

CAPITAL PLEDGE AGREEMENT (A-2/B-2)

This **CAPITAL PLEDGE AGREEMENT (A-2/B-2)** (the “**Agreement**” or “**Pledge Agreement**”), is made and entered into and dated as of [____], 2020, by and among **Colorado Crossing Metropolitan District No. 2** (the “**District**”), **Colorado Crossing Metropolitan District No. 1** (“**District No. 1**”), **Colorado Crossing Metropolitan District No. 3** (“**District No. 3**”) and **UMB Bank, n.a.**, in its capacity (a) as trustee (the “**Trustee**”) under the Indenture of Trust (A-2), dated as of [____], 2020 (as amended or supplemented from time to time, the “**Senior Indenture**”), entered into with the District and relating to the District’s Limited Tax General Obligation Bonds Series 2020A-2 (the “**Series 2020A-2 Bonds**”) and (b) as trustee under the Indenture of Trust (B-2), dated as of [____], 2020 (as amended or supplemented from time to time, the “**Subordinate Indenture**” and, together with the Senior Indenture, the “**Indentures**”), entered into with the District and relating to the District’s Subordinate Limited Tax General Obligation Bonds Series 2020B-2 (the “**Series 2020B-2 Subordinate Bonds**” and, together with the Series 2020A-2 Bonds, the “**Bonds**”). The District, District No. 1 and District No. 3 (collectively, the “**Districts**”) are quasi-municipal corporations and political subdivisions of the State of Colorado (the “**State**”), each duly organized and existing as a metropolitan district under the constitution and laws of the State, including particularly Title 32, Article 1, Colorado Revised Statutes, as amended (the “**Special District Act**”).

RECITALS

WHEREAS, each of the Districts is a quasi-municipal corporation and political subdivision of the State duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado, including particularly the Special District Act; and

WHEREAS, the District was organized by order of the District Court, El Paso County, State of Colorado issued on November 28, 2006 and recorded in the real property records of El Paso County (the “**County**”) on December 5, 2006 at Reception No. 206176527; and

WHEREAS, District No. 1 was organized by order of the District Court of the County issued on November 28, 2006 and recorded in the real property records of the County on December 5, 2006 at Reception No. 206176526; and

WHEREAS, District No. 3 was organized by order of the District Court of the County issued on November 28, 2006 and recorded in the real property records of the County on December 5, 2006 at Reception No. 206176528; and

WHEREAS, the Districts are authorized by Title 32, Article 1, Part 1, C.R.S. (the “**Act**”), to furnish certain public facilities and services, including water, sanitation, street, safety protection, park and recreation, transportation, television relay and translation, limited fire protection, and mosquito control improvements and services within and without the boundaries of the Districts in accordance with the Consolidated Service Plan for the Districts, as approved by the City of Colorado Springs (the “**City**”) pursuant to the Act on August 1, 2006 (as the same

has been and may be further modified or amended from time to time in accordance with the provisions thereof, the “**Service Plan**”) and applicable law; and

WHEREAS, the Service Plan contemplates that the Districts collectively undertake the financing and construction of public improvements which the Districts are authorized to provide under the Special District Act and the Service Plan and which improvements will benefit future residents and property owners of the Districts (the “**Public Improvements**”); and

WHEREAS, pursuant to the Colorado Constitution, Article XIV, Section 18(2)(a), and Section 29-1-203, Colorado Revised Statutes, as amended (“**C.R.S.**”), the Districts may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract may provide for the sharing of costs, the imposition and collection of taxes, and the incurrence of debt; and

WHEREAS, in furtherance of the Service Plan, the Districts entered into an Amended and Restated Intergovernmental Agreement dated as of July 11, 2017 (the “**Master IGA**”), pursuant to which the Districts agreed that, among other things, District No. 1 will own, operate and maintain certain Public Improvements benefiting all Districts, that all Districts will cooperate in financing the costs of the Public Improvements including the payment of any bonds or other financial obligations issued to finance such Public Improvements and that the District would issue bonds for the purpose of financing the costs of the Public Improvements; and

WHEREAS, at an election of the qualified electors of District No. 1, duly called and held on November 8, 2016 (the “**District No. 1 Election**”), in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at the District No. 1 Election voted in favor of, inter alia, the issuance of general obligation indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain improvements and facilities, funding operations, and refunding outstanding obligations as set forth in the table below, the questions relating thereto being as set forth in Exhibit A attached hereto; and

District No 1 Voted Debt Authorization from November 8, 2016 Election	
	Voter Authorized Principal Amount
Streets	\$ 35,000,000
Parks and Recreation	35,000,000
Water	35,000,000
Sanitation	35,000,000
Transportation	35,000,000
Safety Protection	35,000,000
Television Relay	<u>35,000,000</u>
TOTAL PUBLIC IMPROVEMENTS	<u>\$245,000,000</u>
Operations and Maintenance	35,000,000
Refunding Debt	35,000,000
Intergovernmental Agreements	35,000,000
TOTAL	<u>\$ 350,000,000</u>

WHEREAS, at an election of the qualified electors of District No. 1, duly called and held on November 8, 2016 (the “**District No. 3 Election**” and together with the District No. 1 Election, the “**Elections**”), in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at the District No. 3 Election voted in favor of, inter alia, the issuance of general obligation indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain improvements and facilities, funding operations, and refunding outstanding obligations as set forth in the table below, the questions relating thereto being as set forth in Exhibit B attached hereto; and

District No. 3 Voted Debt Authorization from November 8, 2016 Election	
Purpose	Voter Authorized Principal Amount
Streets	\$ 35,000,000
Parks and Recreation	35,000,000
Water	35,000,000
Sanitation	35,000,000
Transportation	35,000,000
Safety Protection	35,000,000
Television Relay	<u>35,000,000</u>
TOTAL PUBLIC IMPROVEMENTS	<u>\$245,000,000</u>
Operations and Maintenance	35,000,000
Refunding Debt	35,000,000
Intergovernmental Agreements	35,000,000
TOTAL	<u>\$ 350,000,000</u>

WHEREAS, the returns of the Elections were duly canvassed and the results thereof duly declared; and

WHEREAS, the results of the Elections were certified by District No. 1 and District No. 3 by certified mail to the board of county commissioners of each county in which the Districts are located or to the governing body of a municipality that has adopted a resolution of approval of the special district pursuant to Section 32-1-204.5, C.R.S., and with the division of securities created by Section 11-51-701, C.R.S. within forty-five days after the Elections; and

WHEREAS, for the purpose of funding costs of the Public Improvements, District No. 1 previously entered into the Facilities Funding and Acquisition Agreement (as has been and may be further amended the “**Acquisition Agreement**”) with Interquest Westside LLC, a Delaware limited liability company (as more particularly defined herein, the “**Developer**”); and

WHEREAS, for the purpose of financing costs of the Public Improvements and to provide additional security for the payment of any bonds or other financial obligations issued to finance such Public Improvements, the Developer, as declarant (together with any permitted assignee, the “**Declarant**”), executed and recorded in the records of the Clerk and Recorder of the County with respect to certain property (the “**Original PIF Property**”) the Declaration of Covenants Imposing and Implementing the Victory Ridge Public Improvements Fee dated as of March 22, 2017, recorded on March 22, 2017, at Reception No. 217032699 (the “**Original PIF Covenant**”), the burdens of which run with the land; and

WHEREAS, the Original PIF Covenant was amended by the [Amended Declaration of Covenants Imposing and Implementing the Victory Ridge Public Improvements Fee dated as October __, 2020, recorded on October __, 2020, at Reception No. _____ (as may be further amended, the “**PIF Covenant**”) which reduced the size of the Original PIF Property and divided the remaining PIF Property (the “**PIF Property**”) into two sections, the “**Excluded Property PIF Property**” and the “**District PIF Property**,” each as defined in the PIF Covenant.

WHEREAS, pursuant to the PIF Covenant, Retailers (as defined therein) are required to collect a public improvement fee (the “**Sales PIF**”) on all PIF Sales (as defined therein) made from or within the PIF Property and Lodging Providers (as defined therein) are required to collect a public improvement fee (the “**Lodging PIF**” and collectively with the Sales PIF, the “**PIF**”) on all Lodging Activities (as defined therein) made from or within the PIF Property and to provide for the payment of the revenues resulting from the imposition of the PIF (the “**PIF Revenue**”) to CliftonLarsonAllen LLP or any successor thereto engaged by District No. 1 [consider assigning to District No.2] for the purpose of collecting the PIF Revenue (the “**PIF Collection Agent**”); and

WHEREAS, pursuant to that certain Agreement for Collection of Public Improvement Fees, dated as of July 11, 2017 and amended as of October __, 2020 (as may be further amended, the “**PIF Collection Agreement**”) by and among District No. 1, the Trustee and the PIF Collection Agent, the PIF Collection Agent agreed to collect the PIF Revenue in the name and for the benefit of District No. 1, divide the PIF Revenue between the those revenues collected from the Excluded Property PIF Property (the “**Excluded Property PIF Revenue**”) and the District PIF Property (the, “**District PIF Revenue**”) and remit such revenues as designated and instructed by District No. 1; and

WHEREAS, under the PIF Covenant, District No. 1 may assign, pledge or transfer all or any portion of the PIF Revenue to District No. 2 or District No. 3 in connection with a Financing (as defined in the PIF Covenant) [revise if assigned to D2]; and

WHEREAS, District No. 1, District No. 2 and the Developer entered into an Inclusion Agreement Colorado Crossing Metropolitan District Nos. 1 and 2, executed and effective as of July 11, 2017, and recorded on July 11, 2017, at Reception No. 217080783 (the “**Inclusion Agreement**”), whereby the Developer agreed to include certain Future Commercial Property (as defined therein) into District No. 1 upon the occurrence of certain events; and

WHEREAS, the Developer further agreed in the Inclusion Agreement to execute and record against the Future Commercial Property one or more covenants to encumber the Future Commercial Property and require payment of a payment in lieu of taxes (each, a “**PILOT**” as further defined herein); and

WHEREAS, the Districts and the Developer entered into an Exclusion Agreement, dated as of February 8, 2019, with In-N-Out Burgers (“**INO**”), pursuant to which, as a condition to INO acquiring certain property described therein (the “**Excluded Property**”), the Excluded Property was excluded from the Districts and the Districts agreed that no revenue related to the Excluded Property, including but not limited to the Excluded Property PIF Revenue and any property taxes collected from within the Excluded Property, would be included in any future revenue pledge made by the Districts, other than to support the Series 2017 Bonds (defined below) and any bonds issued to refund the Series 2017 Bonds; and

WHEREAS, for the purpose of financing the costs of acquiring, constructing and installing a portion of the Public Improvements the debt for which was approved by the Election (as defined in the Series 2017 Indenture) (the “**Project**”), the District previously issued its Limited Property Tax Supported Revenue Bonds, Series 2017, in the aggregate principal amount

of \$14,781,000 (the “**Series 2017 Bonds**”), pursuant to a Trust Indenture, dated as of July 1, 2017 (the “**Series 2017 Indenture**”), between the District and UMB Bank, N.A., in its capacity as trustee thereunder (the “**2017 Trustee**”); and

WHEREAS, in connection with the issuance by the District of the Series 2017 Bonds and in order to provide for the payment thereof, the Districts and the 2017 Trustee entered into a Capital Pledge Agreement dated as of July 1, 2017 (the “**2017 Capital Pledge Agreement**”); and

WHEREAS, the Districts previously determined to allocate the electoral authorization of the Election held by the District and the Elections held by District No. 1 and District No. 3 respectively to the Series 2017 Bonds and the 2017 Capital Pledge Agreement as detailed in the tables set forth in the Senior Indenture and the Subordinate Indenture entitled “Voted Debt Authorization From 2016 Election” and the tables set forth herein entitled “District No. 1 Voted Debt Authorization From 2016 Election” and “District No. 3 Voted Debt Authorization From 2016 Election”; and

WHEREAS, the Series 2017 Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, on December 1, 2020, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of three percent (3.00%) of the principal amount so redeemed; and

WHEREAS, the Series 2017 Bonds bear interest at the rate of 7.500% per annum, as provided in the Series 2017 Indenture; and

WHEREAS, for the purpose of financing or reimbursing an additional portion of the Project not funded with the proceeds of the Series 2017 Bonds, the Board of the District has determined that it is in the best interests of the District, and the residents and taxpayers thereof, that the District issue the Series 2020A-2 Bonds, in the aggregate principal amount of [\$_____], pursuant to the Senior Indenture; and

WHEREAS, for the purpose of financing or reimbursing an additional portion of the Project not funded with the proceeds of the Series 2017 Bonds and the Series 2020A-2 Bonds, the District also intends to issue the Series 2020B-2 Subordinate Bonds in the aggregate principal amount of [\$_____], pursuant to the Subordinate Indenture; and

WHEREAS, for the purpose of refunding the Series 2017 Bonds on December 1, 2020, the Board of the District has determined that it is in the best interests of the District, and the residents and taxpayers thereof, that the District issue its Limited Tax General Obligation Refunding Bonds, Series 2020A-1 in the aggregate principal amount of [\$_____] (the “**Series 2020A-1 Bonds**”) pursuant to the Indenture of Trust (A-1), dated as of [_____], 2020, between the District and the Trustee; and

WHEREAS, in order to provide for the payment of the Series 2020A-2 Bonds, the Series 2020B-2 Subordinate Bonds, and any Additional Obligations (as defined herein) that may be issued by the District in the future, the Districts have entered into this Pledge Agreement with the Trustee, pursuant to which District No. 1 and District No. 3 have pledged certain property tax revenues, specific ownership taxes allocable to the imposition of such property tax revenues

levied for debt service, and certain capital fees as defined herein (collectively defined herein as the “**Pledge Agreement Revenue**”) to the District for the payment of the Bonds and any Additional Obligations, and has covenanted to take certain actions with respect to generating such revenues and taxes, for the benefit of the registered owners of the Bonds and any Additional Obligations (the “**Owners**”); and

WHEREAS, the Pledge Agreement Revenue shall not include any revenue collected from within the Excluded Property; and

WHEREAS, as additional payment of the Series 2020A-2 Bonds, the Series 2020B-2 Subordinate Bonds, and any Additional Obligations that may be issued by the District in the future, District No. 1 has provided for the assignment of certain PIF Revenues to the District and the Trustee as further set forth [herein? Or is there a PIF assignment document?]; and

WHEREAS, in order to provide for the payment of the Series 2020A-1 Bonds, the Districts have entered into a Capital Pledge Agreement (A-1), dated as of [____], 2020, with the Trustee (the “**Capital Pledge Agreement (A-1)**”); and

WHEREAS, the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds shall be issued pursuant to the provisions of Title 32, Article 1, Part 13, C.R.S., and all other laws thereunto enabling; and

WHEREAS, the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds shall be limited tax general obligations of the District, and shall be payable solely from the Series 2020A-2 Pledged Revenue (as defined in the Senior Indenture) and the Subordinate Pledged Revenue (as defined in the Subordinate Indenture), which includes amounts derived under this Pledge Agreement; and

WHEREAS, the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds initially shall be issued in denominations of \$500,000 each, and in integral multiples above \$500,000 of not less than \$1,000 each, and not less than five days prior to the date of issuance of the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds, the District filed for an exemption from registration for the Bonds under the Colorado Municipal Bond Supervision Act and, accordingly, the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds are exempt from registration under such act; and

WHEREAS, pursuant to the provisions of Section 32-1-1101(6)(a)(IV), C.R.S., the Bonds are being issued only to “financial institutions or institutional investors” as such terms are defined in Section 32-1-103(6.5), C.R.S.; and

WHEREAS, based upon the foregoing, and on the anticipated uses of the proceeds of the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds, the Boards of District No. 1 and District No. 3 hereby determine to allocate any amount of this Pledge Agreement attributable to the principal amount of the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds to the authorized but unissued indebtedness from the Elections for Public Improvements purposes in accordance with the following; provided that such allocation is based upon the Board’s estimates of the use of proceeds at the time of issuance of the Bonds, the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds, that actual uses of proceeds may vary from

this estimate within the limitations of the Elections, and that such variance shall not require an amendment to this Pledge Agreement or notice to or consent of any person; and

District No. 1 Voted Debt Authorization from 2016 Election				
Purpose	Total Principal Amount Voted	Principal Amount Used for Series 2017 Bonds	Principal Amount Used for the Bonds and Series 2020A-1 Bonds¹	Amounts Remaining¹
Streets	\$35,000,000	\$6,616,283		
Parks and Recreation	35,000,000	--		
Water	35,000,000	699,940		
Sanitation	35,000,000	1,479,616		
Transportation	35,000,000	5,985,161		
Safety Protection	35,000,000	--		
Television Relay	35,000,000	--		
Operations and Maintenance	35,000,000	--		
Debt Refunding	35,000,000	--		
Intergovernmental Agreements	<u>35,000,000</u>	--		
TOTAL	\$350,000,000	\$14,781,000		
District No. 3 Voted Debt Authorization from 2016 Election				
Purpose	Total Principal Amount Voted	Principal Amount Used for Series 2017 Bonds	Principal Amount Used for the Bonds and Series 2020A-1 Bonds¹	Amounts Remaining¹
Streets	\$35,000,000	\$6,616,283		
Parks and Recreation	35,000,000	--		
Water	35,000,000	699,940		
Sanitation	35,000,000	1,479,616		
Transportation	35,000,000	5,985,161		
Safety Protection	35,000,000	--		
Television Relay	35,000,000	--		
Operations and Maintenance	35,000,000	--		
Debt Refunding	35,000,000	--		
Intergovernmental Agreements	<u>35,000,000</u>	--		
TOTAL	\$350,000,000	\$14,781,000		

¹ Figures have been rounded.

WHEREAS, the Payment Obligation (as defined herein and further described in Section 2.02(b) hereof) of District No. 1 and District No. 3 made pursuant to this Pledge Agreement is issued pursuant to the provisions of Title 32, Article 1, Part 11, C.R.S., the Service Plan and all other laws hereunto enabling; and

WHEREAS, the Boards of District No. 1 and District No. 3 specifically elect to apply all of the provisions of Title 11, Article 57, Part 2, C.R.S., to this Pledge Agreement and the Payment Obligation; and

WHEREAS, it has been determined by the Districts and it is hereby determined that the Districts shall be liable for the repayment of the Bonds and Additional Obligations (if any) through the imposition of a debt service mill levy, subject to the adjustments and limitations set forth herein; and

WHEREAS, the Districts have determined and hereby determine that the execution of this Pledge Agreement, the issuance of the Bonds and any Additional Obligations and the provision of the Project are in the best interests of the Districts and the residents, property owners, and taxpayers thereof; and

WHEREAS, all amendments to this Pledge Agreement made pursuant hereto and not in conflict with the limits of the ballot questions, which authorized the debt represented by this Pledge Agreement, shall be deemed part of this Pledge Agreement and fully authorized by such ballot questions.

COVENANTS

NOW, THEREFORE, for and in consideration of the promises and the mutual covenants and stipulations herein, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Interpretation. In this Pledge Agreement, unless the context otherwise requires:

(a) The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms, refer to this Pledge Agreement as a whole and not to any particular article, section, or subdivision hereof; the term “heretofore” means before the date of execution of the Agreement, the term “now” means the date of execution of this Pledge Agreement, and the term “hereafter” means after the date of execution of this Pledge Agreement.

(b) All definitions, terms, and words shall include both the singular and the plural, and all capitalized words or terms shall have the definitions set forth in the Recitals hereto and Section 1.02 hereof.

(c) Words of the masculine gender include correlative words of the feminine and neuter genders, and words importing the singular number include the plural number and vice versa.

(d) The captions or headings of this Pledge Agreement are for convenience only, and in no way define, limit, or describe the scope or intent of any provision, article, or section of this Pledge Agreement.

(e) All schedules, exhibits, and addenda referred to herein are incorporated herein by this reference.

Section 1.02. Definitions. As used herein, unless the context expressly indicates otherwise, the words defined below and capitalized throughout the text of this Pledge Agreement shall have the respective meanings set forth in the Recitals hereto and below:

“*Act*” or “*Special District Act*” means Title 32, Article 1, Part 1, C.R.S.

“*Additional Obligations*” means any Senior Bonds, any Subordinate Bonds, any Junior Subordinate Bonds and any Permitted Refunding Bonds (as defined in each of the Indentures). In addition, an obligation shall not constitute an Additional Obligation hereunder unless (i) it will be issued, either: (A) in denominations of not less than \$500,000 each, or (B) to “accredited investors” as defined in Section 11-59-110(1)(g) C.R.S., unless an exemption from the registration requirements of the Colorado Municipal Bond Supervision Act, or any successor statute, is otherwise available; AND (ii) it will initially (A) be issued to financial institutions or institutional investors, or in a manner otherwise satisfying one of the conditions of Section 32-1-1101(6)(a), C.R.S., or (B) will constitute a refunding or restructuring contemplated by Section 32-1-1101(6)(b) C.R.S. The term “Additional Obligations” does not include any obligations that are payable only on an annual appropriation basis at the discretion of the District, District No. 1 or District No. 3, as applicable.

“*Additional Obligations Documents*” means, collectively, any resolution, indenture, loan agreement or other instrument or agreement executed by the District or a Taxing District pursuant to which Additional Obligations are issued or incurred, and any undertaking or agreement with respect to the provision of continuing disclosure relating thereto.

“*Agreement*” or “*Pledge Agreement*” means this Capital Pledge Agreement (A-2/B-2) and any amendment hereto made in accordance herewith.

“*Board*” or “*Boards*” means the lawfully organized Boards of Directors of the Districts.

“*Bond Fund*” means either the “Colorado Crossing Metropolitan District No. 2 Limited Tax General Obligation Bonds, Series 2020A-2, Bond Fund,” established by the provisions of the Senior Indenture for the purpose of paying the principal of, premium if any, and interest on the Series 2020A-2 Bonds or the “Colorado Crossing Metropolitan District No. 2 Subordinate Limited Tax General Obligation Bonds, Series 2020B-2, Subordinate Bond Fund,” established by the provisions of the Subordinate Indenture for the purpose of paying the principal of, premium if any, and interest on the Series 2020B-2 Subordinate Bonds.

“*Bonds*” means the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds.

“*Bond Year*” has the meaning assigned to such term in the respective Indentures and/or any Additional Obligations Documents, as the context may require.

“*Capital Fee Revenue*” means any revenue generated from the imposition of Capital Fees collected from within the Districts’ boundaries.

“*Capital Fees*” means all fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges) lawfully imposed by the District or any District-owned “enterprise” under Article X, Section 20 of the Colorado Constitution, for services, programs, or facilities furnished by the District, whether now in effect or imposed in the future, and including the revenue derived from the sale or other disposition of property acquired by the District from any action to enforce the collection of Capital Fees. No Capital Fees shall be imposed within the boundaries of the Excluded Property.

“*City*” means the the City of Colorado Springs, Colorado.

“*Colorado Municipal Bond Supervision Act*” means Title 11, Article 59, Part 1, C.R.S.

“*Continuing Disclosure Agreement*” means that certain Continuing Disclosure Agreement entered into as of [_____], 2020 with respect to the Bonds, by and among the District, the Developer, and the Trustee, as it may be amended from time to time.

“*County*” means El Paso County, Colorado.

“*C.R.S.*” means Colorado Revised Statutes, as amended.

“*Developer*” means means Interquest Westside LLC, a Delaware limited liability company, together with any successors and assigns.

“*District*” means Colorado Crossing Metropolitan District No. 2, City of Colorado Springs, El Paso County, Colorado, and its successors and assigns.

“*District No. 1*” means Colorado Crossing Metropolitan District No. 1, City of Colorado Springs, El Paso County, Colorado, and its successors and assigns.

“*District No. 1 Capital Fees*” means Capital Fees collected by District No. 1.

“*District No. 1 Pledged Revenue*” means the moneys derived by District No. 1 from the following sources being pledged pursuant to this Pledge Agreement, net of any costs of collection of the City and/or County and any tax refunds or abatements authorized by or on behalf of the City and/or County (to the extent not previously deducted by definition):

- (a) the District No. 1 Property Tax Revenues; and
- (b) the portion of the District No. 1 Specific Ownership Tax which is collected as a result of imposition of the District No. 1 Required Mill Levy; and

(c) the District PIF Revenue remaining after application of the portion of District PIF Revenue pledged to the Series 2020A-1 Bonds, and after the Series 2020A-1 Bonds have been fully repaid or defeased, all District PIF Revenue; and

(d) the District No. 1 Capital Fees; and

(e) any other legally available moneys which District No. 1 determines, in its absolute discretion, to transfer to the Trustee for application to the Bond Fund under one or both of the Indentures.

“*District No. 1 Property Tax Revenues*” means the ad valorem property taxes derived from imposition of the District No. 1 Required Mill Levy, net of costs of collection of the City and/or County and of any tax refunds or abatements authorized by or on behalf of the City and/or the County and any PILOT Revenue collected from a PILOT imposed in lieu of the District No. 1 Required Mill Levy. (For the avoidance of doubt, District No. 1 Property Tax Revenues do not include the portion of the District No. 1 Specific Ownership Tax which is collected as a result of imposition of the District No. 1 Required Mill Levy.)

“*District No. 1 Required Mill Levy*” means:

(a) Subject to paragraphs (b) and (c) below, an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of District No. 3 each year in the amount of 20.000 mills less such number of mills levied to pay the Series 2020A-1 Bonds; *provided, however*, that if, after January 1, 2006, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement with respect to the classes of property on which District No. 1 may impose its mill levy; the mill levy provided in this paragraph (a) shall be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board of District No. 1 in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of assessed valuation to actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

(b) Notwithstanding anything herein to the contrary, in no event may the District No. 1 Required Mill Levy be established at a mill levy which would constitute a material departure from the requirements of the Service Plan, or cause District No. 1 to derive tax revenue in any year in excess of the maximum tax increases permitted by District No. 1’s electoral authorization, and if the District No. 1 Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by District No. 1’s electoral authorization or create a material departure from the Service Plan, the District No. 1 Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded and no material departure from the Service Plan occurs; and

(c) Notwithstanding anything herein to the contrary, in no event may the District No. 1 Required Mill Levy be imposed on any taxable property developed for

residential use for a period beyond the Maximum Debt Mill Levy Imposition Term unless the conditions set forth in the Service Plan have been satisfied or such Service Plan provision has been eliminated.

“*District No. 1 Specific Ownership Tax*” means the specific ownership taxes attributable to the District No. 1 Required Mill Levy, collected by the county and remitted to District No. 1 pursuant to Section 42-3-107, C.R.S., or any successor statute.

“*District No. 3*” means Colorado Crossing Metropolitan District No. 3, City of Colorado Springs, El Paso County, Colorado, and its successors and assigns.

“*District No. 3 Capital Fees*” means Capital Fees collected by District No. 1.

“*District No. 3 Pledged Revenue*” means the moneys derived by District No. 3 from the following sources being pledged pursuant to this Pledge Agreement, net of any costs of collection of the City and/or County and any tax refunds or abatements authorized by or on behalf of the City and/or County (to the extent not previously deducted by definition):

- (a) the District No. 3 Property Tax Revenues; and
- (b) the portion of the District No. 3 Specific Ownership Tax which is collected as a result of imposition of the District No. 3 Required Mill Levy; and
- (c) the District No. 3 Capital Fees; and
- (d) any other legally available moneys which District No. 3 determines, in its absolute discretion, to transfer to the Trustee for application to the Bond Fund under one or both of the Indentures.

“*District No. 3 Property Tax Revenues*” means the ad valorem property taxes derived from imposition of the District No. 3 Required Mill Levy, net of costs of collection of the City and/or County and of any tax refunds or abatements authorized by or on behalf of the City and/or the County and any PILOT Revenue collected from a PILOT imposed in lieu of the District No. 3 Required Mill Levy. (For the avoidance of doubt, District No. 3 Property Tax Revenues do not include the portion of the District No. 3 Specific Ownership Tax which is collected as a result of imposition of the District No. 3 Required Mill Levy.)

“*District No. 3 Required Mill Levy*” means:

- (a) Subject to paragraphs (b) and (c) below, an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of District No. 3 each year in the amount of 50.000 mills less such number of mills levied to pay the Series 2020A-1 Bonds; *provided, however*, that if, after January 1, 2006, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement with respect to the classes of property on which District No. 3 may impose its mill levy; the mill levy provided in this paragraph (a) shall be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board of District No. 3 in good faith (such determination to be binding and final) so that

to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of assessed valuation to actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

(b) Notwithstanding anything herein to the contrary, in no event may the District No. 3 Required Mill Levy be established at a mill levy which would constitute a material departure from the requirements of the Service Plan, or cause District No. 3 to derive tax revenue in any year in excess of the maximum tax increases permitted by District No. 3's electoral authorization, and if the District No. 3 Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by District No. 3's electoral authorization or create a material departure from the Service Plan, the District No. 3 Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded and no material departure from the Service Plan occurs; and

(c) Notwithstanding anything herein to the contrary, in no event may the District No. 3 Required Mill Levy be imposed on any taxable property developed for residential use for a period beyond the Maximum Debt Mill Levy Imposition Term unless the conditions set forth in the Service Plan have been satisfied or such Service Plan provision has been eliminated.

“District No. 3 Specific Ownership Tax” means the specific ownership taxes attributable to the District No. 3 Required Mill Levy, collected by the county and remitted to District No. 3 pursuant to Section 42-3-107, C.R.S., or any successor statute.

“District PIF Property” means the property described in Exhibit __ attached to the PIF Covenant.

“District PIF Revenue” means PIF Revenue collected within the District PIF Property.

“Districts” means the District, District No. 1 and District No. 3, including any duly authorized representative, officer, director, employee, agent, engineer or attorney of any of the Districts, if applicable.

“Elections” means the election held within District No. 1 and District No. 3 on November 8, 2016.

“Event of Default” has the meaning assigned thereto in Section 4.01 hereof.

“Excluded Property” has the meaning assigned thereto in the Recitals hereof.

“Excluded Property PIF Property” means the property described in Exhibit __ attached to the PIF Covenant.

“Excluded Property PIF Revenue” means any PIF Revenue collected from within the Excluded Property.

“*Financing Costs*” means the principal and redemption price of, and interest and premium on, the Bonds and any Additional Obligations, required deposits to or replenishments of funds or accounts securing the Bonds and any Additional Obligations, and customary fees and expenses relating to the Bonds and any Additional Obligations, all in accordance with the Indentures or Additional Obligations Documents, as applicable, including: (a) with respect to the Bonds, any scheduled mandatory sinking fund payments or mandatory redemptions as provided in the Indentures, and customary fees related to the issuance of the Bonds (including, but not limited to, fees of a trustee, paying agent, and rebate agent); and (b) with respect to any Additional Obligations, any scheduled mandatory or cumulative sinking fund payments and any extraordinary redemption amounts to the extent provided in the Additional Obligations Documents, customary fees related to the issuance of the Additional Obligations (including, but not limited to, fees of a trustee, paying agent, rebate agent, and provider of liquidity or credit facility), and any reimbursement due to a provider of liquidity or credit facility securing any Additional Obligations. Where used in describing the permitted uses by the District of the Pledge Agreement Revenue, “*Financing Costs*” also includes the payment of the principal and redemption price of, and interest on, any obligation entered into or issued by the District, District No. 1 or District No. 3 to fund the Project.

“*Fiscal Year*” means the twelve month period beginning January 1 and ending December 31 of each year.

“*Indentures*” means, collectively, the Senior Indenture and the Subordinate Indenture.

“*Junior Subordinate Bonds*” has the meaning assigned thereto in the Subordinate Indenture.

“*Lodging PIF*” means the public improvement fee imposed pursuant to the PIF Covenant against all Lodging Activities (as defined in the PIF Covenant) initiated, consummated, conducted, transacted, or otherwise occurring from or within the PIF Property (and not from or within the Excluded Property PIF Property) for the period commencing on the date of the PIF Covenant until terminated in accordance with the PIF Covenant. The PIF rate assessed under the PIF Covenant on Lodging Activities is not less than 2.00%. Only the Lodging PIF collected from within the District PIF Property is pledged to pay the Bonds.

“*Maximum Debt Mill Levy Imposition Term*” shall have the meaning ascribed thereto in the Service Plan.

“*Operations Mill Levy*” means an ad valorem property tax mill levy imposed by a Taxing District for purposes of paying for the costs associated with the administration and management of such Taxing District and the operation and management of the Public Improvements that such Taxing District is authorized to operate and maintain or to pay for operations and maintenance thereof.

“*Original PIF Covenant*” has the meaning assigned thereto in the Recitals hereof.

“*Original PIF Property*” has the meaning assigned thereto in the Recitals hereof.

“*Owners*” has the meaning assigned thereto in the Recitals hereof.

“*Payment Obligation*” means (a) with respect to District No. 1, District No. 1’s obligation to pay a portion of total Financing Costs in accordance with the provisions hereof, but solely from District No. 1 Pledged Revenue, to the extent available, and (b) with respect to District No. 3, District No. 3’s obligation to pay a portion of total Financing Costs in accordance with the provisions hereof, but solely from District No. 3 Pledged Revenue, to the extent available.

“*PIF*” means, collectively, the Lodging PIF and the Sales PIF.

“*PIF Collection Agent*” has the meaning assigned thereto in the Recitals hereof.

“*PIF Collection Agreement*” has the meaning assigned thereto in the Recitals hereof.

“*PIF Covenant*” has the meaning assigned thereto in the Recitals hereof.

“*PIF Property*” means the property described in Exhibit B attached to the PIF Covenant.

“*PIF Revenue*” has the meaning assigned thereto in the Recitals hereof. Only the District PIF Revenue shall be pledged to pay the Series 2020A-2 Bonds and the Series 2020B-2 Subordinate Bonds.

“*PILOT*” means a declaration, covenant, agreement or other arrangement which provides for a tax equivalency payment or similar payment in lieu of taxes against any property which would be subject to the Required Mill Levy but for the fact that it is classified by the county assessor as exempt from ad valorem property taxation, which agreement or other arrangement complies with the requirements set forth in Treasury Regulation Section 1.141-4(e)(5).

“*PILOT Revenue*” means, for any calendar year, that portion of revenues derived from a PILOT that is attributable to amounts received thereunder that are equivalent to the ad valorem property taxes that would have been payable to the Taxing Districts in such year from the District No. 1 Required Mill Levy and the District No. 3 Required Mill Levy if the property subject to the PILOT was not otherwise exempt from ad valorem property taxation, including, without limitation, interest and other fees collected on such amounts that are delinquent under a PILOT.

“*Pledge Agreement Revenue*” means (a) with respect to District No. 1, the District No. 1 Pledged Revenue, (b) with respect to District No. 3, the District No. 3 Pledged Revenue, and (c) collectively, the District No. 1 Pledged Revenue and the District No. 3 Pledged Revenue.

“*Pledge Agreement Termination Date*” means the date on which all amounts due with respect to the Bonds (unless the Termination Date as defined in the Subordinate Indenture occurs first) and any Additional Obligations have been defeased or paid in full and are no longer Outstanding, as provided in the Indentures and in any Additional Obligations Documents.

“*Project*” means the acquisition, construction, and installation of public facilities the debt for which was approved at the Election, including, without limitation, necessary or appropriate equipment.

“*Public Improvements*” has the meaning assigned thereto in the Recitals hereof.

“*Required Mill Levy*” means (a) with respect to District No. 1, the District No. 1 Required Mill Levy, (b) with respect to District No. 3, the District No. 3 Required Mill Levy and (c) with respect to the District, the “Required Mill Levy” as defined in the Indenture.

“*Sales PIF*” means the public improvement fee imposed pursuant to the PIF Covenant against all PIF Sales (as defined in the PIF Covenant) initiated, consummated, conducted, transacted, or otherwise occurring from or within the PIF Property (and not from or within the Excluded Property PIF Property) for the period commencing on the date of the PIF Covenant until terminated in accordance with the PIF Covenant. The PIF rate assessed under the PIF Covenant on PIF Sales is not less than 1.00%. Only the Sales PIF collected from within the District PIF Property is pledged to the Bonds.

“*Senior Indenture*” means the Indenture of Trust (A-2) dated as of [____], 2020, between the District and the Trustee, as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental thereto entered into pursuant to the applicable provisions thereof.

“*Series 2020A-2 Bonds*” means the District’s Limited Tax General Obligation Bonds, Series 2020A-2, to be issued by the District pursuant to the Senior Indenture.

“*Series 2020B-2 Subordinate Bonds*” means the District’s Subordinate Limited Tax General Obligation Bonds, Series 2020B-2, to be issued by the District pursuant to the Subordinate Indenture.

“*Service Plan*” means the Consolidated Service Plan for the Districts, as approved by the City pursuant to the Act on August 1, 2006, as amended by the First Amendment approved by the City on October 25, 2016, the Second Amendment approved by the City on December 11, 2018, and [Third Amendment?] as the same may be further modified or amended from time to time in accordance with the provisions thereof and applicable law.

“*State*” means the State of Colorado.

“*Subordinate Bonds*” has the meaning assigned thereto in the Indentures.

“*Subordinate Indenture*” means the Indenture of Trust (B-2) dated as of [____], 2020, between the District and the Trustee, as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental thereto entered into pursuant to the applicable provisions thereof.

“*Supplemental Act*” means the “Supplemental Public Securities Act,” being Title 11, Article 57, Part 2, C.R.S., as amended.

“*Tax Compliance Certificate*” means the certificate to be signed by the District relating to the requirements of Sections 103 and 141-150 of the Code, and any amendment or modification of any such certificate, instrument or instructions that is accompanied by an opinion of Bond Counsel stating that the amendment or modification will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

“*Taxing District*” means, individually, District No. 1 or District No. 3.

“*Taxing Districts*” means, collectively, District No. 1 and District No. 3.

“*Trustee*” means UMB Bank, n.a., in Denver, Colorado in its capacity as trustee under the Indentures, or any successor Trustee, appointed, qualified, and acting as trustee, paying agent, and bond registrar under the provisions of the Indentures.

ARTICLE II

PAYMENT OBLIGATION

Section 2.01. No Additional Electoral Approval Required. The authorization for issuance of debt, fiscal year spending, revenue collections and other constitutional matters requiring voter approval for purposes of this Pledge Agreement, was approved at the Elections in accordance with law and pursuant to due notice. The performance by the Districts of the terms of this Pledge Agreement requires no further electoral approval.

Section 2.02. Funding of Financing Costs Generally.

(a) In exchange for the purchase by the Owners of the Bonds and any Additional Obligations, each Taxing District hereby agrees to pay such portion of its Financing Costs and the District’s Financing Costs as may be funded with the Pledge Agreement Revenue available to such Taxing District in accordance with the provisions hereof.

(b) The obligation of each Taxing District to pay the Financing Costs as provided herein shall constitute a limited tax obligation of such Taxing District payable solely from and to the extent of the Pledge Agreement Revenue. Such Pledge Agreement Revenue is hereby pledged by each Taxing District to the District, for the benefit of the Owners, for the payment of Financing Costs in accordance with the provisions hereof. The obligation of each Taxing District to pay a portion of the Financing Costs as provided herein (as previously defined, the “**Payment Obligation**”) shall constitute an irrevocable lien upon the Pledge Agreement Revenue. The Districts each hereby elect to apply all of the provisions of the Supplemental Act to this Pledge Agreement and the Payment Obligation.

(c) In no event shall the total or annual obligations of each Taxing District hereunder exceed the maximum amounts permitted under the Service Plan, its electoral authority and any other applicable law. The entire Payment Obligation will be deemed defeased and no longer outstanding upon the earlier of (i) the Pledge Agreement Termination Date or (ii) payment by such Taxing District of such maximum permitted amount.

(d) Because the actual total Pledge Agreement Revenue payable by each Taxing District hereunder cannot be determined with any certainty at this time, the Taxing Districts shall not be permitted to pre-pay any amounts due hereunder; provided, however, that all Pledge Agreement Revenue shall be paid to the District, or as designated by the

District, regardless of whether such amounts shall be in excess of the amount due at the time with respect to the Bonds and any then outstanding Additional Obligations.

Section 2.03. Imposition of Required Mill Levy.

(a) In order to fund the Payment Obligation, each Taxing District agrees to impose the Required Mill Levy, in addition to all other taxes, so long as the Bonds, any additional Senior Bonds, any additional Subordinate Bonds, any Junior Subordinate Bonds or any Permitted Refunding Bonds remain outstanding, to the extent required to provide for payment of the Financing Costs in accordance with the definition of Required Mill Levy. Nothing herein shall be construed to require a Taxing District to impose an ad valorem property tax levy for the payment of the Payment Obligation in excess of the applicable Required Mill Levy or after the Pledge Agreement Termination Date.

(b) Each Taxing District shall provide to the District and the Trustee: (i) on or before September 30 of each year, commencing September 30, 2021, the preliminary certification of assessed value for each class of property within such Taxing District, as determined by the El Paso County Assessor; and (ii) commencing in year 2021, no later than five business days after receipt by such Taxing District, the final certified assessed value for such Taxing District provided by the El Paso County Assessor (expected to be provided to the Taxing Districts no later than December 10 of each year).

(c) Each Taxing District acknowledges that it has actively participated in the development of the calculation for determining the Required Mill Levy, and so long as made in accordance with the foregoing, the determinations of the District as to the Required Mill Levy shall be final and binding upon the Taxing Districts. This Section 2.03 is hereby declared to be the certificate of each Taxing District to the Board of County Commissioners of El Paso County indicating the aggregate amount of taxes to be levied for the purposes of paying the Payment Obligation due hereunder.

(d) It shall be the duty of each Taxing District annually at the time and in the manner provided by law for the levying of such Taxing District's taxes, if such action shall be necessary to effectuate the provisions of this Pledge Agreement, to ratify and carry out the provisions hereof with reference to the levy and collection of the ad valorem property taxes herein specified, and to require the officers of such Taxing District to cause the appropriate officials of El Paso County, to levy, extend and collect said ad valorem taxes in the manner provided by law for the purpose of providing funds for the payment of the amounts to be paid hereunder promptly as the same, respectively, become due. Said taxes, when collected, shall be applied only to the payment of the amounts to be paid hereunder in accordance with the provisions of this Agreement.

(e) Said taxes shall be levied, assessed, collected, and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the State.

(f) Each Taxing District shall pursue all reasonable remedies to collect, or cause the collection of, delinquent ad valorem taxes within its boundaries.

Section 2.04. Payment and Application of Pledge Agreement Revenue.

(a) Each Taxing District hereby agrees to remit to the District or to the Trustee, if directed by the District (subject to the limitations and requirements of the Indentures and any Additional Obligations Documents) as soon as practicable upon receipt, and in no event later than the fifteenth day of the calendar month immediately succeeding the calendar month in which such revenue is received by such Taxing District, all revenues comprising Pledge Agreement Revenue, which Pledge Agreement Revenue shall be applied by the District, the Trustee, or other recipient thereof designated in Additional Obligations Documents, as applicable, in accordance with the Indentures or Additional Obligations Documents, as applicable; provided, however, that, for the sake of clarity such Pledge Agreement Revenue shall, *first*, be applied to the payment of debt service on the Series 2020A-2 Bonds in the related Bond Year, the payment of debt service on any other Senior Bonds which may then be outstanding in the related bond year and to the other requirements set forth in the Senior Indenture and the Additional Obligation Documents pursuant to which any other then outstanding Senior Bonds shall have been issued, *second*, be applied to the payment of debt service on the Series 2020B-2 Subordinate Bonds in the related Bond Year, the payment of debt service on any other Subordinate Bonds which may then be outstanding in the related bond year and to the other requirements set forth in the Senior Indenture, the Subordinate Indenture and the Additional Obligation Documents pursuant to which any other then outstanding Senior Bonds and/or Subordinate Bonds shall have been issued and, *third*, be applied to the payment of debt service on an Junior Subordinate Bonds which may then be outstanding and any other requirements set forth in the Additional Obligation Documents pursuant to which any such then outstanding Junior Subordinate Bonds shall have been issued. To the extent any portion of such Pledge Agreement Revenue is released from the lien of the Indentures and Additional Obligations Documents (if any), the District will continue to ensure that such revenues are applied to Financing Costs and any other costs of or reimbursements for Public Improvements. Such Pledge Agreement Revenue shall be paid by each Taxing District in lawful money of the United States of America by check mailed or delivered, or by wire transfer, or such other method as may be mutually agreed to by the District and such Taxing District. IN NO EVENT IS A TAXING DISTRICT PERMITTED TO WITHHOLD ANY PORTION OF THE PLEDGE AGREEMENT REVENUE OR TO APPLY ANY PORTION THEREOF TO ANY OTHER PURPOSE OTHER THAN REMITTANCE TO THE DISTRICT OR TO THE TRUSTEE, IF DIRECTED BY THE DISTRICT, AS SET FORTH HEREIN FOR APPLICATION IN ACCORDANCE WITH THE TERMS OF THIS PLEDGE AGREEMENT.

(b) Each Taxing District hereby covenants that all property tax revenue collected by such Taxing District from the District No. 1 Required Mill Levy and the District No. 3 Required Mill Levy, respectively, shall be designated as Pledge Agreement Revenue in any Bond Year to pay annual debt service on the Bonds, any additional Senior Bonds, any additional Subordinate Bonds, any Junior Subordinate Bonds and Permitted Refunding Bonds and to fund such funds and accounts as are required in accordance with the terms of the Indentures or other applicable Additional Obligations Documents.

Section 2.05. Effectuation of Pledge of Security, Current Appropriation. The sums herein required to pay the amounts due hereunder are hereby appropriated for that purpose, and said amounts for each year shall be included in the annual budget and the appropriation resolution or measures to be adopted or passed by the Board of each Taxing District in each year while any of the obligations herein authorized are outstanding and unpaid. No provisions of any constitution, statute, resolution or other order or measure enacted after the execution of this Pledge Agreement shall in any manner be construed as limiting or impairing the obligation of each Taxing District to levy ad valorem property taxes, or as limiting or impairing the obligation of each Taxing District to levy, administer, enforce and collect the ad valorem property taxes as provided herein for the payment of the Payment Obligation hereunder or any Additional Obligations Documents.

In addition, and without limiting the generality of the foregoing, the obligations of each Taxing District to transfer funds as described herein for each payment described herein shall survive any court determination of the invalidity of this Pledge Agreement as a result of a failure, or alleged failure, of any of the directors of the District or the Taxing Districts to properly disclose, pursuant to State law, any potential conflicts of interest related hereto in any way, provided that such disclosure is made on the record of meetings of the District and such Taxing District as set forth in their official minutes.

Section 2.06. Limited Defenses; Specific Performance. Each Taxing District understands and agrees that its obligations hereunder are absolute, irrevocable and unconditional except as specifically stated herein, and so long as any obligation of a Taxing District hereunder remains unfulfilled, each Taxing District agrees that notwithstanding any fact, circumstance, dispute or any other matter, it will not assert any rights of setoff, counterclaim, estoppel or other defenses to its Payment Obligation, or take or fail to take any action which would delay a payment to, or on behalf of, the District, the Trustee or any Owners or impair the ability of the District, the Trustee or any Owners to receive payments due hereunder. Notwithstanding that this Pledge Agreement specifically prohibits and limits defenses and claims of the Taxing Districts, in the event that a Taxing District believes that it has valid defenses, setoffs, counterclaims or other claims other than specifically permitted by this Section 2.06, it shall, nevertheless, make all payments as described herein and then may attempt or seek to recover such payments by actions at law or in equity for damages or specific performance, respectively.

Section 2.07. Future Exclusion of Property. The parties agree that this Pledge Agreement constitutes "indebtedness" as contemplated by Section 32-1-503, C.R.S. Any property excluded from a Taxing District after the date hereof shall remain liable for the imposition of the Required Mill Levy and payment of the proceeds thereof in accordance with the provisions hereof, to the same extent as such property would otherwise remain liable for the debt of the Taxing District, as provided in Section 32-1-503, C.R.S. In the event that any order providing for the exclusion of property from a Taxing District does not so provide and specifically indicate the liability of such excluded property for the obligations set forth herein, each Taxing District hereby agrees to take all actions necessary to cause the property owners of such excluded property to covenant to assume all responsibilities under this Pledge Agreement, which covenants shall run with the land and shall be in a form satisfactory to the District.

Section 2.08. Additional Covenants.

(a) Without the prior consent of the District, a Taxing District will not issue or incur Additional Obligations payable in whole or in part from, or constituting a lien upon any portion of Pledge Agreement Revenue and any Taxing District debt service mill levy; provided, however, that the following obligations shall be permitted without the consent of the District:

(i) obligations issued solely for the purpose of paying operations and maintenance costs of a Taxing District, the repayment of which is contingent upon such Taxing District's annual determination to appropriate moneys therefor (other than obligations of a Taxing District as lessee under leases which extend beyond twelve months, so long as (A) no amounts due or to become due on such obligations are payable from a debt service mill levy imposed by such Taxing District (including the Required Mill Levy), and (B) no amounts due or to become due on such obligations are payable from an operations and maintenance mill levy in excess of that permitted by the Service Plan;

(ii) obligations issued for any purpose, the repayment of which is contingent upon the Taxing District's annual determination to appropriate moneys therefor (other than obligations of a Taxing District as lessee under leases which extend beyond twelve months, so long as (A) such obligations are payable only to the extent the Taxing District has excess moneys on hand, (B) such obligations are payable in any Fiscal Year only after the last scheduled payment of principal or interest on the Bonds in such Fiscal Year, and (C) the Taxing District makes no promise to impose any tax, fee, or other governmental charge for the payment of such obligations;

(iii) obligations payable solely from periodic, recurring service charges imposed by a Taxing District for the use of any Taxing District facility or service, which obligations do not constitute general obligation debt or indebtedness of the Taxing District;

(iv) obligations to reimburse any person in respect of surety bonds, financial guaranties, letters of credit, or similar credit enhancements so long as (A) such surety bonds, financial guaranties, letters of credit, or similar credit enhancements guarantee payment of principal or interest on any obligation permitted to be issued in accordance with the provisions hereof, and (B) the reimbursement obligation does not arise unless payment has been made on the secured obligation, and (C) any reimbursement obligation issued on parity with the related secured obligation may not exceed the amount of principal paid on the secured obligation and the interest rate on the reimbursement obligation may not exceed the interest rate on the secured obligation, and (D) such reimbursement obligations are payable from the same or fewer revenue sources, as the obligations supported by the surety bonds, financial guaranties, letters of credit, or similar credit enhancements, and (E) any reimbursement obligation issued on a basis subordinate to the related secured obligation (and any other obligations of the Taxing District on parity with such secured obligation); and

(v) any leases for a term of twelve months or fewer than twelve months, payroll obligations, accounts payable, or taxes incurred or payable in the ordinary course of business of a Taxing District.

(b) At least once a year, each Taxing District will either cause an audit to be performed of the records relating to its revenues and expenditures or, if applicable under State statute, will apply for an audit exemption, and each Taxing District shall use its best efforts to have such audit report or application for audit exemption completed no later than September 30 of each calendar year. The foregoing covenant will apply notwithstanding any different time requirements for the completion of such audit or application for audit exemption under State law. In addition, at least once a year in the time and manner provided by law, each Taxing District will cause a budget to be prepared and adopted. Copies of the budget and the audit or audit exemption will be filed and recorded in the places, time and manner provided by law.

(c) Each Taxing District will carry general liability, public officials' liability, and such other forms of insurance on insurable Taxing District property upon the terms and conditions, and issued by recognized insurance companies, as in the judgment of the Taxing District will protect the Taxing District and its operations.

(d) Each Taxing District agrees to provide the District and the Developer with information, promptly upon request by the District and the Developer, respectively, necessary for the District and the Developer to comply on an ongoing basis with the requirements of the Continuing Disclosure Agreement entered into in connection with the issuance of the Bonds, and any similar agreement entered into by the District in connection with the issuance of Additional Obligations.

(e) Each Taxing District agrees to comply on an ongoing basis with all of the requirements of the Tax Compliance Certificate relating to restrictions on the use of the property that is acquired and financed or refinanced with proceeds of the Bonds and located within the jurisdiction of the Districts. Each Taxing District agrees to provide the District with information, promptly upon request by the District, necessary for the District to comply on an ongoing basis with the requirements of the Tax Compliance Certificate.

(f) Each Taxing District shall maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Payment Obligation.

(g) The District shall keep and maintain, or cause to be kept and maintained, accurate records and accounting entries reflecting all funds received from the Taxing Districts and the use(s) of such funds, including quarterly unaudited financial statements reflecting the information contained in the accounting records.

Section 2.09. Operations Mill Levy. Each Taxing District may impose an Operations Mill Levy in accordance with the Service Plan and such Taxing District may retain the proceeds of such Operations Mill Levy (whether collected as property taxes or pursuant to a PILOT) separate and apart from the pledge and lien of this instrument, and the revenues therefrom,

together with any other revenues of the Taxing District which are not Pledge Agreement Revenue may be pledged, spent, or otherwise committed for any lawful purpose of such Taxing District in its sole and absolute discretion.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.01. Representations and Warranties of the Districts. Each of the District, District No. 1 and District No. 3 hereby makes the following representations and warranties with respect to itself:

(a) It is a quasi-municipal corporation and political subdivision duly organized and validly existing under the laws of the State.

(b) It has all requisite corporate power and authority to execute, deliver, and to perform its obligations under this Pledge Agreement. Its execution, delivery and performance of this Pledge Agreement has been duly authorized by all necessary action.

(c) It is not in violation of any of the applicable provisions of law or any order of any court having jurisdiction in the matter, which violation could reasonably be expected to materially adversely affect its ability to perform its obligations hereunder. The execution, delivery and performance by it of this Pledge Agreement (i) will not violate any provision of any applicable law or regulation or of any order, writ, judgment, or decree of any court, arbitrator, or governmental authority, (ii) will not violate any provision of any document or agreement constituting, regulating, or otherwise affecting its operations or activities in a manner that could reasonably be expected to result in a material adverse effect, and (iii) will not violate any provision of, constitute a default under, or result in the creation or imposition of any lien, mortgage, pledge, charge, security interest, or encumbrance of any kind on any of its revenues or other assets pursuant to the provisions of any mortgage, indenture, contract, agreement, or other undertaking to which it is a party other than the lien and encumbrance created by the terms of this Pledge Agreement or which purports to be binding upon it or upon any of its revenues or other assets which could reasonably be expected to result in a material adverse effect.

(d) It has obtained all consents and approvals of, and has made all registrations and declarations with any governmental authority or regulatory body required for the execution, delivery, and performance by it of this Pledge Agreement.

(e) There is no action, suit, inquiry, investigation, or proceeding to which it is a party, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official which is pending or, to the best of its knowledge threatened, in connection with any of the transactions contemplated by this Pledge Agreement nor, to the best of its knowledge is there any basis therefor, wherein an unfavorable decision, ruling or finding could reasonably be expected to have a material adverse effect on the validity or

enforceability of, or the authority or ability of it to perform its obligations under, this Pledge Agreement.

(f) This Pledge Agreement constitutes a legal, valid and binding obligation, enforceable against it in accordance with its terms (except as such enforceability may be limited by bankruptcy, moratorium, or other similar laws affecting creditors' rights generally and provided that the application of equitable remedies is subject to the application of equitable principles).

(g) It reasonably expects all of the property constituting the Project, to the extent financed with proceeds of the Bonds, will be used in the manner described in the Tax Compliance Certificate.

ARTICLE IV

EVENTS OF DEFAULT AND REMEDIES

Section 4.01. Events of Default. The occurrence or existence of any one or more of the following events shall be an “**Event of Default**” hereunder, and there shall be no default or Event of Default hereunder except as provided in this Section:

(a) A Taxing District fails or refuses to impose the Required Mill Levy or to remit the Pledge Agreement Revenue as required by the terms of this Pledge Agreement;

(b) any representation or warranty made by any party in this Pledge Agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompleteness would have a material adverse effect upon any other party;

(c) any party fails in the performance of any other of its covenants in this Pledge Agreement, and such failure continues for 30 days after written notice specifying such default and requiring the same to be remedied is given to any of the parties hereto;

(d) (i) any party 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 any party shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any party any case, proceeding, or other action of a nature referred to in clause (i) hereof and the same shall remain not dismissed within 90 days following the date of filing; or (iii) there shall be commenced against any party 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, stayed, or bonded pending appeal within 90 days from the entry thereof; or (iv) any party 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) any party shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(e) District No. 1, District No. 3 or the District commences proceedings for dissolution or consolidation with another metropolitan district during the term of this Pledge Agreement.

WITHOUT LIMITING THE FOREGOING, AND NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, THE DISTRICTS AGREE THAT APPLICATION OF ANY PORTION OF THE SERIES 2020A-2 PLEDGED REVENUE TO ANY PURPOSE OTHER THAN REMITTANCE TO DISTRICT NO. 2 OR THE TRUSTEE FOR APPLICATION AS REQUIRED BY THIS CAPITAL PLEDGE AGREEMENT (A-2/B-2) CONSTITUTES AN EVENT OF DEFAULT UNDER SECTION 4.01(a) HEREOF AND IN NO EVENT SHALL THE DISTRICTS BE PERMITTED TO WITHHOLD ANY PORTION OF THE SERIES 2020A-2 PLEDGED REVENUE OR TO APPLY ANY PORTION THEREOF TO ANY PURPOSE OTHER THAN REMITTANCE TO DISTRICT NO. 2 OR THE TRUSTEE FOR APPLICATION AS SET FORTH IN THE SENIOR INDENTURE AND THE SUBORDINATE INDENTURE.

Section 4.02. Remedies for Events of Default. Upon the occurrence and continuance of an Event of Default, any party may proceed to protect and enforce its rights against the party or parties causing the Event of Default by mandamus or such other suit, action, or special proceedings in equity or at law, in any court of competent jurisdiction, including an action for specific performance. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions hereof, the prevailing party in such litigation or other proceeding shall obtain, as part of its judgment or award, its reasonable attorneys' fees and costs.

ARTICLE V

MISCELLANEOUS

Section 5.01. Pledge of Pledge Agreement Revenue. The creation, perfection, enforcement and priority of the pledge of Pledge Agreement Revenue to secure or pay the Payment Obligation shall be governed by Section 11-57-208 of the Supplemental Act and this Pledge Agreement. The Pledge Agreement Revenue shall immediately be subject to the lien of such pledge without any physical delivery, filing or further act. 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 District No. 1 or District No. 3, as applicable, irrespective of whether such persons have notice of such liens.

Section 5.02. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board of a Taxing District or any officer or agent of a Taxing District acts in good faith, no civil recourse shall be available against such member, officer or agent for payment of the applicable Payment Obligation. Such recourse shall not be available either directly or indirectly through the Board or the Taxing District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty or

otherwise. By the acceptance of this Pledge Agreement and as a part of the consideration hereof, each of the Districts and the Trustee specifically waives any such recourse.

Section 5.03. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, this Pledge Agreement contains a recital that it is issued pursuant to certain provisions of the Supplemental Act, and such recital is conclusive evidence of the validity and the regularity of this Pledge Agreement after its delivery for value.

Section 5.04. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization, execution or delivery of this Pledge Agreement shall be commenced more than 30 days after the authorization of this Pledge Agreement.

Section 5.05. Notices. Except as otherwise provided herein, all notices, consents or approvals required or permitted to be given under this Pledge Agreement shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, or air freight, to the following addresses:

To the District: Colorado Crossing Metropolitan District No. 2
c/o CliftonLarsonAllen LLP
8390 E. Crescent Parkway, Suite 500
Greenwood Village, Colorado 80111
Attention: Denise Denslow
Phone: 303-265-7910
E-mail: denise.denslow@claconnect.com

With a copy to: McGeedy Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Attention: Megan Becher, Esq.
Phone: 303-592-4380
Email: mbecher@specialdistrictlaw.com

To District No. 1: Colorado Crossing Metropolitan District No. 1
c/o CliftonLarsonAllen LLP
8390 E. Crescent Parkway, Suite 500
Greenwood Village, Colorado 80111
Attention: Denise Denslow
Phone: 303-265-7910
E-mail: denise.denslow@claconnect.com

With a copy to: McGeedy Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Attention: Megan Becher, Esq.
Phone: 303-592-4380
Email: mbecher@specialdistrictlaw.com

To District No. 3: Colorado Crossing Metropolitan District No. 3
c/o CliftonLarsonAllen LLP
8390 E. Crescent Parkway, Suite 500
Greenwood Village, Colorado 80111
Attention: Denise Denslow
Phone: 303-265-7910
E-mail: denise.denslow@claconnect.com

With a copy to: McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Attention: Megan Becher, Esq.
Phone: 303-592-4380
Email: mbecher@specialdistrictlaw.com

If to the Trustee: UMB Bank, n.a.
1670 Broadway
Denver, Colorado 80202
Attention: Corporate Trust & Escrow Services
Phone: 303-839-2258
Email: john.wahl@umb.com

All notices or documents delivered or required to be delivered under the provisions of this Pledge Agreement shall be deemed received one day after hand delivery or three days after mailing. Any of the Districts by written notice so provided may change its respective address to which future notices shall be sent.

Section 5.06. Rights of Trustee. Notwithstanding any other provision herein, at such time as no amounts remain due and owing under the Indentures, all rights of the Trustee hereunder (including, but not limited to, the right to consent to any amendment hereto as a party hereof), shall terminate and be of no force or effect without further action by the parties hereto.

Section 5.07. Miscellaneous.

(a) This Pledge Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement among the parties pertaining to the subject matter of this Pledge Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties. This Pledge Agreement may not be contradicted by evidence of any prior or contemporaneous statements or agreements. No party has been induced to enter into this Pledge Agreement by, nor is any party relying on, any representation, understanding, agreement, commitment, or warranty outside those expressly set forth in this Pledge Agreement.

(b) If any term or provision of this Pledge Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Pledge Agreement, and such provision shall not affect the legality, enforceability, or validity of

the remainder of this Pledge Agreement. If any provision or part thereof of this Pledge Agreement is stricken in accordance with the provisions hereof, then such stricken provision shall be replaced, to the extent possible, with a legal, enforceable, and valid provision that is as similar in tenor to the stricken provision as is legally possible.

(c) The Owners and owners of any Additional Obligations are third party beneficiaries to this Pledge Agreement. It is intended that there be no third party beneficiaries of this Pledge Agreement other than the Owners and owners of any Additional Obligations. Nothing contained herein, expressed or implied, is intended to give to any person other than the parties hereto and the Owners and owners of any Additional Obligations any claim, remedy or right under or pursuant hereto, and any agreement, condition, covenant or term contained herein required to be observed or performed by or on behalf of any party hereto shall be for the sole and exclusive benefit of the other party.

(d) This Pledge Agreement may not be assigned or transferred by any party without the prior written consent of each of the other parties.

(e) This Pledge Agreement shall be governed by and construed under the applicable laws of the State.

(f) This Pledge Agreement may be amended or supplemented by the parties, but any such amendment or supplement must be in writing and must be executed by all parties and is subject to the limitations and requirements of the Indentures.

(g) If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Pledge Agreement, shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city in which the principal office of the Trustee is located are authorized or required by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required by law to remain closed, with the same force and effect as if done on the nominal date provided in this Pledge Agreement.

(h) Each party has participated fully in the review and revision of this Pledge Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Pledge Agreement. The language in this Pledge Agreement shall be interpreted as to its fair meaning and not strictly for or against any party.

(i) This Pledge Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(j) Each Taxing District hereby consents to the terms of the Bonds set forth in the Indentures and the terms under which Additional Obligations may be issued under the Indentures in the future.

(k) The District, District No. 1 and District No. 3 shall have the right to access and review each other's records and accounts, on reasonable times during each of the District's, District No. 1's and District No. 3's regular office hours, for purposes of determining compliance by such Districts with the terms of this Pledge Agreement. Such access shall be subject to the provisions of Public Records Act of the State contained in Article 72 of Title 24, C.R.S. In the event of disputes or litigation involving the parties hereto, all access and requests for such records shall be made in compliance with the Public Records Act.

(l) The Districts each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

Section 5.08. Effective Date and Termination Date. This Pledge Agreement shall become effective as of the date first written above and shall remain in effect until the Pledge Agreement Termination Date occurs.

[Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF, District No. 1, the District, District No. 3 and the Trustee have executed this Pledge Agreement as of the day and year first above written.

COLORADO CROSSING METROPOLITAN DISTRICT NO. 1

President

ATTESTED:

[Assistant] Secretary

COLORADO CROSSING METROPOLITAN DISTRICT NO. 2

President

ATTESTED:

[Assistant] Secretary

COLORADO CROSSING METROPOLITAN DISTRICT NO. 3

President

ATTESTED:

[Assistant] Secretary

UMB BANK, N.A., as Trustee

Authorized Signatory

[Signature Page to Capital Pledge Agreement (A-2/B-2)]

EXHIBIT A

DISTRICT NO. 1 BALLOT QUESTIONS FROM THE ELECTION

[See attached]

EXHIBIT B

DISTRICT NO. 3 BALLOT QUESTIONS FROM THE ELECTION

[See attached]