemental Act, this Resolution, and the Loan Documents. The revenues pledged for the payment of the Authority's obligations under the Loan Documents, as received by or otherwise credited to the Authority or the Lender, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge on the revenues of the Authority and the obligation to perform the contractual provisions made herein and in the 2018 Loan Agreement shall have priority over any or all other obligations and liabilities of the Authority. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the Authority irrespective of whether such persons have notice of such liens.

Section 10. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board of Commissioners, or any officer or agent of the Authority acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal, interest or prepayment penalties on the Loan. Such recourse shall not be available either directly or indirectly through the Board of Commissioners or the Authority, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Loan Documents, the Lender specifically waives any such recourse.

Section 11. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, the Loan Documents shall contain a recital that it is issued pursuant to certain provisions of

the Supplemental Act. Such recital shall be conclusive evidence of the validity and the regularity of the Loan Documents evidencing the indebtedness of the Loan after its delivery for value.

Section 12. Limitation of Actions. Pursuant to Section 11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the execution and delivery of the Loan Documents and the execution and delivery of the Loan Documents shall be commenced more than thirty days after the authorization of such securities.

Section 13. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the Authority and the members of the Board of Commissioners, not inconsistent with the provisions of this Resolution, relating to the authorization, execution and delivery of the Loan Documents, or the execution of any documents in connection with the Loan Documents, are hereby ratified, approved, and confirmed.

Section 14. Resolution Irrepealable. After the execution and delivery of the 2018 Loan Agreement, this Resolution shall constitute a contract between the Lender and the Authority and shall be and remain irrepealable until the Loan and the interest accruing thereon shall have been fully paid, satisfied, and discharged, as herein provided and as provided in the Loan Documents.

Section 15. Repealer. All orders, bylaws, and resolutions of the Authority, or parts thereof, inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

Section 16. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

Section 17. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED March 27, 2018.

TIMNATH DEVELOPMENT AUTHORITY

By _____
Chairperson, Board of Commissioners

ATTEST:

By _____
Secretary, Board of Commissioners

[Signature page to Resolution]

STATE OF COLORADO)
) SS.
 TIMNATH)
 DEVELOPMENT AUTHORITY)

I, the Secretary of the Timnath Development Authority (the “Authority”), do hereby certify that:

1. The foregoing pages are a true and correct copy of a resolution (the “Resolution”) passed and adopted by the Board of Commissioners of the Authority (the “Board”) at a meeting held on March 27, 2018.
2. The Resolution was duly moved and seconded and the Resolution was adopted at the meeting of March 27, 2018, by an affirmative vote of a majority of the members of the Board as follows:

Name	“Yes”	“No”	Absent	Abstain
Jill Grossman-Belisle				
Bryan Voronin				
Aaron Pearson				
Bill Neal				
Paul Stenway				

3. The members of the Board were present at such meetings and voted on the passage of such Resolution as set forth hereof.
4. The Resolution was approved and authenticated by the signature of the Chairperson of the Board, sealed with the Authority seal, attested by the Secretary of the Board and recorded in the minutes of the Board.
5. There are no bylaws, rules or regulations of the Board which might prohibit the adoption of said Resolution.
6. Notice of the meeting of March 27, 2018, in the form attached hereto as Exhibit A, was posted in at the Timnath Town Hall, 4800 Goodman Street, in the Town of Timnath, not less than twenty-four hours prior to the meeting in accordance with law.

WITNESS my hand and the seal of said Authority affixed March 27, 2018.

(SEAL)

Secretary

EXHIBIT A
(Attach notice of meeting)

41125110v3

THIRD AMENDED AND RESTATED LOAN AGREEMENT

by and between

TIMNATH DEVELOPMENT AUTHORITY
as Borrower

and

COMPASS MORTGAGE CORPORATION
as Lender

Dated as of April 16, 2018

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EXHIBIT J PROJECT FUND DISBURSEMENT REQUEST

THIRD AMENDED AND RESTATED LOAN AGREEMENT

THIS THIRD AMENDED AND RESTATED LOAN AGREEMENT (this “Agreement”) is made and entered into as of April 16, 2018, by and between **TIMNATH DEVELOPMENT AUTHORITY** (the “Borrower”), a public body corporate and politic duly existing under the laws of the State of Colorado, and **COMPASS MORTGAGE CORPORATION**, an Alabama corporation, in its capacity as lender (the “Lender”).

RECITALS

WHEREAS, the Borrower is a public body corporate and politic and has been duly created, organized, established and authorized by the Town of Timnath, Colorado (the “Town”) to transact business and exercise its powers as an urban renewal authority, all under and pursuant to the Colorado Urban Renewal Law, constituting part 1 of article 25 of title 31, Colorado Revised Statutes (the “Act”) (all capitalized terms used and not otherwise defined herein shall have the respective meanings assigned in Article I hereof); and

WHEREAS, pursuant to the Act, the Borrower has the power and authority to borrow money and to apply for and accept loans to accomplish the purposes set forth in the Act, and to give such security as may be required; and

WHEREAS, an urban renewal plan, known as the “Timnath Urban Renewal Plan,” originally approved on December 15, 2004, and amended through minor modifications on March 7, 2007 and August 25, 2015 (together, the “Plan”) has been duly and regularly approved by the Town, and pursuant to the Plan, the Borrower is authorized to construct various projects (collectively, the “Urban Renewal Project”) under the Act; and

WHEREAS, all applicable requirements of the Act and other provisions of law for and precedent to the adoption and approval by the Town of the Plan have been duly complied with; and

WHEREAS, the Borrower has previously issued, for the purpose of paying a portion of the costs of the Urban Renewal Project, its Variable Rate Tax Increment Revenue Bonds, Series 2007, in the aggregate principal amount of \$25,000,000 (the “Series 2007 Bonds”), and

WHEREAS, the Borrower and the Lender have entered into the following loan agreements and notes:

- (a) \$24,500,000 Loan Agreement dated as of April 1, 2011 (the “2011 Original Loan Agreement”), for the purpose of providing funds to refund the Series 2007 Bonds, the repayment of which was evidenced by a promissory note (the “2011 Original Note”);
- (b) \$2,400,000 First Amendment to Loan Agreement dated as of February 10, 2012 (the “2012 First Amendment”), for the purpose of providing additional funds to the Borrower for the Urban Renewal Project, thereby increasing (after taking into account payments of principal previously made by the Borrower) the amount of the Original 2011 Note to \$26,035,000 (the “2012 Amended Note”), as amended by

that certain Second Amendment to Loan Agreement dated as of July 10, 2013, entered into for the purpose of extending an advance period (the “2013 Second Amendment”) (the Original Loan Agreement, the First Amendment and the Second Amendment are referred to as the “2013 Amended Loan Agreement”);

- (c) \$36,725,000 Amended and Restated Loan Agreement dated as of February 26, 2014 (the “2014 First Restated Loan Agreement”), for the purpose of reamortizing the amounts due under the 2013 Amended Loan Agreement and providing additional funds in the amount of \$13,000,000 to the Borrower for the Urban Renewal Project, the repayment of which was evidenced by a promissory note (the “2014 First Restated Note”) which replaced the 2012 Amended Note;
- (d) \$50,000,000 Second Amended and Restated Loan Agreement dated as of September 29, 2015 (the “2015 Second Restated Loan Agreement”), for the purpose of reamortizing the amounts due under the 2014 First Restated Loan Agreement and providing additional funds in the amount of \$14,395,000 to the Borrower for the Urban Renewal Project, the repayment of which was evidenced by a promissory note dated September 29, 2015 in the amount of \$50,000,000 (the “2015 Original Note”) which replaced the 2014 First Restated Note; and

WHEREAS, simultaneously with the execution of the First Restated Loan Agreement, the Bond Cooperation Agreement was also amended and restated so that such document was consistent with the terms of the 2014 First Restated Loan Agreement; and

WHEREAS, the current amount outstanding on the 2015 Original Note is \$46,050,000 (the “2015 Loan Amount”), and the 2015 Loan Amount bears interest at the 2015 Fixed Rate (defined herein) of 4.44%; and

WHEREAS, the Borrower has identified certain additional costs of the Urban Renewal Project in the amount of \$20,000,000 (the “2018 Loan Amount”) and the Borrower and Lender have agreed to amend and restate the 2015 Second Restated Loan Agreement for the purpose of (a) providing additional funds to the Borrower for the Urban Renewal Project, the net proceeds of which shall be deposited to the Project Fund pursuant to the terms hereof; and (b) amending and restating other terms of the 2015 Second Restated Loan Agreement as described herein; and

WHEREAS, it is the intent of the parties that the interest rate, amortization schedule, prepayment provisions, maturity date, and revenue pledged to the 2015 Original Note will remain unchanged, and that a different interest rate, amortization schedule, and prepayment provisions will apply to the 2018 Loan Amount; and

WHEREAS, accordingly, the Borrower and the Lender have agreed to amend and restate the 2015 Second Restated Loan Agreement by (a) entering into this Agreement, (b) amending and restating the 2015 Original Note by executing a new promissory note (the “2015 Restated Note”) in the 2015 Loan Amount of \$46,050,000, the form of which is attached hereto as Exhibit A, and (c) executing a new promissory note (the “2018 Note”) in the 2018 Loan Amount of \$20,000,000, the form of which is attached hereto as Exhibit C; and

WHEREAS, the additional amount loaned to the Borrower pursuant to this Agreement is the amount of \$20,000,000, resulting in a new total loan amount of \$66,050,000 (the “Loan”), comprised of the 2015 Loan Amount of \$46,050,000 due under the 2015 Restated Note (the “2015 Loan Portion”) and the 2018 Loan Amount of \$20,000,000 due under the 2018 Note (the “2018 Loan Portion”); and

WHEREAS, the Second Restated Loan Agreement, this Agreement, the 2015 Original Note and the 2015 Restated Note provide that the 2015 Loan Portion will mature on December 1, 2029 (the “Maturity Date”), and this Agreement and the 2015 Restated Note provide that principal on the 2015 Loan Portion will be payable on the schedule set forth in Exhibit B to this Agreement; and

WHEREAS, this Agreement and the 2018 Note provide that the 2018 Loan Portion will also mature on the Maturity Date and that principal on the 2018 Loan Portion will be payable on the schedule set forth in Exhibit D to this Agreement; and

WHEREAS, the Borrower’s authority to execute and deliver the Notes and this Agreement and perform its obligations thereunder and hereunder is authorized pursuant to the 2018 Authorizing Resolution (as more particularly defined in Article I hereof); the Act; the provisions of Title 11, Article 57, Part 2, C.R.S. (the “Supplemental Public Securities Act”); and all other laws thereunto enabling; and

WHEREAS, the Loan shall constitute a special limited revenue obligation of the Borrower payable from and secured by the Pledged Revenue, subject to the limitations set forth herein.

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

ARTICLE I

DEFINITIONS

“*2011 Original Loan Agreement*” means the \$24,500,000 Loan Agreement dated as of April 1, 2011.

“*2012 First Amendment*” means the \$2,400,000 First Amendment to Loan Agreement dated as of February 10, 2012, which increased the amount of the 2011 Original Loan Agreement to \$26,035,000.

“*2013 Amended Loan Agreement*” means the 2011 Original Loan Agreement, the 2012 First Amendment and the 2013 Second Amendment.

“*2013 Second Amendment*” means the Second Amendment to Loan Agreement dated as of July 10, 2013.

“*2014 First Restated Loan*” means the amended and restated loan made by the Lender to the Borrower in the aggregate principal amount of \$36,725,000 as evidenced by the 2014 First

Restated Note and made in accordance with the terms and provisions of the 2014 First Restated Loan Agreement.

“*2014 First Restated Note*” means the Promissory Note evidencing the 2014 First Restated Loan issued in the aggregate principal amount of \$36,725,000 from the Borrower, as maker, to the Lender, as payee, and dated as of February 26, 2014.

“*2015 Amortization*” means the amortization of the 2015 Loan Portion, as set forth in Exhibit B hereto.

“*2015 Authorizing Resolution*” means the resolution adopted by the Board on September 22, 2018, authorizing the Borrower to execute and deliver the 2015 Original Note and the 2015 Second Restated Loan Agreement.

“*2015 Closing Date*” means September 29, 2015.

“*2015 Default Rate*” means a rate per annum equal to the 2015 Fixed Rate plus 4.50%.

“*2015 Fixed Rate*” means a rate per annum equal to 4.44%.

“*2015 Loan Amount*” means Forty-Six Million Fifty Thousand and 00/100 U.S. Dollars (\$46,050,000).

“*2015 Loan Amount Outstanding*” means, as of any calculation date, the 2015 Loan Amount less the following amounts: (a) principal payments made by the Borrower as of such date and allocable to the 2015 Amortization and (b) prepayments of principal made by the Borrower pursuant to Section 2.05 hereof.

“*2015 Loan Portion*” means the portion of the Loan made by the Lender to the Borrower on September 29, 2015, currently in the 2015 Loan Amount, for the purposes described herein in accordance with the terms and provisions of this Agreement.

“*2015 Original Note*” means the Promissory Note evidencing the 2015 Loan Portion issued in the original principal amount of \$50,000,000 from the Borrower, as maker, to the Lender, as payee, and dated as of September 29, 2015.

“*2015 Restated Note*” means the amended and restated Promissory Note evidencing the 2015 Loan Portion issued in the original principal amount of \$46,050,000 from the Borrower, as maker, to the Lender, as payee, and dated as of September 29, 2015, and amended and restated on April 16, 2018, in the form attached hereto as Exhibit A.

“*2015 Second Restated Loan Agreement*” means the Second Amended and Restated Loan Agreement dated as of September 29, 2015, between the Borrower and the Lender.

“*2018 Amortization*” means the amortization of the 2018 Loan Portion, as set forth in Exhibit D hereto.

“*2018 Authorizing Resolution*” means the resolution adopted by the Board on March 27, 2018, authorizing the Borrower to execute and deliver the 2015 Restated Note, the 2018 Note, this Agreement and the Sale Certificate.

“*2018 Closing Date*” means the date on which the Closing occurs, estimated to be on or about April 16, 2018.

“*2018 Default Rate*” means a rate per annum equal to the 2018 Fixed Rate plus 4.50%.

“*2018 Fixed Rate*” means a rate per annum equal to [_____] %.

“*2018 Loan Amount*” means Twenty Million and 00/100 U.S. Dollars (\$20,000,000).

“*2018 Loan Amount Outstanding*” means, as of any calculation date, the 2018 Loan Amount less the following amounts: (a) principal payments made by the Borrower as of such date and allocable to the 2018 Amortization and (b) prepayments of principal made by the Borrower pursuant to Section 2.06 hereof.

“*2018 Loan Portion*” means the portion of the Loan made by the Lender to the Borrower on April 16, 2018, in the 2018 Loan Amount, for the purposes described herein in accordance with the terms and provisions of this Agreement.

“*2018 Note*” means the Promissory Note evidencing the 2018 Loan Portion issued in the original principal amount of \$20,000,000 from the Borrower, as maker, to the Lender, as payee, and dated as of April 16, 2018, in the form attached hereto as Exhibit C.

“*Act*” means the Colorado Urban Renewal Law, Title 31, Article 25, Part 1, Colorado Revised Statutes, as amended from time to time.

“*Additional Debt*” means any Debt issued after the 2018 Closing Date by the Borrower.

“*Additional Loan Payment Posting Period*” has the meaning set forth in Section 4.02(b)(i) hereof.

“*Additional Loan Payments*” means: (a) amounts received by the Borrower as reimbursement for a Riverbend Capital Project pursuant to the Public Improvements Agreement; and (b) amounts received by the Borrower from any (i) sale or other transfer of any interest in all or part of the Riverbend Lots by the Borrower to any party other than the Town and (ii) payment of any claim made by the Borrower pursuant to any title insurance policy, property insurance policy or other insurance coverage issued to the Borrower as owner of the Riverbend Lots; provided, however, that the amount of Additional Loan Payments shall not exceed the Loan Amount Outstanding at the time of receipt of the Additional Loan Payments.

“*Administrative Cooperation Agreement*” means that certain Cooperation Agreement for Administrative Services, dated August 1, 2007, as amended or otherwise modified from time to time, between the Town and the Borrower, pursuant to which, among other things, the Town agrees to advance certain Pledged Revenue to the Borrower for its use in hiring staff or consultants in connection with the Urban Renewal Project. The Administrative Cooperation Agreement provides

that the obligations of the Borrower thereunder are subordinate to the Borrower's obligations to the Loan or any Parity Debt.

"Annual Compliance Certificate" means the certificate in the form set forth in Exhibit F hereto to be provided by the Borrower to the Lender pursuant to the provisions of Section 5.11(a) hereof.

"Annual Debt Requirements" means, with respect to any Fiscal Year, an amount equal to the principal due on the Loan during such Fiscal Year plus the interest due on the Loan during such Fiscal Year.

"Authorized Person" means the Chair or Vice Chair of the Board, or any designee thereof, and also means any other individual authorized by the Board to act as an Authorized Person hereunder pursuant to a resolution adopted by the Board, provided that the Borrower has provided a copy of such resolution for such Authorized Person(s) to the Lender.

"Authorizing Resolutions" means, together, the 2015 Authorizing Resolution and the 2018 Authorizing Resolution.

"BBVA" means Banco Bilbao Vizcaya Argentaria S.A.

"BBVA/Compass Entity" means BBVA, Compass Bank, Compass Mortgage Corporation, and any subsidiary or affiliate of BBVA, Compass Bank and/or Compass Mortgage Corporation.

"Board" means the Board of Commissioners of the Borrower.

"Bond Cooperation Agreement" means the Amended and Restated Cooperation Agreement Regarding Bonds and Other Obligations between the Town and the Borrower dated as of February 25, 2014.

"Borrower" means Timnath Development Authority, a public body corporate and politic duly organized and existing as an urban renewal authority under the laws of the State of Colorado.

"Business Day" means a day on which the Lender, or banks or trust companies in New York, New York, are not authorized or required to remain closed and on which the New York Stock Exchange is not closed.

"Capital Project" means the acquisition, construction, reconstruction, improvement, betterment or extension of capital improvements and other costs consistent with the Urban Renewal Plan.

"Capital Project Expenses" means all or any part of the cost of the Capital Project, including, without limitation, costs of constructing and improving the Capital Project, interest or discount on the Notes, costs of issuance of the Notes, legal expenses, costs of financial, professional, and other estimates and advice, contingencies, any administrative, operating, and other expenses of the Borrower incurred prior to and during such Capital Project, and all such other expenses as may be necessary or incident to the financing completion of the Capital Project or any part thereof, including the costs of acquisition of necessary real property interests, and also

reimbursements to the Borrower or to any person of any moneys theretofore expended for the purposes of the Borrower for or in connection with the Capital Project.

“*Closing*” means the concurrent execution and delivery of the Notes, this Agreement and the other Financing Documents by the respective parties thereto.

“*Closing Memorandum*” means the closing memorandum, dated as of the 2018 Closing Date, setting forth the disbursement of the proceeds of the 2018 Loan Portion, including the application of such funds to payment of the costs, expenses and fees incurred in connection with the issuance of the 2018 Loan Portion and the 2018 Note.

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

“*Commitment Fee*” means 0.30% of the 2018 Loan Amount, payable on the 2018 Closing Date.

“*Compass Bank*” means Compass Bank, an Alabama state chartered banking association.

“*Cost Overrun Reimbursement*” has the meaning set forth in the Public/Private Partnership Agreement.

“*Costco*” means, collectively, the membership warehouse club located at 4705 Weitzel Street in the Town containing approximately 150,000 square feet, including, without limitation, an integrated tire sales and installation center, a free-standing fuel-filling facility, a liquor store and parking and other improvements associated with all of the foregoing, all as contemplated by the Public/Private Partnership Agreement.

“*Costco Inc.*” means Costco Wholesale Corporation, a Washington corporation.

“*Costco Incremental Sales Tax Revenue*” means the portion of Sales Tax derived from Costco retail activity within the TDA Property that is in excess of the Sales Tax Base Amount (as defined in the Public/Private Partnership Agreement).

“*Costco Property*” means the real property described as Lot 1, Block 1 of the Final Plat of the Gateway Timnath South Subdivision, recorded in the Larimer County Real Property Records on March 4, 2014, at Reception Number 20140010830.

“*Costs of Issuance Fund*” means the fund by that name established by the provisions of Section 4.06 hereof to be administered by the Lender in the manner and for the purposes set forth herein.

“*County*” means Larimer County, Colorado.

“*County Assessor*” means the tax assessor of Larimer County, Colorado.

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

“*Debt*” of any Person means on any date, without duplication, (a) all obligations of such Person for borrowed money and reimbursement obligations which are not contingent; (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments; (c) all obligations of such Person to pay the deferred purchase price of property or services; (d) all obligations of such Person as lessee under capital leases; (e) all Debt of others guaranteed by such Person; (f) all obligations of such Person which are payable from year to year, subject to appropriation of the amounts sufficient to do so, and (g) all payment obligations of such Person, in addition to any obligations set forth in clauses (a) through (f) above arising under any swap, cap, collar, interest rate futures contract, interest rate option contract or other similar arrangement and under any foreign exchange contract, currency swap agreement, foreign exchange futures contract, foreign exchange option contract, synthetic cap or other similar agreement; *provided* that it is understood that Debt does not include: (i) contingent obligations of such Person to reimburse any other Person in respect of surety bonds or letters of credit to the extent that such surety bonds or letters of credit support Debt of such Person, (ii) operating leases, (iii) payroll obligations, (iv) accounts payable, (v) consultant contracts entered into in the ordinary course of business, (vi) construction contracts entered into for purposes of the Capital Project or the Riverbend Capital Project, (vii) the Administrative Cooperation Agreement, (viii) the Bond Cooperation Agreement or (ix) taxes incurred or payable in the ordinary course of business of such Person. For purposes of this definition, if any of the agreements or contracts set forth in clause (g) above relate to any other obligation of a Person which is otherwise included in this definition of Debt, such agreements and contracts shall constitute Debt only to the extent that the payment obligations of such person thereunder, less any amounts receivable by such Person thereunder, exceed or are expected to exceed the interest payable on the related Debt.

“*Debt Requirements*” means, with respect to any Payment Date, an amount equal to the principal due on the Loan as of such Payment Date plus the interest due on the Loan as of such Payment Date.

“*Default*” means an event, act or occurrence which, with the giving of notice or the lapse of time (or both), would become an Event of Default.

“*Development District IGA’s*” means those certain intergovernmental agreements to which the Borrower is party, including agreements with Timnath Ranch Metropolitan District, South Timnath Metropolitan District and Timnath Farms North Metropolitan District, and any other intergovernmental agreements entered into by the Borrower and one or more Title 32 metropolitan districts, Title 31 business improvement districts or Title 31 general improvement districts, pursuant to which the Borrower has agreed or will agree to remit any property tax increment revenue received from the mill levies of such districts back to the districts for the purpose of financing public improvements.

“*Estimated Pledged Property Tax Revenue*” means, with respect to any Fiscal Year, the amount of Pledged Property Tax Revenue estimated to be received in such Fiscal Year, which amount shall be calculated as follows: (a) the amount derived by multiplying the incremental assessed valuation of the Plan Area, as certified by the County Assessor on or before December 31 of the immediately preceding Fiscal Year, multiplied by the ad valorem property taxes levied by all jurisdictions on real and personal property in the Plan Area imposed by such jurisdictions on or before December 31 of the immediately preceding Fiscal Year, (b) minus property taxes

allocable to other governmental entities pursuant to the Fire District IGA or any Development District IGA's, and (c) which amount shall be multiplied by 98%.

"Estimated Pledged Property Tax Revenue Certificate" means a certificate, in the form attached as Exhibit H hereto, executed by the Authorized Person and approved by the Lender (which approval may be withheld only under the circumstances set forth in Section 4.08 hereof), to be provided by the Borrower to the Lender pursuant to the provisions of Section 5.11(b) hereof.

"Event of Default" has the meaning set forth in Section 8.01 hereof.

"Financing Documents" means this Agreement, the Notes, the Authorizing Resolutions, the Plan, the Administrative Cooperation Agreement, the Bond Cooperation Agreement, the Public Improvements Agreement and the Public/Private Partnership Agreement, all in form and substance satisfactory to the Lender.

"Fire District IGA" means that certain Fire District Intergovernmental Agreement, dated as of March 1, 2007, by and among the Borrower, the Town, the Poudre Valley Fire Protection District and the Poudre Fire Authority, as amended and restated as of August 25, 2015, pursuant to which the Borrower, subject to certain conditions contained therein, agrees to pay over to Poudre Valley Fire Protection District the property tax increment revenues received by the Borrower from the Poudre Valley Fire Protection District's mill levy, to which the Borrower would otherwise be entitled.

"Fiscal Year" means the 12 months commencing on the first day of January of any calendar year and ending on the last day of December of the same calendar year.

"Interest Payment Date" means June 1 and December 1 of each year, commencing June 1, 2018, to and including the Maturity Date.

"Lender" means Compass Mortgage Corporation, an Alabama corporation, in its capacity as lender of the Loan.

"Loan" means, collectively, the 2015 Loan Portion and the 2018 Loan Portion.

"Loan Amount Outstanding" means, as of any calculation date, the sum of (a) the 2015 Loan Amount Outstanding" and (b) the 2018 Loan Amount Outstanding.

"Loan Payment Fund" means the existing fund by that name established pursuant to the 2015 Second Restated Loan Agreement, which fund shall continue pursuant to the provisions of Section 4.01 hereof to be administered by the Lender in the manner and for the purposes set forth in Section 4.03 hereof.

"Maturity Date" means December 1, 2029.

"Maximum Annual Debt Service" means, as of any date of calculation, the sum of the maximum annual payments of principal of and interest on the 2015 Loan Portion, the 2018 Loan Portion and any Additional Debt to become due during any Fiscal Year while the Loan and any Additional Debt is outstanding.

“*Mid-Year Actual Pledged Property Tax Revenue Certificate*” means a certificate, in the form attached as Exhibit I hereto, executed by the Authorized Person and approved by the Lender (which approval may be withheld only under the circumstances set forth in Section 4.08 hereof), to be provided by the Borrower to the Lender pursuant to the provisions of Sections 4.02(a) and 5.11(j) hereof.

“*Net Pledged Revenue*” means the moneys described in clauses (a) and (b) of the definition of Pledged Revenue set forth in this Article I.

“*Net Pledged Revenue Shortfall*” means a condition which exists on any Payment Date when Net Pledged Revenue which is on deposit in the Loan Payment Fund is insufficient to pay Debt Requirements and any other amounts due and owing to the Lender on such Payment Date.

“*Notes*” means, together, the 2015 Restated Note and the 2018 Note.

“*Owner*” means Cache La Poudre Investors South, LLC, a Colorado limited liability company, the owner and developer of the Costco Property prior to its sale to Costco Inc.

“*Parity Debt*” means any Debt of the Borrower, the payment of which is secured by the Pledged Revenue or any component thereof on a basis equal to and on a parity with the lien thereon of the Loan.

“*Payment Date*” means a Principal Payment Date and/or an Interest Payment Date, as applicable.

“*Permitted Investments*” means (a) certificates of deposit in Compass Bank or the Lender which have (i) a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (ii) a yield which is not less than the yield on reasonably comparable direct obligations of the United States, and (iii) a yield which is not less than the highest yield that is published or posted by the issuer of the certificate to be currently available from such issuer on reasonably comparable certificates of deposit offered to the public to comparable governmental entities and subject to the Public Deposit Protection Act; (b) any money market account offered by Compass Bank or the Lender which bears interest at the published money market rate of Compass Bank or the Lender, as applicable, and has a yield which is at least 100 basis points less than the yield on the Loan (as set forth in the Tax Certificate); and (c) any investment or deposit offered by Compass Bank or the Lender which (i) is a permitted investment for governmental entities under then-applicable Colorado law, and (ii) in the opinion of nationally recognized bond counsel delivered to the Borrower and the Lender will not cause the Borrower to violate the covenant in Section 5.08 hereof. If, after making a good faith effort to do so, the Borrower determines that it is not possible to invest in the investments described in (a), (b) or (c) above, Permitted Investments means any investment or deposit directed by the Borrower which (i) is a permitted investment for governmental entities under then-applicable Colorado law, and (ii) in the opinion of nationally recognized bond counsel delivered to the Borrower and the Lender will not cause the Borrower to violate the covenant in Section 5.08 hereof.

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

“*Plan*” means the “Timnath Urban Renewal Plan,” originally approved on December 15, 2004, and amended through minor modifications on March 7, 2007 and August 25, 2015.

“*Plan Area*” means the urban renewal project area described in Exhibit E hereto.

“*Pledged Property Tax Revenue*” means the property tax increment received by the Borrower pursuant to the Act, the Plan, the Bond Cooperation Agreement and the Tax Increment Agreement, but shall not include property taxes allocable to other governmental entities pursuant to the Fire District IGA or any Development District IGA’s.

“*Pledged Revenue*” means:

- (a) Pledged Property Tax Revenue;
- (b) Pledged Sales Tax Revenue;
- (c) Additional Loan Payments (however, such amounts are only required to be paid to the Lender under the conditions described in Section 4.02(b));
- (d) all amounts held in the funds and accounts established and maintained hereunder together with investment earnings thereon, including, without limitation, the Revenue Fund, the Loan Payment Fund, the Project Fund, and the Reserve Fund; and
- (e) all other legally available moneys which the Borrower determines, in its sole discretion, to deposit in the Loan Payment Fund.

“*Pledged Sales Tax Revenue*” means:

- (a) For the period commencing on the 2015 Closing Date to and including October 2, 2019, plus such additional time as necessary for the Owner to recover an additional amount equal to \$940,869.43 (such amount being equal to half of the Cost Overrun Reimbursement of \$1,881,736.85), “Pledged Sales Tax Revenue” means:

- (I) 82% of the Sales Tax Increment (excluding the Costco Incremental Sales Tax Revenue) and

- (II) 32% of the Costco Incremental Sales Tax Revenue.

- (b) Thereafter, “Pledged Sales Tax Revenue” means 82% of the Sales Tax Increment.

“*Principal Payment Date*” means December 1 of each year, commencing December 1, 2018, to and including the Maturity Date.

“*Project Fund*” means the existing fund by that name established pursuant to the 2015 Second Restated Loan Agreement, which fund shall continue pursuant to the provisions of Section 4.01 hereof to be administered by the Lender in the manner and for the purposes set forth in Section 4.05 hereof.

“*Project Fund Disbursement Request*” shall have the meaning set forth in Section 4.05(b) hereof.

“*Public Deposit Protection Act*” means Article 10.5 of Title 11, Colorado Revised Statutes, as amended from time to time.

“*Public Improvements Agreement*” means the Public Improvements Agreement dated as of February 10, 2012, and amended and restated as of October 14, 2014, between the Borrower, the Town and Riverbend Ventures, LLC.

“*Public/Private Partnership Agreement*” means the Public/Private Partnership Agreement Regarding Gateway Timnath South dated as of January 14, 2014, by and between the Borrower, the Owner, Cache La Poudre Development South, LLC and the Town.

“*Quarterly Compliance Certificate*” means the certificate in the form set forth in Exhibit G hereto to be provided by the Borrower to the Lender pursuant to the provisions of Section 5.11(c) hereof.

“*Rebate Requirements*” means any requirements to pay funds to the United States Treasury pursuant to Section 148 or the Internal Revenue Code.

“*Reserve Fund*” means the existing fund by that name established pursuant to the 2013 Amended Loan Agreement and continued in the 2014 First Restated Loan Agreement and the 2015 Second Restated Loan Agreement, which fund shall continue pursuant to the provisions of Section 4.01 hereof to be administered by the Lender in the manner and for the purposes set forth in Section 4.04 hereof.

“*Reserve Requirement*” means the amount of \$2,000,000.

“*Revenue Fund*” means the existing fund by that name established pursuant to the 2015 Second Restated Loan Agreement, which fund shall continue pursuant to the provisions of Section 4.01 hereof to be administered by the Lender in the manner and for the purposes set forth herein.

“*Riverbend Capital Project*” means the acquisition, construction, reconstruction, improvement, betterment or extension of improvements benefiting the Riverbend development pursuant to the Public Improvements Agreement, and all necessary or appropriate appurtenances, property rights, and equipment, which Riverbend Capital Project constitutes a part of the Urban Renewal Project.

“*Riverbend Lots*” means Lots 7 and 9 of the Final Plat of the Riverbend First Filing, recorded in the Larimer County Real Property Records on June 23rd, 2015, at Reception Number 20150039320.

“*Sale Certificate*” means the Loan Sale Certificate dated March [___], 2018, pursuant to which the 2018 Fixed Rate was established.

“*Sales Tax*” or “*Sales Taxes*” means the municipal sales tax at a rate of 3.00% of gross receipts on items not classified as food, and at a rate of 2.25% of gross receipts on items classified

as food, established by the Town as the same shall from time to time be in effect (subject to the limitations and terms of the Bond Cooperation Agreement) pertaining to, including, without limitation, the sale, lease, rental, purchase or consumption of tangible personal property and taxable services, or any successor tax in the event that such taxes are replaced or superseded, but excluding any additional sales tax which may be approved by the electors of the Town subsequent to the execution and delivery of this Agreement.

“*Sales Tax Increment*” means 100% of the Sales Tax levied by the Town within the Plan Area which is in excess of the actual collection of Sales Tax revenues during the twelve (12) consecutive month period immediately preceding the month of adoption of the Plan; such period being from December 1, 2003 through November 30, 2004, and certified by the Town as being the amount of \$31,602.

“*Special Counsel*” means (a) as of the 2018 Closing Date, Butler Snow LLP, Denver, Colorado, and (b) as of any other date, Butler Snow LLP, Denver, Colorado, or such other attorneys selected by the Borrower with nationally recognized expertise in the issuance of tax-exempt debt.

“*Subordinate Debt*” means any Debt of the Borrower, the payment of which is secured by the Net Pledged Revenue or any component thereof on a basis subordinate to the lien thereon of the Loan and Parity Debt, if any. Such term includes any amounts representing the overpayment of incremental property taxes as the result of refunds made to taxpayers and with respect to which the Borrower has undertaken an obligation to repay the Larimer County Treasurer as contemplated by Section 31-25-107(9)(a)(III), Colorado Revised Statutes.

“*Supplemental Public Securities Act*” means Title 11, Article 57, C.R.S.

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

“*Tax Increment Agreement*” means that certain Intergovernmental Agreement Regarding Settlement of Litigation and Urban Renewal and Tax Increment Issues, dated June 30, 2006, by and among the Town, the Borrower and the County, pursuant to which the Borrower agrees to remit annually to the County a portion of the property tax increment collected as a result of the County’s mill levy.

“*TDA Agreements*” means, collectively, the Tax Increment Agreement, the Administrative Cooperation Agreement, the Bond Cooperation Agreement, the Fire District IGA and any Development District IGA’s.

“*TDA Property*” means the portion of the Costco Property located within the Plan Area, as depicted on Exhibit B to the Public/Private Partnership Agreement.

“*Town*” means the Town of Timnath, Colorado.

ARTICLE II

LOAN TERMS, FEES, APPLICATION OF PROCEEDS

Section 2.01 Agreement to Make Additional Loan. The Lender hereby agrees to make an additional loan to the Borrower in the original aggregate principal amount of \$20,000,000 (as previously defined, the “2018 Loan Amount”). The 2018 Note shall constitute a special limited revenue obligation of the Borrower payable from and secured by the Pledged Revenue on parity with the 2015 Restated Note. The 2015 Original Note, in the current aggregate principal amount of \$46,050,000 (as previously defined, the “2015 Loan Amount”), shall be amended and restated as the 2015 Restated Note. The 2015 Restated Note constitutes a special limited revenue obligation of the Borrower payable from and secured by the Pledged Revenue on parity with the 2018 Note.

Section 2.02 Application of Loan Proceeds and Other Available Funds.

(a) On the 2018 Closing Date, the Lender shall disburse the proceeds of the 2018 Loan Portion (\$20,000,000.00), net of the Commitment Fee of \$60,000.00, as follows:

(i) \$_____ shall be applied by the Lender to the payment of the fees, costs and expenses incurred in connection with issuance of the Loan pursuant to invoices provided to the Lender; and

(ii) \$[_____] shall be deposited to the Project Fund and applied pursuant to Section 4.05 hereof; and

(iii) \$5,000.00 shall be deposited to the Costs of Issuance Fund and applied pursuant to Section 4.06 hereof.

(b) On the 2018 Closing Date, the following existing funds held under the 2015 Second Restated Loan Agreement shall remain on deposit therein as follows:

(i) \$2,000,000.00 in the Reserve Fund;

(ii) \$169,000.00 [to be confirmed] in the Project Fund; and

(iii) \$[_____] in the Revenue Fund as Pledged Revenue.

Section 2.03 Costs of Issuance. On the 2018 Closing Date, the Borrower hereby authorizes the Lender to apply the amount set forth in Section 2.02(a)(i) in accordance with the Closing Memorandum for the purpose of paying the costs of issuing the Loan and executing and delivering the Financing Documents.

Section 2.04 Interest Rates and Payments.

(a) **Interest Rates; Computation Method.** The 2015 Loan Portion shall bear interest at the 2015 Fixed Rate; provided, however, that at any time that an Event of Default has occurred and is continuing, the 2015 Loan Portion shall bear interest at the 2015 Default Rate. The 2018 Loan Portion shall bear interest at the 2018 Fixed Rate; provided, however, that at any time

that an Event of Default has occurred and is continuing, the 2018 Loan Portion shall bear interest at the 2018 Default Rate. All interest due and payable on the Loan shall be calculated on the basis of a 360-day year and actual number of days elapsed during each Interest Period. "Interest Period" means, in connection with the 2015 Loan Portion, the period September 29, 2015, to but not including December 1, 2015, and thereafter, semi-annually, to but not including each June 1 and December 1. "Interest Period" means, in connection with the 2018 Loan Portion, initially, the 2018 Closing Date to but not including June 1, 2018, and thereafter, semi-annually, to but not including each June 1 and December 1.

(b) ***Interest Payments.*** Interest payments on the Loan shall be due on the Interest Payment Dates.

(c) ***Principal Payments.*** Repayment of Loan principal shall be due and payable on the Principal Payment Dates. The 2015 Amortization and the 2018 Amortization are set forth in Exhibits B and D attached hereto, respectively.

Section 2.05 Optional Prepayment of 2015 Loan Portion; Order of Principal Payment; 2015 Loan Portion Prepayment Penalty.

(a) ***General Prepayment Rights and Obligations.***

(i) Prior to September 29, 2022 (No Prepayment). The 2015 Loan Portion may not be prepaid prior to September 29, 2022.

(ii) December 1, 2022, through June 1, 2025 (Prepayment with Penalty). For the period commencing on December 1, 2022, through and including June 1, 2025, the 2015 Loan Portion 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 2015 Loan Portion so prepaid plus accrued interest thereon to the date of prepayment, together with the 2015 Loan Portion Prepayment Penalty calculated pursuant to Section 2.05(d).

(iii) December 1, 2025, through June 30, 2029 (Prepayment with No Penalty). For the period commencing on December 1, 2025, through and including June 30, 2029, the 2015 Loan Portion 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 2015 Loan Portion so prepaid plus accrued interest thereon to the date of prepayment, with no 2015 Loan Portion Prepayment Penalty.

(b) ***Special Prepayment Rights and Obligations.*** Notwithstanding anything contained in Section 2.05(a) to the contrary, in the event the Borrower determines to prepay the 2015 Loan Portion from funds on deposit in the Project Fund constituting Additional Loan Payments pursuant to Section 4.05(c)(i) or excess amounts on deposit therein pursuant to Section 4.05(d), then the 2015 Loan Portion may be prepaid from such amounts on any Interest Payment Date upon payment of the principal amount of the 2015 Loan Portion so prepaid from such funds, plus accrued interest thereon to the date of prepayment, together with the 2015 Loan Portion Prepayment Penalty calculated pursuant to Section 2.05(d); provided, however, that no 2015 Loan Portion Prepayment Penalty will be due if the prepayment occurs after September 28, 2025.

(c) **Partial Prepayments.** Partial principal prepayments made on the 2015 Loan Portion pursuant to Sections 2.05(a) and 2.05(b) shall be applied by the Lender to the 2015 Amortization pro rata to all remaining principal payments.

(d) **2015 Loan Portion Prepayment Penalty.** If the 2015 Loan Portion, or any portion thereof, is prepaid pursuant to Sections 2.05(a)(ii) or 2.05(b), the Borrower may be subject to a prepayment penalty payable to the Lender (the “2015 Loan Portion Prepayment Penalty”) in an amount equal to the 2015 Loan Portion Yield Maintenance Fee (as defined below). The Borrower is required to pay the 2015 Loan Portion Prepayment Penalty regardless of whether the prepayment is voluntary or mandatory, as when an Event of Default occurs and the entire unpaid balance of the 2015 Restated Note becomes due and payable.

“2015 Loan Portion Yield Maintenance Fee” means the 2015 Loan Portion Annual Yield Differential (as defined below) multiplied by the 2015 Percent Being Prepaid (as defined below), multiplied by the Average Remaining Outstanding 2015 Principal Amount (as defined below), multiplied by the number of days from the date Lender received the prepayment (the “2015 Loan Portion Prepayment Date”) through the Maturity Date, divided by 360.

“2015 Loan Portion Annual Yield Differential” means the difference (but not less than zero) between: (i) the U.S. Treasury constant maturity yield, as reported in the H.15 Report, for the 2015 Closing Date of the 2015 Loan Portion, for a maturity that is the same as the Maturity Date as of the 2015 Closing Date (rounded to the nearest whole number of months) or, if no such maturity is reported, an interpolated yield based on the reported maturity that is next shorter than, and the maturity reported that is next longer than, the Maturity Date as of the 2015 Closing Date, and (ii) the U.S. Treasury constant maturity yield, as reported in the H.15 Report, daily updates, for the 2015 Loan Portion Prepayment Date for a maturity that is the same as the remaining term of the 2015 Loan Portion at the 2015 Loan Portion Prepayment Date (rounded to the nearest whole number of months) or, if no such maturity is reported, then the interpolated yield based on the reported maturity that is next shorter than, and the maturity reported that is next longer than, the remaining term of the 2015 Loan Portion on the 2015 Loan Portion Prepayment Date. If the H.15 Report is not available for any day, then the H.15 Report for the immediately preceding day on which yields were last reported will be used.

“Average Remaining Outstanding 2015 Principal Amount” means the simple average of (i) the outstanding principal balance of the 2015 Loan Portion plus any accrued and unpaid fees or other sums owed under this Agreement as of the 2015 Loan Portion Prepayment Date (prior to any prepayment being applied), and (ii) the scheduled principal amount of the 2015 Loan Portion as of the Maturity Date (taking into account any prior prepayments, but not the prepayment being then made).

“2015 Percent Being Prepaid” means the amount determined by dividing the principal amount of the 2015 Loan Portion being prepaid by the 2015 Loan Amount Outstanding as of the 2015 Loan Portion Prepayment Date.

Section 2.06 Optional Prepayment of 2018 Loan Portion; Order of Principal Payment; 2018 Loan Portion Prepayment Penalty.

(a) **General Prepayment Rights and Obligations.**

(i) Prior to April 16, 2025 (No Prepayment). The 2018 Loan Portion may not be prepaid prior to April 16, 2025.

(ii) June 1, 2025, through December 1, 2027 (Prepayment with Penalty). For the period commencing on June 1, 2025, through and including December 1, 2027, the 2018 Loan Portion 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 2018 Loan Portion so prepaid plus accrued interest thereon to the date of prepayment, together with the 2018 Loan Portion Prepayment Penalty calculated pursuant to Section 2.06(d).

(iii) June 1, 2028, through June 30, 2029 (Prepayment with No Penalty). For the period commencing on June 1, 2028, through and including June 30, 2029, the 2018 Loan Portion 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 2018 Loan Portion so prepaid plus accrued interest thereon to the date of prepayment, with no 2018 Loan Portion Prepayment Penalty.

(b) **Special Prepayment Rights and Obligations.** Notwithstanding anything contained in Section 2.06(a) to the contrary, in the event the Borrower determines to prepay the 2018 Loan Portion from funds on deposit in the Project Fund constituting Additional Loan Payments pursuant to Section 4.05(c)(i) or excess amounts on deposit therein pursuant to Section 4.05(d), then the 2018 Loan Portion may be prepaid from such amounts on any Interest Payment Date upon payment of the principal amount of the 2018 Loan Portion so prepaid from such funds, plus accrued interest thereon to the date of prepayment, together with the 2018 Loan Portion Prepayment Penalty calculated pursuant to Section 2.06(d); provided, however, that no 2018 Loan Portion Prepayment Penalty will be due if the prepayment occurs after April 16, 2028.

(c) **Partial Prepayments.** Partial principal prepayments made on the 2018 Loan Portion pursuant to Sections 2.06(a) and 2.06(b) shall be applied by the Lender to the 2018 Amortization pro rata to all remaining principal payments.

(d) **2018 Loan Portion Prepayment Penalty.** If the 2018 Loan Portion, or any portion thereof, is prepaid pursuant to Sections 2.06(a)(ii) or 2.06(b), the Borrower may be subject to a prepayment penalty payable to the Lender (the “2018 Loan Portion Prepayment Penalty”) in an amount equal to the 2018 Loan Portion Yield Maintenance Fee (as defined below). The Borrower is required to pay the 2018 Loan Portion Prepayment Penalty regardless of whether the prepayment is voluntary or mandatory, as when an Event of Default occurs and the entire unpaid balance of the 2018 Note becomes due and payable.

“2018 Loan Portion Yield Maintenance Fee” means the 2018 Loan Portion Annual Yield Differential (as defined below) multiplied by the 2018 Percent Being Prepaid (as defined below), multiplied by the Average Remaining Outstanding 2018 Principal Amount (as defined below), multiplied by the number of days from the date Lender received the prepayment (the “2018 Loan Portion Prepayment Date”) through the Maturity Date, divided by 360.

“2018 Loan Portion Annual Yield Differential” means the difference (but not less than zero) between: (i) the U.S. Treasury constant maturity yield, as reported in the H.15 Report, for

the 2018 Closing Date of the 2018 Loan Portion, for a maturity that is the same as the Maturity Date as of the 2018 Closing Date (rounded to the nearest whole number of months) or, if no such maturity is reported, an interpolated yield based on the reported maturity that is next shorter than, and the maturity reported that is next longer than, the Maturity Date as of the 2018 Closing Date, and (ii) the U.S. Treasury constant maturity yield, as reported in the H.15 Report, daily updates, for the 2018 Loan Portion Prepayment Date for a maturity that is the same as the remaining term of the 2018 Loan Portion at the 2018 Loan Portion Prepayment Date (rounded to the nearest whole number of months) or, if no such maturity is reported, then the interpolated yield based on the reported maturity that is next shorter than, and the maturity reported that is next longer than, the remaining term of the 2018 Loan Portion on the 2018 Loan Portion Prepayment Date. If the H.15 Report is not available for any day, then the H.15 Report for the immediately preceding day on which yields were last reported will be used.

“Average Remaining Outstanding 2018 Principal Amount” means the simple average of (i) the outstanding principal balance of the 2018 Loan Portion plus any accrued and unpaid fees or other sums owed under this Agreement as of the 2018 Loan Portion Prepayment Date (prior to any prepayment being applied), and (ii) the scheduled principal amount of the 2018 Loan Portion as of the Maturity Date (taking into account any prior prepayments, but not the prepayment being then made).

“2018 Percent Being Prepaid” means the amount determined by dividing the principal amount of the 2018 Loan Portion being prepaid by the 2018 Loan Amount Outstanding as of the 2018 Loan Portion Prepayment Date.

Section 2.07 Written Statements. Upon request by the Borrower, the Lender agrees to send written statements itemizing all transactions in the funds and accounts made by the Lender to the Borrower at the address set forth in Section 9.05 hereof or at such other address as the Borrower shall specify to the Lender in writing.

Section 2.08 Expenses and Attorneys’ Fees. In the event that a claim by the Lender is brought against the Borrower relating to this Agreement or any of the other Financing Documents and the Lender prevails in such claim, the Borrower will reimburse the Lender for all reasonable attorneys’ and all other consultants’ fees and all other costs, fees and out-of-pocket disbursements incurred by the Lender in connection with the preparation, execution, delivery, administration, defense and enforcement of this Agreement or any of the other Financing Documents, including reasonable attorneys’ and all other consultants’ fees and all other costs and fees (a) incurred before or after commencement of litigation or at trial, on appeal or in any other proceeding; (b) incurred in any bankruptcy proceeding and (c) related to any waivers or amendments with respect thereto (examples of costs and fees include but are not limited to fees and costs for confirming the priority of the Lender’s claim on the Pledged Revenue or the funds and accounts established hereunder). The Borrower will also reimburse the Lender for all costs and expenses (including reasonable attorneys’ and all other consultants’ fees) incurred in connection with (i) the collection of the Pledged Revenue, before and after judgment, (ii) any future amendments or modifications of this Agreement requested by the Borrower and (iii) any future consents or waivers of the Lender requested by the Borrower.

ARTICLE III

CONDITIONS TO CLOSING

Section 3.01 Lender's Conditions to 2018 Loan Portion Closing. The funding by the Lender of the 2018 Loan Portion pursuant to Section 2.02 is conditioned upon the satisfaction of each of the following:

(a) ***The Financing Documents.*** The Financing Documents shall have been duly executed and delivered by each of the respective parties thereto and shall not have been modified, amended or rescinded, shall be in full force and effect on and as of the 2018 Closing Date and executed original or certified copies of each thereof have been delivered to the Lender; provided, however, that with respect to the Notes, the Lender shall be in receipt of the executed originals.

(b) ***Borrower Proceedings.*** The Lender shall have received a certified copy of all resolutions and proceedings taken by the Borrower authorizing the execution, delivery and performance of this Agreement, the Notes, and the other Financing Documents to which the Borrower is a party, and the transactions contemplated hereunder and thereunder, together with such other certifications as to the specimen signatures of the officers of the Borrower authorized to sign this Agreement, the Notes, and the other Financing Documents to be delivered by the Borrower hereunder and as to other matters of fact as shall reasonably be requested by the Lender.

(c) ***Governmental Approvals.*** The Lender shall have received certified copies of all governmental approvals, if any, necessary for the Borrower to execute, deliver and perform its obligations under this Agreement and the other Financing Documents to which the Borrower is a party.

(d) ***Representations and Warranties True; No Default.*** The Lender shall be satisfied that on the 2018 Closing Date each representation and warranty on the part of the Borrower contained in this Agreement and any other Financing Document to which the Borrower is a party are true and correct in all material respects and no Default or Event of Default has occurred and is continuing under such documents, and the Lender shall be entitled to receive certificates, signed by authorized officers of the Borrower, to such effect.

(e) ***Borrower's Certificate.*** The Lender shall have received a certificate signed by an authorized officer of the Borrower, dated the 2018 Closing Date, to the same effect as provided in the foregoing Subsections 3.01(a), (b), (c) and (d). Such certificate shall cover such other matters incidental to the transactions contemplated by this Agreement or any other Financing Document as the Lender may reasonably request.

(f) ***Special Counsel's Legal Opinions.*** The Lender shall have received an opinion of Butler Snow LLP, Special Counsel, dated the 2018 Closing Date and addressed to the Lender and the Borrower, with respect to such matters as the Lender may require, including opinions to the effect that the obligations of the Borrower under this Agreement and the 2018 Note constitute legal, valid and binding special limited revenue obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms; that this Agreement creates a valid

first priority lien on the Pledged Revenue, although not necessarily an exclusively first lien; that the interest on the 2018 Note is exempt from income taxation pursuant to Colorado and federal law; that the Borrower entering into this Agreement and amending and restating the 2015 Original Note will not in and of itself cause the interest on the 2015 Original Note to be included in gross income for federal income tax purposes; and otherwise in form and substance satisfactory to the Lender and its counsel.

(g) ***Opinion of Counsel to the Borrower.*** The Lender shall have received an opinion of White Bear Ankele Tanaka & Waldron Professional Corporation, counsel to the Borrower, dated the 2018 Closing Date and addressed to the Lender, with respect to such matters as the Lender may require, in form and substance satisfactory to the Lender and its counsel, including opinions as to the validity of the Borrower's organization and existence; to the effect that all other governmental approvals, if any, necessary for the Borrower to execute, deliver and perform its obligations under this Agreement and the other Financing Documents to which the Borrower is a party have been duly obtained; that the Authorizing Resolutions have been duly and properly adopted; and that this Agreement and the other Financing Documents to which the Borrower is a party have been duly authorized and delivered by the Borrower.

(h) ***Opinion of Counsel to Town.*** The Lender shall have received an opinion of White Bear Ankele Tanaka & Waldron Professional Corporation, counsel to the Town, dated the 2018 Closing Date and addressed to the Lender, with respect to such matters as the Lender may require, including, without limitation, opinions to the effect that the Plan was duly and properly adopted by the Town, has not been rescinded, revoked, or, except as specifically noted herein, modified since such adoption and remains in full force and effect, and otherwise in form and substance satisfactory to the Lender and its counsel.

(i) ***Other Certificates and Opinions.*** The Lender shall have received certificates of authorized representatives of all parties to the Financing Documents with respect to such matters as the Lender may require, or opinions of counsel as the Lender may require, all in form and substance satisfactory to the Lender and its counsel.

(j) ***No Change in Law.*** No law, regulation, ruling or other action of the United States, the State of Colorado or any political subdivision or authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the Borrower from fulfilling its obligations under this Agreement or under any Financing Documents.

(k) ***Fees and Expenses.*** Simultaneously with the Closing, all Lender's counsel fees and any other fees and expenses due and payable in connection with the extension of the 2018 Loan Portion, including but not limited to the Commitment Fee, the execution and delivery of this Agreement and the other Financing Documents, and any other amounts due and payable hereunder shall have been paid by the Borrower.

(l) ***Borrower Financial Information.*** The Borrower shall have provided the Lender with all pertinent financial information regarding the Borrower, including, but not limited to a detailed budget, draw schedule and sources and uses of funds for the Capital Projects.

(m) ***Borrower Due Diligence; No Adverse Information.*** The Lender and its counsel shall have been provided with the opportunity to review all agreements, documents, and other material information relating to the Borrower, the Pledged Revenue, and the Borrower's ability to perform its obligations under this Agreement and the other Financing Documents to which the Borrower is a party; and no adverse information regarding the Pledged Revenue or the Borrower shall be received by Lender prior to the 2018 Closing Date.

(n) ***Approval of Financing Documents.*** The Lender and its counsel shall have had sufficient time to review the Financing Documents and the final versions of such documents shall be in form and content satisfactory to the Lender and its counsel.

(o) ***Reserve Fund.*** Simultaneously with the Closing, the Reserve Fund shall be fully funded as required by this Agreement as of the date hereof.

(p) ***Other Requirements.*** The Lender shall be in receipt of such other certificates, approvals, filings, opinions and documents as shall be reasonably requested by the Lender.

(q) ***Other Matters.*** All other legal matters pertaining to the execution and delivery of this Agreement, the Notes, and the other Financing Documents, and the issuance of the Loan shall be reasonably satisfactory to the Lender and its counsel.

(r) ***Debt Outstanding.*** The Lender shall be in receipt of evidence satisfactory to the Lender, including without limitation, certifications from the Borrower, to the effect that, except for the obligations evidenced by the Notes and this Agreement, as of the 2018 Closing Date the Borrower has no Debt outstanding.

Section 3.02 Borrower's Condition to Loan Closing. The execution of this Agreement and the Notes by the Borrower is conditioned upon the Borrower's receipt of the 2015 Original Note from the Lender for cancellation.

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01 Continuation and Creation of Funds. The following funds have been created and established, each of which shall be held and administered by the Lender in accordance with the provisions hereof:

(a) the Revenue Fund (created pursuant to the 2015 Second Restated Loan Agreement and continued pursuant to this Agreement);

(b) the Loan Payment Fund (created pursuant to the 2015 Second Restated Loan Agreement and continued pursuant to this Agreement);

(c) the Reserve Fund (created pursuant to the 2015 Second Restated Loan Agreement and continued pursuant to this Agreement);

(d) the Project Fund (created pursuant to the 2015 Second Restated Loan Agreement and continued pursuant to this Agreement); and

(e) the Costs of Issuance Fund (created pursuant to this Agreement).

Section 4.02 Flow of Funds.

(a) **General Flow of Funds.** The Borrower shall transfer all amounts comprising Pledged Property Tax Revenue to the Lender as soon as may be practicable after the receipt thereof. The Lender shall deposit all such Pledged Property Tax Revenue into the Revenue Fund and apply the same as received in the order of priority set forth below.

FIRST: To the credit of the Loan Payment Fund, the amount required by Section 4.03(b) hereof for the then current Fiscal Year;

SECOND: To the credit of the Reserve Fund, the amount required to replenish the Reserve Fund to the Reserve Requirement, if any;

THIRD: To the Lender, for application to any amounts due and owing hereunder other than principal and interest payments on the Loan;

FOURTH: To the Borrower, to be used for any legal purpose, any amounts remaining after the payments and accumulations set forth in FIRST through THIRD above with respect to such Fiscal Year.

Notwithstanding the foregoing, if the amount of Estimated Pledged Property Tax Revenue available in each Fiscal Year, as certified to the Lender by the Borrower pursuant to Section 5.11(b) hereof, is insufficient to pay the amounts required in clauses FIRST through THIRD above with respect to such Fiscal Year, then the Borrower shall be required to transfer all amounts comprising Pledged Sales Tax Revenue, in addition to amounts comprising Pledged Property Tax Revenue, to the Lender as soon as practicable after the receipt thereof in each Fiscal Year until the amount of Pledged Sales Tax Revenue, when combined with Estimated Pledged Property Tax Revenue available for such Fiscal Year, is sufficient to satisfy the payments and accumulations required by clauses FIRST through THIRD above. Upon receipt thereof, the Lender shall deposit all such Pledged Sales Tax Revenue into the Revenue Fund and apply the same as received in the order of priority to the payments and accumulations required by clauses FIRST through THIRD above; provided, that upon the occurrence of an Event of Default and during any continuation thereof, the Borrower shall be required to transfer all amounts comprising Pledged Sales Tax Revenue to the Lender immediately upon the receipt thereof for deposit by the Lender into the Revenue Fund, until such Event of Default has been cured to the satisfaction of the Lender.

No later than August 31 of each year, the Borrower shall prepare the Mid-Year Actual Pledged Property Tax Revenue Certificate required by Section 5.11(j) and attached hereto as Exhibit I. The purpose of this certificate is to certify to the Lender the amount of actual Pledged Property Tax Revenue received for the period January 1 through August 15 of such Fiscal Year, and to compare such amount to the amounts required to fund FIRST through THIRD above for such Fiscal Year. If the actual Pledged Property Tax Revenue received to date for such Fiscal Year is equal to or exceeds the amounts required to fund FIRST through THIRD above for such

Fiscal Year, the Borrower will be entitled to retain all Pledged Sales Tax Revenue for the remainder of such Fiscal Year. If the actual Pledged Property Tax Revenue received to date for such Fiscal Year is less than the amounts required to fund FIRST through THIRD above for such Fiscal Year, the Borrower shall be required to transfer all amounts comprising Pledged Sales Tax Revenue to the Lender as soon as practicable after the receipt thereof, until the amount of Pledged Sales Tax Revenue, when combined with the actual Pledged Property Tax Revenue received by the Lender is sufficient to satisfy the payments and accumulations required by clauses FIRST through THIRD above.

(b) ***Application of the Additional Loan Payments.***

(i) Additional Loan Payments are considered Pledged Revenue hereunder but are not required to be paid to the Lender; provided, however, that if a Net Pledged Revenue Shortfall has occurred on any Payment Date, the Borrower shall pay to the Lender, as soon as may be practicable, (A) any Additional Loan Payments then held by the Borrower as of the Payment Date on which such Net Pledged Revenue Shortfall occurred and (B) any Additional Loan Payments thereafter received by the Borrower through the end of the Fiscal Year following the Payment Date on which such Net Pledged Revenue Shortfall occurred, regardless of whether there is a Net Pledged Revenue Shortfall on any subsequent Payment Date (the “Additional Loan Payment Posting Period”).

(ii) If the Borrower is required to pay Additional Loan Payments to the Lender pursuant to Section 4.02(b)(i), the Lender shall deposit such Additional Loan Payments to the Project Fund pursuant to Section 4.05(b)(ii), and the Additional Loan Payments shall be held and disbursed as required by Section 4.05(c)(i).

(iii) If (A) the Borrower is not required to pay Additional Loan Payments to the Lender pursuant to Section 4.02(b)(i), or (B) any Additional Loan Payments exist which are required to be deposited to the Project Fund pursuant to Sections 4.02(b)(i) and (ii) but are not required to pay principal and interest on the Loan, and any other amounts due and owing the Lender during any Additional Loan Payment Posting Period as required by Section 4.05(c)(i), such amounts representing Additional Loan Payments shall, at the option of the Borrower, be (i) applied to the prepayment of either or both of the Notes, as determined by the Borrower (subject to the prepayment provisions of Section 2.05(b) in the case of the 2015 Restated Note and subject to the prepayment provisions of Section 2.06(b) in the case of the 2018 Note), or (ii) expended on Capital Project Expenses.

Section 4.03 Loan Payment Fund.

(a) ***General.*** The Loan Payment Fund shall be administered by the Lender in accordance with the terms of this Agreement.

(b) ***Credits to Fund.*** The 2015 Loan Portion and the 2018 Loan Portion shall be payable from the Net Pledged Revenue on a parity basis. There shall be credited to the Loan Payment Fund in each Fiscal Year an amount of Net Pledged Revenue which, when combined with other legally available moneys in the Loan Payment Fund, equals the Annual Debt Requirements for such Fiscal Year. For purposes of clarification, the foregoing shall not be

interpreted to require that there be maintained in the Loan Payment Fund at all times an amount equal to the Annual Debt Requirements but, rather, that there is to be transferred to the Loan Payment Fund in each Fiscal Year (and prior to transfers for any other purpose provided in Section 4.02 hereof) moneys which in the aggregate, when combined with other legally available moneys in the Loan Payment Fund from time to time, equals the Annual Debt Requirements for such Fiscal Year. At any given time, amounts on deposit in the Loan Payment Fund are not intended to be in excess of the portion of the Annual Debt Requirements remaining to be paid for the then current Fiscal Year.

(c) **Notice of Deficiency.** If, on the day which is ten (10) Business Days prior to any Payment Date, the amount then on deposit in the Loan Payment Fund is insufficient to pay the Debt Requirements coming due on such Payment Date based on invoices provided from the Lender, the Lender shall notify the Borrower in writing of such shortfall indicating the amount of such deficiency. If, on or before such Payment Date, the Borrower provides funds to the Lender to make up any or all of such deficiency, then the Lender shall accept and deposit such funds into the Loan Payment Fund for the payment of the Debt Requirements then due.

(d) **Application of Moneys in Loan Payment Fund.** Moneys in the Loan Payment Fund (including amounts transferred thereto pursuant to provisions hereof) shall be used by the Lender solely to pay the Debt Requirements in the following order of priority. For purposes of the following, when payment of more than one purpose is required at any single priority level, such credits shall rank *pari passu* with each other.

(i) First, to the payment of interest due in connection with the Loan pursuant to the relevant invoice provided by the Lender; and

(ii) Second, to the payment of regularly scheduled principal on the Loan when due.

After the conclusion of each Fiscal Year, the Lender shall remit remaining funds on hand in the Loan Payment Fund as of December 31, if any, to the Borrower, and such remittance shall occur as soon as practicable after December 31, but no later than January 15 of the following Fiscal Year.

(e) **Investments.** Moneys credited to the Loan Payment Fund shall be invested or deposited, at the direction of the Borrower, in Permitted Investments at Compass Bank only and in accordance with the laws of the State of Colorado and shall be valued on the basis of their current market value, as reasonably determined by the Borrower, which value shall be determined at least annually. All interest income from moneys credited to the Loan Payment Fund shall remain therein. The Borrower is solely responsible for determining if the investments made hereunder are Permitted Investments.

Section 4.04 Reserve Fund.

(a) **General.** The Reserve Fund shall be administered by the Lender in accordance with the terms of this Agreement. Moneys in the Reserve Fund shall be used by the Lender, if necessary, only for the purposes set forth in this Section 4.04 and the Reserve Fund is hereby pledged for such purposes.

(b) **Transfers to Loan Payment Fund.** If, on any Payment Date, the amount then on deposit in the Loan Payment Fund is an amount which is less than the Debt Requirements owing on such Payment Date, the Lender shall transfer from the Reserve Fund to the Loan Payment Fund an amount which, when combined with moneys then on deposit in the Loan Payment Fund (including any funds deposited to the Loan Payment Fund from the Project Fund pursuant to Section 4.05(a)), will be sufficient to pay such Debt Requirements when due on the applicable Payment Date. In the event that moneys in the Reserve Fund, together with moneys then on deposit in the Loan Payment Fund (including any funds deposited to the Loan Payment Fund from the Project Fund pursuant to Section 4.05(a)), are insufficient for such purpose, the Lender is to nonetheless transfer all moneys in the Reserve Fund to the Loan Payment Fund for the purpose of making partial payments in the order of priority provided in Section 4.02(a) hereof.

(c) **Replenishment of Reserve.** The Reserve Fund shall be replenished from Pledged Revenue available therefor in accordance with Section 4.02(a) hereof.

(d) **Investments.** Subject to the provisions of Section 5.08 hereof, amounts credited to the Reserve Fund shall be invested or deposited, at the direction of the Borrower, in Permitted Investments at Compass Bank only and in accordance with the laws of the State of Colorado and shall be valued on the basis of their current market value, as reasonably determined by the Borrower, which value shall be determined at least annually. All interest income on moneys on deposit in the Reserve Fund in excess of the Reserve Requirement shall be transferred by the Lender, at the direction of the Borrower, to the Loan Payment Fund. The Borrower is solely responsible for determining if the investments made hereunder are Permitted Investments.

(e) **Application to Prepayment of Loan.** In the event that the Borrower elects to prepay the Loan in full prior to the Maturity Date and utilize amounts on deposit in the Reserve Fund for such purpose, and provided that amounts on deposit in the Reserve Fund, together with amounts on deposit in the Loan Payment Fund, and other amounts, if any, deposited by the Borrower are sufficient to pay all principal and accrued interest on the Loan, any 2015 Loan Portion Prepayment Penalty due in accordance with Section 2.05(b) hereof and any 2018 Loan Portion Prepayment Penalty due in accordance with Section 2.06(b) hereof, all amounts on deposit in the Reserve Fund shall be applied by the Lender at the direction of the Borrower to the payment of the Loan.

Section 4.05 Project Fund.

(a) **General.** The Project Fund shall be administered by the Lender in accordance with the terms of this Agreement. Moneys in the Project Fund shall be used only for the purposes set forth in this Section 4.05. If directed in writing by the Borrower, the Lender will create separate accounts in the Project Fund to segregate the proceeds of the 2015 Loan Portion and the 2018 Loan Portion.

(b) **Deposits to Project Fund.**

(i) **Loan Proceeds and Funds on Hand.** On the 2018 Closing Date, the amount currently on deposit in the Project Fund shall remain on deposit in the Project Fund as

provided in Section 2.02(b), and a portion of the 2018 Loan Portion proceeds shall be credited to the Project Fund as provided in Section 2.02(d).

(ii) Additional Loan Proceeds. After the 2018 Closing Date, certain Additional Loan Payments which are required to be paid by the Borrower to the Lender pursuant to Section 4.02(b) shall be credited to the Project Fund.

(c) ***Uses of the Project Fund***. All amounts deposited to the Project Fund shall be used by the Borrower solely for the payment of Capital Project Expenses, except as follows:

(i) Additional Loan Payments. Any funds on deposit in the Project Fund which constitute Additional Loan Payments shall be deposited to the Loan Payment Fund and applied by the Lender in an amount necessary to pay any principal and interest on the Loan and any other amounts due and owing to the Lender (or, if such amounts are insufficient to pay such amounts, all Additional Loan Payments shall be deposited to the Loan Payment Fund), prior to the application of other funds in the Project Fund and prior to any application of moneys on deposit in the Reserve Fund. The amounts constituting Additional Loan Payments in the Project Fund are hereby pledged for such purposes. Any amounts remaining on deposit in the Project Fund which constitute Additional Loan Payments that are in excess of the amount necessary to pay any principal and interest on the Loan and any other amounts due and owing to the Lender during any Additional Loan Payment Posting Period may be applied as described in Section 4.02(b)(iii).

(ii) Loan Proceeds or Funds on Hand in the Project Fund Which Are Not Additional Loan Payments. If an Event of Default described in Sections 8.01(a) or (b) has occurred and is continuing after the application of Additional Loan Payments as provided in Section 4.05(c)(i), any funds on deposit in the Project Fund which do not constitute Additional Loan Payments shall be applied by the Lender to cure such Event(s) of Default, prior to any application of moneys on deposit in the Reserve Fund. The amounts not constituting Additional Loan Payments in the Project Fund are hereby pledged for such purposes.

(d) ***Disbursements from the Project Fund***. Subject to the provisions of Section 4.05(c), the Lender shall disburse funds from the Project Fund to the Borrower upon receipt of a written request (a "Project Fund Disbursement Request"), the form of which is attached hereto as Exhibit J. Any balance remaining in the Project Fund after payment in full of the Capital Project Expenses shall be (i) applied to the prepayment of either or both of the Notes, as determined by the Borrower (subject to the prepayment provisions of Section 2.05 in the case of the 2015 Restated Note and subject to the prepayment provisions of Section 2.06 in the case of the 2018 Note), or (ii) with the written consent of the Lender, transferred to the Loan Payment Fund.

(e) ***Investment Earnings***. Subject to the covenants and provisions of Section 5.08 hereof, amounts on deposit in the Project Fund shall be invested or deposited by the Lender, at the direction of the Borrower, in Permitted Investments at Compass Bank only and in accordance with the laws of the State of Colorado, and shall be valued on the basis of their current market value, as reasonably determined by the Borrower, which value shall be determined at least annually. Interest income from the investment or reinvestment of moneys credited to the Project Fund shall remain in and become part of such Project Fund, unless otherwise required to be

transferred or applied as provided herein. The Borrower is solely responsible for determining if the investments made hereunder are Permitted Investments.

Section 4.06 Costs of Issuance Fund. Amounts advanced to the Costs of Issuance Fund pursuant to Section 2.02(e) hereof shall be used by the Borrower solely for the payment of the fees, costs and expenses incurred in connection with the issuance of the Loan pursuant to invoices provided to the Lender and in accordance with the Closing Memorandum. The Borrower's execution of this Agreement shall constitute authorization to the Lender to disburse moneys in accordance with the Closing Memorandum, and no further authorization or direction from the Borrower is necessary or required. Amounts to be disbursed from the Costs of Issuance Fund other than as provided in the Closing Memorandum must be approved in writing by the Borrower prior to disbursement. On the date which is 60 days after the 2018 Closing Date, the Lender shall transfer all amounts then remaining, if any, in the Costs of Issuance Fund to the Revenue Fund or the Project Fund, as directed by the Borrower. At such time as no amounts remain therein, the Costs of Issuance Fund shall terminate. Amounts on deposit in the Costs of Issuance Fund may be invested or deposited, at the written direction of the Borrower, in Permitted Investments and shall be valued on the basis of their current market value, as reasonably determined by the Borrower, which value shall be determined at least annually. All interest income from the investment or reinvestment of moneys credited to the respective accounts of the Costs of Issuance Fund shall remain therein.

Section 4.07 Lender To Direct Funds and Accounts; Accounting. Subject to Article VII hereof, the Borrower hereby grants to the Lender the right and the authority to direct all activity with respect to all funds and accounts created pursuant to this Agreement, including those funds and accounts created pursuant to this Article, provided that any such Lender direction shall be in accordance with the terms of this Agreement. Subject to Article VII hereof, the Borrower shall not have any right, power, or authority to direct any activity within any funds created pursuant to this Agreement, including those funds and accounts created pursuant to this Article, except that the Borrower may make any deposits into such funds as may be required by this Agreement. Lender shall keep and maintain accounting records in such manner that the Pledged Revenue received and amounts deposited to each fund and account held hereunder may at all times be readily and accurately determined.

Section 4.08 Provisions Regarding Certificates. Pursuant to the requirements herein, the Borrower is obligated at the times provided herein to provide to the Lender the Estimated Pledged Property Tax Revenue Certificate and the Mid-Year Actual Property Tax Revenue Certificate. Such certificates are subject to the review and approval of the Lender. If the Lender has not approved or provided to the Borrower a written objection thereto in compliance with the following sentence, no later than 15 days after the due date of the applicable certificate, the Lender will be deemed to have approved such certificate. The Lender shall be entitled to object to such certificates only on the basis that the Lender reasonably believes that: (a) a mathematical calculation therein is incorrect or not in compliance with the provisions of this Agreement, or (b) one or more values used in the calculation are incorrect.

ARTICLE V

REPRESENTATIONS, WARRANTIES AND COVENANTS OF BORROWER

While any part of the Loan is available for disbursement or any obligations hereunder or under any of the other Financing Documents are unpaid or outstanding, the Borrower continuously warrants, covenants and agrees as follows:

Section 5.01 Accuracy of Information. All information, certificates or statements given to the Lender by the Borrower pursuant to this Agreement and the other Financing Documents will be true and complete when given.

Section 5.02 Organization; Litigation. The Borrower is validly existing and in good standing under the laws of its state of organization, has all requisite power and authority and possesses all licenses, permits and approvals necessary to conduct its business. There is no litigation or administrative proceeding threatened or pending against the Borrower of which Borrower is aware and which Borrower has not already advised Lender of, which (i) would adversely affect the validity or enforceability of, or the authority or ability of the Borrower to perform its obligations under, the Financing Documents to which the Borrower is a party; (ii) would, in the reasonable opinion of the Borrower, have a materially adverse effect on the ability of the Borrower to conduct its business as presently conducted or as proposed or contemplated to be conducted or would have a material adverse effect on the Borrower's financial condition; or (iii) would adversely affect the exclusion of interest on the Notes from gross income for federal income tax purposes or the exemption of such interest from State of Colorado personal income taxes.

Section 5.03 Performance of Covenants; Authority. The Borrower covenants that it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations, and provisions contained in the Authorizing Resolutions, this Agreement, the Notes, the Financing Documents and all proceedings pertaining thereto. The Borrower covenants that it is duly authorized under the constitution and laws of the State of Colorado, including, particularly and without limitation, the Act, to execute and deliver the Notes, this Agreement and the other Financing Documents, and that all action on its part for the execution and delivery of the Notes, this Agreement and the other Financing Documents have been duly and effectively taken and will be duly taken as provided therein and herein, and that the Loan, the Notes, this Agreement and the other Financing Documents are and will be valid and enforceable obligations of the Borrower according to the terms thereof and hereof.

Section 5.04 Default, Etc.. The Borrower is not in default in the performance, observance, or fulfillment of any of the obligations, covenants or conditions contained in any Financing Document or other resolution, agreement or instrument to which it is a party which would have a material adverse effect on the ability of the Borrower to perform its obligations hereunder or under the other Financing Documents to which the Borrower is a party, or which would affect the enforceability hereof or thereof.

Section 5.05 Pledged Revenue Accounting. The Borrower shall establish and maintain separate accounts for the purpose of tracking the receipts and allocable expenses relating to each component of the Pledged Revenue in such a manner that the amounts and other particulars relating to the Pledged Revenue may at all times be readily and accurately determined.

Section 5.06 Enforcement and Collection; Plan Amendment. Unless otherwise agreed to by the Lender in writing, the Borrower shall diligently collect all Pledged Revenue, and any amounts due it under the Financing Documents which impact the Pledged Revenue, and shall take all necessary action to enforce such collection pursuant to the provisions of the applicable instrument governing the right of the Borrower to the receipt of the Pledged Revenue or such amounts due to Borrower. The Borrower will not amend or supplement (or consent to the amendment or supplement of) the Tax Increment Agreement in any way which would materially adversely affect the amount of Pledged Revenue to be collected, without the prior written consent of the Lender. The Borrower further covenants and agrees that it will not do any of the following without the prior written consent of the Lender: (i) propose to amend or modify the Plan, (ii) consent to any amendment or modification of the Plan or (iii) initiate any discussion with the Town regarding amending or modifying the Plan.

Section 5.07 Use of Proceeds. Disbursements by the Lender to the Borrower hereunder will be used exclusively by the Borrower for the purposes represented to the Lender and in accordance with the provisions of Section 2.02 hereof.

Section 5.08 Tax Covenants. The Borrower covenants for the benefit of the Lender that it will not take any action or omit to take any action with respect to the Loan, the proceeds thereof, or any other funds of the Borrower or any facilities financed or refinanced with the proceeds of the Loan if such action or omission (a) would cause the interest on the Loan to lose its excludability from gross income for federal income tax purposes under Section 103 of the Tax Code, (b) would cause interest on the Loan to lose its excludability from alternative minimum taxable income defined in Section 55(b)(2) of the Tax Code (except to the extent such interest is required to be included in the current earnings adjustment applicable to corporations in calculation the corporate alternative minimum tax), or (c) would cause interest on the Loan to lose its excludability from Colorado taxable income under present Colorado law. The foregoing covenants shall remain in full force and effect notwithstanding the payment in full or defeasance of the Loan until the date on which all obligations of the Borrower in fulfilling the above covenants under the Tax Code and Colorado law have been met.

Section 5.09 Other Liabilities. The Borrower will pay and discharge, when due, all of its liabilities, except when the payment thereof is being contested in good faith by appropriate procedures which will avoid financial liability and with adequate reserves provided therefor.

Section 5.10 Financial Statements. The financial statements and other information previously provided to the Lender by the Borrower or provided to the Lender by the Borrower in the future are or will be complete and accurate and prepared in accordance with generally accepted accounting principles generally applicable to urban renewal authorities. There has been no material adverse change in the Borrower's financial condition since such information was provided by the Borrower to the Lender. The Borrower will (a) maintain accounting records in accordance with generally recognized and accepted principles of accounting generally applicable to urban renewal authorities consistently applied throughout the accounting periods involved; (b) provide the Lender with such information concerning the business affairs and financial condition (including insurance coverage) of the Borrower as the Lender may request; and (c) without request, provide the Lender with the information set forth in Section 5.11 below. The Borrower shall notify the Lender promptly of all interim litigation or administrative proceedings, threatened or pending,

against the Borrower which would, if adversely determined, in Borrower's reasonable opinion, have a material adverse effect on the Borrower's financial condition arising after the date hereof.

Section 5.11 Reporting Requirements. The Borrower will at all times provide the following to the Lender at the times and in the manner provided below:

(a) As soon as available, but not later than each October 1, commencing October 1, 2018, the Borrower shall furnish to the Lender financial information concerning the Borrower as a component unit of the Town including, without limitation, a balance sheet of the Borrower as of the end of the immediately preceding Fiscal Year and the related statements of revenues, expenditures, and fund balances for such Fiscal Year, prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and certified by a firm of independent certified public accounts selected by the Borrower and satisfactory to the Lender, together with a certificate of an authorized officer of the Borrower substantially in the form of Exhibit F attached hereto (the "Annual Compliance Certificate") (i) evidencing the Borrower's continuing compliance with the covenants referenced therein; and (ii) stating whether there exists on the date of such certificate any Default or Event of Default and, if any Default or Event of Default then exists, setting forth the details thereof and the actions which the Borrower is taking or proposes to take with respect thereto;

(b) as soon as available, but in no event later than February 15 of each Fiscal Year, the Borrower shall furnish to the Lender (i) the Town's annual budget for such Fiscal Year and, as soon as available, a copy of any proposed amendments thereto, which such budget shall include as separate line items all projected Pledged Revenue expected to be received in such Fiscal Year; and (ii) an Estimated Pledged Property Tax Revenue Certificate of an authorized representative of the Borrower in substantially the form of Exhibit H attached hereto, which certificate shall include a calculation of the Estimated Pledged Property Tax Revenue for such Fiscal Year;

(c) on each May 1, August 1, November 1 and February 1, commencing May 1, 2018, the Borrower shall provide to the Lender a certificate of an authorized representative of the Borrower in substantially the form of Exhibit G attached hereto (each, a "Quarterly Compliance Certificate") which certificate shall concern information with respect to the period ending on the last day of the preceding calendar month;

(d) as soon as available, but in no event later than 45 days following the end of each Fiscal Year, a report detailing, for such Fiscal Year: (i) the assessed valuation and incremental assessed valuation of property in the Plan Area as described in the Plan, (ii) the ad valorem property tax levies of the taxing jurisdictions overlapping the Plan Area, and (iii) the amount of the Pledged Property Tax Revenue anticipated to be received for the current Fiscal Year based on the information provided in (d)(i) and (d)(ii) and;

(e) as soon as available, the Borrower shall furnish the Lender with a copy of any report to the Town of any auditors of the Town;

(f) to the extent permitted by law and to the extent reasonably requested by the Lender, and as soon as available, the Borrower shall furnish the Lender with any other periodic

report of the activities of the Borrower, the Town, or their respective financial conditions submitted to any governmental agency and any other audit report prepared with respect to such activities or conditions for delivery to a third party;

(g) at the time the Borrower provides the Owner with the quarterly Business Incentive Report described in Section 2.2(a) and Exhibit G of the Public/Private Partnership Agreement, the Borrower shall provide a copy of such report to the Lender, which report shall be held in confidence as required by the Costco Consent to Provide Sales Taxes to Lender Letter Agreement executed by the Town, Costco, and the Lender on February 5, 2015;

(h) to the extent not described in the Business Incentive Report described in paragraph (g) above, within 60 days of such events occurring, the Borrower shall notify the Lender that the Owner has received an additional amount derived from the Sales Tax which is equal to half of the Cost Overrun Reimbursement (see the definition of Pledged Sales Tax Revenue);

(i) promptly upon request of the Lender, the Borrower shall furnish to the Lender such other reports or information regarding the Pledged Revenue, the Loan, or the assets, financial condition, business or operations of the Borrower or the Town, as the Lender may reasonable request; and

(j) No later than August 31 of each year and pursuant to Section 4.02(a) hereof, a Mid-Year Actual Pledged Property Tax Revenue Certificate of an authorized representative of the Borrower in substantially the form of Exhibit I attached hereto, which certificate shall include a calculation of the actual Pledged Property Tax Revenue received from January 1 through August 15 of the applicable Fiscal Year.

Section 5.12 Inspection of Books and Records. The Lender shall have the right to examine any of the books and records of the Borrower at any reasonable time and as often as the Lender may reasonably desire. Without limiting the generality of the foregoing, the Lender agrees that it shall use commercially reasonable efforts to maintain as confidential any non-public or proprietary information obtained by the Lender in exercising its rights under this Section.

Section 5.13 Instruments of Further Assurance. The Borrower covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such agreements supplemental hereto and such further acts, instruments, and transfers as the Lender may reasonably require for the better assuring, transferring, and pledging unto the Lender the Pledged Revenue; provided, however, that the Borrower shall not be obligated to incur in excess of nominal expenses in complying with this covenant.

Section 5.14 Additional Debt.

(a) ***Superior Lien Debt.*** The Borrower shall not issue any Additional Debt having a lien upon the Pledged Revenue or any component thereof which is superior to the lien of the Loan.

(b) ***Parity Debt.*** The Borrower shall not issue any Parity Debt without the prior written consent of the Lender.

(c) **Permitted Subordinate Debt.** The Borrower may issue Subordinate Debt without the consent of the Lender, provided that:

(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 Loan, any Parity Debt and any Subordinate Debt (including the Subordinate Debt to be issued);

(ii) no Event of Default has occurred and is continuing with respect to the Loan and any outstanding Parity Debt;

(iii) the Reserve Fund for the Loan and the reserve fund required for any outstanding Parity Debt shall be fully funded and shall not be pledged to the Subordinate Debt;

(iv) as long as the Loan or any Parity Debt is outstanding, the Subordinate Debt contains the following terms: (A) the Subordinate Debt shall be payable no more frequently than once each year, on a date subsequent to the annual payments on the Loan and any Parity Debt; and (B) the final maturity date of the Subordinate Debt shall be the same as or later than the Maturity Date of the Loan and the maturity date of any Parity Debt; and

(v) the Lender and the Borrower shall have agreed on a revision to the flow of funds set forth in Section 4.02(a), which flow of funds is expected to be revised to provide that any Subordinate Debt will be paid on an annual basis only after the payment of FIRST through THIRD in Section 4.02(a).

Section 5.15 Continued Existence. The Borrower will maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Loan.

Section 5.16 Restructuring. In the event the Pledged Revenue is insufficient or is anticipated to be insufficient to pay the principal of, 2015 Loan Portion Prepayment Penalty and 2018 Loan Portion Prepayment Penalty, if any, and interest on the Loan when due, the Borrower shall use its best efforts to refinance, refund, or otherwise restructure the Loan so as to avoid such a default.

Section 5.17 Operation and Management. The Borrower will continue to operate in accordance with all applicable laws, rules, regulations, and intergovernmental agreements, and keep and maintain separate accounts of the receipts and expenses thereof in such manner that the Pledged Revenue may at all times be readily and accurately determined.

Section 5.18 Annual Audit and Budget. At least once a year in the time and manner provided by law, the Borrower will cause audits to be performed of the records relating to the Borrower's revenues and expenditures. In addition, at least once a year in the time and manner provided by law, the Borrower will cause budgets to be prepared and adopted. The audits and

budgets of the Borrower may be presented as a component of the Town. Copies of the budgets and the audits will be filed and recorded in the places, time, and manner provided by law.

Section 5.19 No Exclusion of Property. The Borrower shall take no action that could have the effect of excluding property from the Plan Area without the prior written consent of the Lender.

Section 5.20 Investment Practices. The Borrower shall not engage in any of the following investment practices with respect to any amounts in its administrative funds, and any other fund or account established under any of the Financing Documents: (i) increase or compound the dollar amount of funds available for investment by any means whatsoever, including obtaining loans, issuing debt, or purchasing securities on margin, including entering into reverse repurchase agreements, when the reinvestment funds are not matched to maturity, or similar instruments; (ii) invest (except to the extent appropriate as advised by an independent financial advisor to hedge existing interest rate risk or otherwise approved by the Bank in writing) in any instrument commonly known as a derivative (such as, by way of example, an inverse floater, interest rate agreement, cap or collar) or invest in any other security with a derivative embedded in it (such as, by way of example, structured notes); (iii) invest in any variable rate or floating rate security unless the interest rate therefor is determined on a basis designed to result in a value of the security approximately equal to par; or (iv) knowingly (after using reasonable efforts to determine the composition of the investment portfolio of the entity in question) invest in any entity or pooled investment program employing any investment strategy prohibited by clauses (i) through (iii) above.

Section 5.21 Maintenance of Insurance. The Borrower shall not, without prior written consent of the Bank, take any action or omit to take any action which, if taken or omitted, would cause the Borrower to decrease its current level of general liability insurance coverage, its automobile insurance coverage or its public officials' liability insurance coverage.

Section 5.22 Amendments to Financing Documents Require Prior Lender Consent. The Borrower shall not amend or consent to any amendment to any Financing Document, or waive any provision thereof, without the prior written consent of the Lender.

ARTICLE VI

[RESERVED]

ARTICLE VII

DEPOSITS; INVESTMENTS

Section 7.01 Deposits Held Under This Agreement. Subject to Section 7.02 hereof, all moneys held in any of the funds or accounts to be held and administered by the Lender under this Agreement shall be held in depository accounts in the possession of Compass Bank or the Lender and satisfying the requirements of the Public Deposit Protection Act and shall not be invested, but

shall earn interest at the rate provided by Compass Bank or the Lender, as applicable, with respect to depository accounts.

Section 7.02 Investment of Reserve Fund. Notwithstanding any provision contained herein, the Lender shall invest moneys on deposit in the Reserve Fund as directed in writing by the Borrower in Permitted Investments and may rely upon such direction as a determination that the investment described in such direction is a Permitted Investment.

Section 7.03 Compliance with Tax Covenants. Any and all interest income on moneys held and administered by the Lender under this Agreement shall be subject to full and complete compliance at all times with the covenants and provisions of Section 5.08 hereof.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.01 Events of Default. The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an Event of Default under this Agreement (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default hereunder except as provided in this Section.

(a) The Borrower fails to pay the interest on the Loan when due pursuant to this Agreement;

(b) The Borrower fails to pay the principal, 2015 Loan Portion Prepayment Penalty or 2018 Loan Portion Prepayment Penalty on the Loan when due pursuant to this Agreement;

(c) The Borrower fails to deposit any amounts constituting Pledged Revenue as required herein or fails to transfer the Pledged Revenue to the Lender as required herein;

(d) The Borrower defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the Borrower in this Agreement or the Notes, and fails to remedy the same to the satisfaction of the Lender within 45 days after the occurrence thereof;

(e) The Borrower fails to replenish the Reserve Fund to the Reserve Requirement by the time required in Section 4.04(c) hereof;

(f) Any financial information, statement, certificate, representation or warranty given to the Lender by the Borrower in connection with entering into this Agreement or the other Financing Documents and/or any borrowing thereunder, or required to be furnished under the terms thereof, shall prove untrue or misleading in any material respect (as determined by the Lender in the exercise of its reasonable judgment) as of the time when given and shall not be duly corrected and communicated to the Lender within the first to occur of 30 days following (i) the

Borrower becoming aware of such incorrect information or (ii) the Lender's delivery of written notice to the Borrower of such incorrect information;

(g) Any final judgment, not subject to further appeals, shall be obtained against the Borrower in excess of the sum of \$10,000 and shall remain unsatisfied, unpaid, unvacated, unbonded or unstayed for a period of 30 days following the date of entry thereof, or by such payment deadline as may be directed by the adjudicatory body in such judgment,

(h) (i) the Borrower shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for itself or for any substantial part of its property, or the Borrower shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Borrower any case, proceeding or other action of a nature referred to in clause (i) and the same shall remain undismissed for a period of 60 days from the date of commencement; or (iii) there shall be commenced against the Borrower any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within 60 days from the entry thereof; or (iv) the Borrower shall take action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Borrower shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(i) A change occurs in the financial or operating conditions of the Borrower, that, in the Lender's reasonable judgment, will have a materially adverse impact on the ability of the Borrower to generate revenues sufficient to satisfy the Borrower's obligations under this Agreement or its other obligations, and the Borrower fails to cure such condition within 45 days after receipt by the Borrower of written notice thereof from the Lender;

(j) Any funds or investments on deposit in, or otherwise to the credit of, any of the Project Fund, Loan Payment Fund or Reserve Fund become subject to any writ, judgment, warrant or attachment, execution or similar process not attributable to actions of the Lender;

(k) Any determination, decision, or decree is made by the Commissioner or the District Director of the Internal Revenue Service, or by any court of competent jurisdiction, that the interest payable on the Loan is includable in the gross income for federal income tax purposes of the Lender, if and so long as such determination, decision or decree is not being appealed or otherwise contested in good faith by the Borrower.

(l) The Borrower defaults in the performance or observance of any of the covenants, agreements, or conditions on the part of the Borrower set forth in the Financing Documents, and fails to remedy the same to the satisfaction of the Lender within 30 days after actual notice to the Borrower thereof;

Section 8.02 Remedies on Occurrence of Event of Default.

(a) ***Lender's Rights and Remedies.*** Upon the occurrence and continuance of an Event of Default, the Lender shall have the following rights and remedies which may be pursued:

(i) **Acceleration.** The Lender may, at its option, declare all amounts immediately due and payable.

(ii) **Receivership.** Upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Lender hereunder, the Lender shall be entitled as a matter of right, ex parte and without hearing and notice, the right to which is hereby waived, to the appointment of a receiver or receivers of the Pledged Revenue, to receive such Pledged Revenue directly from the Town, the County or such other local governmental entities as may be appropriate, and of the revenues, income, product, and profits thereof pending such proceedings, subject however, to constitutional limitations inherent in the sovereignty of the Borrower; but notwithstanding the appointment of any receiver or other custodian, the Lender shall be entitled to the possession and control of any cash, securities, or other instruments constituting Pledged Revenue at the time held by, or payable or deliverable under the provisions of this Agreement to, the Lender.

(iii) **Suit for Judgment.** The Lender may proceed to protect and enforce its rights under this Agreement and any provision of law by such suit, action, or special proceedings as the Lender shall deem appropriate.

(iv) **Mandamus or Other Suit.** The Lender may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce its rights hereunder.

(b) ***Judgment.*** No recovery of any judgment by the Lender shall in any manner or to any extent affect the lien of this Agreement on the Pledged Revenue or any rights, powers, or remedies of the Lender hereunder, but such lien, rights, powers, and remedies of the Lender shall continue unimpaired as before.

Section 8.03 Notice to Lender of Default. Notwithstanding any cure period described above, the Borrower will immediately notify the Lender in writing when it obtains knowledge of the occurrence of any Default or Event of Default.

Section 8.04 Termination of Disbursements; Additional Lender Rights. Upon the occurrence of an Event of Default, the Lender may at any time (a) Setoff (as defined below); and/or (b) take such other steps to protect or preserve the Lender's interest in the Pledged Revenue.

Section 8.05 Account Balances; Setoff. As additional security for the payment of the obligations to the Lender described in the Financing Documents (collectively the "Obligations"), the Borrower hereby grants to the Lender a security interest in, a lien on and an express contractual right to set off against all depository account balances, cash and any other property of the Borrower now or hereafter in the possession of Compass Bank which is derived from the Pledged Revenue, and the right to refuse to allow withdrawals from any account to the extent any such funds and accounts constitute Pledged Revenue hereunder (collectively "Setoff"). The Lender may, at any

time upon the occurrence of an Event of Default hereunder or under any other Financing Document, Setoff against the Obligations whether or not the Obligations (including future payments to be made) are then due, all without any advance or contemporaneous notice or demand of any kind to the Borrower, such notice and demand being expressly waived.

Section 8.06 Delay or Omission No Waiver. No delay or omission of the Lender to exercise any right or power accruing upon any default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such default, or acquiescence therein; and every power and remedy given by this Agreement may be exercised from time to time and as often as may be deemed expedient.

Section 8.07 No Waiver of One Default to Affect Another; All Remedies Cumulative. No waiver of any Event of Default hereunder shall extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. All rights and remedies of the Lender provided herein shall be cumulative and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

Section 8.08 Other Remedies. Nothing in this Article is intended to restrict the Lender's rights under any of the Financing Documents or at law, and the Lender may exercise all such rights and remedies as and when they are available.

ARTICLE IX

MISCELLANEOUS

Section 9.01 Loan Agreement and Relationship to Other Documents. This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties. This Agreement may not be contradicted by evidence of any prior or contemporaneous statements or agreements. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation, understanding, agreement, commitment, or warranty outside those expressly set forth in this Agreement. The warranties, covenants and other obligations of the Borrower (and the rights and remedies of the Lender) that are outlined in this Agreement and the other Financing Documents are intended to supplement each other. In the event of any inconsistencies in any of the terms in the Financing Documents, all terms will be cumulative so as to give the Lender the most favorable rights set forth in the conflicting documents, except that if there is a direct conflict between any preprinted terms and specifically negotiated terms (whether included in an addendum or otherwise), the specifically negotiated terms will control.

Section 9.02 Successors; Assignment. The rights, options, powers, obligations and remedies provided in this Agreement and the other Financing Documents will extend to the Lender and to its successors and permitted Lender assignees, will be binding upon the parties and their successors and will be applicable hereto and to all renewals and/or extensions hereof. This Agreement shall be assignable by the Lender to any entity without the consent of the Borrower, provided that the assignee (unless a BBVA/Compass Entity) shall provide an opinion of legal

counsel to the effect that the assignee is legally authorized to perform the obligations of the Lender hereunder.

In addition, the Lender may at any time, without the consent of the Borrower, sell, to one or more commercial banks or other Persons not affiliates of the Borrower (a "Participant") participating interests in its rights and obligations hereunder or under the other Financing Documents; provided, however, that (i) the Lender's obligations under this Agreement shall remain unchanged, (ii) the Lender shall remain solely responsible for the performance of such obligations and (iii) the participation of one or more Participants shall not reduce or alter the Lender's obligations under this Agreement or affect in any way the rights or obligations of the Borrower hereunder or under the Notes, and the Borrower shall have the right to continue to deal solely with the Lender. The Lender will give notice of the sale of such participation, including the name of the Participant and the amount of the participation, to the Borrower within 30 days of the date of such sale. In the case of any such participation, the Participant shall be entitled to the benefit of Sections 2.08 and 9.03 hereof as though it were also the Lender hereunder, and if amounts outstanding under this Agreement are due and unpaid, or shall have been declared or shall have become due and payable upon the occurrence of an Event of Default or an event which causes the Default Rate to be in effect, each Participant shall be deemed to have the right of set-off in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as the Lender under this Agreement.

Section 9.03 Indemnification. Except for harm arising from the Lender's willful misconduct or gross negligence, and without waiving governmental immunity, the Borrower, to the extent allowed by law, hereby indemnifies and agrees, to defend and hold the Lender harmless from any and all losses, costs, damages, claims and expenses of any kind suffered by or asserted against the Lender relating to claims by third parties as a result of, or arising out of, the negligence or other misconduct of the Borrower, or any claim made against the Borrower, in connection with the financing provided under the Financing Documents. To the extent permitted by law, this indemnification and hold harmless provision will survive the termination of the Financing Documents and the satisfaction of the Obligations due the Lender.

Section 9.04 Notice of Claims against Lender; Limitation of Certain Damages. In order to allow the Lender to mitigate any damages to the Borrower from the Lender's alleged breach of its duties under the Financing Documents or any other duty, if any, to the Borrower, the Borrower agree to give the Lender written notice no later than 20 days after the Borrower knows of any claim or defense it has against the Lender, whether in tort or contract, relating to any action or inaction by the Lender under the Financing Documents, or the transactions related thereto, or of any defense to payment of the Obligations for any reason. The requirement of providing timely notice to the Lender represents the parties' agreed-to standard of performance regarding the duty of the Borrower to mitigate damages related to claims against the Lender. Notwithstanding any claim that the Borrower may have against the Lender, and regardless of any notice the Borrower may have given the Lender, the Lender will not be liable to the Borrower for consequential and/or special damages arising therefrom, except those damages arising from the Lender's willful misconduct, gross negligence or bad faith. Failure by the Borrower to give notice to the Lender shall not waive any claims of the Borrower but such failure shall relieve the Lender of any duty to mitigate damages prior to receiving notice.

Section 9.05 Notices. Notice of any record shall be deemed delivered when the record has been (a) deposited in the United States Mail, postage pre-paid; (b) received by overnight delivery service; (c) received by telex; (d) received by telecopy; (e) received through the internet; or (f) when personally delivered at the following addresses:

If to the Borrower: Timnath Development Authority
4800 Goodman Street
Timnath, Colorado 80547
Attention: April Getchius
Telephone: (970) 224-3211

with copies to: Timnath Development Authority
c/o White, Bear Ankele Waldron & Tanaka Professional Corporation
2154 E. Commons Avenue, Suite 2000
Centennial, Colorado 80122
Attention: Robert Rogers, Town Attorney
Telephone: (303) 858-1800

Butler Snow, LLP
1801 California Street, Suite 5100
Denver, Colorado 80202
Attention: Dee Wisor
Telephone: (720) 330-2300

To Lender: Compass Mortgage Corporation
999 – 18th Street, Suite 2800
Denver, CO 80202
Attention: Matthew Chorske or Sandra Rangel
Telephone: (303) 217-2235 or (303) 217-2278

with a copy to: BBVA Compass
LD&FC Public Finance
833 Douglas Avenue, 2nd Floor
Dallas, Texas 75225
Telephone: (214) 360-2781

with a copy to: Sherman & Howard L.L.C.
633 – 17th Street, Suite 3000
Denver, CO 80202
Attention: Peter J. Whitmore
Telephone: (303) 299-8438

Section 9.06 Payments. Payments due on the Loan shall be made in lawful money of the United States. If an Event of Default has occurred and is continuing, all payments may be applied by the Lender to principal, interest and other amounts due under the Notes and this Agreement in any order which the Lender elects, subject to the provisions of this Agreement.

Section 9.07 Applicable Law and Jurisdiction; Interpretation; Severability. This Agreement will be governed by and interpreted in accordance with the internal laws of the State of Colorado, except to the extent superseded by Federal law. Invalidity of any provisions of this Agreement will not affect any other provision. THE BORROWER AND THE LENDER HEREBY CONSENT TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN DENVER, COLORADO, AND WAIVE ANY OBJECTIONS BASED ON *FORUM NON CONVENIENS*, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE NOTES, OR THE PLEDGED REVENUE OR ANY TRANSACTIONS ARISING THEREFROM, OR ENFORCEMENT AND/OR INTERPRETATION OF ANY OF THE FOREGOING. Nothing in this Agreement will affect the Lender's rights to serve process in any manner permitted by law. This Agreement, the other Financing Documents and any amendments hereto (regardless of when executed) will be deemed effective and accepted only at the Lender's offices, and only upon the Lender's receipt of the executed originals thereof. Invalidity of any provision of this Agreement shall not affect the validity of any other provision.

Section 9.08 Copies; Entire Agreement; Modification. The Borrower hereby acknowledges the receipt of a copy of this Agreement and all other Financing Documents.

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

Section 9.09 Waiver of Jury Trial. THE BORROWER AND THE LENDER HEREBY JOINTLY AND SEVERALLY WAIVE, TO THE EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO ANY OF THE FINANCING DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. EACH OF THE BORROWER AND THE LENDER REPRESENTS TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

Section 9.10 Attachments. All documents attached hereto, including any appendices, schedules, riders, and exhibits to this Agreement, are hereby expressly incorporated by reference.

Section 9.11 No Recourse Against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Public Securities Act, if a member of the Board of the Borrower, or any officer or agent of the Borrower, acts in good faith in the performance of his duties as a member, officer, or agent of the Board or the Borrower and in no other capacity, no civil recourse shall be available against such member, officer or agent for payment of the principal of and interest on the Loan. Such recourse shall not be available either directly or indirectly through the Board of the Borrower, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the delivery of the Notes evidencing the Loan and as a part of the consideration for such transfers, the Lender and any person purchasing or accepting the transfer of the obligations representing the Loan specifically waives any such recourse.

Section 9.12 Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this Agreement is entered into pursuant to certain provisions of the Supplemental Public Securities Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Notes and this Agreement after delivery for value.

Section 9.13 Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Public Securities Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Notes and this Agreement shall be commenced more than 30 days after the authorization of the Notes and this Agreement.

Section 9.14 Pledge of Revenues. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Loan provided herein and therein shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Agreement, the Notes and the Authorizing Resolutions. The amounts pledged to the payment of the Notes and this Agreement shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall have a first priority. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the Borrower irrespective of whether such persons have notice of such liens.

Section 9.15 Payment on Non Business Days. Except as provided herein, whenever any payment hereunder shall be stated to be due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of the amount due.

Section 9.16 Termination. This Agreement shall terminate at such time as no amounts are due and owing to the Lender hereunder or under any of the other Financing Documents.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Third Amended and Restated Loan Agreement as of the date set forth above.

LENDER

COMPASS MORTGAGE CORPORATION, an
Alabama corporation

By _____
Matthew J. Chorske, Senior Vice President

BORROWER

TIMNATH DEVELOPMENT AUTHORITY

By _____
[Bryan Voronin]
Vice-Chairperson, Board of Commissioners

[SEAL]

Attest:

By _____
Secretary, Board of Commissioners

[Signature Page to Third Amended and Restated Loan Agreement]

EXHIBIT A

FORM OF 2015 RESTATED NOTE

PROMISSORY NOTE

US \$46,050,000.00

Original Date: September 29, 2015
Amended and Restated Date: April 16, 2018

FOR VALUE RECEIVED, TIMNATH DEVELOPMENT AUTHORITY, a public body corporate and politic duly organized and existing as an urban renewal authority under the laws of the State of Colorado (hereinafter referred to as “Maker”), promises to pay to the order of COMPASS MORTGAGE CORPORATION, an Alabama corporation, its successors and assigns (hereinafter referred to as “Payee”), at the office of Payee or its agent, designee, or assignee, or such place as Payee or its agent, designee, or assignee may from time to time designate in writing, the principal sum of FORTY-SIX MILLION FIFTY AND 00/100 DOLLARS (US \$46,050,000.00) pursuant to the terms of the Second Amended and Restated Loan Agreement dated as of September 29, 2015, as amended and restated pursuant to the terms of the Third Amended and Restated Loan Agreement dated as of April 16, 2018 (as amended and restated, the “Loan Agreement”) by and between Maker and Payee, in lawful money of the United States of America. Unless and until otherwise designated in writing by Payee to Maker, all payments hereunder shall be made to Payee in accordance with the Loan Agreement.

Amounts received by Payee under this Promissory Note (this “Note”) shall be applied in the manner provided by the Loan Agreement. This Note shall bear interest, be payable, mature and be enforceable pursuant to the terms and provisions of the Loan Agreement. All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed in the Loan Agreement.

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

Pursuant to Section 11-57-210 of the Colorado Revised Statutes, as amended, this Note is entered into pursuant to certain provisions of the Supplemental Public Securities Act, being Title 11, Article 57, of the Colorado Revised Statutes, as amended. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of this Note after delivery for value.

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

IN WITNESS WHEREOF, an authorized representative of Timnath Development Authority, as Maker, has executed this Promissory Note as of the day and year first above written.

TIMNATH DEVELOPMENT AUTHORITY

By _____
[Bryan Voronin]
Vice-Chairperson, Board of Commissioners

[SEAL]

Attest:

By _____
Secretary, Board of Commissioners

[Signature Page to Promissory Note]

EXHIBIT B

PRINCIPAL REPAYMENT SCHEDULE – 2015 LOAN PORTION

<u>Date</u>	<u>Principal Payment Due</u>
12/1/2018	\$2,705,000
12/1/2019	3,125,000
12/1/2020	3,260,000
12/1/2021	3,415,000
12/1/2022	3,570,000
12/1/2023	3,735,000
12/1/2024	3,900,000
12/1/2025	4,080,000
12/1/2026	4,265,000
12/1/2027	4,460,000
12/1/2028	4,660,000
12/1/2029	<u>4,875,000</u>
Total	\$46,050,000

EXHIBIT C

FORM OF 2018 NOTE

PROMISSORY NOTE

US \$20,000,000.00

April 16, 2018

FOR VALUE RECEIVED, TIMNATH DEVELOPMENT AUTHORITY, a public body corporate and politic duly organized and existing as an urban renewal authority under the laws of the State of Colorado (hereinafter referred to as “Maker”), promises to pay to the order of COMPASS MORTGAGE CORPORATION, an Alabama corporation, its successors and assigns (hereinafter referred to as “Payee”), at the office of Payee or its agent, designee, or assignee, or such place as Payee or its agent, designee, or assignee may from time to time designate in writing, the principal sum of TWENTY MILLION AND 00/100 DOLLARS (US \$20,000,000.00) pursuant to the terms of the Third Amended and Restated Loan Agreement dated of even date herewith (the “Loan Agreement”) by and between Maker and Payee, in lawful money of the United States of America. Unless and until otherwise designated in writing by Payee to Maker, all payments hereunder shall be made to Payee in accordance with the Loan Agreement.

Amounts received by Payee under this Promissory Note (this “Note”) shall be applied in the manner provided by the Loan Agreement. This Note shall bear interest, be payable, mature and be enforceable pursuant to the terms and provisions of the Loan Agreement. All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed in the Loan Agreement.

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

Pursuant to Section 11-57-210 of the Colorado Revised Statutes, as amended, this Note is entered into pursuant to certain provisions of the Supplemental Public Securities Act, being Title 11, Article 57, of the Colorado Revised Statutes, as amended. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of this Note after delivery for value.

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

IN WITNESS WHEREOF, an authorized representative of Timnath Development Authority, as Maker, has executed this Promissory Note as of the day and year first above written.

TIMNATH DEVELOPMENT AUTHORITY

By _____
[Bryan Voronin]
Vice-Chairperson, Board of Commissioners

[SEAL]

Attest:

By _____
Secretary, Board of Commissioners

[Signature Page to Promissory Note]

EXHIBIT D

PRINCIPAL REPAYMENT SCHEDULE – 2018 LOAN PORTION

<u>Date</u>	<u>Principal Payment Due</u>
12/1/2018	\$ - 0 -
12/1/2019	200,000
12/1/2020	500,000
12/1/2021	850,000
12/1/2022	1,450,000
12/1/2023	2,045,000
12/1/2024	2,165,000
12/1/2025	2,285,000
12/1/2026	2,405,000
12/1/2027	2,540,000
12/1/2028	2,710,000
12/1/2029	2,850,000
Total	<u>\$20,000,000</u>

EXHIBIT E

URBAN RENEWAL AREA

EXHIBIT F

ANNUAL COMPLIANCE CERTIFICATE

(TO BE COMPLETED NO LATER THAN 210 DAYS

AFTER THE END OF EACH FISCAL YEAR)

The undersigned, on behalf of the Timnath Development Authority, a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado (the "Authority"), as required by Section 5.11(a) of the Third Amended and Restated Loan Agreement dated as of April 16, 2018 (the "Loan Agreement," to which reference is made for the definition of capitalized terms not otherwise defined herein), by and between the Authority and Compass Mortgage Corporation (the "Lender"), relating to the Loan (as defined in the Loan Agreement), hereby states and certifies to the Lender, as of the date hereof, that:

a. **Authorization.** The undersigned is the duly authorized officer of the Authority, and as such, is familiar with the facts herein and is authorized to certify the same.

b. **Annual Financial Information.**

attached hereto is a copy of financial information concerning the Authority as a component unit of the Town including, without limitation, a balance sheet of the Authority as of the end of the immediately preceding Fiscal Year and the related statements of revenues, expenditures, and fund balances for such Fiscal Year, prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and certified by a firm of independent certified public accounts selected by the Authority and satisfactory to the Lender; and

attached hereto is a copy of the Authority's annual budget for the next Fiscal Year; or

a copy of the Authority's annual budget for the next Fiscal Year has been provided to the Lender separately.

c. **Compliance with Covenants.**

The Authority is in compliance with the covenants contained in the following sections of the Loan Agreement:

- | | | | |
|------|------------------------------|-----------------------------|--|
| 5.02 | <input type="checkbox"/> yes | <input type="checkbox"/> no | (Litigation) |
| 5.03 | <input type="checkbox"/> yes | <input type="checkbox"/> no | (Performance of Covenants) |
| 5.04 | <input type="checkbox"/> yes | <input type="checkbox"/> no | (Defaults) |
| 5.05 | <input type="checkbox"/> yes | <input type="checkbox"/> no | (Pledged Revenue Accounting) |
| 5.06 | <input type="checkbox"/> yes | <input type="checkbox"/> no | (Enforcement and Collection; Plan Amendment) |
| 5.07 | <input type="checkbox"/> yes | <input type="checkbox"/> no | (Use of Proceeds) |

- 5.08 yes no (Tax Covenants)
- 5.09 yes no (Payment of Other Liabilities)
- 5.10 yes no (Financial Statements)
- 5.14 yes no (Additional Debt)
- 5.15 yes no (Continued Existence)
- 5.17 yes no (Operation and Management)
- 5.18 yes no (Annual Audit and Budget)
- 5.19 yes no (No Exclusion of Property)
- 5.20 yes no (Investment Practices)
- 5.21 yes no (Maintenance of Insurance)
- 5.22 yes no (Amendments to Documents)

[If no, include description of circumstances]

d. **No Default or Event of Default.**

 no Default or Event of Default has occurred and is continuing; or

 a Default or Event of Default has occurred and is continuing, under the following circumstances, and the Authority is taking or proposes to take the following steps with respect thereto:

[Include description of circumstances and Authority remedial actions]

Dated: _____ TIMNATH DEVELOPMENT AUTHORITY

By _____
 Name _____
 Title _____

EXHIBIT G

QUARTERLY COMPLIANCE CERTIFICATE

**(TO BE COMPLETED NO LATER THAN EACH
MAY 1, AUGUST 1, NOVEMBER 1 AND FEBRUARY 1)**

The undersigned, on behalf of the Timnath Development Authority, a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado (the “Authority”), as required by Section 5.11(c) of the Third Amended and Restated Loan Agreement dated as of April 16, 2018 (the “Loan Agreement,” to which reference is made for the definition of the capitalized terms not otherwise defined herein), by and between the Authority and Compass Mortgage Corporation (the “Lender”), relating to the Loan (as defined in the Loan Agreement), hereby states and certifies to the Lender, as of the date hereof, that:

- a. **Authorization and Consultation.** The undersigned is duly authorized to execute this certificate on behalf of the Authority. The Authority has consulted with its attorneys, accountants, managers and any other advisors with applicable knowledge and/or expertise to familiarize itself with the facts herein.
- b. **Pledged Revenues.** The amount of Pledged Property Tax Revenue, Non-Costco Pledged Incremental Sales Tax Revenue and Costco Incremental Sales Tax Revenue actually received each month for the 12 calendar months immediately preceding the date of this certificate (not including the month in which this certificate is dated) is as follows:

<u>Month Ending</u>	<u>Actual Pledged Property Tax Revenue Received</u>	<u>Pledged Sales Tax Revenue</u>		<u>Debt Service</u>
		Actual Pledged Sales Tax Revenue attributable to Costco Incremental Sales Tax Revenue Received	Actual Pledged Sales Tax Revenue Received (excluding Costco Incremental Sales Tax Revenue)	
	\$		\$	

c. **Debt Service Coverage Calculation (to be used only for the purpose of complying with the Additional Debt provisions in Section 5.14(c)).**

Net Pledged Revenue: For the twelve-months ended _____, 20____; total Pledged Property Tax Revenue and Pledged Sales Tax Revenue (which amounts do not include amounts on deposit in or drawn from the Reserve Fund, or amounts derived from any one-time or non-repeating revenue source) was \$_____.

Maximum Annual Debt Service:

Maximum Annual Debt Service on the Loan \$_____

Maximum Annual Debt Service on Subordinate Debt
(Including Subordinate Debt to be issued) \$_____

Total Maximum Annual Debt Service \$_____

Debt Service Coverage Ratio: Net Pledged Revenue divided by Total Maximum Annual Debt Service is _____.

d. **Status of the Urban Renewal Project.** The current status of the redevelopment of the Plan Area is as follows:

[Including description of permit status, construction status, leases, land sales and store openings]

e. **Compliance with Financial Covenants.**

[] the Authority is in compliance with the financial covenants as set forth in Sections 5.05, 5.06, 5.08, 5.14, 5.18 and 5.20 of the Loan Agreement [Confirm these]; or

[] the Authority is not in compliance with the financial covenants set forth in Sections 5.05, 5.06, 5.08, 5.14, 5.18 and 5.20 of the Loan Agreement, in the following circumstances;

[Include description of circumstances]

f. **No Default or Event of Default.**

[] no Default or Event of Default has occurred and is continuing; or

[] a Default or Event of Default has occurred and is continuing, under the following circumstances, and the Authority is taking or proposes to take the following steps with respect thereto;

[Including description of circumstances and Authority remedial actions]

Dated _____

TIMNATH DEVELOPMENT AUTHORITY

By _____
Name _____
Title _____

EXHIBIT H

ESTIMATED PLEDGED PROPERTY TAX REVENUE CERTIFICATE

(TO BE COMPLETED NO LATER THAN JANUARY 15 OF EACH YEAR)

The undersigned, on behalf of the Timnath Development Authority, a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado (the "Authority"), as required by Section 5.11(b) of the Third Amended and Restated Loan Agreement dated as of April 16, 2018 (the "Loan Agreement," to which reference is made for the definition of the capitalized terms not otherwise defined herein), by and between the Authority and Compass Mortgage Corporation (the "Lender"), relating to the Loan (as defined in the Loan Agreement), hereby states and certifies to the Lender, as of the date hereof, that the Authority's calculation of Pledged Property Tax Revenue for Fiscal Year _____ has been calculated as follows:

1. Assessed valuation of the Plan Area as of December ____: \$_____.
2. Minus assessed valuation allocable to the "base amount": \$_____.
3. Equals incremental assessed valuation: \$_____.
4. Total mill levy certified in December ____ for collection in ____ is as follows:

<u>Taxing Entity</u>	<u>Mill Levy</u>
Poudre School District R-1	
Larimer County	
Poudre Valley Fire Protection District	
Windsor-Severance Fire Protection District	
Town of Timnath	
Poudre River Public Library District	
Fort Collins-Loveland Water District	
Health District of Northern Larimer County	
Northern Colorado Water Conservancy District	
Larimer County Pest Control	
South Fort Collins Sanitation District	
Timnath Farms Metropolitan District Nos. 1-3	
Timnath Ranch Metropolitan District Nos. 1-4	
South Timnath Metropolitan District Nos. 1-2	
[other]	
[other]	
TOTAL:	

5. Line 3 times Line 4 = \$_____. In lieu of this calculation, the Authority may describe its methodology for calculating the projected total property tax revenue attributable to the incremental assessed valuation, recognizing that

portions of the Plan Area (as defined in the Loan Agreement) are within different taxing jurisdictions from other portions. This description, and the resulting calculation of projected total property tax revenue, is as follows:

- 6. The amount of Line 5 which consists of revenue required to be remitted to other local governments pursuant to the TDA Agreements (as defined in the Loan Agreement) = \$_____.
- 7. Line 5 minus Line 6 = \$_____.
- 8. Line 6 multiplied by 98% = \$_____. Such amount is the Estimated Pledged Property Tax Revenue for the Fiscal Year.
- 9. For purposes of comparing the amount of the Estimated Pledged Property Tax Revenue calculated in Line 8 to the amounts required to be accumulated pursuant to the flow of funds in FIRST through THIRD in Section 4.02(a) of the Loan Agreement, the following additional calculations are made:
 - a. Annual Debt Requirements (as defined in the Loan Agreement) for the Fiscal Year = \$_____.
 - b. Amounts required to replenish the Reserve Fund to the Reserve Requirement, if any, for the Fiscal Year = \$_____.
 - c. Amounts which are known to the Authority to be due and owing to the Lender under the Loan Agreement other than principal and interest payments on the Loan = \$_____.
 - d. Lines 9(a) plus 9(b) plus 9(c) = \$_____.
- 10. _____ (check if applicable). Line 8 is equal to or greater than Line 9(d), in which case, pursuant to Section 4.02(a), the Authority is not required to transfer Pledged Sales Tax Revenue to the Lender pursuant to Section 4.02(a), unless an Event of Default has occurred and is continuing, subject to the more detailed requirements and provisions of Section 4.02(a).
- 11. _____ (check if applicable). Line 8 is less than Line 9(d), in which case, pursuant to Section 4.02(a), the Authority is required to transfer Pledged Sales Tax Revenue to the Lender as further described in Section 4.02(a). The amount of such deficiency = \$_____ (which amount is equal to Line 8 minus Line 9(d)).

Dated _____

TIMNATH DEVELOPMENT AUTHORITY

By _____
Name _____
Title _____

The foregoing Estimated Property Tax Revenue Certificate is hereby acknowledged and approved by Compass Mortgage Corporation on the date set forth below.

Dated _____

COMPASS MORTGAGE CORPORATION

By _____
Name _____
Title _____

EXHIBIT I

**FORM OF MID-YEAR ACTUAL PLEDGED PROPERTY TAX
REVENUE CERTIFICATE**

(TO BE COMPLETED NO LATER THAN AUGUST 31 OF EACH YEAR)

The undersigned, on behalf of the Timnath Development Authority, a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado (the "Authority"), as required by Sections 4.02(a) and 5.11(j) of the Third Amended and Restated Loan Agreement dated as of April 16, 2018 (the "Loan Agreement," to which reference is made for the definition of the capitalized terms not otherwise defined herein), by and between the Authority and Compass Mortgage Corporation (the "Lender"), relating to the Loan (as defined in the Loan Agreement), hereby states and certifies to the Lender, as of the date hereof, the following:

1. For the period January 1, _____, through August 15, _____, the actual Pledged Property Tax Revenue received by the Authority is \$ _____.
2. For purposes of comparing the amount of the Pledged Property Tax Revenue calculated in Line 1 to the amounts required to be accumulated pursuant to the flow of funds in FIRST through THIRD in Section 4.02(a) of the Loan Agreement, the following additional calculations are made:
 - a. Annual Debt Requirements (as defined in the Loan Agreement) for the Fiscal Year = \$ _____.
 - b. Amounts required to replenish the Reserve Fund to the Reserve Requirement, if any, for the Fiscal Year = \$ _____.
 - c. Amounts which are known to the Authority to be due and owing to the Lender under the Loan Agreement other than principal and interest payments on the Loan = \$ _____.
 - d. Lines 2(a) plus 2(b) plus 2(c) = \$ _____.
3. If Line 1 is equal to or exceeds Line 2(d), then the Authority will be entitled to retain all Pledged Sales Tax Revenue for the remainder of such Fiscal Year pursuant to Section 4.02(a) of the Loan Agreement.
4. If Line 1 is less than Line 2(d), then the Authority shall be required to transfer all amounts comprising Pledged Sales Tax Revenue (in an amount equal to the Pledged Sales Tax Revenue) to the Lender according to the requirements of Section 4.02(a) of the Loan Agreement.

Dated _____

TIMNATH DEVELOPMENT AUTHORITY

By _____
Name _____
Title _____

The foregoing Mid-Year Actual Pledged Property Tax Revenue Certificate is hereby acknowledged and approved by Compass Mortgage Corporation on the date set forth below.

Dated _____

COMPASS MORTGAGE CORPORATION

By _____
Name _____
Title _____

EXHIBIT J

PROJECT FUND DISBURSEMENT REQUEST

Date _____

TO: Compass Mortgage Corporation

Ladies and Gentlemen:

Reference is made to that certain Third Amended and Restated Loan Agreement dated as of April 16, 2018 (as further amended or otherwise modified from time to time, the "Loan Agreement") among by and between Timnath Development Authority (the "Borrower") and Compass Mortgage Corporation (the "Lender"). All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Loan Agreement.

Pursuant to Section 4.05(d) of the Loan Agreement, the Borrower hereby requests that the Lender disburse from the Project Fund the amount of \$_____. This disbursement is to be paid to or at the direction of the Borrower, as follows (check the applicable box):

The disbursement shall be made for the account of the Borrower at the following account: [insert wire instructions], or

The disbursement shall be made as follows: [insert instructions].

Attached hereto is (i) an invoice for the requested amount and (ii) a certification from the Town's engineer that such invoice amount represents qualified and eligible Capital Project Expenses as defined in the Loan Agreement.

The Borrower hereby represents and warrants to the Lender that (i) all of the representations and warranties made by the Borrower in the Loan Agreement and the other Financing Documents are true and correct in all material respects on as of the date hereof as if made on and as of the date hereof (except to the extent stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct as of such earlier date), (ii) no Default or Event of Default has occurred and is continuing and (iii) the amounts on deposit in the Reserve Fund as of the date of the disbursement requested herein equals the Reserve Requirement.

TIMNATH DEVELOPMENT AUTHORITY

By _____
Authorized Person