

LOAN AGREEMENT

by and between

**COPPER RIDGE METROPOLITAN DISTRICT
(IN THE CITY OF COLORADO SPRINGS)
EL PASO COUNTY, COLORADO**

as Borrower

and

INTEGRITY BANK & TRUST

as Lender

**Up to \$3,000,000
Taxable Limited Tax General Obligation Loan 2014**

Dated as of _____, 2014

LOAN AGREEMENT

THIS LOAN AGREEMENT (this “Agreement”) is made and entered into as of _____, 2014 by and between **COPPER RIDGE METROPOLITAN DISTRICT** (the “Borrower”), a quasi-municipal corporation and political subdivision of the State of Colorado, and **INTEGRITY BANK & TRUST**, in its capacity as lender (the “Lender”).

RECITALS

WHEREAS, the Borrower is a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (all capitalized terms used and not otherwise defined herein shall have the respective meanings assigned in Article I hereof); and

WHEREAS, the Borrower was created for the purpose of providing certain public improvements and services to and for the benefit of the properties within the Borrower in accordance with Title 32, Article 1, C.R.S. (the “Special District Act”); and

WHEREAS, pursuant to Section 32-1-1101(1), C.R.S., the Borrower is authorized to incur indebtedness for the acquisition, construction, relocation, installation or completion of improvements and facilities to carry out the purposes of the Borrower; and

WHEREAS, the Borrower is governed by a Service Plan for Copper Ridge Metropolitan District approved by the City Council for the City of Colorado Springs, Colorado (the “City”) on March 11, 2008 (the “Service Plan”); and

WHEREAS, at an election of the eligible electors of the Borrower, duly called and held on May 6, 2008 (the “Election”), in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at the Election voted in favor of certain ballot questions authorizing the issuance of indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain improvements and facilities (as more particularly defined herein, the “Public Improvements”), the questions relating thereto being as set forth in the Authorizing Resolution (defined herein); and

WHEREAS, prior to the Borrower’s availability of funding therefor, Copper Ridge Development Inc. (the “Developer”) has funded on behalf of, or advanced to, the Borrower moneys for the purpose of paying the costs of Public Improvements, and the Borrower and the Developer have entered into a Reimbursement Agreement dated effective October 29, 2013 (the “Reimbursement Agreement”), for the purpose of evidencing the Borrower’s repayment obligations with respect thereto; and

WHEREAS, for the purpose of reimbursing amounts outstanding under the Reimbursement Agreement to the extent relating to capital costs of the Public Improvements (including the costs of formation of the Borrower), the Borrower has previously entered into a Loan Agreement dated December 4, 2013 (as amended by a First Amendment to Loan Agreement dated as of the date hereof, the “2013 Loan Agreement”) pursuant to which the

Lender advanced to the Borrower a loan in the principal amount of \$1,850,000 (the “2013 Loan”); and

WHEREAS, the Board of Directors of the Borrower (the “Board”) has determined that it is in the best interests of the Borrower, its inhabitants and taxpayers, to provide for the reimbursement of additional amounts outstanding under the Reimbursement Agreement or anticipated to become outstanding thereunder, or otherwise to directly fund capital costs of Public Improvements which also constitute Eligible PIF Costs (defined herein) and, for such purpose, the Borrower has requested that the Lender make a loan to the Borrower; and

WHEREAS, the Lender has agreed, subject to the terms and conditions of this Agreement and the other Financing Documents, to make a multi-draw term loan in the maximum principal amount of \$3,000,000 (the “Loan”) for such purposes; and

WHEREAS, the Loan shall be payable from and secured by the Pledged Revenue, on a parity with the 2013 Loan (the Loan constituting “Parity Debt” under the 2013 Loan Agreement and the 2013 Loan constituting Parity Debt hereunder); and

WHEREAS, all of the property located within the boundaries of the Borrower is located within the boundaries of an area (the “Urban Renewal Area”) that is described by, and subject to, the Copper Ridge at Northgate Urban Renewal Plan approved by the City on May 11, 2010, and recorded on May 19, 2010 at reception number 21004077 of the El Paso County Colorado records (the “Urban Renewal Plan”) and, as a result, certain of the Pledged Revenue defined herein as the Debt Service Tax Increment Revenues (resulting from the imposition of ad valorem property taxes by the Borrower) are payable to The Colorado Springs Urban Renewal Authority (the “Authority”) in accordance with the Urban Renewal Law (defined herein); and

WHEREAS, notwithstanding the foregoing, the Borrower, the Authority, and the Developer have entered into an Urban Renewal Agreement for Redevelopment of Copper Ridge at Northgate Property dated September 25, 2013 (the “Redevelopment Agreement”), pursuant to which the Authority has agreed to cause such Debt Service Tax Increment Revenues to be paid to the Borrower, in accordance with the provisions thereof; and

WHEREAS, in connection with the execution and delivery of this Loan Agreement, and in satisfaction of a condition to the funding by the Lender of the Initial Funded Amount hereunder, the Borrower has determined to pledge to the payment of the Loan and the 2013 Loan, the proceeds of a public improvement fee imposed in accordance with, and payable to the Borrower pursuant to, the PIF Covenant (as defined herein); and

WHEREAS, the Board of Directors of the Borrower has determined to allocate the electoral authorization of the Election to the principal amount of the Loan as more particularly provided in the Authorizing Resolutions subsequent Advance Requests made in accordance with the provisions hereof; and

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

ARTICLE I

DEFINITIONS

“*Advance*” means a disbursement of proceeds of the Loan pursuant to the terms hereof.

“*Advance Date*” means the date on which the Lender honors an Advance Request and make the funds requested available to the District.

“*Advance Request*” means any request for an Advance made by the District to the Lender, in the form of Exhibit C hereto, executed and delivered on behalf of the District by an Authorized Person.

“*Applicable Rate*” means, for any Annual Rate Period, a variable rate per annum equal to the sum of: (i) the Index as of the Annual Rate Determination Date for such Annual Rate Period plus (ii) 1.00%.

“*Annual Historical Pledged PIF Revenues*” means:

- (i) with respect to any Advance Request date or Mill Levy Certification Date occurring in a month prior to the calendar month of January 2015, the total amount of all Pledged PIF Revenues received by or on behalf of the Borrower annualized to reflect the Pledged PIF Revenues that the Borrower reasonably determines would have been received in a full 12 month period, as determined by the Borrower;
- (ii) with respect to any Advance Request date or Mill Levy Certification Date occurring in or after the calendar month of January 2015 the total amount of all Pledged PIF Revenues received by or on behalf of the Borrower in the immediately preceding 12 full calendar months.

“*Annual Projected Pledged Revenues*” means, as of the date of any Advance Request, the sum of: (i) the Annual Projected Maximum Property Tax Revenues for such date; plus (ii) (a) if the Advance Request is occurring in a month prior to January 2015, 70% of the Annual Historical Pledged PIF Revenues for such date; or (b) if the Advance Request is occurring in or after January 2015, 85% of the Annual Historical Pledged PIF Revenues for such date.

“*Annual Projected Maximum Property Tax Revenues*” means, for any particular date of any Advance Request, the aggregate amount of Debt Service Tax Increment Revenues and Debt Service Base Property Tax Revenues that would be generated based on the Final Assessed Valuation certified immediately prior to such date and assuming a Limited Mill Levy were imposed at the rate of 50 mills.

“*Annual Projected Pledged PIF Revenues*” means, with respect to any Mill Levy Certification Date, the amount of Pledged PIF Revenues projected to be received in the immediately succeeding calendar year *for purposes of determining the Limited Mill Levy to be imposed on such Mill Levy Certification Date and the amount of Pledged PIF Revenues to be applied in any Loan Year as provided in Section 3.01(b)(i) hereof* , as set forth in a certificate of

the Borrower executed on such date, provided that such amount shall not exceed an amount equal to (a) 85% of the Annual Historical Pledged PIF Revenues for such Mill Levy Certification Date, less (b) the amount then necessary (if any) for amounts on deposit in the Excess PIF Revenue Fund to equal the Minimum PIF Revenue Balance. The use of the term “Annual Projected Pledged PIF Revenues” herein is limited to determining the Limited Mill Levy and amount of Pledged PIF Revenues to be applied in accordance with Section 3.01(b)(i) hereof. It is acknowledged that the Annual Projected Pledged PIF Revenues may be less than the amount of Pledged PIF Revenues actually anticipated to be received in such calendar year by the Borrower, in its sole discretion, and the full amount of Pledged PIF Revenues actually received is pledged hereunder to the payment of the Loan (on parity with any Parity Debt) until released from such lien in accordance with the provisions hereof. The Annual Projected Pledged PIF Revenues in any Loan Year shall mean the Annual Projected Pledged PIF Revenues for the Mill Levy Certification Date occurring in such Loan Year.

“*Annual Rate Determination Date*” means, with respect to any particular Annual Rate Period, the Business Day prior to the first day of such Annual Rate Period.

“*Annual Rate Period*” initially shall be the period from and including the Closing Date to but not including the next December 1, and thereafter shall be the period from and including such December 1, to but not including the next succeeding December 1.

“*Authorized Person*” means the President of the Board or any designee thereof, and also means any other individual authorized by the Board to act as an Authorized Person hereunder, provided that the Borrower has provided specimen signatures for such Authorized Person(s) to the Lender.

“*Authorizing Resolution*” means the resolution adopted by the Board on _____, 2014, authorizing the Borrower to incur the indebtedness of the Loan and execute and deliver the Note, this Agreement, and the other Financing Documents to which the Borrower is a party.

“*Available Commitment*” means, as of any date, the Committed Loan Amount less the aggregate amount of all Advances then funded by the Lender (including the Initial Funded Amount).

“*Board*” means the Board of Directors of the Borrower.

“*Borrower*” means Copper Ridge Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado duly organized and existing as metropolitan district 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.

“*Certified Public Accountant*” means an independent certified public accountant within the meaning of § 12-2-115, C.R.S. and any amendment thereto, licensed to practice in the State.

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

“*Closing*” means the concurrent execution and delivery of the Note, the Loan Agreement, and the other Financing Documents by the respective parties thereto and the issuance and disbursement of the Initial Funded Amount of the Loan and application of the proceeds thereof in accordance with Section 2.02(a) hereof.

“*Closing Date*” means the date on which the Closing occurs, _____, 2014.

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

“*Combined Maximum Annual Principal and Interest Requirements*” means an amount equal to the maximum amounts required to be paid in any single current or future calendar year as the principal of (including any mandatory sinking fund requirements) and interest on the Loan, any outstanding Parity Debt and the proposed Parity Debt; provided that the annual amount of interest to become due on the Loan or any outstanding Parity Debt that bears interest at a variable rate shall be calculated assuming that from and after the date of issuance of the proposed Parity Debt, the Loan and any such outstanding Parity Debt bears interest at a rate per annum equal to the highest per annum interest rate that has actually been borne by the Loan or such outstanding Parity Debt (as applicable) in any interest period.

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

“*County Assessor*” means the assessor of El Paso County, Colorado.

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

“*Debt Service Base Property Tax Revenues*” the ad valorem property taxes produced by the Limited Mill Levy required to be imposed by the Borrower in accordance with the provisions hereof upon all taxable property within the Borrower, net of costs of collection, but excluding Debt Service Tax Increment Revenues.

“*Debt Service Tax Increment Revenues*” the ad valorem property taxes produced by the Limited Mill Levy required to be imposed by the Borrower in accordance with the provisions hereof upon that portion of the valuation for assessment of all taxable property within the Borrower which is in excess of the Property Tax Base Amount, net of costs of collection and any administrative fee due to the Authority in accordance with the Redevelopment Agreement.

“*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.

“*Developer*” means Copper Ridge Development, Inc.

“*Event of Default*” has the meaning set forth in Section 7.01 hereof.

“*Final Assessed Valuation*” means the final certified assessed valuation of all taxable property of the Borrower, as calculated and recorded by the El Paso County Assessor on or about

December 10 of each year, or on such other date as may be established by law for the annual final certification of assessed valuation.

“*Financing Documents*” means this Agreement, the Note, the Authorizing Resolution, the Urban Renewal Plan, the Redevelopment Agreement, and the PIF Covenant.

“*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.

“*Index*” means the Wall Street Journal Prime Rate.

“*Initial Funded Amount*” means \$_____.

“*Interest Period*” initially shall be the period from and including the Closing Date to but not including June 1, 2014, and thereafter shall mean each six month period from and including such June 1, to but not including the next succeeding December 1, and from and including such December 1, to but not including the next succeeding June 1.

“*Lender*” means Integrity Bank & Trust, in its capacity as lender of the Loan.

“*Limited Mill Levy*” means an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the Borrower each year in an amount necessary to generate Debt Service Tax Increment Revenues and Debt Service Base Property Tax Revenues sufficient, together with amounts then on deposit in the Loan Payment Fund (at the time of certification of the Limited Mill Levy) and the Annual Projected Pledged PIF Revenues (with respect to the Mill Levy Certification Date for which the Limited Mill Levy is then being determined), to pay the principal and interest coming due on the Loan Balance and any Parity Debt in the immediately succeeding calendar year, but not in excess of 50 mills; provided however, that:

(i) in the event the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement is or was changed after January 1, 2008, the mill levy maximum provided herein will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Borrower 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 actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation; and

(ii) notwithstanding anything herein to the contrary, in no event may the Limited Mill Levy be established at a mill levy rate which would cause the Borrower to derive tax revenue in any year in excess of the maximum tax increases permitted by the Borrower’s electoral authorization, and if the Limited 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 the Borrower’s electoral authorization, the Limited Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded.

“*Loan*” means the multi-draw loan committed to be made by the Lender to the Borrower in the original principal amount of up to \$3,000,000, subject to the terms and provisions of this Agreement, as evidenced by the Note.

“*Loan Balance*” means, as of any date, the aggregate amount of all Advances funded hereunder as of such date, less any payments of principal received by the Lender for application to the Loan as of such date. The Initial Funded Amount is deemed funded as of the Closing Date and any additional Advance of the Loan is deemed to be funded as of the Advance Date.

“*Loan Payment Fund*” means the fund by that name established by the provisions of Section 3.02 hereof to be administered by the Borrower in the manner and for the purposes set forth in Section 3.02 hereof.

“*Loan Year*” means the period commencing on December 2 of the applicable year through and including December 1 of the immediately succeeding year.

“*Maturity Date*” means December 1, 2025.

“*Maximum Loan Amount*” means Three Million Dollars and No/100 (\$3,000,000).

“*Mill Levy Certification Date*” means the date each year on which the Limited Mill Levy is required to be certified in accordance with the provisions hereof.

“*Minimum PIF Revenue Balance*” means \$50,000.

“*Northgate Properties*” means Northgate Properties, LLC.

“*Note*” means the Taxable Promissory Note evidencing the Loan issued in the original principal amount of up to \$3,000,000 from the Borrower, as maker, to the Lender, as payee, and dated as of _____, 2014.

“*Payment Date*” means June 1 and December 1 of each calendar year, commencing [June 1], 2014, and the Maturity Date.

“*Parity Debt*” means obligations of the Borrower secured by the Pledged Revenue on a parity with the Loan. The 2013 Loan constitutes Parity Debt.

“*PIF*” means the public improvement fee in the amount of 1.00% as set forth in the PIF Covenant.

“*PIF Covenant*” means the Declaration of Covenants Imposing and Implementing Public Improvement Fee recorded September 19, 2012, in the real property records of El Paso County, Colorado at Reception Number 212109234.

“*PIF Eligible Costs*” means any cost or expense permitted to be funded from the PIF, in accordance with the PIF Covenant.

“*Pledged PIF Revenues*” means all revenues resulting from the PIF, including all late fees and penalties payable in accordance with the PIF Covenant.

“*Pledged Revenue*” means the following:

- (a) all Debt Service Tax Increment Revenues;
- (b) all Debt Service Base Property Tax Revenues;
- (c) all Pledged PIF Revenues; and
- (d) all amounts held in the Loan Payment Fund (including legally available moneys which the Borrower determines, in its sole discretion, to deposit therein) together with investment earnings thereon.

“*Property Tax Base Amount*” means the amount certified by the Assessor as the valuation for assessment of all taxable property within the Urban Renewal Area last certified by the Assessor prior to the adoption of the Urban Renewal Plan or any modification thereof (\$1,710,360); and provided, however, that in the event of a general reassessment of taxable property in the Urban Renewal Area, the valuation for assessment of taxable property within the Urban Renewal Area shall be proportionately adjusted in accordance with such general reassessment in the manner required by the Act.

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

“*Public Improvements*” means the public improvements and facilities the debt for which was approved at the Election and are authorized by the Service Plan, including without limitation necessary or appropriate equipment.

“*Redevelopment Agreement*” means the Urban Renewal Agreement for Redevelopment of Copper Ridge at Northgate Property dated September 25, 2013, among the Borrower, the Authority, and the Developer.

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

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

“*2013 Loan*” means the loan advanced by the Lender to the Borrower in the original principal amount of \$1,850,000, pursuant to a Loan Agreement dated December 4, 2013, between the Lender and the Borrower.

“*Urban Renewal Law*” means Section 31-25-101 et seq, C.R.S., as amended.

ARTICLE II

LOAN TERMS, FEES, APPLICATION OF PROCEEDS

Section 2.01. Agreement to Make Loan. The Lender hereby agrees to extend the Loan to the Borrower in the aggregate original principal amount of up to \$3,000,000.00 (as previously defined in Section 1.01 hereof, the "Committed Loan Amount") subject to the terms and conditions of this Agreement. The Loan shall be evidenced by the Note, the form of which is set forth in Exhibit A attached hereto.

Section 2.02. Funding of the Loan.

(a) **Initial Loan Funding.** On the Closing Date, the Lender shall fund the amount of \$_____ (in Section 1.01 hereof, the "Initial Funded Amount"), from which the Lender will withhold the amount of \$_____ for the commitment fee due to the Lender in connection with this Loan Agreement, and will disburse the remainder (\$_____) to the Borrower for application as follows:

- (i) \$_____ shall be held by the Borrower and applied to pay legal fees and costs of the Borrower associated with this Loan Agreement; and
- (ii) \$_____ shall be transferred by the Borrower to the Developer in reimbursement of costs of Public Improvements due and owing under the Reimbursement Agreement.

(b) **Subsequent Advances of the Loan.** Subject to the terms and conditions of this Agreement, including without limitation satisfaction of the conditions set forth in Section 4.02 hereof, the Lender agrees to fund Advances from time to time on any Business Day occurring on or before the third anniversary date of the Closing Date, in amounts not to exceed the then applicable Available Commitment, in accordance with the procedures set forth in Section 4.02 hereof.

(c) **Limitations of Electoral Authorization.** The amounts payable to the Lender as principal of and interest on the Loan shall not exceed the maximum annual repayment costs or total repayment costs authorized by the qualified electors of the Borrower voting at the elections held by the Borrower as of the date hereof. Any amounts due and owing by the Borrower pursuant to this Agreement which do not constitute principal of or interest on the Loan or which exceed such authorized repayment costs shall be subject to prior appropriation by the Board.

Section 2.03. Interest Rate; Interest Payments; Principal Payments

(a) **Interest Rate.** The Loan Balance will bear interest at the Applicable Rate for each Interest Period, which shall be the Applicable Rate for the Annual Rate Period in which such Interest Period occurs. All interest due and payable under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months. The initial Applicable Rate for the Interest Period from the Closing Date to, but not including, June 1, 2014, shall be _____%. The Lender agrees to provide written notice of the

Applicable Rate to the Borrower not more than two Business Days after the applicable Annual Rate Determination Date.

(b) **Interest Payments.** On each Payment Date there shall be due and payable interest accrued on the Loan Balance for the period commencing with the immediately preceding Payment Date (or, if none, the Closing Date) to but not including the Payment Date, but solely to the extent of the Pledged Revenue available for such purpose in accordance with Article III hereof. Any interest not paid when due shall continue to accrue until paid in full, and shall compound annually to the extent not paid on each December 1, commencing December 1, 2014.

(c) **Principal Payments.** Repayment of principal amounts owing on the Loan shall commence on December 1, 2014. Principal payments thereafter shall be made annually on December 1 of each year thereafter until the Maturity Date, and on the Maturity Date. The Loan Balance shall be paid in full on the Maturity Date. Any principal or interest on the Loan remaining unpaid on the Maturity Date shall continue to remain owing, shall continue to accrue interest as described above, and shall continue to be payable to the extent of Pledged Revenue.

(i) **Initial Funded Amount.** Repayment of the principal of the Loan comprised of the Initial Funded Amount shall be made as follows:

Principal Payment Date	Principal Amount Due
December 1, 2014	\$
December 1, 2015	
December 1, 2016	
December 1, 2017	
December 1, 2018	
December 1, 2019	
December 1, 2020	
December 1, 2021	
December 1, 2022	
December 1, 2023	
December 1, 2024	
December 1, 2025	†

† The Loan Balance shall be paid in full on the Maturity Date. Any principal or interest on the Loan remaining unpaid on the Maturity Date shall continue to remain owing, shall continue to accrue interest as described above, and shall continue to be payable to the extent of Pledged Revenue.

(ii) **Subsequent Advances.** Repayment of the principal of the Loan comprised of Additional Advances shall be made in accordance with a repayment schedule determined by the Borrower and attached to the related Advance Request; provided, however, such schedule shall be subject to the consent of the

Lender, which consent shall be evidenced by the Lender's execution of the acknowledgement and consent to the subject Advance Request.

(d) **Maximum Interest Rate.** Notwithstanding the foregoing provisions, the maximum Net Effective Interest Rate that the Borrower is authorized to pay with respect to the Loan is 16.00% per annum and the Loan Balance shall not bear interest at a rate in any particular Interest Period that would cause the Net Effective Interest Rate on the Loan Balance, calculated as of the end of such Interest Period, to exceed 16.00% per annum. For purposes of the foregoing, the "Net Effective Interest Rate" shall mean, as of the end of any Interest Period, the total amount of interest accrued hereunder on the Loan from the date of execution of this Agreement through the last day of such Interest Period, divided by the sum of the products derived by multiplying the principal amount of the Loan outstanding in each year by the number of years from the date of this Agreement to the last day of such Interest Period (or the date on which such principal amount was actually paid, if earlier). In addition to the foregoing, to the extent amounts due to the Lender have not been fully repaid, the provisions of Section 2.04 hereof shall apply. If, with respect to the definition of "Net Effective Interest Rate," the provisions of this Section 2.03(d) conflict with the provisions of Section 32-1-103(12) and (13), C.R.S., the provisions of Section 32-1-103(12) and (13), C.R.S. shall govern.

Section 2.04. Application of Maximum Rate to Interest Differential. If the interest due and payable on any obligation hereunder computed at the Applicable Rate (calculated in accordance with the definition thereof set forth herein) is in excess of the amount actually paid by the Borrower as a result of the provisions of Section 2.03(d) hereof, the difference between what would have been the interest payable on such obligation had it accrued interest at the Applicable Rate (calculated in accordance with the definition thereof set forth herein) and the actual interest paid by the Borrower on such obligation (the "Interest Differential") shall remain an obligation of the Borrower. Notwithstanding any other provision contained herein, if at any time there is an Interest Differential owed to the Lender, the Loan Balance shall bear interest at the rate resulting in the Net Effective Interest Rate of the Loan Balance equaling 16.0%, until the total amount due has been paid to the Lender as if the Applicable Rate (calculated in accordance with the definition thereof set forth herein) had at all times been utilized. It is acknowledged by the Lender that the obligations of the Borrower hereunder are limited by the Borrower's voted debt authorization with respect to principal amount, Maximum Rate, maximum repayment cost, and maximum annual tax increases, and that, notwithstanding anything herein to the contrary, the Borrower is not authorized and is not obligating itself with respect to the foregoing obligations in excess of that which is permitted under the terms of the Borrower's voted debt authorization.

Section 2.05. Optional Prepayment. The Loan Balance may be prepaid, in whole or in part, on any date, upon payment of the principal amount so prepaid plus accrued interest thereon to the date of prepayment. Prepayments of the Loan Balance shall be applied to reduce the principal payments due on the Loan in inverse order of Principal Payment Date, commencing with the principal due and owing on the Maturity Date, as shown in Section 2.03(c)(i) hereof with respect to the Initial Funded Amount and the repayment schedule for any subsequent Advance set forth in the applicable Advance Request.

Section 2.06. 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 of collection of the Pledged Revenue, including all reasonable attorneys' and all other consultants' fees, before and after judgment.

ARTICLE III

PLEGGED REVENUE AND LOAN PAYMENT FUND

Section 3.01. Application of Pledged Revenue. The Pledged Revenue is hereby pledged by the Borrower to the Lender for payment of the Loan, subject to and in accordance with the provisions of this Loan Agreement.

(a) The Borrower shall credit all amounts comprising Debt Service Base Property Tax Revenues and Debt Service Tax Increment Revenues to the Loan Payment Fund and any similar account created for the payment of debt service on any Parity Debt, as received, pro rata in accordance with the debt service amounts due in the applicable Loan Year on the Loan and any such Parity Debt; and

(b) The Borrower shall credit all amounts comprising Pledged PIF Revenues, as received, as follows:

(i) to the Loan Payment Fund and any similar account created for the payment of debt service on any Parity Debt, pro rata in accordance with the debt service amounts due in the applicable Loan Year on the Loan and any such Parity Debt, until the total amount of such credits in such Loan Year equal the Annual Projected Pledged PIF Revenues for such Loan Year; and

(ii) to the Excess PIF Revenue Fund, all Pledged PIF Revenues received for the remainder of the Loan Year.

Section 3.02. Loan Payment Fund.

(a) **General.** There is hereby created and established the Loan Payment Fund, which shall be administered by the Borrower, on behalf of the Lender, in accordance with the terms of this Agreement. There shall be credited to the Loan Payment Fund the moneys provided in Section 3.01 hereof. The Borrower shall also credit to the Loan Payment Fund any amount of proceeds of the Loan disbursed to the Borrower in

accordance with Section 2.02(a) hereof not applied to costs of issuance as of _____
1, 2014.

(b) ***Application of Moneys in Loan Payment Fund.*** Moneys in the Loan Payment Fund (including any interest earnings thereon) shall be used by the Borrower solely to pay principal and interest on the Loan, as set forth herein. On each Payment Date, the Borrower shall transfer amounts on deposit in the Loan Payment Fund to the Lender as follows:

(i) FIRST, to the Lender, in the amount of all interest due on the Loan as of such Payment Date and all previously due and unpaid interest (to the extent not previously compounded), or such lesser amount as is then on deposit in the Loan Payment Fund; and

(ii) SECOND, after the payment of all amounts then due in accordance with clause (i), to the Lender, in the amount of all principal due on the Loan as of such Payment Date and all previously due and unpaid principal, or such lesser amount as is then on deposit in the Loan Payment Fund.

(c) ***Moneys Held In Loan Payment Fund.*** Moneys to be held in the Loan Payment Fund shall be held in a depository account under the control of the Borrower and satisfying the requirements of the Public Deposit Protection Act and shall not be invested, but shall earn interest at the rate provided by the applicable depository institution.

Section 3.03. Excess PIF Revenue Fund.

(a) There is hereby created and established the Excess PIF Revenue Fund, which shall be administered by the Borrower, on behalf of the Lender, in accordance with the terms of this Agreement.

(b) The Excess PIF Revenue Fund shall not be funded with Loan proceeds, but shall be funded solely from deposits of Pledged PIF Revenue as provided in Section 3.01 hereof, and except to the extent Pledged PIF Revenue is available under such Section 3.01, the Borrower has no obligation to fund the Excess PIF Revenue Fund in any amount.

(c) Subject to paragraph (d) hereof, amounts on deposit in the Excess PIF Revenue Fund in excess of the Minimum PIF Revenue Balance may be applied by the Borrower from time to time, without the consent of the Lender, to any then incurred, due and payable PIF Eligible Cost. The Borrower shall retain records of the PIF Eligible Costs to which any such moneys are applied. In no event shall the Borrower be permitted to disburse an amount from the PIF Revenue Fund that would result in amounts on deposit therein being less than the Minimum PIF Revenue Balance, except as required by paragraphs (d) or (e) hereof.

(d) In the event that the amounts credited to the Loan Payment Fund or any similar account created for the payment of Parity Debt are insufficient to pay the

principal of or interest on the Loan or such Parity Debt when due, the Borrower shall transfer from the Excess PIF Revenue Fund to the to the Loan Payment Fund or any similar account created for the payment of Parity Debt an amount which, when combined with moneys in such fund or account, will be sufficient to make such payments when due; and in the event the amounts in the Loan Payment Fund or such other account and the Excess PIF Revenue Fund are insufficient to pay all principal and interest on the Loan or Parity Debt, as applicable, on any due date, the Borrower shall nonetheless transfer all of the moneys in the Excess PIF Revenue Fund to the Loan Payment Fund or such other account for the purpose of making partial payments on the Loan or Parity Debt, as applicable. Amounts in the Excess PIF Revenue Fund shall not be required to be applied to the prepayment of the Loan or any Parity Debt.

(e) Moneys to be held in the Excess PIF Revenue Fund shall be held in a depository account under the control of the Borrower and satisfying the requirements of the Public Deposit Protection Act. Any interest earnings on moneys on deposit in the Excess PIF Revenue Fund shall remain in, and become a part of, the Excess PIF Revenue Fund. Moneys credited to the Excess PIF Revenue Fund may be invested or deposited in Permitted Investments 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 investment earnings on moneys on deposit in the Excess PIF Revenue Fund shall remain in the Excess PIF Revenue Fund.

ARTICLE IV

CONDITIONS TO CLOSING AND SUBSEQUENT ADVANCES

Section 4.01. Conditions to Loan Closing. The execution and delivery of this Agreement by the Lender, funding of the Initial Funded Amount and commitment to fund the remainder of the Loan in accordance with the provisions hereof, is conditioned upon the satisfaction of each of the following on or prior to the Closing Date:

(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 Closing Date and executed original or certified copies of each thereof have been delivered to the Lender; provided, however, that with respect to the Note, the Lender shall be in receipt of the executed original.

(b) ***Borrower Proceedings and Certificate.*** 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 Note, 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 Note, 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) ***Representations and Warranties True; No Default.*** The Lender shall be satisfied that on the 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, and the Lender shall be entitled to receive certificates, signed by authorized officers of the Borrower, to such effect.

(d) ***Special Counsel's Legal Opinions.*** The Lender shall have received an opinion of Special Counsel, dated the 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 constitute a special limited tax revenue obligation of the Borrower, that such obligation is binding and enforceable against the Borrower in accordance with the terms of this Agreement; and otherwise in form and substance satisfactory to the Lender and its counsel.

(e) ***Opinion of General Counsel.*** The Lender shall have received an opinion of counsel to the Borrower dated as of the Closing Date and addressed to the Lender, with respect to such matters as the Lender may require, including opinions as to the validity of the Borrower's organization and existence; to the effect that 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 have been duly obtained; that the Authorizing Resolution was duly and properly adopted, is in full force and effect, and has not been rescinded as of the Closing Date; that neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions of this Agreement conflicts with or results in a breach, or would result in a breach, of any of the terms, conditions or provisions of any agreement or instrument to which the Borrower is a party or by which it or any of its property are bound; that this Agreement and the other Financing Documents to which the Borrower is a party have been duly authorized, executed, and delivered by the Borrower; and otherwise in form and substance acceptable to the Lender and its counsel.

(f) ***Opinion(s) Concerning PIF Covenant.*** The Lender shall have received an opinion (or opinions) of counsel to Northgate Properties (as the declarant of the PIF Covenant) dated as of the Closing Date and addressed to the Lender, with respect to such matters as the Lender may require relating to the authorization, execution, delivery and enforceability of the PIF Covenant.

(g) ***Certificate of Northgate Properties.*** The Lender shall have received a certificate executed by authorized representatives of Northgate Properties to the effect that the PIF Covenant was duly authorized, executed and recorded against the property contemplated therein, and has not been rescinded, revoked or amended since such recordation and remains in full force and effect, and otherwise in form and substance satisfactory to the Lender and its counsel.

(h) ***Certificate of the Authority.*** The Lender shall have received a certificate executed by authorized representatives of the Authority to the effect that the

Redevelopment Agreement was duly authorized and executed and constitutes an enforceable agreement of the Authority, and that the Urban Renewal Plan was duly and properly adopted by the governing body of the Authority, and has not been rescinded, revoked or amended since such adoption and remains in full force and effect, and otherwise in form and substance satisfactory to the Lender and its counsel.

(i) ***Opinion of Authority Counsel.*** The Lender shall have received an opinion of counsel to the Authority dated as of the Closing Date and addressed to the Lender, with respect to such matters as the Lender may require, including opinions as to the validity of the Authority's organization and existence; to the effect that all governmental approvals, if any, necessary for the Borrower to execute, deliver and perform its obligations under the Redevelopment Agreement have been duly obtained; that the Redevelopment Agreement was duly and properly adopted, is in full force and effect, and has not been rescinded as of the Closing Date, and is a valid and enforceable obligation of the Authority; that neither the execution and delivery of the Redevelopment Agreement, nor the fulfillment of or compliance with the terms and conditions of the Redevelopment Agreement conflicts with or results in a breach, or would result in a breach, of any of the terms, conditions or provisions of any agreement or instrument to which the Authority is a party or by which it or any of its property are bound; that the Redevelopment Agreement has been duly authorized, executed, and delivered by the Authority; and otherwise in form and substance acceptable to the Lender and its counsel.

(j) ***PIF Covenant Matters.*** The Lender shall have received such documents as it deems sufficient to evidence that the PIF Covenant has been recorded in the real property records against all property within the boundaries of the Borrower, and that such property is not subject to any mortgage, lien or encumbrance having a priority over the PIF Covenant, except as has been disclosed to and determined to be acceptable to the Lender.

(k) ***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.

(l) ***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.

(m) ***Borrower Due Diligence.*** 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, the Refunded Bonds, and the Borrower's ability to perform its obligations under this Agreement and the other Financing Documents to which the Borrower is a party.

(n) ***Approval of Financing Documents.*** The Lender and its counsel shall have had sufficient time to review the Financing Documents and the substantially final

versions of such documents shall be in form and content satisfactory to the Lender and its counsel.

(o) **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.

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

Section 4.02. Conditions to Advances (other than Initial Funded Amount). The obligation of the Lender to fund an Advance (other than the Initial Funded Amount) on any date is subject to the following conditions precedent:

(a) the Borrower shall have delivered to the Lender an Advance Request signed by an Authorized Person (provided that in no event shall an Advance Request be permitted to be submitted after the 5th Business Day prior to the third anniversary date of the Closing Date);

(b) the amount of the requested Advance shall not exceed the then-existing Available Commitment (calculated without giving effect to such requested Advance);

(c) the proposed schedule of repayment of principal of the Advance shall be consented to by the Lender (in its sole discretion);

(d) at the time any Advance is to be made and as a result thereof, immediately thereafter, all representations and warranties of the Borrower set forth in Article V hereof shall be true and correct as though made on the date of such Advance Request and on the Advance Date and no Default or Event of Default shall have occurred and be continuing on the date of such Advance Request and on the Advance Date;

(e) the Lender shall have received a Favorable Opinion of Bond Counsel dated the Advance Date and addressed to the Lender, in the form attached as Exhibit D hereto; and

(f) in the event that the amount of the request Advance together with all subsequent Advances (including the Initial Funded Amount) exceeds \$2,000,000, unless otherwise consented to by the Lender, the Advance Request shall be accompanied by a written certification of a Certified Public Accountant to the effect that the Annual Projected Pledged Revenues as of the date of the Advance Request equals or exceeds 125% of the Combined Maximum Annual Principal and Interest Requirements on the Loan and any Parity Debt.

Unless the Borrower shall have otherwise previously advised the Lender in writing, delivery to the Lender of an Advance Request shall be deemed to constitute a representation and warranty by the Borrower that on the date of such Advance Request and on the Advance Date each such condition is satisfied.

Section 4.03. Advance Procedures. Subject to the terms and conditions of this Agreement, including without limitation satisfaction of the conditions set forth in Section 4.02

hereof, the Lender shall be required to make an Advance by 3:00 p.m., Denver, Colorado time on the Business Day which is the fourth (4th) Business Day after the Lender's receipt of such Advance Request, for the account of the Borrower in an amount equal to the amount of the requested Advance; provided that the: (i) Lender shall not be required to make more than one Advance per calendar month; and (ii) in the event that the Lender reasonably believes that the amount of the requested Advance is in excess of the then Available Commitment or that the Advance Request otherwise does not comply with the requirements of Section 4.02 hereof, the Lender shall notify the Borrower in writing of the same no later than the fourth (4th) Business Day after the Lender's receipt of such Advance Request (in which event the Lender will be under no obligation to fund the Advance until the fourth (4th) Business Day after the Lender's receipt of a corrected Advance Request. Each Advance shall be made solely for the purpose of providing funds to pay costs of Public Improvements that also constitute Eligible PIF Costs; provided, however, that the Borrower may determine, in its sole discretion, to use a portion of any Advance to fund interest anticipated to accrue on such Advance in the current Loan Year, in which event the Borrower shall indicate the same in the Advance Request, and deposit such portion of the Advance into the Loan Payment Fund. Any Advance Request received by the Lender after 11:00 a.m., Denver, Colorado time will be deemed to have been received on the following Business Day. Each Advance shall be made by the Lender by wire transfer of immediately available funds to the Borrower in accordance with the instructions set forth in the Advance Request. Each Advance shall be made from the Lender's own funds.

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 which could, if adversely determined, have a material adverse effect on the Borrower's financial condition.

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 Resolution, this Agreement, the Note, 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 Note, this Agreement, and the other Financing Documents to which it is a party, and that all action on its part for the execution and delivery of the Note, this Agreement, and the other Financing Documents to which it is a party have been duly and

effectively taken and will be duly taken as provided therein and herein, and that the Loan, the Note, this Agreement, and the other Financing Documents to which the Borrower is a party are and will be valid and enforceable obligations of the Borrower according to the terms thereof and hereof.

Section 5.04. Laws, Permits and Obligations. The Borrower will comply in all material respects with all applicable laws, rules, regulations, orders and directions of any governmental authority and all agreements and obligations binding on the Borrower, noncompliance with which would have a material adverse effect on the Borrower, its financial condition, assets or ability to perform its obligations under this Agreement and/or the other Financing Documents to which it is a party; provided that the Borrower may in good faith contest such laws, rules, regulations, orders and directions and the applicability thereof to the Borrower to the extent that such action would not be likely to have a material adverse effect on the Borrower's ability to perform its obligations hereunder.

Section 5.05. Proper Books and Records. The Borrower shall keep or cause to be kept adequate and proper records and books of account in which complete and correct entries shall be made with respect to the Borrower, the Pledged Revenue, and all of the funds and accounts established or maintained pursuant to any of the Financing Documents. The Borrower shall (a) maintain accounting records in accordance with generally recognized and accepted principles of accounting 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 Borrower as the Lender may reasonably request; and (c) without request, provide the Lender with the information set forth in Section 5.06 hereof.

Section 5.06. Reporting Requirements. The Borrower will provide the following to the Lender at the times and in the manner provided below:

- (i) promptly upon receipt thereof, a certification of values issued by the County Assessor containing the final certified "actual value" and final assessed valuation of the Borrower for that year;
- (ii) as soon as available, but not later than the July 31 of each year, the Borrower shall furnish to the Lender its unqualified audited financial statements prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and audited by a firm of independent certified public accountants selected by the Borrower and satisfactory to the Lender, which financial statements shall include, 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 changes in fund balance for the immediately preceding Fiscal Year (which covenant shall apply notwithstanding any State law audit exemptions that may exist or any different time requirements for the completion of such audit under State law);
- (iii) promptly at the time or times at which such event occurs, written notice of any events likely to have a material adverse effect on the expected repayment of the Loan; and

(iv) promptly upon request of the Lender, the Borrower shall furnish to the Lender such other reports or information regarding the Pledged Revenue or the assets, financial condition, business or operations of the Borrower as the Lender may reasonably request, to the extent legally permissible for the Borrower to provide.

Section 5.07. Inspection of Books and Records. The Lender shall have the right to examine any of the books and records of the Borrower, but solely to the extent such books and records relate to the Pledged Revenue and/or repayment of the Loan, 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 5.08.

Section 5.08. 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 5.09. Covenant To Impose Limited Mill Levy. The Borrower hereby covenants as follows:

(a) For the purposes of funding the principal and interest due on the Loan (collectively, the “Annual Debt Requirements”), the Borrower covenants to cause to be levied on all of the taxable property of the Borrower, in addition to all other taxes, direct annual taxes in each of the years 2014 to 2024 inclusive (and, to the extent necessary to make up any overdue payments on the Loan, in each year subsequent to 2024) in the amount of the Limited Mill Levy; **provided, however, that in no event may the Borrower impose an ad valorem property tax for the payment of this Note after December 2053 (for collection in calendar year 2054).** Nothing herein shall be construed to require the Borrower to levy an ad valorem property tax for the aforementioned purposes in excess of the Limited Mill Levy.

(b) The foregoing provisions of this Agreement are hereby declared to be the certificate of the Board to the Board of County Commissioners of each county in which taxable real or personal property of the Borrower is located, showing the aggregate amount of taxes to be levied from time to time, as required by law, for the purposes of paying the Annual Debt Requirements.

(c) The amounts necessary to pay all costs and expenses incidental to effecting the transactions contemplated under the Financing Documents and paying the Annual Debt Requirements are hereby appropriated for said purposes, and such amounts as appropriated for each year shall also be included in the annual budget and the appropriation bills to be adopted and passed by the Board in each year, respectively, until

the Loan has been fully paid, satisfied, and discharged and the Note and this Agreement are no longer in effect.

(d) It shall be the duty of the Board, annually, at the time and in the manner provided by law for levying other Borrower taxes, to ratify and carry out the provisions hereof with reference to the levying and collection of taxes; and the Board shall levy, certify, and collect said taxes in the manner provided by law for the purposes aforesaid.

(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 of Colorado, and when collected said taxes shall be paid to the Borrower as provided by law. The Board shall take all necessary and proper steps to enforce promptly the payment of taxes levied pursuant to this Agreement.

(f) In the event any ad valorem taxes are not paid when due, the Borrower shall diligently cooperate with the appropriate county treasurer to enforce the lien of such unpaid taxes against the property for which the taxes are owed.

Section 5.10. Additional Debt. The Borrower shall not be permitted to issue any obligation secured by a pledge of ad valorem property taxes of the District (including tax increment revenues payable to the Borrower under the Redevelopment Agreement in accordance with the provisions thereof) or Pledged PIF Revenues without the consent of the Lender.

Section 5.11. 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 5.12. 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 5.13. No Exclusion of Property. The Borrower shall take no action nor consent to any action that could have the effect of excluding property from its boundaries if the Borrower determines in good faith that such action or actual exclusion would have a materially adverse effect on the amount of Pledged Revenue that would otherwise be collected by the Borrower.

Section 5.14. Amendments to Financing Documents Require Prior Lender Consent. The Borrower shall not amend or consent to any amendment to any Financing Document or any provision of the Urban Renewal Plan with respect to Pledged Revenue or waive any provision of any of the foregoing, including but not limited to providing any consent with respect to a change in the amount of the PIF, without the prior written consent of the Lender.

ARTICLE VI

LENDER'S REPRESENTATIONS

Section 6.01. Accredited Investor. The Lender is an organization that qualifies as an “accredited investor,” as defined in Section 11-59-110(1)(g), C.R.S., and the Lender will not assign or transfer the Loan, this Agreement or the Note to any person or entity except in compliance with Section 8.02 hereof.

Section 6.02. Financial Institution or Institutional Investor. The Lender is an organization that qualifies as a “financial institution or institutional investor” as defined in § 32-1-103(6.5), C.R.S.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01. 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 7.01.

(a) The Borrower fails to deposit the Pledged Revenue as required herein or fails to transfer the Pledged Revenue to the Lender as required herein; or

(b) 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 Note, and fails to remedy the same to the satisfaction of the Lender within 45 days after the occurrence thereof.

It is acknowledged that due to the limited nature of the Pledged Revenue, the failure to pay the principal of or interest on the Loan when due shall not, of itself, constitute an Event of Default hereunder

Section 7.02. 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) ***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 to the appointment of a receiver or receivers of the Pledged Revenue, 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 Loan Agreement to, the Lender.

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

(iii) *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 Loan 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.

(c) *No Acceleration.* Notwithstanding anything herein to the contrary, acceleration of the Loan shall not be an available remedy for an Event of Default.

Section 7.03. 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 7.04. 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 7.05. 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.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Loan Agreement and Relationship to Other Documents. 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 8.02. Assignment. This Loan Agreement shall not be assignable by either party without the prior written consent of the other party hereto. Notwithstanding the foregoing, the Lender's right to receive payments hereunder and the Note may be sold, transferred or conveyed only in minimum denominations of \$100,000 and only to "accredited investors" within the meaning of Rule 501(A) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, who have executed an investor letter in the form attached as Exhibit B hereto.

Section 8.03. 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 twenty (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 Lender 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 8.04. 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:

Gary Erickson, President
Copper Ridge Metropolitan District
13540 Meadowgrass Court, Suite 200
Colorado Springs, CO 80921
(719) 531-0101 office
(719) 491-0249 cell
gary.erickson@executive-company.com

with copies to:

Peter Susemihl
Susemihl, McDermott and Cowan LLC
660 Southpointe Court
Suite 210
Colorado Springs, CO
(719) 579-6501
PSusemihl@smmclaw.com

To Lender:

Brett Wyss
Integrity Bank & Trust
1275 Village Ridge Point
Monument, CO 80132
719-487-3034 Phone
719-481-3521 Fax
Bwyss@Integritybankandtrust.com

Section 8.05. Payments. Payments due on the Loan shall be made in lawful money of the United States.

Section 8.06. 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 EL PASO COUNTY, COLORADO, AND WAIVE ANY OBJECTIONS BASED ON *FORUM NON CONVENIENS*, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE NOTE, 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 8.07. 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 8.08. 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 8.09. Attachments. All documents attached hereto, including any appendices, schedules, riders, and exhibits to this Agreement, are hereby expressly incorporated by reference.

Section 8.10. 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 or Note. 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 Note 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 8.11. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this Loan Agreement is entered into and the Note is issued 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 Note and the Loan Agreement after delivery for value.

Section 8.12. 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 Note or the Loan Agreement shall be commenced more than 30 days after the authorization of the Note and the Loan Agreement.

Section 8.13. Pledge of Revenues. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Loan provided herein shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Agreement, the Note, and the Authorizing Resolution. The amounts pledged to the payment of the Note and the Loan

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 and be perfected without any additional action required to be taken by the Borrower. 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. THE LOAN SHALL NOT CONSTITUTE A DEBT OR OBLIGATION OF THE CITY, AND THE FAITH AND CREDIT OF THE CITY IS NOT PLEDGED TO THE PAYMENT OF THE LOAN.

Section 8.14. No Third Party Beneficiaries. The parties intend that there shall be no third party beneficiaries to this Loan Agreement.

Section 8.15. 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 8.16. Termination. This Agreement shall terminate at such time as no amounts are due and owing to the Lender hereunder.

[The remainder of this page intentionally left blank]

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

LENDER

INTEGRITY BANK & TRUST

By _____
Authorized Officer

BORROWER

COPPER RIDGE METROPOLITAN DISTRICT

By _____
President

Attest:

By _____
Secretary

[Signature Page to Loan Agreement]

EXHIBIT A

FORM OF NOTE

THIS NOTE MAY BE SOLD, TRANSFERRED OR CONVEYED ONLY TO “ACCREDITED INVESTORS” WITHIN THE MEANING OF RULE 501(A) OF REGULATION D PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, WHO HAVE EXECUTED AN INVESTOR LETTER IN THE FORM ATTACHED AS APPENDIX C TO THE LOAN AGREEMENT.

TAXABLE PROMISSORY NOTE

US \$3,000,000

_____, 2014

FOR VALUE RECEIVED, COPPER RIDGE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (hereinafter referred to as “Maker”), promises to pay to the order of INTEGRITY BANK & TRUST, 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 THREE MILLION AND 00/100 U.S. DOLLARS (US \$3,000,000) or, if less, the aggregate principal amount of all Advances made by the Lender pursuant to the terms of the Loan Agreement, dated as of _____, 2014, by and between Maker and Payee (as amended or supplemented from time to time, the “Loan Agreement”) (this “Note”), pursuant to the terms of the Loan Agreement, in lawful money of the United States of America, but solely to the extent of Pledged Revenue available therefor in accordance with the Loan Agreement. 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.

BY ACCEPTANCE OF THIS INSTRUMENT, THE OWNER OF THIS NOTE AGREES AND CONSENT TO ALL LIMITATIONS IN RESPECT OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS LOAN CONTAINED HEREIN, IN THE LOAN AGREEMENT, IN THE RESOLUTION OF THE BORROWER AUTHORIZING ISSUANCE OF THIS NOTE AND IN THE SERVICE PLAN OF THE DISTRICT.

Except as expressly provided in the Loan Agreement, the Loan Agreement and this Note are limited tax special revenue obligations of the Borrower, payable solely from and to the extent of, and secured solely by, the Pledged Revenue. Except as expressly provided

in the Loan Agreement, no recourse shall be available against the Borrower or any moneys or other property of the Borrower for the payment of the Loan Agreement or Note, except the Pledged Revenue. In no event may the Borrower impose an ad valorem property tax for the payment of this Note after December 2053 (for collection in calendar year 2054).

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 Copper Ridge Metropolitan District, as Maker, has executed this Promissory Note as of the day and year first above written.

COPPER RIDGE METROPOLITAN DISTRICT

By: _____
Name:
Title:

[SEAL]

Attest:

By _____

[Signature Page to Promissory Note]

EXHIBIT B

FORM OF INVESTOR LETTER

Copper Ridge Metropolitan District

Ladies and Gentlemen:

The undersigned, as an authorized representative of _____ (the “Investor”), in connection with the acquisition by Investor of the right to receive amounts payable by the Copper Ridge Metropolitan District (the “Borrower”) under that certain Loan Agreement dated _____, 2014 (the “Loan Agreement”) with Integrity Bank & Trust, and the related Taxable Promissory Note dated _____, 2014 (the “Note” and, collectively with the Loan Agreement, the “Obligations”) issued by the Borrower in the aggregate principal amount of up to \$_____, hereby agrees and represents as follows (capitalized terms used herein and not otherwise defined having the meanings assigned them in the Loan Agreement):

1. The undersigned is a duly appointed, qualified and acting representative of the Investor and is authorized to cause the Investor to make the agreements, representations, certifications and acknowledgements contained herein by execution of this letter on behalf of the Investor.

2. The Loan Agreement and Note are for the Investor’s own account and the Investor has no present intention to transfer or assign the Loan Agreement or Note, except to an entity affiliated with the Investor; provided, however, that the Loan Agreement does not prohibit the Investor from transferring or assigning the Loan Agreement or Note to any party.

3. On the date hereof, the Investor has received the original, executed Loan Agreement and Note. The Investor has also received a copy of the Urban Renewal Plan, the fully-executed Redevelopment Agreement and the PIF Covenant.

4. The Investor has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal and other taxable and tax exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Obligations, and the Investor is able to bear the economic and financial risks of holding the Note.

5. The Investor has authority to acquire the Note and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with the Obligations. The Investor has satisfied itself that, in acquiring into the Loan Agreement and holding the Note, it is making an investment that is a lawful investment for the Investor under all applicable laws.

6. The Investor is an accredited Investor (“Accredited Investor”) as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended (the “Securities Act”).

7. The Investor understands that no official statement, prospectus, offering circular, or other offering statement is being provided with respect to the Obligations and has concluded that the receipt of such document prior to acquisition of the Note. The Investor has made its own inquiry and analysis with respect to the Borrower, the Obligations and the security therefor, and other material factors affecting the security for and payment of the Obligations. The Investor acknowledges that any information furnished to it by any party to the transaction does not purport to fully disclose all information material to making an investment in the Obligations.

8. The Investor acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Authority to which a reasonable Investor would attach significance in making this investment decision, and has been afforded a full opportunity to ask questions and receive answers from knowledgeable individuals concerning the Borrower, the Obligations and the security therefor, and the investment risks related to the Obligations as it has deemed necessary in connection with its decision to acquire the Note. Neither the Borrower nor its counsel or other advisors, or any other entity has refused to disclose any information that the Investor requested or that the Investor deems necessary or appropriate to its decision to acquire the Note. The Investor further acknowledges that neither the Borrower nor its counsel or other advisors, shall be responsible for the accuracy of any information obtained by the Investor from any source with respect to the Borrower, Northgate Properties, the Developer, the existing or proposed development with the Urban Renewal Area or the Obligations (excluding, with respect to the Borrower, information provided by the Borrower to the Investor).

9. The Investor has received an executed disclosure statement of Northgate Properties dated as of the Closing Date pertaining to the existence of certain encumbrances on the property subject to the PIF Covenant, recorded prior to and having a lien on such property senior to the lien thereon of the PIF Covenant. Further, the Investor is aware that certain statutory liens may arise from time to time with respect to the property subject to the PIF Covenant that could by statute be afforded a priority senior to the lien of the PIF Covenant.

10. The Investor understands that the Obligations are limited special revenue obligations of the Borrower, payable solely from and to the extent of, and secured solely by, the Pledged Revenue, and that no recourse shall be available against the Borrower or any moneys or other property of the Borrower for the payment of the Loan Agreement or Note, except the Pledged Revenue.

11. The Investor understands that the Obligations (i) are not registered under the 1933 Act and are not registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (ii) are not listed on any stock or other securities exchange, (iii) carry no rating from any credit rating agency and (iv) will not be readily marketable.

[Signature appears on following pages]

IN WITNESS WHEREOF, I have hereunto subscribed my name on behalf of _____, as of the ____ day of _____, 20__.

[INVESTOR]

By: _____
Authorized Signatory

EXHIBIT C

FORM OF ADVANCE REQUEST

[Date]

Integrity Bank & Trust

[_____]

[_____]

Attention: [_____]

Ladies and Gentlemen:

The undersigned, an Authorized Person with respect to Copper Ridge Metropolitan District (the "District"), in reference to the Loan Agreement, dated as of _____, 2014 (together with any amendments or supplements thereto, the "Loan Agreement"), by and between the District and Integrity Bank & Trust (the "Bank") (the terms defined therein being used herein as therein defined) hereby requests, pursuant to Section 4.02 of the Loan Agreement, that the Bank make an Advance under the Loan Agreement in a principal amount not exceeding the Available Commitment, and in that connection sets forth below the following information relating to such requested Advance:

1. The aggregate amount of the requested Advance is \$_____, which amount does not exceed the current Available Commitment, calculated as follows: \$_____ (Committed Loan Amount) less \$_____ (Initial Funded Amount) less [INSERT ANY PRIOR ADVANCES].
2. The principal amount of the requested Advance shall be payable as set forth on the attached Schedule I (subject to the acknowledgement and consent by the Bank).
3. The Advance is requested for the purpose of paying costs of Public Improvements in the nature of capital costs that also constitute PIF Eligible Costs consisting of: [PROVIDE GENERAL DESCRIPTION, INCLUDING PROPOSED OWNERSHIP OF THE IMPROVEMENT]
4. The foregoing intended uses of the proceeds of the Advance are properly categorized as set forth below, and the District hereby allocates the amount of such Advance, plus an allocable portion of the principal of the Loan applied to costs of issuance and capitalized interest (\$_____) as follows: [CONFIRM BELOW CATEGORIES]

<u>Purpose</u>	<u>Remaining Prior to this Advance</u>	<u>This Advance Amount</u>	<u>Allocated Costs of Issuance and Capitalized Interest</u>	<u>Remainder</u>
Water				
Sanitation System				
Streets				
Parks and Recreation				
Traffic/Safety Protection				
Fire Protection				
Television Relay/Translation				

5. The costs to be funded with the above requisitioned amount have been or will be properly incurred, and have not been the basis of any previous requisition. The disbursement requested herein will be used solely for the payment of costs of Public Improvements constituting PIF Eligible Costs.
6. The costs to be funded with the amount hereby requisitioned have been reviewed by the District's independent engineer for purposes of assuring the eligibility of payment by the District and reasonableness of costs, and the District has retained in its records the certifications of such engineer with respect thereto.
7. If the amount requested herein is to be applied to amounts due and owing under the Reimbursement Agreement or similar agreement, all preconditions to such payment set forth in such agreement have been satisfied.
8. Disbursement instructions are attached hereto.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20__.

COPPER RIDGE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

By _____
Authorized Person

**SCHEDULE I
AMORTIZATION SCHEDULE FOR ADVANCE**

The principal amount of advance requested pursuant to the Advance Request dated _____, 2014 shall be payable as follows:

Principal Payment Date	Principal Amount Due
December 1, 2014	\$
December 1, 2015	
December 1, 2016	
December 1, 2017	
December 1, 2018	
December 1, 2019	
December 1, 2020	
December 1, 2021	
December 1, 2022	
December 1, 2023	
December 1, 2024	
December 1, 2025	†

COPPER RIDGE METROPOLITAN
DISTRICT

By _____
Authorized Person

BANK ACKNOWLEDGEMENT AND AGREEMENT

The Bank hereby agrees that the principal amount of the Advance requested _____, 20____, upon funding of the same by the Bank, shall be payable in accordance with the foregoing schedule.

Acknowledged and agreed this ____ day of _____, 20__.

INTEGRITY BANK & TRUST

By _____
Authorized Officer

EXHIBIT D
FORM OF FAVORABLE OPINION OF BOND COUNSEL

[TO BE PLACED ON KUTAK ROCK LLP LETTERHEAD]

_____, 20__

Copper Ridge Metropolitan District
Colorado Springs, Colorado

Integrity Bank & Trust
Colorado Springs, Colorado

Up to \$3,000,000
Copper Ridge Metropolitan District
In the City of Colorado Springs, El Paso County, Colorado
Taxable Limited Tax General Obligation Loan
Series 2014

Ladies and Gentlemen:

We acted as bond counsel to Copper Ridge Metropolitan District, in the City of Colorado Springs, Colorado (the “District”) with respect to the captioned loan in the authorized and committed principal amount of \$3,000,000 (the “Loan”). The indebtedness of the Loan is evidenced by a promissory note from the District, as maker, to Integrity Bank & Trust (the “Bank”), as payee, dated as of _____, 2014 (the “Note”), incurred by the District in accordance with the terms and conditions of the Loan Agreement, dated as of _____, 2014 (the “Loan Agreement”), between the District and the Bank, and the resolution approved by the Board of Directors of the District on _____, 2014 (the “Authorizing Resolution,” and, together with the Note and the Loan Agreement, the “Loan Documents”). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Authorizing Resolution and the Loan Agreement.

Pursuant to a letter dated _____, 20__, addressed to the Bank (the “20__ Advance Request”), the District has provided information, certifications and representations identified in, and evidencing compliance with, the provisions of Section 4.02 of the Loan Agreement (other than paragraph (d) thereof), which information, certifications and representations we have assumed are satisfactory to the Bank to evidence full satisfaction of the conditions set forth in Section 4.02 of the Loan Agreement with respect to the 20__ Advance Request (other than paragraph (d) thereof). We have further assumed that the submittal of the 20__ Advance Request fully complies, to the satisfaction of the Bank, with the provisions of Section 4.02 of the Loan Agreement. This opinion is delivered in response to the requirement of Section 4.02(d) of the Loan Agreement.

We have examined the District's certified proceedings, including the Authorizing Resolution and Loan Agreement and such other documents and such laws of the State of Colorado and of the United States of America as we have deemed necessary to render this opinion. We have further assumed that the Authorizing Resolution and Loan Agreement are in full force and effect, and that there has been no amendment thereto or supplement thereof.

Based upon the foregoing we are of the opinion that the Advance made in connection with the 20__ Advance Request is permitted under Article 1 of Title 32, C.R.S., as amended; Part 2 of Article 57 of Title 11, Colorado Revised Statutes, as amended, and the State of Colorado constitution.

In rendering this opinion, we have not made an independent investigation nor do we have any independent knowledge as to the use of the proceeds of the Loan, and for purposes of the opinion expressed above, have assumed the truth and accuracy of all statements made in the Advance Request with respect to such use of proceeds.

This opinion letter is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

This opinion is limited solely and expressly to the matters set forth herein. The District is our sole client in this transaction and we have not been engaged by, nor have we undertaken to advise any other party or to opine as to matters not specifically covered herein. This opinion letter is solely for the benefit of the addressees hereof and may not be circulated, quoted or relied upon by any party other than the addressees without our prior written consent. The inclusion of any person or entity other than the District as addressees to this opinion does not create or imply an attorney-client relationship between Kutak Rock LLP and such person or entity in connection with the Loan.