
TRUST INDENTURE

between

CITY OF COLORADO SPRINGS, COLORADO,
as Issuer

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
as Trustee

Relating to:

 \$[PAR]
 City of Colorado Springs, Colorado
 Multifamily Housing Revenue Bonds
 (Bradley Ridge Apartments Project)
 Series 2025

Dated as of [_____] 1, 2025

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Exhibit A Form of Bond

TRUST INDENTURE

THIS TRUST INDENTURE, dated as of [_____] 1, 2025 (this “Indenture”), is made between the **CITY OF COLORADO SPRINGS, COLORADO** (together with any successors and assigns, the “Issuer”), a municipal corporation duly organized and existing as a home-rule city under Article XX of the Constitution of the State of Colorado (the “State”) and the home rule charter of the City of Colorado Springs, Colorado (the “Charter”), and **ZIONS BANCORPORATION, NATIONAL ASSOCIATION**, a national banking association, as trustee (together with any successors and assigns, the “Trustee”), under the circumstances summarized in the following recitals (the capitalized terms used in the recitals and granting clauses and not defined therein are as defined in Article I hereof).

WHEREAS, the County and Municipality Development Revenue Bond Act, constituting Article 3, Title 29, Colorado Revised Statutes, as amended (the “Act”); the Colorado Supplemental Public Securities Act, constituting Part 2, Article 57, Title 11, Colorado Revised Statutes, as amended (the “Supplemental Act”); and the Charter authorize the Issuer to finance one or more projects, including any land, buildings or other improvements and all real and personal properties, whether or not in existence, which shall be suitable for residential facilities for low- and middle-income families or persons and intended for use as the sole place of residence by the owners or intended occupants to the end that more adequate residential housing facilities for low- and middle-income families and persons may be provided, which promote the public health, welfare, safety, convenience and prosperity; and

WHEREAS, the Issuer is further authorized by the Act, the Supplemental Act, and the Charter to issue revenue bonds for the purpose of defraying the cost of financing any project, including the payment of principal and interest on such revenue bonds for not exceeding three years, the funding of any reserve funds which the Issuer may deem advisable to establish in connection with the retirement of such revenue bonds or the maintenance of the project and all incidental expenses incurred in issuing such revenue bonds, and to secure payment of such revenue bonds as provided in the Act; and

WHEREAS, pursuant to and in accordance with the Act, the Supplemental Act, the Charter and this Indenture, the Issuer has agreed to issue and sell its Multifamily Housing Revenue Bonds (Bradley Ridge Apartments Project) Series 2025 (the “Bonds”) in the aggregate principal amount of \$[PAR] pursuant to this Indenture, and to use the proceeds to be derived from the sale thereof to make a loan (the “Loan”) to BRADLEY RIDGE APARTMENTS LP, a Colorado limited partnership (the “Borrower”) pursuant to the Loan Agreement dated as of [_____] 1, 2025 (the “Loan Agreement”) by and between the Issuer and the Borrower to assist in the financing of the acquisition, rehabilitation, renovation, construction, development and equipping of an approximately 336-unit multifamily rental housing development known as Bradley Ridge Apartments, together with any functionally related and subordinate facilities, located at the [southwest corner of Bradley Ridge Drive and Bradley Landing Boulevard, Colorado Springs, Colorado 80925] (the “Project”); and

WHEREAS, to evidence its obligation to repay the Loan, the Borrower will execute and deliver the Note to the Issuer; and

WHEREAS, the Bonds will be secured by this Indenture, and the Issuer is authorized to execute and deliver this Indenture and to do or cause to be done all acts provided or required herein to be performed on its part; and

WHEREAS, all acts and conditions required to happen, exist and be performed precedent to and concurrent with the issuance of the Bonds and the execution and delivery of this Indenture have happened, exist and have been performed, or at the delivery of the Bonds will exist, will have happened and will have been performed (i) to make the Bonds, when issued, delivered and authenticated, valid special, limited obligations of the Issuer in accordance with the terms thereof and hereof and (ii) to make this Indenture a valid and binding trust agreement for the security of the Bonds in accordance with its terms; and

WHEREAS, pursuant to that certain Forward Bond Purchase Agreement dated as of even date herewith (as more particularly defined herein, the “Forward Bond Purchase Agreement”), by and among the Borrower, JPMorgan Chase Bank, N.A., a national banking association organized and existing under the laws of the United States of America, as the construction lender (in such capacity, the “Construction Lender”), the Issuer, the Trustee, and JPMorgan Chase Bank, N.A., a national banking association organized and existing under the laws of the United States of America, as the purchaser of the Permanent Period Bonds (in such capacity, the “Permanent Period Holder”), has agreed, subject to the satisfaction of the terms and conditions set forth therein on or before the Initial Mandatory Tender Date, to purchase up to \$[] in principal amount of the Bonds from the Issuer (subject to the conversion thereof to the below-referenced Permanent Period Bonds as a condition to such purchase); and

WHEREAS, if the Conversion Conditions are satisfied on or before the Initial Mandatory Tender Date, Conversion will occur and, on such Conversion Date, (i) the Bonds shall be subject to Mandatory Tender in accordance with Section 3.02 hereof, (ii) the Purchase Price of the Bonds shall be paid with amounts on deposit in the Collateral Fund (and other Eligible Funds hereunder), (iii) a portion of the principal amount of the Bonds shall be cancelled in order that the principal amount outstanding thereafter equals the Permanent Loan Amount (as determined by the Permanent Period Holder at such time), (iv) the Bonds shall be removed from the Book-Entry System and converted to physical Permanent Period Bonds (in the form attached to the Permanent Period Indenture attached to the Forward Bond Purchase Agreement) which shall be purchased by the Permanent Period Holder, (v) the Permanent Period Indenture attached to the Forward Bond Purchase Agreement as Exhibit C and Permanent Period Loan Agreement attached to the Forward Bond Purchase Agreement as Exhibit D shall be delivered by the respective parties and become effective and shall supersede this Indenture and the Loan Agreement, respectively, (vi) the proceeds of the Permanent Period Holder Purchase Price, along with other funds of the Borrower, shall be deposited into the Construction Loan Prepayment Fund, and (vii) the Construction Loan shall be paid in full and all security related to the Construction Loan shall be released or if required by the Permanent Period Holder assigned to the Permanent Period Holder or the Trustee, in its capacity as trustee under the Permanent Period Indenture. If the Conversion Conditions are not satisfied on or before the Initial Mandatory Tender Date, the Permanent Period Holder will not have any obligation with respect to the purchase of the Permanent Period Bonds.

WHEREAS, in order to assure compliance with Sections 103 and 142 through 150 of the Code, the Issuer and the Borrower have entered into their respective Tax Certificate, and the Issuer

and the Borrower have entered into the Regulatory Agreement, each of which sets forth various certifications, representations, and covenants relating to the Federal Tax Status of the Bonds; and

WHEREAS, the Trustee has accepted the trusts created by this Indenture, and in evidence thereof has joined in the execution hereof.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that to secure the payment of Bond Service Charges on the Bonds according to their true intent and meaning, to secure the performance and observance of all of the covenants, agreements, obligations and conditions contained therein and herein, and to declare the terms and conditions upon and subject to which the Bonds are and are intended to be issued, held, secured and enforced, and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Bonds by the Holders, and for other good and valuable consideration, the receipt of which is acknowledged, the Issuer has executed and delivered this Indenture and absolutely assigns hereby to the Trustee, and to its successors in trust, and its and their assigns, without recourse, all right, title and interest of the Issuer in and to (i) the Revenues, including, without limitation, all Loan Payments, Collateral Payments and other amounts receivable by or on behalf of the Issuer under the Loan Agreement in respect of repayment of the Loan other than amounts received by the Issuer with respect to Reserved Rights, (ii) the Special Funds, including all accounts in those Funds and all money deposited therein and the investment earnings on such money, (iii) the proceeds derived from the sale of the Bonds, and any securities in which money in the Special Funds is invested, and (except for money in the Construction Loan Prepayment Fund, the Rebate Fund or otherwise required to be rebated to the United States of America under the Code) the proceeds derived therefrom, and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind pledged, assigned or transferred, without recourse, as and for additional security hereunder by the Issuer or by anyone on its behalf, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of this Indenture, (iv) the Note and (v) the Loan Agreement, except for the Reserved Rights (the foregoing collectively referred to as the "Trust Estate"),

TO HAVE AND TO HOLD unto the Trustee and its successors in that trust and its and their assigns forever;

BUT IN TRUST, NEVERTHELESS, and subject to the provisions hereof,

(a) except as provided otherwise herein, for the equal and proportionate benefit, security and protection of all present and future Holders of the Bonds issued or to be issued under and secured by this Indenture,

(b) for the enforcement of the payment of the Bond Service Charges, when payable, according to the true intent and meaning thereof and of this Indenture, and

(c) to secure the performance and observance of and compliance with the covenants, agreements, obligations, terms and conditions of this Indenture,

in each case, without preference, priority or distinction, as to lien or otherwise, of any one Bond over any other by reason of designation, number, date of the Bonds or of authorization, issuance,

sale, execution, authentication, delivery or maturity thereof, or otherwise, so that each Bond and all Bonds shall have the same right, lien and privilege under this Indenture and shall be secured equally and ratably hereby, it being intended that the lien and security of this Indenture shall take effect from the date hereof, without regard to the date of the actual issue, sale or disposition of the Bonds, as though upon that date all of the Bonds were actually issued, sold and delivered to purchasers for value; provided, however, that

(i) if the principal of the Bonds and the interest due or to become due thereon shall be well and truly paid, at the times and in the manner to which reference is made in the Bonds, according to the true intent and meaning thereof, or the outstanding Bonds shall have been paid and discharged in accordance with Article VIII hereof, and

(ii) if all of the covenants, agreements, obligations, terms and conditions of the Issuer under this Indenture shall have been kept, performed and observed and there shall have been paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof,

this Indenture and the rights assigned hereby shall cease, determine and be void, except as provided in Section 8.03 hereof with respect to the survival of certain provisions hereof, which surviving provisions shall be and remain in full force and effect.

It is declared that all Bonds issued hereunder and secured hereby are to be issued, authenticated and delivered, and that the Trust Estate assigned hereby is to be dealt with and disposed of under, upon and subject to, the terms, conditions, stipulations, covenants, agreements, obligations, trusts, uses and purposes provided in this Indenture. The Issuer has agreed and covenanted, and agrees and covenants with the Trustee and with each and all Holders, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the words and terms defined elsewhere in this Indenture or by reference to the Loan Agreement, unless the context or use clearly indicates another meaning or intent:

“*Act*” means the County and Municipality Development Revenue Bond Act, constituting Article 3, Title 29, Colorado Revised Statutes, as amended.

“*Act of Bankruptcy*” means written notice to the Trustee that the Borrower has become insolvent or has failed to pay its debts generally as such debts become due or has admitted in writing its inability to pay any of its material indebtedness or has consented to or has petitioned or applied to any court or other legal authority for the appointment of a receiver, liquidator, trustee or similar official for itself or for all or any substantial part of its properties or assets or that any such trustee, receiver, liquidator or similar official has been appointed or that a petition in bankruptcy, insolvency, reorganization or liquidation proceedings (or similar proceedings) has been instituted by or against the Borrower; provided that, if in the case of an involuntary proceeding, such proceeding is not dismissed within 90 days after commencement thereof.

“Additional Payments” means the amounts required to be paid by the Borrower pursuant to the provisions of Section 4.04 of the Loan Agreement.

“Administrative Expenses” means the Ordinary Trustee Fees and Expenses, the Dissemination Agent Fee, the Issuer Administrative Fee and the Rebate Analyst’s Fee.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” when used with respect to any specified Person means the power to direct the policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Authorized Borrower Representative” means any person who, at any time and from time to time, is designated as the Borrower’s authorized representative by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by any authorized partner of the Borrower, which certificate may designate an alternate or alternates. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Borrower Representative is an Authorized Borrower Representative until such time as the Borrower files with it (with a copy to the Issuer) a written certificate revoking such person’s authority to act in such capacity. The initial Authorized Borrower Representatives are Jeremy Bronfman, Hanna Jamar, Russell Condas and Tyler Congas, as officers of the General Partner.

“Authorized Denomination” means \$5,000, or any integral multiple of \$1,000 in excess thereof.

“Authorized Officer” means the Mayor, the Chief Financial Officer, the City Attorney, and any other officer or employee of the Issuer, or such other person at the time designated to act on behalf of the Issuer as evidenced by a written certificate furnished to the Trustee and the Borrower containing the specimen signature of such person and signed on behalf of the Issuer by an Authorized Officer. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Officer. The Trustee may conclusively presume that a person designated in a written certificate filed with it as an Authorized Officer is an Authorized Officer until such times as such provider files with it a written certificate identifying a different person or person to act in such capacity.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as in effect now and in the future, or any successor statute.

“Beneficial Owner” means with respect to the Bonds, the Person owning the Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Trustee. For purposes of this Indenture, however, the Beneficial Owners shall possess all rights as the registered Owners to direct the actions of the Trustee, execute consents, waivers, amendments, give indemnities and otherwise give directions and approve actions taken by the Trustee. The Trustee will verify the identity of the Beneficial Owners of the securities by any reasonable manner the Trustee deems satisfactory.

“Beneficial Ownership Interest” means the right to receive payments and notices with respect to the Bonds held in a Book-Entry System.

“Bond Counsel” means an attorney, or firm of attorneys, nationally recognized and experienced in legal work relating to the financing of facilities through the issuance of tax-exempt bonds, notes, obligations or other securities, selected by the Issuer, and initially means Kutak Rock LLP.

“Bond Documents” means, collectively, this Indenture, the Loan Agreement, the Note, the Regulatory Agreement, and the Tax Certificate.

“Bond Fund” means the Bond Fund created in Section 4.01 hereof.

“Bond Payment Date” means each Interest Payment Date and any other date Bond Service Charges on the Bonds are due, whether at maturity, Mandatory Tender, upon redemption or acceleration or otherwise.

“Bond Ordinance” means the ordinance adopted by the Governing Body of the Issuer authorizing and approving the issuance and sale of the Bonds and the execution and delivery of this Indenture, the Loan Agreement and the other Bond Documents to which the Issuer is a party.

“Bond Purchase Agreement” means the Bond Purchase Agreement, dated [____], 2025, among the Underwriter, the Issuer and the Borrower.

“Bonds” means the Issuer’s Multifamily Housing Revenue Bonds (Bradley Ridge Apartments Project) Series 2025 authorized in the Bond Ordinance and Section 2.01 hereof in an aggregate principal amount not to exceed \$[PAR].

“Bond Service Charges” means, for any period or payable at any time, the principal of and interest on the Bonds for that period or payable at that time whether due at maturity, Mandatory Tender or upon redemption or acceleration.

“Book-Entry Form” or *“Book-Entry System”* means, with respect to the Bonds, a form or system, as applicable, under which (a) physical Bond certificates in fully registered form are issued only to a Depository or its nominee, with the physical Bond certificates “immobilized” in the custody of the Depository, and (b) the ownership of book-entry interests in Bonds and Bond Service Charges thereon may be transferred only through a book-entry made by others than the Issuer or the Trustee. The records maintained by others than the Issuer or the Trustee constitute the written record that identifies the owners, and records the transfer, of book-entry interests in those Bonds and Bond Service Charges thereon.

“Borrower” means BRADLEY RIDGE APARTMENTS LP, a Colorado limited partnership, and its authorized successors and assigns.

“Borrower Documents” means the Financing Documents to which the Borrower is a party.

“Business Day” means a day other than a Saturday or a Sunday or any other day on which (a) banking institutions or trust companies in the City of New York, Denver, Colorado, or in the

city in which the Designated Office of the Trustee is located is authorized or obligated by law, regulation or executive order to be closed, or (b) the New York Stock Exchange is closed. Unless specifically referred to herein as a “Business Day,” all references to “day” or “days” in this Indenture shall be to calendar days.

“*Cash Flow Projection*” means a cash flow projection prepared by an Independent firm of certified public accountants, a financial advisory firm, a law firm or other Independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by the Borrower and acceptable to the Rating Agency, establishing, to the satisfaction of the Rating Agency, the sufficiency of (a) the amount on deposit in the Project Fund and the Collateral Fund, (b) projected investment income to accrue on amounts on deposit in the Project Fund and Collateral Fund during the applicable period and (c) any additional Eligible Funds delivered to the Trustee by or on behalf of the Borrower to pay Bond Service Charges and Administrative Expenses, in each instance, when due and payable, including, but not limited to, any cash flow projection prepared in connection with (i) the initial issuance and delivery of the Bonds, (ii) a proposed remarketing of the Bonds, as provided in Section 3.07 hereof, (iii) a release of Eligible Funds from the Negative Arbitrage Account as provided in Section 4.03 hereof, (iv) the liquidation of Eligible Investments pursuant to a Mandatory Tender or an optional redemption of the Bonds as provided in Sections 3.01 or 3.02 hereof, respectively, (v) the sale or other disposition by the Trustee of Eligible Investments prior to maturity at a price below par in connection with an optional redemption prior to a Mandatory Tender Date, as described in Section 4.10 hereof, or (vi) the purchase, sale or exchange of Eligible Investments as provided in Section 4.10 hereof.

“*Charter*” means the Home Rule Charter of the Issuer, as amended.

“*Closing Date*” means [____], 2025, the date of issuance and delivery of the Bonds.

“*Code*” means the Internal Revenue Code of 1986, as amended and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

“*Collateral Fund*” means the Collateral Fund created in Section 4.01 hereof.

“*Collateral Payments*” means Eligible Funds paid to the Trustee for the benefit of the Borrower with respect to the repayment of the Loan for deposit into the Collateral Fund pursuant to Section 4.02 of the Loan Agreement and Section 4.06 hereof as a prerequisite to the advance of money in the Project Fund.

“*Completion Certificate*” means the certificate attached as Exhibit C to the Loan Agreement.

“*Completion Date*” means the date of completion of the Project evidenced in accordance with the requirements of Section 3.08 of the Loan Agreement.

“*Confirmation of Rating*” means a written confirmation (or, at the option of the Rating Agency, a new rating with respect to the Bonds), obtained prior to the event or action under scrutiny, from the Rating Agency to the effect that, following the proposed action or event under scrutiny at the time such confirmation is sought, the rating of the Rating Agency with respect to all Bonds then outstanding and then rated by the Rating Agency will not be downgraded, suspended, qualified or withdrawn as a result of such action or event.

“*Construction Disbursement Agreement*” means the Disbursing Agreement by and among the Construction Lender, the Trustee, the Borrower and Royal Abstract National LLC.

“*Construction Lender*” means JPMorgan Chase Bank, N.A., a national banking association organized and existing under the laws of the United States of America, and its successors and assigns.

“*Construction Loan*” means the taxable construction loan to be made by the Construction Lender to the Borrower in the principal amount of up to \$[_____].

“*Construction Loan Documents*” means the deed of trust, the promissory note, and all other documents required by the Construction Lender in connection with the Construction Loan.

“*Construction Loan Prepayment Fund*” means the Construction Loan Prepayment Fund created in Section 4.01 hereof.

“*Continuing Disclosure Agreement*” means the Continuing Disclosure Agreement dated as of [_____] 1, 2025, between the Borrower and the Dissemination Agent, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“*Controlling Holders*” means in the case of consent or direction to be given hereunder, the Holders of the majority in aggregate principal amount of the outstanding Bonds.

“*Conversion*” means the sale of the Permanent Period Bonds to the Permanent Period Holder on the Conversion Date.

“*Conversion Conditions*” shall mean the Conditions to Conversion as defined in the Forward Bond Purchase Agreement.

“*Conversion Date*” means the date the Permanent Period Holder purchases the Permanent Period Bonds upon the satisfaction or waiver of the Conversion Conditions; provided, however, the Conversion Date shall occur no earlier than [_____] 20[___].

“*Costs of Issuance*” means costs to the extent incurred in connection with, and allocable to, the issuance of the Bonds within the meaning of Section 147(g) of the Code, as further described in the Tax Certificate. For example, Costs of Issuance include the following costs, but only to the extent incurred in connection with, and allocable to, the borrowing: underwriters’ spread; counsel fees; financial advisory fees; fees paid to an organization to evaluate the credit quality of an issue; trustee fees; paying agent fees; bond registrar, certification and authentication fees; accounting fees; printing costs for bonds and offering documents; public approval process

costs; engineering and feasibility study costs; guarantee fees, other than qualified guarantees; and similar costs.

“*Costs of Issuance Fund*” means the Costs of Issuance Fund created in Section 4.01 hereof.

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

“*Default*” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“*Depository*” means, with respect to the Bonds, DTC, until a successor Depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter, Depository shall mean the successor Depository. Any Depository shall be a securities depository that is a clearing agency under a federal law operating and maintaining, with its participants or otherwise, a Book-Entry System to record ownership of book-entry interests in the Bonds and to effect transfers of book-entry interests in the Bonds.

“*Designated Office*” means the office of the Trustee at the Notice Address set forth in this Indenture or, solely for purposes of presentation for transfer, payment or exchange of the Bonds, the designated operations office of the Trustee at [____], Denver, Colorado [____], or at such other address as may be specified in writing by the Trustee, as provided in Section 11.03 hereof.

“*Dissemination Agent*” means Zions Bancorporation, National Association, or any successor, as Dissemination Agent under the Continuing Disclosure Agreement.

“*Dissemination Agent Fee*” means the fee payable to the Dissemination Agent as compensation for its services and the reimbursement to the Dissemination Agent of its expenses in performing its obligations under the Continuing Disclosure Agreement.

“*DTC*” means The Depository Trust Company (a limited purpose trust company), New York, New York, and its successors or assigns.

“*DTC Participant*” means any participant contracting with DTC under its Book-Entry System and includes securities brokers and dealers, banks and trust companies and clearing corporations.

“*Electronic Means*” means an email or facsimile transmission, or any other electronic means of communication approved in writing by an Authorized Officer of the Issuer or an Authorized Person of the Borrower; provided, that if a sender receives notice that the email or facsimile transmission is undeliverable, notice must be sent as otherwise required by Section 11.03 hereof.

“*Eligible Funds*” means, as of any date of determination, any of:

(a) the proceeds of the Bonds (including any additional amount paid by the Underwriter to the Trustee as the purchase price of the Bonds);

(b) money received by the Trustee constituting proceeds of the Construction Loan [and proceeds of the Subordinate Debt];

(c) remarketing proceeds of the Bonds (including any additional amount paid by the Remarketing Agent to the Trustee as the remarketing price of the Bonds) received from the Remarketing Agent or any purchaser of Bonds (other than funds provided by the Borrower, the Issuer or any Affiliate of either the Borrower or the Issuer);

(d) any other amounts, including the proceeds of refunding bonds, for which the Trustee has received an Opinion of Counsel (which opinion may assume that no Holder or Beneficial Owner of Bonds is an “insider” within the meaning of the Bankruptcy Code) to the effect that (A) the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court and (B) payments of such amounts to Holders would not be avoidable as preferential payments under Section 547 of the Bankruptcy Code should the Issuer or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;

(e) the proceeds of draws by the Trustee on any letter of credit provided to the Trustee for the benefit of the Borrower;

(f) any payments made by the Borrower and held by the Trustee for a continuous period of 123 days, provided that no Act of Bankruptcy has occurred during such period;

(g) the proceeds of the Permanent Period Holder Purchase Price received from the Permanent Period Holder in connection with the purchase of the Permanent Period Bonds on the Conversion Date; and

(h) investment income derived from the investment of the money described in (a) through (g) above.

“*Eligible Investments*” means, subject to the provisions of Section 4.10 hereof, any of the following investments that mature (or are redeemable at the option of the Trustee without penalty) at such time or times as to enable timely disbursements to be made from the fund in which such investment is held or allocated in accordance with the terms of this Indenture, to the extent the same are at the time legal for investment of the Issuer’s funds (written direction of the Issuer or the Authorized Borrower to invest funds shall be conclusive evidence that the directed investment is at the time a legal investment of the Issuer’s funds):

(a) Government Obligations; and

(b) Shares or units in any money market mutual fund rated “Aaa-mf” by Moody’s (or the equivalent Highest Rating Category given by the Rating Agency for that general category of security), including mutual funds of the Trustee or its affiliates or for which the Trustee or an affiliate thereof serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor that are registered under the Investment Company Act of 1940, as amended, whose investment

portfolio consists solely of direct obligations of the government of the United States of America.

“*Event of Default*” means (a) with respect to this Indenture, any of the events described as an Event of Default in Section 6.01 hereof and (b) with respect to the Loan Agreement, any of the events described as an Event of Default in Section 7.01 of the Loan Agreement.

“*Expense Fund*” means the Expense Fund created in Section 4.01 hereof.

“*Extension Payment*” means the amount due, if any, in connection with the change or extension of the Mandatory Tender Date pursuant to a remarketing as provided in Sections 3.06 and 3.07 hereof, and (a) which shall be determined by a Cash Flow Projection approved in writing by the Rating Agency and (b) must consist of Eligible Funds.

“*Extraordinary Issuer Fees and Expenses*” means the fees, expenses and disbursements payable to the Issuer under this Indenture or any other Financing Document for Extraordinary Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by the Issuer, Bond Counsel, and counsel to the Issuer which are to be paid by the Borrower pursuant to Section 4.04 of the Loan Agreement.

“*Extraordinary Services*” and “*Extraordinary Expenses*” mean all services rendered and all reasonable expenses properly incurred by the Trustee or the Issuer under this Indenture, the Loan Agreement or any other Financing Document, other than Ordinary Services and Ordinary Expenses. Extraordinary Services and Extraordinary Expenses shall specifically include but are not limited to services rendered or expenses incurred by the Trustee or the Issuer in connection with, or in contemplation of, a Default (subject to the expiration of any applicable cure, notice or grace periods) or an Event of Default.

“*Extraordinary Trustee Fees and Expenses*” means the reasonable expenses and disbursements payable to the Trustee under this Indenture for Extraordinary Services and Extraordinary Expenses, including extraordinary fees, costs and expenses incurred by the Trustee and the Trustee’s counsel which are to be paid by the Borrower pursuant to Section 4.04 of the Loan Agreement.

“*Favorable Opinion of Bond Counsel*” means, with respect to any action, or omission of an action, the taking or omission of which requires such an opinion, an Opinion of Bond Counsel to the effect that such action will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes (subject to the inclusion of any exceptions contained in the opinion delivered upon the original issuance of the Bonds or other customary exceptions acceptable to the recipient(s) thereof).

“*Federal Tax Status*” means, as to the Bonds, the status of the interest on the Bonds as excludable from gross income for federal income tax purposes (except on any Bond during any period during which it is held by a “substantial user” or “related person” to such a substantial user within the meaning of Section 147(a) of the Code).

“*Financing Documents*” means this Indenture, the Bonds (substantially in the form attached hereto as Exhibit A), the Loan Agreement, the Note, the Tax Certificate, the Regulatory

Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Remarketing Agreement, the Forward Bond Purchase Agreement and any other instrument or document executed in connection with the Bonds, together with all modifications, extensions, renewals and replacements thereof, but excluding the Construction Loan Documents and any secondary financing documents, and any documents relating to low income housing tax credit equity.

“*Force Majeure*” means any of the causes, circumstances or events described as constituting Force Majeure in 5.02(v) of this Indenture.

“*Forward Bond Purchase Agreement*” has the meaning set forth in the recitals hereto.

“*General Partner*” means Bradley Ridge GP LLC, a Delaware limited liability company, and its permitted successors and assigns.

“*Governing Body*” means the City Council of the Issuer.

“*Government*” means the government of the United States of America, the government of any other nation, any political subdivision of the United States of America or any other nation (including, without limitation, any state, territory, federal district, municipality or possession) and any department, agency or instrumentality thereof; and “*Governmental*” shall mean of, by, or pertaining to any Government.

“*Government Obligations*” means (i) noncallable, non-redeemable direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged, and (ii) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (i) or (ii) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

“*Highest Rating Category*” means, with respect to an Eligible Investment, that the Eligible Investment is rated by a Rating Agency in the highest rating given by that Rating Agency for that Rating Category, provided that such rating shall include but not be below “Aaa” or “Aaa/VMIG 1” if rated by Moody’s or “A-1+” or “AA+” if rated by S&P.

“*Holder*” or “*Holder of a Bond*” means the Person in whose name a Bond is registered on the Register.

“*Indenture*” means this Trust Indenture, dated as of [_____] 1, 2025, between the Issuer and the Trustee, as amended or supplemented from time to time.

“*Independent*” when used with respect to a specified Person means such Person has no specific financial interest direct or indirect in the Borrower or any Affiliate of the Borrower and in the case of an individual is not a director, trustee, officer, partner, member or employee of the Borrower or any Affiliate of the Borrower and in the case of an entity, does not have a partner,

director, trustee, officer, member or employee who is a director, trustee, partner, member, officer or employee of any partner or member of the Borrower or any Affiliate of the Borrower.

“Initial Interest Rate” means []% per annum.

“Initial Mandatory Tender Date” means the earlier of (i) the Conversion Date or (ii) [], 20[].

“Initial Optional Redemption Date” means [], 20[], or any Business Day thereafter.

“Interest Payment Date” means (a) each [] 1] and [] 1] of each year, beginning [] 1], 20[25], (b) each Mandatory Tender Date and (c) each Redemption Date. In the case of a payment of defaulted interest, “Interest Payment Date” also means the date of such payment established pursuant to Section 2.05 hereof.

“Interest Period” means, initially, the period from the Closing Date to and including [] 1], 20[25], and thereafter, the period commencing on each succeeding Interest Payment Date and ending on the day preceding the next Interest Payment Date.

“Interest Rate” means the Initial Interest Rate to, but not including, the Initial Mandatory Tender Date, and thereafter the applicable Remarketing Rate; provided, however, commencing on the Conversion Date, the Interest Rate shall be as set forth in the Permanent Period Indenture.

“Investor Limited Partner” means, [], and its permitted successors and assigns.

“Issuance Fee” means a fee equal to 1.2% of the initial aggregate principal amount of the Bonds], which is payable on the Issue Date to the Issuer from funds provided by or on behalf of the Borrower.

“Issue Date” means [], 2025, the date on which the proceeds of the initial draw of the Bonds are delivered to the Underwriter.

“Issuer” means the City of Colorado Springs, Colorado, a municipal corporation duly organized and existing as a home rule city under Article XX of the Constitution of the State of Colorado and the home rule charter of the City of Colorado Springs, Colorado.

“Issuer Administrative Fee” means, the annual fee payable to the Issuer in an amount equal to 0.10% of the outstanding principal amount of the Bonds, payable by the Borrower and remitted by the Trustee to the Issuer in advance on each April 1, commencing April 1, 2026.

“Issuer Documents” means the Financing Documents to which the Issuer is a party.

“Issuer Fees and Expenses” means, collectively, (i) the Issuance Fee, (ii) the Issuer Administrative Fee, and (iii) any other fees, charges, costs, advances, indemnities and expenses (including, without limitation, attorneys’ fees and expenses), whether out-of-pocket or internal, that may be incurred at any time by the Issuer hereunder or under or in connection with the Bond

Documents or the Bonds, or in connection with questions or other matters arising under such documents or in connection with any federal or state tax audit, or otherwise in connection with the Bonds or the Project.

“Issuer Indemnified Persons” means the Issuer and the County, and each of its respective past, present and future commissioners, officers, members, city council members, directors, trustees, counsel, attorneys, officials, employees, representatives and agents (and as to the Issuer, its counsel and attorneys, including Bond Counsel).

“Loan” means the loan by the Issuer to the Borrower of the proceeds received from the sale of the Bonds.

“Loan Agreement” means the Loan Agreement dated as of [_____] 1, 2025, between the Issuer and the Borrower, as amended or supplemented from time to time and assigned by the Issuer to the Trustee, except for the Reserved Rights.

“Loan Payments” means the amounts required to be paid by the Borrower in repayment of the Loan pursuant to the provisions of the Note and Section 4.01 of the Loan Agreement.

“Local Time” means Mountain Time (daylight or standard, as applicable) in the State of Colorado.

“Mandatory Tender” means a tender of the Bonds required by Section 3.02 hereof.

“Mandatory Tender Date” means (i) the Initial Mandatory Tender Date, (ii) the Conversion Date, and (iii) if the outstanding Bonds are remarketed pursuant to Article III hereof for a Remarketing Period that does not extend to the final maturity of the Bonds, the Remarketing Date following such Remarketing Period, but in no case later than [_____] 20[____].

“Maturity Date” means [_____] 1, 20[____].

“Maximum Interest Rate” means the interest rate equal to the lesser of: (a) [____]% per annum, or (b) the maximum interest rate per annum permitted by applicable State law.

“Moody’s” means Moody’s Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it shall for any reason no longer perform the functions of a securities rating agency, then any other nationally recognized rating agency designated by the Borrower and acceptable to the Remarketing Agent.

“Negative Arbitrage Account” means the Negative Arbitrage Account of the Bond Fund created in Section 4.01 hereof.

“Note” means the promissory note of the Borrower, dated as of even date with the Bonds initially issued, in the form attached as Exhibit A to the Loan Agreement and in the principal amount of \$[PAR], evidencing the obligation of the Borrower to make Loan Payments and any amendments or modifications thereto.

“Notice Address” means:

To the Issuer:	City of Colorado Springs, Colorado 30 South Nevada Avenue, Suite 202 Colorado Springs, Colorado 80903 Attention: Chief Financial Officer
With a copy to Bond Counsel:	Kutak Rock LLP 2001 16th Street, Suite 1800 Denver, Colorado 80202 Attention: John H.T. Bales, Esq. Email: John.Bales@kutakrock.com
To the Trustee:	Zions Bancorporation, National Association 111 W. WashingtonChicago, IL 60602Attention: Corporate Trust Telephone: 312-763-4257 Email: robert.cafarelli@zionsbancorp.com
To the Construction Lender:	JPMorgan Chase Bank, N.A. c/o Community Development Banking 1301 Canyon Boulevard Boulder, Colorado 80302 Attention: [_____] Email Address: [_____]
With a copy to:	Kutak Rock LLP 2001 16th Street, Suite 1800 Denver, Colorado 80202 Attention: Jex Lawrence, Esq. Email: Jex.Lawerence@kutakrock.com
To the Borrower:	Bradley Ridge Apartments LP c/o Lincoln Avenue Communities 401 Wilshire Blvd., 11 th Floor Santa Monica, CA 90401 Attention: Russell Condas and Ben Taylor Email: rcondas@lincolnavenue.com; btaylor@lincolnavenue.com

With a copy to:

with a copy to

680 5th Avenue, 17th Floor
New York, NY 10019
Attention: Hanna Jamar
Email: hanna@lincolnavenue.com

With a copy to:

Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 3500
Minneapolis, MN 55402
Attention: Joseph Phelps
Email: jphelps@winthrop.com

To the Investor Limited Partner:

[]
[]
[]
Attention: []
Phone: []
Email: []

With a copy to:

[]
[]
[]
Attention: []
Phone: []
Email: []

To the Special Limited Partner:

[]
[]
[]
Attention: []
Phone: []
Email: []

With a copy to:

[]
[]
[]
Attention: []
Phone: []
Email: []

To the Rating Agency:

Moody's Investors Service, Inc.
16th Floor
7 World Trade Center
250 Greenwich Street
New York, NY 10007
Attention: Public Finance
Group-Housing Team
Email: Housing@moodys.com

To the Underwriter:

Stifel, Nicolaus & Company,
Incorporated
1401 Lawrence Street, Suite 900
Denver, CO 80202
Attention: Brad Edgar
Email: edgarj@stifel.com

With a copy to:

Tiber Hudson LLC
1900 M Street NW, 3rd Floor
Washington, DC 20036
Attention: Kent S. Neumann
Email: kent@tiberhudson.com

To the Remarketing Agent:

Stifel, Nicolaus & Company,
Incorporated
1401 Lawrence Street, Suite 900
Denver, CO 80202
Attention: Brad Edgar
Email: edgarj@stifel.com

With a copy to:

Tiber Hudson LLC
1900 M Street NW, 3rd Floor
Washington, DC 20036
Attention: Kent S. Neumann
Email: kent@tiberhudson.com

or such additional or different address, notice of which is given under Section 11.03 hereof.

“Official Statement” means the Official Statement dated [____], 2025, relating to the Bonds.

“Opinion of Bond Counsel” means an opinion of Bond Counsel.

“Opinion of Counsel” means an opinion from an attorney or firm of attorneys, acceptable to the Issuer and the Trustee, with experience in the matters to be covered in the opinion.

“*Ordinary Services*” and “*Ordinary Expenses*” mean those services normally rendered, and those expenses normally incurred, by a trustee or an issuer under instruments similar to this Indenture.

“*Ordinary Trustee Fees and Expenses*” means amounts due to the Trustee for the Ordinary Services and the Ordinary Expenses of the Trustee incurred in connection with its duties under this Indenture, payable annually in advance on the Closing Date of \$4,000 and on each anniversary thereafter while the Bonds are outstanding in an annual amount equal to \$3,000; provided, however, the amount of Ordinary Trustee Fees and Expenses payable under this Indenture is limited to money withdrawn from the Costs of Issuance Fund and the Expense Fund and the Borrower will be responsible to pay the remaining amount of the Ordinary Trustee Fees and Expenses pursuant to Section 4.04 of the Loan Agreement. In addition, all amounts due to the Trustee for Extraordinary Services and all Extraordinary Expenses of the Trustee will be paid directly by the Borrower pursuant to Section 4.04 of the Loan Agreement.

“*Organizational Documents*” means the [Amended and Restated Limited Partnership Agreement] of the Borrower, as it may be amended from time to time.

“*Outstanding Bonds*,” “*Bonds outstanding*” or “*outstanding*” as applied to Bonds mean, as of the applicable date, all Bonds which have been authenticated and delivered, or which are being delivered by the Trustee under this Indenture, except:

- (a) Bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment on or prior to that date;
- (b) Bonds, or the portion thereof, for the payment or purchase for cancellation of which sufficient money has been deposited and credited with the Trustee on or prior to that date for that purpose (whether upon or prior to the maturity of those Bonds);
- (c) Bonds, or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of this Indenture; and
- (d) Bonds in lieu of which others have been authenticated under Section 2.07 of this Indenture.

“*Permanent Loan Amount*” means the final amount of the Permanent Loan (as defined in the Forward Bond Purchase Agreement), which amount is to be determined as of the Conversion Date in accordance with the Fannie Mae Commitment (as defined in the Forward Bond Purchase Agreement) and shall not exceed the Maximum Permanent Loan Amount set forth in the Forward Bond Purchase Agreement.

“*Permanent Period Bonds*” means the bonds in the form attached as Exhibit A to the Permanent Period Indenture, which Permanent Period Bonds shall be executed, delivered and become effective on the Conversion Date.

“Permanent Period Holder” shall mean the JPMorgan Chase Bank, N.A., a national banking association organized and existing under the laws of the United States of America, as purchaser of the Permanent Period Bonds, and its successors and assigns.

“Permanent Period Holder Purchase Price” means an amount equal to the Permanent Loan Amount to be funded by the Permanent Period Holder on the Conversion Date.

“Permanent Period Indenture” means the Trust Indenture attached to the Forward Bond Purchase Agreement as Exhibit C, which Permanent Period Indenture shall be executed, delivered and become effective on the Conversion Date.

“Permanent Period Loan Agreement” means the Financing Agreement attached to the Forward Bond Purchase Agreement as Exhibit D, which Permanent Period Loan Agreement shall be executed, delivered, and become effective on the Conversion Date.

“Permitted Liens” means liens relating to the Project permitted by the Construction Loan Documents.

“Person” or words importing persons mean firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, limited liability companies, public or governmental bodies, other legal entities and natural persons.

“Plans and Specifications” means the plans and specifications describing the Project as of the Closing Date and as they may be changed as provided in the Loan Agreement.

“Project” means the 336-unit multifamily rental housing development known or to be known as Bradley Ridge Apartments, together with any functionally related and subordinate facilities, located at the [southwest corner of Bradley Ridge Drive and Bradley Landing Boulevard, Colorado Springs, Colorado 80925].

“Project Costs” means the costs of the Project specified in Section 3.06 of the Loan Agreement (to the extent the same are capital in nature or otherwise permitted under the terms of the Tax Certificate).

“Project Fund” means the Project Fund created in Section 4.01 hereof.

“Purchase Price” has the meaning specified for such term in Section 3.02(a) hereof.

“Qualified Project Costs” means the actual costs incurred to acquire, rehabilitate, renovate, construct and equip the Project which (i) are or were incurred no early than 60 days prior to May 13, 2025 (i.e., the date of adoption of the declaration of official intent to issue bonds by the Issuer), (ii) are (a) chargeable to the Project’s capital account or would be so chargeable either with a proper election by the Borrower or but for a proper election by the Borrower to deduct such costs, within the meaning of Treasury Regulation Section 1.103-8(a)(1), and if charged or chargeable to the Project’s capital account are or would have been deducted only through an allowance for depreciation or (b) made for the acquisition of land, to the extent allowed in Section 147(c) of the Code and (iii) are made exclusively with respect to a “qualified residential rental project” within

the meaning of Section 142(d) of the Code and subject in all respects to the Tax Certificate or (iv) if the costs incurred to acquire, rehabilitate, renovate, construct and equip the Project were previously paid and are to be reimbursed with proceeds of the Loan such costs were (A) Costs of Issuance, (B) preliminary capital expenditures (within the meaning of United States Treasury Regulations Section 1.150-2(f)(2)) with respect to the Project (such as architectural, engineering and soil testing services) incurred before commencement of acquisition, rehabilitation, renovation or construction of the Project that do not exceed 20% of the issue price of the Bond (as defined in United States Treasury Regulations Section 1.148-1), or (C) were capital expenditures with respect to the Project that are reimbursed no later than 18 months after the later of the date the expenditure was paid or the date the Project is placed in service (but no later than three years after the expenditure is paid).

“Rating Agency” means Moody’s, S&P or any other nationally recognized securities rating agency rating the Bonds, or such rating agency’s successors or assigns, and initially means Moody’s so long as Moody’s is rating the Bonds.

“Rating Category” means one of the rating categories of the Rating Agency for the specific type and duration of the applicable Eligible Investment.

“Rebate Amount” has the meaning specified for such term in the Tax Certificate.

“Rebate Analyst” means a certified public accountant, financial analyst or bond counsel, or any firm of the foregoing, or financial institution experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code, selected by the Issuer (and reasonably acceptable to the Borrower) and retained by the Borrower at the expense of the Borrower to make the rebate computations required under this Indenture and the Loan Agreement. Initially, the Rebate Analyst will be Tiber Hudson LLC.

“Rebate Analyst’s Fee” means the fee payable by the Borrower in the amounts, and at the times, agreed to by the Borrower and the Rebate Analyst.

“Rebate Fund” means the Rebate Fund created in Section 4.09 hereof.

“Redemption Date” means any date on which the Bonds are to be redeemed pursuant to this Indenture.

“Register” means the books kept and maintained by the Trustee for registration and transfer of Bonds pursuant to Section 2.06 hereof.

“Regular Record Date” means, with respect to any Bond, the fifteenth day of the calendar month next preceding each Interest Payment Date.

“Regulations” means the applicable proposed (if opted into by the Issuer at the direction of the Borrower), temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Regulatory Agreement” means the Tax Regulatory Agreement dated [____], 2025, among the Issuer, the Trustee and the Borrower, as amended or supplemented from time to time.

“Remarketing Agent” means initially, Stifel, Nicolaus & Company, Incorporated, and any successor Remarketing Agent that may be designated in accordance with Section 5.15 hereof.

“Remarketing Agreement” means the Remarketing Agreement dated as of [____] 1, 2025, between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

“Remarketing Date” means the date on which the Bonds initially are remarketed, and if the outstanding Bonds on such date or on any subsequent Remarketing Date are remarketed pursuant to this Indenture for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

“Remarketing Expenses” means the reasonable costs and expenses incurred by the Trustee and its counsel, the Remarketing Agent and its counsel, the Issuer and its counsel and financial advisor, and Bond Counsel in connection with the remarketing of the Bonds, including bond printing and registration costs, costs of funds advanced by the Remarketing Agent, registration and filing fees, rating agency fees, the costs of a Cash Flow Projection and other costs and expenses incurred in connection with or properly attributable to the remarketing of Bonds as certified to the Trustee by the Remarketing Agent in writing.

“Remarketing Notice Parties” means the Borrower, the Issuer, the Trustee, the Remarketing Agent, the Investor Limited Partner, the Special Limited Partner and the Rating Agency.

“Remarketing Period” means the period beginning on a Remarketing Date and ending on the last day of the term for which Bonds are remarketed pursuant to Section 3.07 hereof or the final Maturity Date of the Bonds, as applicable.

“Remarketing Proceeds Account” means the Remarketing Proceeds Account of the Bond Fund created in Section 4.01 hereof.

“Remarketing Rate” means the interest rate or rates established pursuant to Article III hereof and borne by the Bonds then outstanding from and including the Mandatory Tender Date to, but not including, the immediately succeeding Mandatory Tender Date or the Maturity Date, as applicable.

“Reserved Rights” of the Issuer means (a) all of the Issuer’s right, title and interest in and to all reimbursement, costs, expenses and indemnification; (b) the right of the Issuer to amounts payable to it pursuant to Section 4.04 of the Loan Agreement and the Regulatory Agreement, including but not limited to the Issuer Fee and Expenses, the Issuance Fee and the Issuer Administrative Fee; (c) all rights of the Issuer to receive any Rebate Amount; (d) all rights of the Issuer to give or receive notices, reports or other information, and to make determinations and grant approvals or consent hereunder and under the other Financing Documents; (e) all rights of the Issuer of access to the Project and documents related thereto and to specifically enforce the representations, warranties, covenants and agreements of the Borrower set forth in the Tax

Certificate and in the Regulatory Agreement; (f) any and all rights, remedies and limitations of liability of the Issuer set forth in this Indenture, the Loan Agreement, the Tax Certificate, the Regulatory Agreement or the Note, as applicable, regarding (1) the negotiability, registration and transfer of the Bonds, (2) the loss or destruction of the Bonds, (3) the limited liability of the Issuer as provided in the Act, this Indenture, the Loan Agreement, the Tax Certificate, the Regulatory Agreement or the Note, (4) the maintenance of insurance by the Borrower, (5) no liability of the Issuer to third parties, and (6) no warranties of suitability or merchantability by the Issuer; (g) all rights of the Issuer in connection with any amendment to or modification of this Indenture, the Loan Agreement, the Tax Certificate, the Regulatory Agreement, and the Note, (h) any and all limitations of the Issuer's liability and the Issuer's disclaimers of warranties set forth in this Indenture, the Tax Certificate, the Regulatory Agreement or the Loan Agreement, and the Issuer's right to inspect and audit the books, records and permits of the Borrower and the Project, and (i) all enforcement remedies with respect to the foregoing.

"Revenues" means (a) the Loan Payments, (b) the Collateral Payments, (c) all other money received or to be received by the Trustee in respect of repayment of the Loan, including without limitation, all money and investments in the Bond Fund, (d) any money and investments in the Project Fund and the Collateral Fund, and (e) all income and profit from the investment of the foregoing money. The term *"Revenues"* does not include any money or investments in the Rebate Fund, the Construction Loan Prepayment Fund, Additional Payments or other payments or amounts with respect to the Reserved Rights.

"S&P" means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, or if it shall for any reason no longer perform the functions of a securities rating agency, then any other nationally recognized rating agency designated by the Borrower and acceptable to the Underwriter.

"Special Funds" means, collectively, the Bond Fund, the Project Fund and the Collateral Fund, and any accounts therein, all as created in this Indenture.

"Special Limited Partner" means the Housing Authority of the City of Colorado Springs, Colorado, a Colorado housing authority, and its permitted successors and assigns.

"Special Record Date" means, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest or principal on that Bond.

"State" means the State of Colorado.

"Subordinate Debt" means the loan to the Borrower made by the [Pikes Peak Real Estate Foundation] in the original principal amount of \$2,000,000.

"Supplemental Act" means the Supplemental Public Securities Act, constituting Part 2, Article 57, Title 11, Colorado Revised Statutes, as amended.

"Supplemental Indenture" means any indenture supplemental to this Indenture entered into between the Issuer and the Trustee in accordance with Article VII hereof.

“*Tax Certificate*” means, together, the Federal Tax Exemption Certificates each dated as of the Closing Date, executed by the Issuer and the Borrower, as amended, supplemented or otherwise modified from time to time.

“*Tendered Bond*” means any Bond which has been tendered for purchase pursuant to a Mandatory Tender.

“*Trustee*” means Zions Bancorporation, National Association, a national banking association duly organized and existing under the laws of the United States of America, until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter, “*Trustee*” shall mean the successor Trustee.

“*Trustee Indemnified Persons*” means the Trustee and each and all of its past, present and future directors, officers, employees, attorneys, agents and advisers (including counsel).

“*Trust Estate*” means the property rights, money, securities and other amounts pledged and assigned to the Trustee hereunder pursuant to the Granting Clauses hereof. The term “*Trust Estate*” does not include the Reserved Rights.

“*Underwriter*” means Stifel, Nicolaus & Company, Incorporated.

“*Unredeemed Bonds*” means, on any Mandatory Tender Date, Bonds that are not scheduled to be redeemed pursuant to Section 3.01(a) hereof.

“*Untendered Bond*” has the meaning specified for such term in Section 3.07(b) hereof.

Section 1.02. Interpretation. Any reference herein to the Issuer, to the Governing Body, or to any commissioner, director, member or officer of either includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions. Any reference to a section or provision of the Constitution of the State, the Act or the Supplemental Act, or to a section, provision or chapter of any statute of the State or of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this paragraph, if it constitutes in any way an impairment of the rights or obligations of the Issuer, the Holders, the Trustee or the Borrower under the Bond Ordinance, the Bonds, the Financing Documents or any other instrument or document entered into in connection with any of the foregoing, including without limitation, any alteration of the obligation to pay Bond Service Charges in the amount and manner, at the times, and from the sources provided in the Bond Ordinance and this Indenture, except as permitted herein.

Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa. The terms “hereof,” “hereby,” “herein,” “hereto,” “hereunder,” “hereinafter” and similar terms refer to this Indenture; and the term “hereafter” means after, and the term “heretofore” means before, the date of this Indenture. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

References to the Bonds as “tax-exempt” or to the “tax-exempt status” of the Bonds are to the exclusion of interest on the Bonds (other than any portion of a Bond held by a “substantial user” of the Project or a “related person” within the meaning of Section 147 of the Code) from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

Section 1.03. Captions and Headings. The captions and headings in this Indenture are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

Section 1.04. Content of Certificates and Opinions. Every certificate or opinion provided for in this Indenture with respect to compliance with any provision hereof made or given by an Authorized Officer or an Authorized Borrower Representative may be based, insofar as it relates to legal or accounting matters, upon a certificate or opinion or representation given by counsel or an accountant, unless such Authorized Officer or Authorized Borrower Representative, as applicable, knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement is based is erroneous. Any such certificate or opinion made or given by counsel or an accountant may be based, insofar as it relates to factual matters with respect to which information is in the possession of the Issuer or the Borrower, as applicable, upon a certificate or opinion of or representation by an Authorized Officer or Authorized Borrower Representative, unless such counsel or accountant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such certificate, opinion or representation is based is erroneous. The same Authorized Officer or an Authorized Borrower Representative, or the same counsel or accountant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Indenture, but different officers, counsel or accountants may certify to different matters.

When any certificate or opinion is required by the express terms of this Indenture to be given by the Issuer on its own behalf, any such certificate or opinion made or given by an Authorized Officer (and in no event individually) may be based, (i) insofar as it relates to factual matters, upon a certificate of or representation by the Borrower, (ii) insofar as it relates to legal or accounting matters, upon a certificate or representation by counsel or an accountant, as the case may be, in each case under clauses (i) and (ii) without further investigation or inquiry by such Authorized Officer unless such Authorized Officer knows that the certificate or opinion with respect to the matters upon which such certificate or opinion may be based are erroneous in any material respect.

(End of Article I)

ARTICLE II

AUTHORIZATION AND TERMS OF BONDS

Section 2.01. Authorization and General Terms of Bonds.

(a) **Authorization of Bonds.** There is hereby authorized, established and created an issue of bonds of the Issuer to be known and designated as the “City of Colorado Springs, Colorado Multifamily Housing Revenue Bonds (Bradley Ridge Apartments Project) Series 2025.” No Bonds may be issued under the provisions of this Indenture except in accordance with this Article II. The total authorized principal amount of Bonds which may be issued under the provisions of this Indenture is \$[PAR].

(b) **General Terms.** The Bonds shall be in substantially the form as set forth in Exhibit A to this Indenture; shall be numbered consecutively from “R-1” upwards bearing numbers not then contemporaneously outstanding (in order of issuance) according to the records of the Trustee; shall be in Authorized Denominations; and shall be dated the Closing Date.

(c) **Registered Form.** All Bonds shall be in fully registered form, and, except as provided in Section 2.06 hereof, the Holder of a Bond shall be regarded as the absolute owner thereof for all purposes of this Indenture.

(d) **Further Details.** Each Bond shall be of a single maturity, unless the Trustee shall be directed to authenticate and deliver a Bond of more than one maturity.

Section 2.02. Maturity and Interest.

(a) **General.** The Bonds shall bear interest on the principal amount outstanding from the most recent date to which interest has been paid or duly provided for (or, if no interest has been paid or provided for, from the Closing Date), payable on each Interest Payment Date. The Bonds shall bear interest at the Interest Rate for each Interest Period as more specifically set forth hereinafter. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds shall mature on the Maturity Date, subject to prior redemption as set forth in Section 3.01 hereof.

(b) **Initial Interest Rate.** From the Closing Date to, but not including, the Initial Mandatory Tender Date, the interest rate on the Bonds shall be the Initial Interest Rate. On the Initial Mandatory Tender Date, the Bonds shall be subject to Mandatory Tender pursuant to Section 3.02 hereof. If sufficient funds are not available to pay the Purchase Price on the Unredeemed Bonds following such Mandatory Tender on the Initial Mandatory Tender Date and any such Bonds are not redeemed pursuant to Section 3.01(b) hereof, such Bonds shall accrue interest at the Maximum Interest Rate until funds are available for payment of the principal of and accrued interest on such Bonds, with interest being paid monthly on the first Business Day of each month.

(c) **Establishment of Remarketing Rate.** The Remarketing Agent shall establish the interest rate on the Bonds outstanding for each Remarketing Period at the

Remarketing Rate in accordance with this Section 2.02. Not less than 10 Business Days preceding each Remarketing Date, the Remarketing Agent, taking into consideration prevailing market conditions, shall, using its best professional judgment, determine the minimum rate(s) of interest which, if borne by the Bonds then outstanding for the Remarketing Period specified by the Remarketing Agent (which shall not extend beyond the Termination Date (as defined in the Forward Bond Purchase Agreement) in effect at the time the new Remarketing Period is determined) at the written direction of the Authorized Borrower Representative as provided in Section 3.07 hereof, would enable the Bonds to be remarketed at a price equal to 100% of the principal amount of Bonds to be remarketed. The rate of interest determined in accordance with the previous sentence shall be the Remarketing Rate for the specified Remarketing Period; provided that if the rate of interest so determined for such period would exceed the Maximum Interest Rate per annum, the Bonds outstanding shall be remarketed for the longest Remarketing Period for which the minimum rate of interest that would enable such Bonds to be remarketed at a price equal to 100% of the principal amount of such Bonds that would not exceed the Maximum Interest Rate. Notwithstanding the foregoing, if the rate of interest so determined for any Remarketing Period would exceed the Maximum Interest Rate, the Bonds outstanding shall be redeemed pursuant to Section 3.01(b) hereof and not remarketed.

(d) ***Notice of Remarketing Rate.*** The Remarketing Agent shall, upon determination of the Remarketing Rate and Remarketing Period (which may be designated by Borrower to the extent permitted by Section 6.02 of the Loan Agreement), immediately (and in no event later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate and the Remarketing Period) give notice of its determination by electronic method to the Trustee, the Issuer and the Borrower. The Remarketing Rate and the Remarketing Period shall be conclusive and binding upon the Trustee, the Issuer, the Borrower and the Holders for the purposes of this Indenture.

(e) ***Usury.*** The Issuer intends to conform strictly to the usury laws applicable to this Indenture and the Bonds and all agreements made in the Bond Documents are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid to the Holders as interest or other amounts paid for the use of money advanced or to be advanced hereunder exceed the Maximum Interest Rate. If, from any circumstances whatsoever, the fulfillment of any provision of the Bond Documents shall involve the payment of interest in excess of the limit prescribed by any law which a court of competent jurisdiction may deem applicable hereto, then, ipso facto, the obligation to pay interest hereunder shall be reduced to the maximum limit prescribed by law; and if from any circumstances whatsoever, the Holders shall ever receive anything of value deemed interest, the amount of which would exceed the Maximum Interest Rate, such amount as would be excessive interest shall be deemed to have been applied, as of the date of receipt by the Holders, to the reduction of the principal remaining unpaid hereunder and under the Bonds and not to the payment of interest, or if such excessive interest exceeds the unpaid principal balance, such excess shall be refunded to the Borrower. This subsection shall control every other provision of the Bond Documents.

Section 2.03. Execution and Authentication of Bonds. Each Bond shall be signed by the manual or facsimile signature of an Authorized Officer of the Issuer, and attested to by the

manual or facsimile signature of the Executive Director of the Issuer. In case any authorized officer of the Issuer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be an authorized officer of the Issuer before the issuance of the Bond, such signature or such facsimile signature thereof shall nevertheless be valid and sufficient for all purposes, the same as if such authorized officer of the Issuer had remained in office until that time. Any Bond may be executed on behalf of the Issuer by such authorized officers as are at the time of execution of such Bond proper officers of the Issuer, although on the date of the Bond such authorized officer was not such officer. Any facsimile signatures shall have the same force and effect as if said officers had manually signed the Bonds. The Bonds may be typewritten, printed, engraved, lithographed or otherwise produced.

No Bond shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Indenture unless and until a certificate of authentication, substantially in the form set forth in Exhibit A to this Indenture, has been manually signed by the Trustee. The authentication by the Trustee upon any Bond shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered hereunder and is entitled to the security and benefit of this Indenture. The certificate of authentication of the Trustee may be executed by any person authorized by the Trustee, but it shall not be necessary that the same authorized person sign the certificates of authentication on all of the Bonds.

Section 2.04. Source of Payment of Bonds. To the extent provided in and except as otherwise permitted by this Indenture, (i) the Bonds shall be special, limited obligations of the Issuer and the Bond Service Charges thereon shall be payable equally and ratably solely from the Revenues, including but not limited to moneys and investments in the Collateral Fund, (ii) the payment of the Bond Service charges on the bonds shall be secured by the assignment of the Revenues hereunder and by this Indenture, and (iii) payments due on the bonds shall also be secured by the Note. Notwithstanding anything to the contrary in the Bond Ordinance, the Bonds, or this Indenture, the Bonds do not and shall not represent or constitute a debt or pledge of the faith and credit or the taxing power of the County, the State or of any political subdivision, municipality or other local agency thereof.

The following statement of limitation shall appear on the face of each Bond:

THE BOND IS A SPECIAL, LIMITED OBLIGATION OF THE ISSUER PAYABLE SOLELY FROM, AND SECURED ONLY BY, THE TRUST ESTATE (BUT NOT FUNDS RESULTING FROM THE EXERCISE OF THE RESERVED RIGHTS), AND WHICH SHALL BE USED FOR NO OTHER PURPOSE EXCEPT AS EXPRESSLY AUTHORIZED IN THE INDENTURE. THE BOND SHALL NOT BE A DEBT OR INDEBTEDNESS OF THE ISSUER, THE COUNTY, ANY PUBLIC AGENCY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE ISSUER, THE COUNTY, ANY PUBLIC AGENCY, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE LIABLE FOR PAYMENT OF THE BOND OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WITH RESPECT THERETO, NOR IN ANY EVENT SHALL THE BOND BE PAYABLE OUT OF ANY FUNDS, ASSETS OR PROPERTIES OTHER THAN THOSE OF THE ISSUER PLEDGED UNDER THE INDENTURE (BUT NOT FUNDS RESULTING FROM THE EXERCISE OF THE RESERVED RIGHTS). THE BOND SHALL NOT CONSTITUTE AN INDEBTEDNESS OR A MULTIPLE

FISCAL-YEAR FINANCIAL OBLIGATION WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION, AND NONE OF THE BOND OR ANY OF THE ISSUER'S AGREEMENTS OR OBLIGATIONS WITH RESPECT TO THE BOND OR UNDER THE INDENTURE, SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE ISSUER, THE COUNTY, ANY PUBLIC AGENCY, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER.

Section 2.05. Payment and Ownership of Bonds. Bond Service Charges shall be payable in lawful money of the United States of America without deduction for the services of the Trustee. Subject to the provisions of Sections 2.08 and 2.09 hereof, (a) the principal of any Bond shall be payable when due to a Holder upon presentation and surrender of such Bond at the Designated Office of the Trustee or at the office designated by the Trustee, and (b) interest on any Bond shall be paid on each Interest Payment Date by wire transfer or check which the Trustee shall cause to be mailed on that date to the Person in whose name the Bond is registered at the close of business on the Regular Record Date applicable to that Interest Payment Date on the Register at the address appearing therein.

If and to the extent, however, that payment or provision for payment of interest on any Bond on any Interest Payment Date is not made, that interest shall cease to be payable to the Person who was the Holder of that Bond as of the applicable Regular Record Date. In that event, except as provided below in this Section 2.05, when money becomes available for payment of the interest, (a) the Trustee shall, pursuant to Section 6.06(d) hereof, establish a Special Record Date for the payment of that interest which shall be not more than 15 nor fewer than 10 days prior to the date of the proposed payment, and (b) the Trustee shall cause notice of the proposed payment and of the Special Record Date to be mailed by first-class mail, postage prepaid (or, when the Bonds are in a Book-Entry System, sent pursuant to the applicable procedures of the Depository), to each Holder at its address as it appears on the Register not fewer than 10 days prior to the Special Record Date and, thereafter, the interest shall be payable to the Persons who are the Holders of the Bonds at the close of business on the Special Record Date.

Subject to the foregoing, each Bond delivered under this Indenture upon transfer thereof, or in exchange for or in replacement of any other Bond, shall carry the rights to interest accrued and unpaid, and to accrue on that Bond, or which were carried by that Bond.

Except as provided in this Section 2.05 and the first paragraph of Section 2.07 hereof, (a) the Holder of any Bond shall be deemed and regarded as the absolute owner thereof for all purposes of this Indenture, (b) payment of or on account of the Bond Service Charges on any Bond shall be made only to or upon the order of that Holder or its duly authorized attorney in the manner permitted by this Indenture, and (c) neither the Issuer nor the Trustee shall, to the extent permitted by law, be affected by notice to the contrary. All of those payments shall be valid and effective to satisfy and discharge the liability upon that Bond, including without limitation, the interest thereon, to the extent of the amount or amounts so paid.

Section 2.06. Registration and Transfer of Bonds. So long as any of the Bonds remain outstanding, the registration and transfer of Bonds, as provided in this Indenture, will be maintained and kept at the Designated Office of the Trustee.

Subject to the provisions set forth above and in Section 2.09 hereof, any Bond may be transferred upon the Register, upon presentation and surrender thereof at the Designated Office of the Trustee, together with an assignment duly executed by the Holder or its duly authorized attorney in any form which shall be satisfactory to the Trustee. Upon transfer of any Bond and on request of the Trustee, the Issuer shall (to the extent within its power and control, and at the sole expense of the Borrower) execute in the name of the transferee, and the Trustee shall authenticate and deliver, a new Bond or Bonds, of any Authorized Denomination or Denominations in an aggregate principal amount equal to the unmatured and unredeemed principal amount of, and bearing interest at the same rate and maturing on the same date or dates as, the Bonds presented and surrendered for transfer.

In all cases in which Bonds shall be transferred hereunder, the Issuer shall (to the extent within its power and control, and at the sole expense of the Borrower) execute, and the Trustee shall authenticate and deliver, Bonds in accordance with the provisions of this Indenture. The transfer shall be made without charge; provided, that the Issuer and the Trustee may make a charge for every exchange or transfer of Bonds sufficient to reimburse them for any tax or excise required to be paid with respect to the transfer. The charge shall be paid before a new Bond is delivered.

All Bonds issued upon any transfer of Bonds shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Bonds surrendered upon transfer.

Section 2.07. Mutilated, Lost, Wrongfully Taken or Destroyed Bonds. If any Bond is mutilated, lost, wrongfully taken or destroyed, in the absence of written notice to the Issuer or the Trustee that a lost, wrongfully taken or destroyed Bond has been acquired by a bona fide purchaser, the Issuer shall (to the extent within its power and control, and at the sole expense of the Borrower) execute, and the Trustee shall authenticate and deliver, a new Bond of like date, maturity and denomination as the Bond mutilated, lost, wrongfully taken or destroyed; provided, that (a) in the case of any mutilated Bond, the mutilated Bond first shall be surrendered to the Trustee, and (b) in the case of any lost, wrongfully taken or destroyed Bond, there first shall be furnished to the Trustee evidence of the loss, wrongful taking or destruction satisfactory to the Trustee, together with indemnity satisfactory to an Authorized Borrower Representative, the Trustee and the Issuer.

If any lost, mutilated, wrongfully taken or destroyed Bond shall have matured, instead of issuing a new Bond, the Issuer may direct the Trustee to pay that Bond without surrender thereof upon the furnishing of satisfactory evidence and indemnity as in the case of issuance of a new Bond. The Issuer and the Trustee may charge the Holder of a mutilated, lost, wrongfully taken or destroyed Bond their reasonable fees and expenses in connection with their actions pursuant to this Section 2.07.

Every new Bond issued pursuant to this Section 2.07 by reason of any Bond being mutilated, lost, wrongfully taken or destroyed (a) shall constitute, to the extent of the outstanding principal amount of the Bond mutilated, lost, taken or destroyed, an additional contractual

obligation of the Issuer, regardless of whether the mutilated, lost, wrongfully taken or destroyed Bond shall be enforceable at any time by anyone and (b) shall be entitled to all of the benefits of this Indenture equally and proportionately with any and all other Bonds issued and outstanding hereunder.

All Bonds shall be held and owned on the express condition that the foregoing provisions of this Section 2.07 are exclusive with respect to the replacement or payment of mutilated, lost, wrongfully taken or destroyed Bonds and, to the extent permitted by law, shall preclude any and all other rights and remedies with respect to the replacement or payment of negotiable instruments or other investment securities without their surrender, notwithstanding any law or statute to the contrary now existing or enacted hereafter.

Section 2.08. Cancellation of Bonds. Any Bond surrendered pursuant to this Article II for the purpose of payment or retirement or for exchange, replacement or transfer shall be cancelled upon presentation and surrender thereof to the Trustee.

Notwithstanding any provision of this Indenture to the contrary, the Issuer, or the Borrower on behalf of the Issuer, may deliver at any time to the Trustee with written instructions from an Authorized Borrower Representative for cancellation any Bonds previously authenticated and delivered hereunder, which the Issuer or the Borrower may have acquired in any manner whatsoever. All Bonds so delivered shall be cancelled promptly by the Trustee. Cancelled Bonds shall be disposed of by the Trustee in accordance with its policies and procedures. Certification of the surrender and cancellation shall be made to the Issuer by the Trustee upon the request of the Issuer.

Section 2.09. Book-Entry Only System. Notwithstanding any provision of this Indenture to the contrary, the Issuer may direct that all Bonds issued hereunder shall be initially issued in a Book-Entry System, registered in the name of a Depository or its nominee as registered owner of the Bonds, and held in the custody of that Depository. Unless otherwise requested by a Depository, a single certificate will be issued and delivered to the Depository, or held by the Trustee as custodian for the Depository, for each maturity of Bonds. Beneficial Owners of Bonds in a Book-Entry System will not receive physical delivery of Bond certificates except as provided hereinafter. For so long as a Depository shall continue to serve as securities depository for the Bonds as provided herein, all transfers of Beneficial Ownership Interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring Beneficial Ownership Interests of Bonds is to receive, hold or deliver any Bond certificate; provided; that, if a Depository fails or refuses to act as securities depository for the Bonds, the Issuer shall (to the extent within its power and control, and at the sole expense of the Borrower) take the actions necessary to provide for the issuance of Bond certificates to the Holders of such Bonds.

With respect to Bonds registered in the name of a Depository, the Issuer, the Borrower and the Trustee shall have no responsibility or obligation to any participant therein or to any Person on whose behalf any participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, neither the Issuer, the Borrower nor the Trustee shall have any responsibility or obligation with respect to (a) the accuracy of the records of the Depository or any participant therein or any other Person, other than a registered owner of the Bonds, as shown in the Register,

or any notice with respect to the Bonds or (b) the payment to any participant in the Depository or any other Person, other than a registered owner of the Bonds, as shown in the Register, of any amount with respect to principal of or interest on or Purchase Price of the Bonds.

Replacement Bonds may be issued directly to Beneficial Owners of Bonds other than a Depository, or its nominee, but only in the event that (a) the Depository determines not to continue to act as securities depository for the Bonds (which determination shall become effective no less than 90 days after written notice to such effect to the Issuer and the Trustee); or (b) the Issuer has advised a Depository of its determination (which determination is conclusive as to the Depository and Beneficial Owners of the Bonds) that the Depository is incapable of discharging its duties as securities depository for the Bonds; or (c) the Issuer has determined (which determination is conclusive as to the Depository and the Beneficial Owners of the Bonds) that the interests of the Beneficial Owners of the Bonds might be adversely affected if such book-entry only system of transfer is continued. Upon occurrence of any of the foregoing events, the Issuer and the Borrower shall use commercially reasonable efforts to attempt to locate another qualified securities depository. If the Issuer and the Borrower fail to locate another qualified securities depository to replace the Depository, the Issuer and the Borrower, at the Borrower's expense, shall cause to be authenticated and delivered replacement Bonds, in certificate form, to the Beneficial Owners of the Bonds. In the event that the Issuer makes the determination noted in (b) or (c) above (provided that the Issuer undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Issuer to make any such determination), and has made provisions to notify the Beneficial Owners of Bonds of such determination by mailing an appropriate notice to the Depository, the Issuer shall (to the extent within its power and control, and at the sole expense of the Borrower) cause to be issued replacement Bonds in certificate form to Beneficial Owners of the Bonds as shown on the records of the Depository provided to the Issuer.

Upon the written consent of 100% of the Beneficial Owners of the Bonds, the Trustee shall withdraw the Bonds from any Depository and authenticate and deliver Bonds fully registered to the assignees of that Depository or its nominee. If the request for such withdrawal is not the result of any Issuer action or inaction, such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing, preparing and delivering such Bonds) of the persons requesting such withdrawal, authentication and delivery; otherwise such withdrawal, authentication and delivery shall be at the cost and expense of the Borrower.

Whenever, during the term of the Bonds, the beneficial ownership thereof is determined by a book-entry at a Depository, (a) the requirements in this Indenture of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate Person or entity to meet the requirements of the Depository as to registering or transferring the book-entry to produce the same effect and (b) delivery of the Bonds will be in accordance with arrangements among the Issuer, the Trustee and the Depository notwithstanding any provision of this Indenture to the contrary.

Any provision of this Indenture to the contrary notwithstanding, so long as the Bonds are registered solely in the name of the Depository or its nominee, all payments with respect to principal of, premium, if any, and interest on, the Bonds and all notices with respect to the Bonds shall be made and given in accordance with the policies and procedures of the Depository.

Section 2.10. Delivery of the Bonds. Upon the execution and delivery of this Indenture, and satisfaction of the conditions established by the Issuer in the Bond Ordinance and in the Bond Purchase Agreement for delivery of the Bonds, the Issuer shall execute the Bonds and deliver them to the Trustee with written directions to authenticate them. Thereupon, the Trustee shall authenticate the Bonds and deliver them to, or hold them as custodian for, the Depository, as further directed by the Underwriter.

Prior to the delivery of any Bonds against payment therefor, the Trustee shall have received the following:

- (a) a certified copy of the Bond Ordinance;
- (b) executed counterparts of this Indenture, the Loan Agreement and the other Financing Documents specifically listed in the definition of Financing Documents;
- (c) an Opinion of Bond Counsel (or reliance letter thereon), dated the Closing Date, substantially to the effect that this Indenture, the Loan Agreement and the Regulatory Agreement have been duly authorized by the Issuer and that the Bonds each constitute a valid and binding special, limited obligations of the Issuer, payable solely from the Trust Estate subject to customary exceptions relating to any applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors;
- (d) an Opinion of Bond Counsel (or reliance letter thereon), dated the Closing Date, to the effect that, subject to any exceptions or qualifications stated therein, the interest on the Bonds is excluded from gross income for federal income tax purposes under existing laws (except with respect to interest on any Bond during any period while it is held by a “substantial user” of the Project or a “related person” to such a “substantial user” within the meaning of Section 147(a) of the Code) and is exempt from State income taxation
- (e) an Opinion of Counsel for the Borrower to the effect that the Borrower Documents have been duly authorized, executed and delivered by the Borrower and are legal, valid and binding agreements of the Borrower in accordance with their respective terms subject to customary qualifications and exceptions;
- (f) a request and authorization signed by an Authorized Officer of the Issuer authorizing the Trustee to authenticate and deliver the Bonds to the purchaser or purchasers therein identified upon payment to the Trustee for the account of the Issuer of the amount specified in such request and authorization;
- (g) funds the Trustee is required to receive for deposit pursuant to Section 4.02 hereof;
- (h) an executed copy of the promissory note evidencing the Construction Loan;
- (i) a copy of the rating letter confirming the rating assigned to the Bonds provided by the Rating Agency;

(j) a Cash Flow Projection as of the Closing Date with respect to the sufficiency of amounts on deposit in the Special Funds to pay Bond Service Charges when due; and

(k) any other documents or opinions which the Trustee, the Issuer, or Bond Counsel may reasonably require, which requirement shall be deemed to be satisfied upon the delivery of the Opinion of Bond Counsel.

Section 2.11. Conversion.

(a) On the Conversion Date, (i) the Bonds shall be subject to Mandatory Tender in accordance with Section 3.02 hereof, (ii) the Purchase Price of the Bonds shall be paid with amounts on deposit in the Collateral Fund (and other Eligible Funds hereunder), (iii) a portion of the principal amount of the Bonds shall be cancelled such that the principal amount outstanding equals the Permanent Loan Amount (as determined by the Permanent Period Holder at such time), (iv) the Bonds shall be removed from the Book-Entry System and converted to physical Permanent Period Bonds (in the form attached to the Permanent Period Indenture attached to the Forward Bond Purchase Agreement) which shall be purchased by the Permanent Period Holder, (v) the Permanent Period Indenture attached to the Forward Bond Purchase Agreement as Exhibit C and Permanent Period Loan Agreement attached to the Forward Bond Purchase Agreement as Exhibit D shall be delivered by the respective parties and become effective and shall supersede this Indenture and the Loan Agreement, respectively, (vi) the proceeds of the Permanent Period Holder Purchase Price, along with other funds of the Borrower, shall be deposited into the Construction Loan Prepayment Fund, and (vii) the Trustee shall release the funds in the Construction Loan Prepayment Fund to Construction Lender to pay the Construction Loan and Construction Lender shall cause all security related to the Construction Loan to be released, or if required by the Permanent Period Holder, assigned to the Permanent Period Holder or the Trustee, in its capacity as trustee under the Permanent Period Indenture. If the Conversion Conditions are not satisfied on or before the Initial Mandatory Tender Date, the Permanent Period Holder will not have any obligation with respect to the purchase of the Permanent Period Bonds.

(b) Provided all Conversion Conditions are satisfied, the Issuer and the Trustee agree to execute and deliver the Permanent Period Indenture, the Permanent Period Bonds, and the Permanent Period Loan Agreement on the Conversion Date, subject to the completion of the forms attached to the Forward Bond Purchase Agreement, including filling in the Conversion Date, the Permanent Loan Amount and attaching the final amortization schedule in accordance with subsection (c) below.

(c) The Permanent Period Bonds shall mature on the Maturity Date, subject to earlier prepayment as provided in the Permanent Period Indenture. The unpaid principal balance of the Permanent Period Bonds shall be paid on the dates and in the amounts set forth on the initial Permanent Bond Amortization Schedule provided on the Closing Date and attached as Schedule 1 to the Permanent Period Indenture (the “Permanent Bond Amortization Schedule”) if the Conversion Date occurs on or prior to the Initial Mandatory Tender Date. Additionally, in the event the outstanding amount of the Permanent Period Bonds on the Conversion Date is less than or great than the starting principal amount set

forth in the initial Permanent Bond Amortization Schedule, a new Permanent Bond Amortization Schedule will be generated on the Conversion Date at such lesser or greater outstanding principal amount based on the parameters set forth in the Forward Bond Purchase Agreement. In the event the initial Permanent Bond Amortization Schedule is modified in accordance with this Section 2.12(c), a replacement Permanent Bond Amortization Schedule will be provided by the Permanent Period Holder which will be attached to the Permanent Period Indenture on the Conversion Date.

(d) In addition to the Conversion Conditions, Conversion shall be conditioned upon the delivery of the items set forth in Section 2.18 of the Permanent Period Indenture.

Section 2.12. Supplemental Public Securities Act Provisions. Section 11-57-204 of the Supplemental Act provides that a public entity, including the Issuer, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act. Pursuant to the Bond Ordinance, the Issuer has elected to apply all of the provisions of the Supplemental Act. Pursuant to Section 11-57-210, each of the Bonds shall recite that it is issued under the authority of the Bond Ordinance and the Supplemental Act and that it is the intention of the Issuer that such recital shall be conclusive evidence of the validity and the regularity of the issuance of each of the Bonds upon delivery for value.

(End of Article II)

ARTICLE III

REDEMPTION, MANDATORY TENDER AND REMARKETING

Section 3.01. Redemption of Bonds.

(a) On and after the Initial Optional Redemption Date, the Bonds are subject to optional redemption or retirement prior to their maturity from Eligible Funds, at the revocable written direction of an Authorized Borrower Representative (with delivery of a Cash Flow Projection, but only in the event Eligible Investments must be liquidated prior to the maturity thereof to facilitate the redemption, and written notice to the Trustee and the Issuer at least 30 days prior to the proposed redemption date (10 days if the proposed Redemption Date is the Conversion Date) and, in the case of a redemption in part, specifying the principal amount of the Bonds to be redeemed), either in whole or in part, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest, but without premium, to such Redemption Date.

(b) On any Mandatory Tender Date that is not the Conversion Date, if Conversion has not occurred, the Bonds shall be redeemed or retired in whole at a redemption price of 100% of the principal amount of such Bonds, plus accrued interest to the Redemption Date, but without premium, upon the occurrence of any of the following events: (i) the Borrower has previously not elected to cause the remarketing of the Bonds, (ii) the conditions to remarketing set forth in this Indenture have not been met by the dates and times set forth in Section 3.06(a) hereof, (iii) the amount on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date is insufficient to pay the Purchase Price of the outstanding Unredeemed Bonds on such Mandatory Tender Date. Bonds subject to redemption in accordance with this subsection shall be redeemed from (i) amounts on deposit in the Collateral Fund, (ii) amounts on deposit in the Bond Fund, (iii) amounts on deposit in the Project Fund, and (iv) any other Eligible Funds available or made available for such purpose at the written direction of the Authorized Borrower Representative.

(c) (Reserved).

(d) Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the principal of and premium, if any, and interest on such Bonds are not received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

(e) (Reserved).

Section 3.02. Mandatory Tender.

(a) The Unredeemed Bonds are subject to Mandatory Tender, at the revocable written direction of an Authorized Borrower Representative (with delivery of a Cash Flow Projection, but only in the event Eligible Investments must be liquidated prior to the maturity thereof to facilitate the payment of the Purchase Price, and written notice to the Trustee and the Issuer at least 30 days prior to the proposed Mandatory Tender Date (10 days if the proposed Mandatory Tender Date is the Conversion Date)), in whole and not in part, on the Mandatory Tender Date and shall be purchased at a price (the “Purchase Price”) equal to 100% of the principal amount of such Bonds, plus accrued interest, if any, to the Mandatory Tender Date, without premium. No later than 10:00 a.m., Local Time, on the Mandatory Tender Date, the Holders of the Unredeemed Bonds shall deliver such Bonds to the Trustee. The Trustee shall utilize the following sources of payments to pay the Purchase Price of the Unredeemed Bonds not later than 2:30 p.m. Local Time on the Mandatory Tender Date, in the following priority: (i) amounts on deposit in the Remarketing Proceeds Account, and (ii) any other Eligible Funds available or made available for such purpose at the written direction of an Authorized Borrower Representative. [Note: Request to cut time periods in half]

(b) [Note: Request to cut time periods in half] Not less than 30 days before the Mandatory Tender Date (or 10 days in connection with a Redemption Date that is a Conversion Date), the Trustee shall give written notice of tender and, if applicable, remarketing to the Holders of Unredeemed Bonds by first class mail, postage prepaid (or, when the Bonds are in a Book-Entry System, pursuant to applicable procedures of the Depository), at their respective addresses (with a copy to the Borrower, the Investor Limited Partner and the Remarketing Agent) appearing in the Register. The notice shall state the Mandatory Tender Date and that:

(i) all outstanding Unredeemed Bonds are subject to mandatory tender for purchase on the Mandatory Tender Date and must be tendered for purchase on the Mandatory Tender Date;

(ii) all outstanding Unredeemed Bonds will be purchased on the Mandatory Tender Date at a price equal to the Purchase Price;

(iii) Holders will not have the right to elect to retain their Unredeemed Bonds and any such Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date; and

(iv) the address of the office of the Trustee at which Holders should deliver their Unredeemed Bonds for purchase on the Mandatory Tender Date.

If notice is given as stated in this subsection, failure of any Holder to receive such notice, or any defect in the notice, shall not affect the remarketing or the validity of the proceedings for the remarketing of the Unredeemed Bonds.

Section 3.03. Notice of Redemption. Unless waived by any Holder of Bonds to be redeemed, official notice of redemption shall be given by the Trustee on behalf of the Issuer by, subject to the last paragraph of this Section 3.03, mailing a copy of an official redemption notice by Electronic Means or by first-class mail, postage prepaid, to the Holder of each Bond to be redeemed, at the address of such Holder shown on the Register at the opening of business on the fifth day prior to such mailing, not less than 20 days nor more than 30 days prior to the date fixed for redemption. A second notice of redemption shall be given, as soon as practicable, by, subject to the last paragraph of this Section 3.03, by Electronic Means or by first-class mail to the Holder of each Bond which has been so called for redemption (in whole or in part) but has not been presented and surrendered to the Trustee within 60 days following the date fixed for redemption of that Bond. With respect to a mandatory redemption or retirement pursuant to Section 3.01(b), the notice of Mandatory Tender provided to Holders pursuant to Section 3.02 shall serve as the notice of redemption required by this Section 3.03 and shall satisfy the requirements of this Section 3.03 and no further notice of redemption will be required to the Holders.

All official notices of redemption shall be dated and shall state:

- (a) the proposed Redemption Date;
- (b) the redemption price;
- (c) if less than all outstanding Bonds are to be redeemed, the identification by designation, letters, numbers or other distinguishing marks and the respective principal amounts of the Bonds to be redeemed;
- (d) that on the Redemption Date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date;
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Designated Office of the Trustee; and
- (f) that the notice of redemption is conditioned upon (i) there being deposited with the Trustee on or prior to the proposed Redemption Date money sufficient to pay the redemption price of the Bonds to be redeemed and, in the case of any redemption premium on Bonds, that there be on deposit Eligible Funds sufficient to pay such redemption premium, and (ii) in the case of a proposed redemption on the Conversion Date, that Conversion occurs on or prior to such date.

If the Bonds are not then held in a Book-Entry System, in addition to the foregoing notice, further notice shall be given by the Trustee as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

- (a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the

rate of interest borne by each Bond being redeemed; and (iv) the maturity date of each Bond being redeemed.

(b) Each further notice of redemption shall be sent at least 15 days before the Redemption Date by electronic method, first class mail, postage prepaid, or overnight delivery service to all registered securities depositories known to the Trustee to then be in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number (if any) identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Failure to receive notice by mailing or other method of delivery of notice provided herein or any defect in that notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of any other Bond.

Notice of any redemption hereunder with respect to Bonds held under a Book-Entry System shall be given by the Trustee only to the Depository, or its nominee, as the Holder of such Bonds in the manner required by the Depository. Selection of Beneficial Ownership Interests in the Bonds called for redemption and notice of the redemption to the Beneficial Owners are the responsibility of the Depository and any failure of such Depository to notify the Beneficial Owners of any such notice and its contents or effect will not affect the validity of such notice of any proceedings for the redemption of such Bonds. Notices of redemption may state that no representation is made as to the accuracy or correctness of the CUSIP number or numbers provided therein or on the Bonds.

Section 3.04. Payment of Redeemed Bonds. Notice having been sent in the manner provided in Section 3.03 hereof, the Bonds and portions thereof called for redemption shall become due and payable on the Redemption Date, and upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price, including interest accrued to the Redemption Date.

Upon the payment of the price of Bonds being redeemed or prepaid, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed or prepaid with the proceeds of such check or other transfer.

If money for the redemption of all of the Bonds and portions thereof to be redeemed, together with premium, if any, interest accrued thereon to the Redemption Date, is held by the Trustee on the Redemption Date, so as to be available therefor on that date and if notice of redemption has been sent as aforesaid, then from and after the Redemption Date those Bonds and portions thereof called for redemption shall cease to bear interest and no longer shall be considered to be outstanding hereunder. If such money shall not be so available on the Redemption Date, or that notice shall not have been sent as aforesaid, those Bonds and portions thereof shall continue to bear interest, until they are paid, at the same rate as they would have borne had they not been called for redemption.

All money deposited in the Bond Fund and held by the Trustee for the redemption, purchase or prepayment of particular Bonds shall be held in trust for the account of the Holders thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds.

Section 3.05. Duties of Remarketing Agent. The Remarketing Agent shall do the following in connection with the remarketing of the Bonds:

(a) Unless otherwise directed in writing by an Authorized Borrower Representative not less than 10 days before the Mandatory Tender Date, the Remarketing Agent shall offer for sale and use its best efforts to sell Unredeemed Bonds on the Mandatory Tender Date at a price equal to the Purchase Price.

(b) Establishment of Interest Rate In Connection With Remarketing of Unredeemed Bonds.

(i) *Establishment of Interest Rate.* From and after the Mandatory Tender Date, the Unredeemed Bonds shall bear interest at the Remarketing Rate determined pursuant to this subsection. Any Remarketing Rate determined by the Remarketing Agent and taking effect pursuant to this Indenture shall be conclusive and binding for the purposes of this Indenture upon the Trustee, the Issuer, the Borrower and the Holders.

(ii) *Determination of Remarketing Rate.* The Remarketing Agent shall determine the Remarketing Rate on or before the Mandatory Tender Date to be effective to a new Mandatory Tender Date selected by an Authorized Borrower Representative with the consent of the Remarketing Agent or the Maturity Date, as applicable. The Remarketing Rate shall be the minimum rate of interest (not to exceed the Maximum Interest Rate) necessary, in the professional judgment of the Remarketing Agent, taking into consideration prevailing market conditions, to enable the Remarketing Agent to remarket all of the Unredeemed Bonds outstanding on a new Mandatory Tender Date at the Purchase Price for the period beginning on the Mandatory Tender Date and ending on or before the next Mandatory Tender Date or the Maturity Date, as applicable, plus an additional amount, if any, equal to the additional interest due on the Bonds for such period (after accounting for any remaining funds in the Bond Fund, other than funds in the Negative Arbitrage Account therein) which amount shall be deposited by the Trustee into the Bond Fund from Eligible Funds provided by or on behalf of the Borrower.

(iii) *Notice.* Immediately upon determining the Remarketing Rate, the Remarketing Agent shall give notice to the other Remarketing Notice Parties. In no event shall the Remarketing Agent give its notice later than the Business Day following the day on which the Remarketing Agent makes its determination of the Remarketing Rate.

Section 3.06. Conditions Precedent to Remarketing of Bonds and Notice.

(a) ***Conditions Precedent to Remarketing of Unredeemed Bonds.*** The remarketing of the Unredeemed Bonds on the Mandatory Tender Date is subject to the satisfaction of each of the following conditions precedent before the Mandatory Tender Date:

(i) Not less than four Business Days before the Mandatory Tender Date, the Trustee has received notice from the Remarketing Agent that all of the outstanding Unredeemed Bonds have been remarketed and that the proceeds from the remarketing are expected to be available to the Trustee on the Mandatory Tender Date and deposited into the Remarketing Proceeds Account in an amount equal to the Purchase Price.

(ii) Not less than four Business Days before the Mandatory Tender Date, the Trustee has received a Confirmation of Rating.

(iii) Not less than two Business Days before the Mandatory Tender Date, the Trustee has received an Extension Payment in an amount necessary to cover negative arbitrage, if any, on the Unredeemed Bonds through the earlier of the next Mandatory Tender Date or the Maturity Date, as such amount is set forth in a Cash Flow Projection.

(b) ***Notice of Satisfaction of Conditions Precedent.*** Not less than two Business Days before the Mandatory Tender Date, the Trustee shall give notice to the other Remarketing Notice Parties indicating whether all conditions precedent to the remarketing of the Unredeemed Bonds in Section 3.06(a) hereof have been satisfied.

(c) ***Remarketing Costs.*** The costs of remarketing of the Bonds shall be paid by the Borrower.

Section 3.07. Remarketing of Unredeemed Bonds.

(a) ***Delivery of Bonds for Purchase.*** Each Holder must deliver its Unredeemed Bonds to the Trustee for purchase not later than 10:00 a.m., Local Time, on the Mandatory Tender Date. Bonds so received by the Trustee shall be held by the Trustee in trust for the tendering Holders pending receipt of funds for the payment of such Bonds.

(b) ***Untendered Bond.*** Any Unredeemed Bond that is not tendered on the Mandatory Tender Date (an “Untendered Bond”) will be deemed to have been tendered to the Trustee as of such Mandatory Tender Date, and, from and after such Mandatory Tender Date shall cease to bear interest and no longer will be considered to be outstanding. In the event of a failure by Holders to deliver Unredeemed Bonds on the Mandatory Tender Date, such Holders will not be entitled to any payment (including any interest to accrue from and after the Mandatory Tender Date) other than the Purchase Price for such Untendered Bond, and any Untendered Bond will no longer be entitled to the benefits of this Indenture, except for the purpose of payment of the Purchase Price for such Untendered Bond.

(c) ***Delivery of Purchase Price of Remarketed Bonds.*** If the Remarketing Agent has received notice from the Trustee pursuant to Section 3.06(b) hereof that the conditions precedent to the remarketing of the Unredeemed Bonds have been satisfied, the Remarketing Agent shall instruct each purchaser of Unredeemed Bonds to deliver to the Trustee, no later than 11:00 a.m., Local Time, on the Mandatory Tender Date, in immediately available funds, the Purchase Price for the Unredeemed Bonds it has agreed to purchase in the remarketing. If the Trustee receives the Purchase Price of the Unredeemed Bonds by the required time, the Trustee promptly shall transfer the registered ownership of the Unredeemed Bonds to the respective new purchasers and deliver such Unredeemed Bonds to such purchasers. Moneys deposited with the Trustee for the purchase of Unredeemed Bonds shall be held in trust in the Remarketing Proceeds Account of the Bond Fund and shall be paid to each tendering Holder upon presentation of its Unredeemed Bonds at the designated office of the Trustee. If the Trustee does not receive the Purchase Price of the Unredeemed Bonds by the required time, the Unredeemed Bonds shall be redeemed pursuant to Section 3.01(b)(iii) hereof, and the Trustee shall return any moneys it had received for the purchase of Unredeemed Bonds.

(d) ***Notice of Remarketing to Holders of Untendered Bonds.*** The Trustee shall promptly give notice by registered or certified first class mail, postage prepaid or overnight delivery (or, when the Bonds are in a Book-Entry System, pursuant to the applicable procedures of the Depository), to each Holder of Untendered Bonds stating that interest on such Bonds ceased to accrue on the Mandatory Tender Date and that moneys representing the Purchase Price of such Bonds are available against delivery of such Bonds at the Designated Office of the Trustee.

Section 3.08. Cancellation of Bonds. The Trustee shall immediately cancel those Unredeemed Bonds the Purchase Price of which is paid from amounts other than proceeds derived from the remarketing of the Bonds.

Section 3.09. Reserved.

(End of Article III)

ARTICLE IV

REVENUES AND FUNDS

Section 4.01. Creation of Funds. There are hereby established with the Trustee the following funds and accounts to be held in trust and maintained by the Trustee under this Indenture:

- (a) the Bond Fund, and therein the Negative Arbitrage Account and the Remarketing Proceeds Account (but only at such times as money is to be deposited or held in such accounts as provided in this Indenture);
- (b) the Project Fund, and therein the Bond Proceeds Account;
- (c) the Costs of Issuance Fund;
- (d) the Collateral Fund;
- (e) the Rebate Fund;
- (f) the Expense Fund; and
- (g) the Construction Loan Prepayment Fund (which shall not be pledged to the payment of the Bonds and shall not be part of the Trust Estate).

Each fund and account therein shall be maintained by the Trustee as a separate and distinct trust fund or account to be held, managed, invested, disbursed and administered as provided in this Indenture. All money deposited in the funds and accounts created hereunder shall be used solely for the purposes set forth in this Indenture. The Trustee shall keep and maintain adequate records pertaining to each fund and account, and all disbursements therefrom, in accordance with its general practices and procedures in effect from time to time. The Trustee may also terminate funds and accounts that are no longer needed.

The Trustee shall, at the written direction of an Authorized Borrower Representative and may, in its discretion, establish such additional accounts within any fund, and subaccounts within any of the accounts, as the Borrower or the Trustee may deem necessary or useful for the purpose of identifying more precisely the sources of payments into and disbursements from that fund and its accounts, or for the purpose of complying with the requirements of the Code, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of this Indenture or the Tax Certificate with respect to a deposit or use of money in the Special Funds or the Rebate Fund, or result in commingling of funds not permitted hereunder.

Section 4.02. Allocation of Bond Proceeds and Other Deposits. On the Closing Date, (i) the proceeds of the sale of the Bonds, \$[PAR], shall be deposited in the Bond Proceeds Account of the Project Fund, and (ii) funds in the amount of \$-0- shall be deposited in the Costs of Issuance Fund from funds provided by the Borrower. All Costs of Issuance will be paid on the Closing Date with amounts set forth in the settlement statement or closing memo delivered to the Trustee on the Closing Date.

Section 4.03. Bond Fund.

Any Extension Payment received by the Trustee in connection with an extension of the Mandatory Tender Date pursuant to this Indenture shall also be deposited in the Negative Arbitrage Account of the Bond Fund.

On the Closing Date, there shall be deposited in the Negative Arbitrage Account of the Bond Fund the amount, if any, set forth in Section 4.02 hereof.

The Trustee shall deposit in the Remarketing Proceeds Account of the Bond Fund any amounts received from the remarketing of the Unredeemed Bonds. Money in the Remarketing Proceeds Account shall be held exclusively for the payment of the Purchase Price of the Unredeemed Bonds.

So long as there are any outstanding Bonds, to the extent the Borrower has not received a credit against Loan Payments, all Loan Payments under the Loan Agreement shall be paid by the Borrower on or before each Interest Payment Date directly to the Trustee, and deposited in the Bond Fund, in at least the amount necessary to pay the Bond Service Charges due on the Bonds on such Interest Payment Date.

The Bond Fund (and any accounts therein for which provision is made in this Indenture) and the money and Eligible Investments therein shall be used solely and exclusively for the payment of Bond Service Charges as they become due.

Bond Service Charges shall be payable, as they become due, in the following order: (1) from money on deposit in the Bond Fund, and (2) from money on deposit in the Negative Arbitrage Account of the Bond Fund provided further, to the extent funds in the Bond Fund are otherwise insufficient, the Trustee shall transfer funds to the Bond Fund first from the Collateral Fund and second from the Project Fund as needed.

Upon receipt by the Trustee of a Cash Flow Projection provided on behalf of the Borrower, the Trustee is hereby authorized to release from the Negative Arbitrage Account the amount set forth in the Cash Flow Projection to or at the written direction of the Authorized Borrower Representative.

Section 4.04. Project Fund. Upon the deposit of Collateral Payments in the Collateral Fund as provided in Section 4.06 hereof, and subject to the provisions of this Section 4.04 hereof, the Trustee may disburse the Bond proceeds on deposit in the Project Fund to or at the direction of the Borrower, upon the receipt by the Trustee of a disbursement request in the form attached to the Loan Agreement as Exhibit B, for payment of Project Costs in accordance with Section 3.06 of the Loan Agreement; provided, that the initial disbursement shall be made pursuant to the settlement statement or closing memo delivered to the Trustee on the Closing Date. To the extent money on deposit in the Project Fund is invested in Eligible Investments, the Trustee is hereby authorized to make the following allocations and exchanges, which allocations and exchanges shall occur prior to the disbursement of amounts on deposit in the Project Fund to pay Project Costs: (i) allocate all or a portion of the Eligible Funds in the Project Fund, in the amount specified in the request for disbursement, to the Collateral Fund, and (ii) transfer, from Collateral Payments or other Eligible Funds then deposited in the Collateral Fund, a corresponding amount from the

Collateral Fund to the Project Fund, which transfer is hereby deemed to be of the proceeds of the sale of the Eligible Investments then allocated from the Project Fund to the Collateral Fund. The Trustee shall be irrevocably and unconditionally obligated to (i) disburse from the Project Fund an amount equal to the amount deposited into the Collateral Fund as directed pursuant to the above-referenced disbursement request and as set forth in Section 3.06 of the Loan Agreement, or (ii) return to the Construction Lender, other makers of the Eligible Funds or the Borrower, as applicable, the amount deposited into the Collateral Fund, within one Business Day of receipt of such deposit. To the extent money is not otherwise available to the Trustee, including money on deposit in the Bond Fund or the Collateral Fund, the Trustee shall transfer from the Project Fund to the Bond Fund sufficient money to pay Bond Service Charges then due on the Bonds without further written direction.

The Trustee shall cause to be kept and maintained adequate records pertaining to the Project Fund and all disbursements therefrom. If requested in writing by the Issuer, the Construction Lender, the Investor Limited Partner, the Special Limited Partner or the Borrower, after the Project has been completed and a Completion Certificate is filed as provided in Section 4.07 hereof, the Trustee shall file copies of the records pertaining to the Project Fund and disbursements therefrom with the Issuer, the Construction Lender, the Borrower, the Investor Limited Partner and the Special Limited Partner. The Trustee shall satisfy this obligation by providing trust statements for all periods in which there are funds in the Project Fund.

Notwithstanding any provision of the Loan Agreement or any other provision of this Indenture to the contrary and except to make necessary interest payments, the Trustee shall not disburse money from the Project Fund, other than to pay Bond Service Charges on the Bonds, unless and until Collateral Payments or other Eligible Funds in an amount equal to or greater than the requested disbursement amount have been deposited in the Collateral Fund. Prior to making any disbursement (except to the extent necessary to pay Bond Service Charges), the Trustee shall determine that the aggregate principal amount that will be held in (a) the Collateral Fund and (b) the Project Fund, after the anticipated disbursement and including anticipated investment earnings on the Eligible Funds on deposit therein, is at least equal to the then-outstanding principal amount of the Bonds plus interest due to the Mandatory Tender Date.

In the event that Bond proceeds remain on deposit in the Project Fund after payment in full of Bond Service Charges in connection with a redemption of the Bonds, such amount may be used to pay costs of the Project as provided in Section 3.06 of the Loan Agreement.

Upon the occurrence and continuance of an Event of Default hereunder because of which the principal amount of the Bonds has been declared to be due and immediately payable pursuant to Section 6.03 hereof, any money remaining in the Project Fund shall be promptly transferred by the Trustee to the Bond Fund.

Section 4.05. Costs of Issuance Fund. Amounts on deposit in the Costs of Issuance Fund, if any, shall be used by the Trustee to pay Costs of Issuance as directed in writing by an Authorized Borrower Representative. Any amounts remaining on deposit in the Costs of Issuance Fund 90 days after the Closing Date shall be promptly returned to the Borrower or disbursed at the written direction of the Authorized Borrower Representative. Upon such final disbursement, the Trustee shall close the Costs of Issuance Fund.

Section 4.06. Collateral Fund. The Trustee shall deposit into the Collateral Fund all Collateral Payments received pursuant to Section 4.02 of the Loan Agreement and any other Eligible Funds received by the Trustee for deposit into the Collateral Fund. Section 4.02 of the Loan Agreement requires the Borrower to cause Collateral Payments, including, without limitation, earnings derived from the investment of Eligible Funds in the Collateral Fund, to be deposited into the Collateral Fund in an amount equal to or greater than, and as a prerequisite to the disbursement of, amounts on deposit in the Project Fund to be disbursed by the Trustee to pay Project Costs. If a portion of any Collateral Payments would exceed the amount necessary to be deposited to the Collateral Fund for the corresponding disbursement from the Project Fund, the Trustee shall return such excess portion thereof comprised of Construction Loan proceeds to the Construction Lender and other Eligible Funds, if any, to the Borrower.

Each deposit into the Collateral Fund shall constitute an irrevocable deposit solely for the benefit of the Holders, subject to the provisions hereof.

On any Redemption Date, the Trustee shall transfer all amounts then on deposit in the Collateral Fund into the Bond Fund to pay Bond Service Charges on the Bonds.

To the extent money is not otherwise available to the Trustee, including money on deposit in the Bond Fund, the Trustee shall transfer from the Collateral Fund to the Bond Fund sufficient money to pay Bond Service Charges then due on the Bonds without further written direction.

Amounts on deposit in the Collateral Fund in excess of the amount required to pay Bond Service Charges after payment in full of the Bonds may be transferred to the Project Fund and used to pay costs of the Project as provided in Section 3.06 of the Loan Agreement.

The Bonds shall not be, and shall not be deemed to be, paid or prepaid by reason of any deposit into the Collateral Fund unless and until the amount on deposit in the Collateral Fund is transferred to the Bond Fund and applied to the payment of the principal of any of the Bonds, or the principal component of the redemption price of any of the Bonds, all as provided in this Indenture.

Anything in this Indenture to the contrary notwithstanding, at any time up to 90 days prior to the Initial Mandatory Tender Date, the purchaser (the "Purchaser") of any obligations issued to refund Bonds may deliver Eligible Funds to the Trustee for deposit into the Collateral Fund, and promptly following such receipt, the Trustee shall transfer a corresponding amount of other Eligible Funds on deposit in the Collateral Fund to the Construction Lender or as otherwise directed by the Purchaser.

Section 4.07. Completion of the Project. The completion of the Project and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the Completion Certificate required by Section 3.08 of the Loan Agreement. As soon as practicable after the filing with the Trustee of the Completion Certificate, any balance remaining in the Project Fund (other than the amounts retained by the Trustee as described in the Completion Certificate) shall be deposited or applied in accordance with the written direction of an Authorized Borrower Representative pursuant to Section 3.06 of the Loan Agreement.

Section 4.08. Expense Fund. There shall be deposited in the Expense Fund the amount, if any, set forth in Section 4.02 hereof and any other amounts delivered to the Trustee for such purpose, including but not limited to any amounts transferred pursuant to Section 4.04 of the Loan Agreement, to pay the amounts required by this Section 4.08. The Trustee shall apply money on deposit in the Expense Fund solely for the following purposes, on the dates specified below, in the following order of priority, as directed in writing by an Authorized Borrower Representative:

- (a) to transfer money to the Rebate Fund to the extent necessary to pay the Rebate Amount (if any) pursuant to the Tax Certificate;
- (b) to pay Issuer Administrative Fee;
- (c) to pay the Ordinary Trustee's Fees and Expenses when due;
- (d) to pay the Dissemination Agent Fee when due;
- (e) to pay the Rebate Analyst's Fee when due; and
- (f) to pay the Issuer Fees and Expenses not previously paid.

To the extent money in the Expense Fund is not sufficient to pay the foregoing fees and expenses, such deficiency shall be paid by the Borrower pursuant to Section 4.04 of the Loan Agreement immediately upon written demand. To the extent any excess funds paid by Borrower remain in the Expense Fund following redemption of the Bonds, such amounts shall be disbursed to the Borrower.

Section 4.09. Rebate Fund. The Rebate Fund is created for the sole benefit of the United States of America and shall not be subject to the claim of any other Person, including without limitation, the Issuer or the Holders of the Bonds. The Rebate Fund is established for the purpose of complying with Section 148 of the Code. The money deposited in the Rebate Fund by the Borrower, together with all investments thereof and investment income therefrom, shall be held in trust and applied solely as provided in the Tax Certificate. The Rebate Fund is not a portion of the Trust Estate and is not subject to any lien under this Indenture. Notwithstanding the foregoing, the Trustee is afforded all the rights, protections and immunities otherwise accorded to it hereunder.

Section 4.10. Investment of Special Funds. Except as otherwise set forth in this Section 4.10, money in the Special Funds shall be invested and reinvested by the Trustee in Eligible Investments at the written direction of an Authorized Borrower Representative, and money in the Rebate Fund shall be invested and reinvested by the Trustee as provided in the Tax Certificate. In the absence of written directions of an Authorized Borrower Representative as provided above, the Trustee shall invest such funds in the Morgan Stanley Treasury Securities Administrative Share (MAMXX), or if such fund is not available, the Trustee shall be required to invest such funds in the investments described in clause (b) of the definition of Eligible Investments herein. At no time shall the Borrower direct that any funds constituting Gross Proceeds (as defined in the Tax Certificate) of the Bonds be used in any manner as would constitute failure of compliance with Section 148 of the Code, all as set forth in the Tax Certificate. Moneys in the Costs of Issuance Fund and the Expense Fund shall be held uninvested.

Investments of money in the Bond Fund and the Collateral Fund shall mature or be redeemable at the times and in the amounts necessary to provide money to pay Bond Service Charges on the Bonds as they become due on each Bond Payment Date. Each investment of money in the Project Fund shall mature or be redeemable at the times and in the amounts as may be necessary to make anticipated payments from the Project Fund. Any of those investments may be purchased from or sold to the Trustee, or any bank, trust company or savings and loan association that is an Affiliate of the Trustee. The Trustee may act as principal or agent in the making or disposing of any investment and may utilize its investment department or that of its affiliate and charge its standard investment handling fees. The Trustee shall sell or redeem investments credited to the Bond Fund to produce sufficient money applicable hereunder to and at the times required for the purposes of paying Bond Service Charges when due as aforesaid, and shall do so without necessity for any order on behalf of the Issuer and without restriction by reason of any order. If the Trustee is required to sell or otherwise dispose of any Eligible Investments prior to maturity at a price below par, the Borrower shall, at the Borrower's expense, deliver to the Trustee (i) a Cash Flow Projection and (ii) Eligible Funds in the amount set forth in such Cash Flow Projection, if any.

An investment made from money credited to the Special Funds shall constitute part of that respective Special Fund. All investment earnings from amounts on deposit in the Project Fund and the Collateral Fund shall be allocated to the Bond Fund. All gains resulting from the sale of, or income from, any investment made from amounts on deposit in the Special Funds shall be credited to and become part of the Special Fund from which the investment was made. All investment earnings, gains resulting from the sale of, or income from, any investment made from amounts on deposit in the Rebate Fund shall be retained therein. Any investment losses from moneys credited to a Special Fund shall be charged against that Special Fund. The Trustee shall not be liable for losses on any investments or sale of investments made in compliance with the provisions of this Indenture. Ratings of Eligible Investments shall be determined at the time of purchase of such Eligible Investments and without regard to ratings subcategories. Following the Closing Date, at the written direction of the Authorized Borrower Representative, the Trustee is permitted to purchase, sell or exchange Eligible Investments with a Cash Flow Projection. Notwithstanding anything herein to the contrary, (i) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying Bond Service Charges shall be held uninvested and (ii) Bond proceeds and any amounts deposited in the Negative Arbitrage Account shall be held uninvested until the Trustee has purchased, sold or exchanged Eligible Investments.

Subject to the following sentence, investments shall be sold at the best price obtainable (at least par) whenever it shall be necessary to do so in order to provide moneys to make any transfer, withdrawal, payment or disbursement from the applicable Special Fund. Prior to the Initial Mandatory Tender Date, at the written direction of the Authorized Borrower Representative, the Trustee is permitted to invest in Eligible Investments that mature on or before a Mandatory Tender Date but is not permitted to sell or otherwise dispose of such Eligible Investment prior to maturity at a price below par without first receiving from or on behalf of the Borrower: (i) a Cash Flow Projection, and (ii) Eligible Funds in the amount, if any, set forth in such Cash Flow Projection.

The Issuer acknowledges that regulations of the Comptroller of the Currency grant the right to receive brokerage confirmations of the security transactions as they occur, at no additional cost. To the extent permitted by law, the Issuer hereby notifies the Trustee that no brokerage

confirmations need be sent relating to the security transactions as they occur. The Trustee is hereby authorized, in making or disposing of any investment permitted by this Indenture, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or any such affiliate is acting as agent of the Trustee or for any third person or dealing as principal for its own account. The Trustee shall not be liable for losses on any investment or sale of investment made in compliance with the provisions of this Indenture. The Trustee is not providing investment supervision, recommendations, or advice.

Section 4.11. Money To Be Held in Trust. Except where money has been deposited with or paid to the Trustee pursuant to an instrument restricting its application to particular Bonds, all money required or permitted to be deposited with or paid to the Trustee under any provision of this Indenture or the Note, and any investments thereof, shall be held by the Trustee in trust. Except for money held by the Trustee in the Rebate Fund pursuant to Section 4.09 hereof or in the Construction Loan Prepayment Fund pursuant to Section 4.15 hereof, all money described in the preceding sentence held by the Trustee shall be subject to the lien of this Indenture hereof while so held. Money held in the Rebate Fund is not subject to the lien of this Indenture.

The money in any fund or account established under this Indenture shall be subject to the unclaimed property laws of the State.

Section 4.12. Valuation. For the purpose of determining the amount on deposit to the credit of any Special Fund or the Rebate Fund, the value of obligations in which money in any fund or account shall have been invested shall be computed at the then fair market value thereof based on such public pricing sources as shall generally be available to the Trustee. The Trustee shall have no liability for the accuracy of any such valuation.

The Eligible Investments shall be valued by the Trustee at any time requested by an Authorized Borrower Representative on reasonable written notice to the Trustee (which period of notice may be waived or reduced by the Trustee); provided, however, that the Trustee shall not be required to value the Eligible Investments more than once in any calendar month.

Section 4.13. Nonpresentment of Bonds. In the event that any Bond shall not be presented for payment when the principal thereof becomes due, or a check or draft for interest is uncashed, if money sufficient to pay the principal then due of that Bond or of such check or draft shall have been made available to the Trustee for the benefit of its Holder, all liability of the Issuer to that Holder for such payment of the principal then due of the Bond or of such check or draft thereupon shall cease and be discharged completely. Thereupon, it shall be the duty of the Trustee to hold such money, without liability for interest thereon, in a separate account in the Bond Fund for the exclusive benefit of the Holder, who shall be restricted thereafter exclusively to such money for any claim of whatever nature on its part under this Indenture or on, or with respect to, the principal then due of that Bond or of such check or draft. The Trustee shall notify the Borrower in writing of any Bond that has not been presented for payment when the principal thereof becomes due.

If any of such money remains unclaimed by the Holder of a Bond not presented for payment or check or draft not cashed for a period ending the earlier of (a) two years after it becomes payable or distributable or (b) one day less than the applicable escheat laws of the State, the Trustee shall

comply with the unclaimed property laws of the State, and all liability of the Issuer, the Borrower and the Trustee to the Holder for the payment of such Bond shall forthwith cease, determine and be completely discharged.

Section 4.14. Repayment to the Borrower from the Special Funds. Except as provided in Section 4.09 and Section 4.13 hereof and provided no Event of Default has occurred and is continuing under Section 7.01 of the Loan Agreement, any amounts remaining in the Special Funds (a) after all of the outstanding Bonds shall be paid or deemed paid and discharged under the provisions of this Indenture, and (b) after payment or provision for the payment of all fees, charges and expenses of the Trustee and the Issuer and of all other amounts required to be paid under this Indenture, the Loan Agreement, the Tax Certificate, the Regulatory Agreement and the Note, shall be paid to the Borrower, to the extent that those amounts are in excess of those necessary to effect the payment and discharge of the outstanding Bonds.

Section 4.15. Construction Loan Prepayment Fund. On the Conversion Date, the Trustee shall deposit into the Construction Loan Prepayment Fund the proceeds of the Permanent Period Holder Purchase Price such that the amount in the Construction Loan Prepayment Fund together with amounts held by an escrow agent for the express purpose of repaying the Construction Loan equals the amount required to repay in full the Construction Loan on the Conversion Date.

(End of Article IV)

ARTICLE V

THE TRUSTEE AND REMARKETING AGENT

Section 5.01. Trustee's Acceptance and Responsibilities. The Trustee accepts the trusts imposed upon it by this Indenture and has also accepted the Rebate Fund, and agrees to observe and perform those trusts, but only upon and subject to the terms and conditions set forth in this Article V, to all of which the parties hereto and the Holders agree.

(a) Prior to the occurrence of an Event of Default (as defined in Section 6.01 hereof) of which a responsible officer of the Trustee has been notified, as provided in paragraph (g) of Section 5.02 hereof, or of which by that paragraph the Trustee is deemed to have notice, and after the cure or waiver of all Events of Default which may have occurred,

(i) as Trustee hereunder, the Trustee undertakes to perform only those duties and obligations which are set forth specifically and expressly in this Indenture, these duties and obligations shall be deemed purely ministerial in nature, the Trustee shall not be liable except for the performance of such duties and obligations and no covenants, duties or obligations shall be implied to or against the Trustee; and

(ii) the Trustee may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are required specifically to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing hereunder (of which the Trustee has been notified, or is deemed to have notice pursuant to Section 5.02(g) hereof), the Trustee shall exercise those rights and powers vested in it by this Indenture and shall use the same degree of care and skill in their exercise, as a prudent corporate trustee would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act, or its own willful misconduct, except that:

(i) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in subparagraph (a)(i) of this Section 5.01 or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subparagraph (a)(ii) of this Section 5.01;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee may request and shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Controlling Holders relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 5.01.

Section 5.02.Certain Rights and Obligations of the Trustee. Except as otherwise provided in Section 5.01 hereof:

(a) The Trustee (i) may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, or receivers or employees and shall not be responsible for the actions or omissions of any attorney, agents, receiver or employees appointed with due care, and may in all cases pay reasonable compensation to all such attorney, agents, and receivers, (ii) shall be entitled to the advice or opinion of counsel (who may be counsel to the Issuer or the Borrower) concerning all matters of trust hereof and duties hereunder, and (iii) may pay reasonable compensation in all cases to all of those attorneys, agents, and receivers reasonably employed by it in connection with the trusts hereof. The Trustee may, at the expense of Borrower, request, rely on and act in accordance with officer's certificates and/or act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Borrower) or other professionals approved by the Trustee in the exercise of reasonable care. The Trustee shall incur no liability and shall be fully protected in acting or refraining from acting in accordance with such officer's certificates and opinions or advice of counsel or other professionals, and shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance thereupon.

(b) Except for its certificate of authentication on the Bonds, the Trustee shall not be responsible for:

(i) any recital in the Financing Documents,

(ii) the validity, priority, recording, re-recording, filing or re-filing of this Indenture, any Supplemental Indenture, the Regulatory Agreement or any of the other Financing Documents,

(iii) any instrument or document of further assurance or collateral assignment,

(iv) any financing statements, amendments thereto or continuation statements, nor shall the Issuer have any responsibility for the filing, perfection or

continuation of any security interest created hereunder or under the Loan Agreement,

(v) insurance of the Project or collection of insurance moneys,

(vi) the validity of the execution by the Issuer of this Indenture, any Supplemental Indenture or instruments or documents of further assurance,

(vii) the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby,

(viii) the value of or title to the Project, or

(ix) the maintenance of the security hereof.

(c) The Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, agreements or obligations on the part of the Issuer or the Borrower under the Loan Agreement except as expressly set forth hereinafter; but the Trustee may require of the Issuer or the Borrower full information and advice as to the observance or performance of those covenants, agreements and obligations. The Trustee shall have no obligation to observe or perform any of the duties of the Issuer under the Loan Agreement. Neither the Trustee nor any of its directors, officers, employees, agents or Affiliates shall be responsible for nor have any duty to monitor the performance or any action of the Issuer or Borrower, or any of their directors, members, officers, agents, Affiliates or employee, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(d) The Trustee shall not be accountable for the application by the Borrower or any other Person of the proceeds of any Bonds authenticated or delivered hereunder.

(e) The Trustee shall be protected, in the absence of gross negligence or willful misconduct on its part, in acting upon any notice, request, consent, certificate, order, judgment, decree, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, not only as to due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein. Any action taken by the Trustee pursuant to this Indenture upon the request, authority or consent of any Person who is the Holder of any Bonds at the time of making the request or giving the authority or consent, shall be conclusive and binding upon all future Holders of the same Bond and of Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or nonexistence of any fact for which the Issuer or the Borrower may be responsible or as to the sufficiency or validity of any instrument, document, report, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Issuer or the Borrower, as appropriate, by an Authorized Officer or Authorized Borrower Representative as sufficient evidence of the facts recited therein. Prior to the occurrence of an Event of Default hereunder of which the Trustee has been

notified, as provided in paragraph (g) of this Section 5.02, or of which by that paragraph the Trustee is deemed to have notice, the Trustee may accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient; provided, that the Trustee in its discretion may require and obtain any further evidence which it deems to be necessary or advisable; and, provided further, that the Trustee shall not be bound to secure any further evidence.

(g) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any Event of Default hereunder, except Events of Default described in paragraphs (a) and (b) of Section 6.01 hereof, unless a responsible officer of the Trustee shall be notified specifically of the Event of Default in a written instrument or document delivered to it by the Issuer or by the Holders of at least 10% of the aggregate principal amount of Bonds then outstanding. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no default or Event of Default, except as noted above.

(h) The Trustee shall not be required to give any bond or surety with respect to the execution of these trusts and powers or otherwise in respect of the premises.

(i) Notwithstanding anything contained elsewhere in this Indenture, the Trustee may demand any showings, certificates, reports, opinions, appraisals and other information, and any corporate action and evidence thereof, in addition to that required by the terms hereof, as a condition to the authentication of any Bonds or the taking of any action whatsoever within the purview of the Financing Documents, if the Trustee deems it to be desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds or the right of any Person to the taking of any other action by the Trustee; provided, that the Trustee shall not be required to make that demand.

(j) Before taking action hereunder (with the exception of any action required to be taken under Section 6.02 hereof or giving notice of the acceleration of the Bonds under Section 6.03 hereof), the Trustee may require that security or indemnity satisfactory to it in its sole and absolute discretion be furnished to it for the reimbursement of all expenses which it may incur and to protect it against all liability by reason of any such request, except liability resulting from its own negligence or willful misconduct. The Trustee may determine in its sole absolute discretion to take action without such indemnity, and in that case, the Borrower shall reimburse the Trustee, subject to the foregoing limitation, for all of the Trustee's actual expenses (including reasonable counsel fees and expenses) pursuant to Section 5.03 hereof.

(k) Unless otherwise provided herein, all moneys received by the Trustee under this Indenture shall be held in trust for the purposes for which those moneys were received, until those moneys are used, applied or invested as provided herein; provided, that those moneys need not be segregated from other moneys, except to the extent required by this Indenture or by law. The Trustee shall not have any liability for interest on any moneys received hereunder, except to the extent expressly provided herein.

(l) Any official action by the Governing Body of the Issuer, and any opinions, certificates and other instruments and documents for which provision is made in this Indenture, may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions taken hereunder.

(m) The Trustee shall be entitled to file proofs of claim in bankruptcy. Ordinary Trustee Fees and Expenses and Extraordinary Fees and Expenses of the Trustee are intended to constitute administrative expenses in bankruptcy.

(n) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under the Financing Documents shall extend to the Trustee's Indemnified Persons. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture, and final payment of the Bonds.

(o) The permissive right of the Trustee to do things enumerated in the Financing Documents shall not be construed as a duty and the Trustee shall not be answerable for other than its gross negligence or willful misconduct, as determined by a final non-appealable decision of a court of competent jurisdiction. The Trustee shall have no responsibility or liability with respect to any information, statements or recitals in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Bonds except for (i) the information describing the Trustee or its operations in the Official Statement relating to the Bonds, and (ii) any information describing the Trustee or its operations in any other disclosure document; provided that such information shall have been provided by the Trustee specifically for inclusion in such disclosure document.

(p) In acting or omitting to act pursuant to the Financing Documents, the Trustee shall be entitled to all of the rights, immunities and indemnities accorded to it under this Indenture, the Loan Agreement and the other Financing Documents, including, but not limited to, this Article V.

(q) Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture which occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee hereunder (which shall be a date not later than the Closing Date).

(r) The Trustee shall be entitled to request and receive written instructions from the Issuer and the Borrower and shall have no responsibility or liability for any losses or damages of any nature that may arise from any action taken or not taken by the Trustee in accordance with the written direction thereof. The Trustee agrees to accept and act upon instructions or directions pursuant to the Financing Documents sent by unsecured email, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Trustee shall have received an incumbency certificate listing persons designated

to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Issuer or the Borrower elect to give the Trustee email or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions. The Borrower agrees: (i) to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting instructions to the Trustee and that there may be more secure methods of transmitting instructions than the method(s) selected by the Issuer or the Borrower; and (iii) that the security procedures (if any) to be followed in connection with its transmission of instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

(s) Upon written request by the Rating Agency, the Trustee shall furnish to the Rating Agency the balance of funds on hand with the Trustee and other information as may be reasonably required to maintain the rating on the Bonds.

(t) The Trustee shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument, or document other than this Indenture, whether or not an original or a copy of such agreement has been provided to the Trustee. The Trustee shall have no duty to know or inquire as to the performance or nonperformance of any provision of any other agreement, instrument, or document other than this Indenture.

(u) In no event shall the Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action. The Trustee shall not be liable for any amount in excess of the value of the assets held under this Indenture.

(v) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its control (any such event constituting "Force Majeure"), including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics or pandemics, rising to the level of the declaration of a public health emergency; quarantine restrictions; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility; it being understood that the Trustee shall use

reasonable best efforts to resume performance as soon as practicable under the circumstances. The Trustee shall have no responsibilities (except as expressly set forth herein) as to the validity, sufficiency, value, genuineness, ownership or transferability of the assets held hereunder, written instructions, or any other documents in connection therewith, and will not be regarded as making nor be required to make any representations thereto.

(w) Notwithstanding anything to the contrary herein, the Trustee shall have no duty to prepare or file any federal or state tax report or return with respect to any funds held pursuant to this Indenture or any income earned thereon.

Section 5.03. Fees, Charges and Expenses of Trustee. The Trustee shall be paid for its Ordinary Trustee Fees and Expenses and for its Extraordinary Fees and Expenses. Unless and until such time as the Trustee resigns or is replaced, and a successor Trustee is appointed pursuant to Section 5.09 hereunder, the Trustee shall continue to perform its duties hereunder notwithstanding the Borrower's failure to timely pay such fees.

Without creating a Default or an Event of Default hereunder, however, the Borrower or the Investor Limited Partner may contest in good faith the necessity for any Extraordinary Service and Extraordinary Expense and the amount of any fee, charge or expense after payment of such fee, charge or expense.

The Trustee shall not be entitled to compensation or reimbursement for Extraordinary Services or Extraordinary Expenses occasioned by its gross negligence or willful misconduct.

The Ordinary Trustee Fees and Expenses shall be paid only from (i) the Additional Payments made by the Borrower pursuant to Section 4.04(b) of the Loan Agreement, or (ii) from moneys available therefor in the Expense Fund.

Upon an Event of Default under this Indenture, and only upon an Event of Default under this Indenture, the Trustee shall have a first lien with right of payment prior to payment on account of principal of and premium, if any, and interest on any Bond, upon the Trust Estate for the foregoing fees, charges and expenses incurred by it.

Section 5.04. Intervention by Trustee. The Trustee may intervene on behalf of the Holders, and shall intervene if requested to do so in writing by the Holders of at least 25% of the aggregate principal amount of Bonds then outstanding, in any judicial proceeding to which the Issuer or the Borrower is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Holders of the Bonds. The rights and obligations of the Trustee under this Section 5.04 are subject to the approval of that intervention by a court of competent jurisdiction. The Trustee may require that security or indemnity satisfactory to it in its sole and absolute discretion be provided to it in accordance with Sections 5.01 and 5.02 hereof before it takes action hereunder.

Section 5.05. Successor Trustee. Anything herein to the contrary notwithstanding:

(a) any corporation or association (i) into which the Trustee may be converted or merged, (ii) with which the Trustee or any successor to it may be consolidated, or (iii) to

which it may sell or transfer its corporate trust assets and corporate trust business as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger, consolidation, sale or transfer, ipso facto, shall be and become successor Trustee hereunder and shall be vested with all of the title to the whole property or Trust Estate hereunder; and

(b) that corporation or association shall be vested further, as was its predecessor, with each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by, vested in or conveyed to the Trustee, without the execution or filing of any instrument or document or any further act on the part of any of the parties hereto.

Any successor Trustee, however, (i) shall be a trust company or a bank having the powers of a trust company, (ii) shall be in good standing within the United States of America or the State, (iii) shall be duly authorized to exercise trust powers within the United States of America or the State, and (iv) shall have a reported capital, surplus and retained earnings of not less than \$50,000,000.

Section 5.06. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including without limitation, the laws of the State) denying or restricting the right of banks or trust companies to transact business as trustees in that jurisdiction. It is recognized that, (a) if there is litigation under this Indenture or other instruments or documents relating to the Bonds and the Project, and in particular, in case of the enforcement hereof or thereof upon an Event of Default hereunder, or (b) if the Trustee should deem that, by reason of any present or future law of any jurisdiction, it may not (i) exercise any of the powers, rights or remedies granted herein to the Trustee, (ii) hold title to the properties, in trust, as granted herein, or (iii) take any action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an individual or additional institution as a co-Trustee. The following provisions of this Section 5.06 are adopted to these ends.

In the event that the Trustee appoints an individual or additional institution as a co-Trustee, each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by, vested in or conveyed to the Trustee shall be exercisable by, vest in and be conveyed to that co-Trustee, but only to the extent necessary for it to be so vested and conveyed and to enable that co-Trustee to exercise it. Every covenant, agreement and obligation necessary to the exercise thereof by that co-Trustee shall run to and be enforceable by it.

Should any instrument or document in writing from the Issuer reasonably be required by the co-Trustee so appointed by the Trustee for vesting and conveying more fully and certainly in and to that co-Trustee those trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens, that instrument or document shall be executed, acknowledged and delivered, but not prepared, by the Issuer. In case any co-Trustee or a successor to it shall die, become incapable of acting, resign or be removed, all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles,

interests and liens of the co-Trustee shall be exercised by, vest in and be conveyed to the Trustee, to the extent permitted by law, until the appointment of a successor to the co-Trustee.

The Trustee shall not be responsible for the acts of omissions of a co-trustee.

Any co-Trustee shall be at no additional cost to Borrower.

Section 5.07. Resignation by the Trustee. The Trustee may resign and be discharged at any time from the trusts created hereby by giving thirty (30) days' written notice of the resignation to the Issuer and the Borrower, and by mailing (or, when the Bonds are in a Book-Entry System, by sending pursuant to the applicable procedures of the Depository) written notice of the resignation to the Holders as their names and addresses appear on the Register at the close of business 15 calendar days prior to the sending of such notice. The resignation shall take effect upon the appointment of a successor Trustee as provided for in Section 5.09 hereof or an order of a court of competent jurisdiction allowing the Trustee to resign.

Section 5.08. Removal of the Trustee. The Trustee may be removed at any time by an instrument or document or concurrent instruments or documents in writing delivered to a responsible officer of the Trustee, with copies thereof mailed to the Issuer, the Construction Lender (but only prior to the Conversion Date), the Borrower, the Investor Limited Partner and the Special Limited Partner, and signed by or on behalf of the Controlling Holders.

The Trustee also may be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Borrower or the Controlling Holders.

Such removal of the Trustee in accordance with this Section 5.08 shall not be effective until a successor trustee shall have been appointed as provided for in Section 5.09 of this Indenture.

Section 5.09. Appointment of Successor Trustee. If (a) the Trustee shall resign, shall be removed, shall be dissolved, or shall become otherwise incapable of acting hereunder, (b) the Trustee shall be taken under the control of any public officer or officers, or (c) a receiver shall be appointed for the Trustee by a court, then a successor Trustee shall be appointed by the Issuer (subject to the reasonable approval of the Borrower); provided, that if a successor Trustee is not so appointed within 10 calendar days after (i) a notice of resignation or an instrument or document of removal is received by the Issuer, as provided in Sections 5.07 and 5.08 hereof, respectively, or (ii) the Trustee is dissolved, taken under control, becomes otherwise incapable of acting or a receiver is appointed, in each case, as provided above, then, so long as the Issuer shall not have appointed a successor Trustee, the Controlling Holders may designate a successor Trustee by an instrument or document or concurrent instruments or documents in writing signed by or on behalf of those Holders. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section 5.09 within 30 calendar days of such resignation, removal or other vacancy, the Holder of any Bond outstanding hereunder may or any retiring Trustee (at the sole cost and expense of the Borrower, and in the retiring Trustee's sole discretion), may apply to any court of competent jurisdiction to appoint a successor Trustee or for other appropriate relief. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe,

appoint a successor Trustee and grant such other relief and thereafter the retiring Trustee shall have no further duties, responsibilities or obligations hereunder (subject to the two succeeding paragraphs).

Every successor Trustee appointed pursuant to this Section 5.09 shall meet the requirements of Section 5.05 hereof and shall be willing to accept the trusteeship under the terms and conditions of this Indenture.

Every successor Trustee appointed hereunder shall execute and acknowledge, and shall deliver to its predecessor, the Issuer, the Construction Lender (but only prior to the Conversion Date), the Borrower, the Investor Limited Partner and the Special Limited Partner an instrument or document in writing accepting the appointment. Thereupon, without any further act, the successor shall become vested with all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of its predecessor. Upon the written request of its successor, the Issuer, the Construction Lender (but only prior to the Conversion Date), the Borrower, the Investor Limited Partner or the Special Limited Partner, and payment of all fees and expenses owed to it, the predecessor Trustee (a) shall execute and deliver an instrument or document transferring to its successor all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of the predecessor Trustee hereunder, and (b) shall take any other action necessary to duly assign, transfer and deliver to its successor all property (including without limitation, all securities and moneys) held by it as Trustee. Should any instrument or document in writing from the Issuer be requested by any successor Trustee for vesting and conveying more fully and certainly in and to that successor the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens vested or conveyed or intended to be vested or conveyed hereby in or to the predecessor Trustee, the Issuer shall execute, acknowledge and deliver that instrument or document.

In the event of a change in the Trustee, the predecessor Trustee shall cease to be custodian of any moneys which it may hold pursuant to this Indenture and shall cease to be registrar, authenticating agent and paying agent for any of the Bonds, to the extent it served in any of those capacities.

Section 5.10. Adoption of Authentication. In case any of the Bonds shall have been authenticated, but shall not have been delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee and may deliver those Bonds so authenticated as provided herein. In case any Bonds shall not have been authenticated, any successor Trustee may authenticate those Bonds either in the name of any predecessor or in its own name. In all cases, the certificate of authentication shall have the same force and effect as provided in the Bonds or in this Indenture with respect to the certificate of authentication of the predecessor Trustee.

Section 5.11. Dealing in Bonds. The Trustee, its Affiliates, and any directors, officers, employees or agents thereof, in good faith, may become the owners of Bonds secured hereby with the same rights which it or they would have hereunder if the Trustee did not serve in that capacity.

Section 5.12. Representations, Agreements and Covenants of Trustee. The Trustee hereby represents that it is a national banking association organized and existing under and by virtue of the laws of the United States of America, in good standing and duly authorized to exercise corporate trust powers in the State, and that it has an unimpaired reported capital, surplus and retained earnings of not less than \$50,000,000. The Trustee covenants that it will take such action, if any, as is necessary to remain in good standing and duly authorized to exercise corporate trust powers in the State, and that it will maintain an unimpaired reported capital, surplus and retained earnings of not less than \$50,000,000. The Trustee accepts and agrees to observe and perform the duties and obligations of the Trustee to which reference is made in any other instrument or document to which it is a party providing security for any of the Bonds.

Section 5.13. Interpleader. In the event of a dispute between any of the parties hereto with respect to the disposition of any funds held by the Trustee hereunder, or the Trustee receives conflicting demands made upon the Trustee with respect to the Trustee's duties hereunder or any other document related to the Bonds, the Trustee shall be entitled to file a suit in interpleader in a court of competent jurisdiction located in the State seeking to require the parties to interplead and litigate in such court their several claims and rights among themselves. Upon the filing of such a suit and the deposit of the applicable funds to such court, the Trustee will ipso facto be fully released and discharged from all obligations to further perform any and all duties imposed hereunder or any other document related to the Bonds regarding such matter and/or such funds that are the subject of such interpleader suit. In the event that the Trustee remains as Trustee under this Indenture and receives a court order, directive or other request regarding the interpleader suit, the Trustee shall be entitled to rely upon such instruction without incurring any obligation or liability and the parties hereto release, hold harmless and indemnify the Trustee for any obligation or liability for so relying on such court instruction.

Section 5.14. Survival of Certain Provisions. The provisions of Sections 5.01 through 5.13 of this Indenture shall survive the release, discharge and satisfaction of this Indenture.

Section 5.15. Concerning the Remarketing Agent. The Remarketing Agent identified in Section 1.01 hereof shall serve as the Remarketing Agent for the Bonds. Following any resignation or removal of the Remarketing Agent, the Borrower shall appoint a successor remarketing agent subject to the requirements of Section 5.16 hereof and provide prior notice of such appointment to the Trustee and the Issuer. The Remarketing Agent shall designate to the Trustee its Designated Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower and the Trustee. In addition, the Remarketing Agent will agree particularly to:

- (a) keep such records relating to its computations of interest rates for the Bonds as shall be consistent with prudent industry practice and to make such records available for inspection by the Issuer, the Trustee, the Borrower, the Investor Limited Partner and the Special Limited Partner at all reasonable times; and
- (b) perform all of its functions and duties under this Indenture.

The Remarketing Agent shall be entitled to advice of legal counsel on any matter relating to the Remarketing Agent's obligations hereunder and shall be entitled to act upon the opinion of such counsel in the exercise of reasonable care in fulfilling such obligations.

The Remarketing Agent shall be entitled to appoint additional co-Remarketing Agents to assist in the performance of the Remarketing Agent's obligations under this Indenture, which such additional co-Remarketing Agents shall not be an added cost to Borrower, and any such appointment shall be effective without any action by the Issuer or the Borrower being necessary; provided that any such co-Remarketing Agent, shall have a capitalization of at least \$5,000,000, or shall have a line of credit with a commercial bank in the amount of at least \$5,000,000, shall be in conformity with all standards and requirements of the Municipal Securities Rulemaking Board and the Securities and Exchange Commission, and shall be authorized by law to perform all the duties imposed upon it by this Indenture. The Remarketing Agent shall take responsibility for any co-Remarketing Agent it appoints.

Section 5.16. Qualifications of the Remarketing Agent. The Remarketing Agent shall be a member in good standing of the Financial Industry Regulatory Authority having a capitalization of at least \$5,000,000, or shall be a commercial bank, national banking association or trust company having a capitalization of at least \$15,000,000, and shall be authorized by law to perform all the duties imposed upon it by this Indenture. Subject to the terms of the Remarketing Agreement, the Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 30 days' notice of such resignation to the Issuer, the Borrower and the Trustee. The Remarketing Agent may be removed, with prior notice to the Issuer, at any time by the Borrower, with at least 30 days' notice of such removal to the Remarketing Agent.

Upon any resignation or removal of the Remarketing Agent, the departing Remarketing Agent shall pay over, assign and deliver any money and Bonds held by it in such capacity to its successor.

The Trustee, within 30 days of the resignation or removal of the Remarketing Agent or the appointment of a successor Remarketing Agent, shall give notice thereof by registered or certified mail, overnight delivery, or electronic method to the Rating Agency (if the Bonds are then rated) and to the Holders of the Bonds.

Section 5.17. Additional Duties. Notwithstanding any provisions hereof to the contrary, the Trustee shall have the following additional duties:

(a) The Trustee shall provide the Rating Agency upon its written request such information within its possession as the Rating Agency shall reasonably require from time to time in order to maintain the rating on the Bonds; and

(b) Subject to Sections 5.02(H) and 5.07 hereof, the Trustee shall continue to perform its function hereunder without regard to the insufficiency of payment of its fees, provided that nothing herein shall negate the Trustee's right to compensation and indemnification hereunder and as provided in the Loan Agreement.

Section 5.18. Rating Agency Requests. The Trustee shall respond in writing, or in such other manner as may be reasonably requested, to requests from the Rating Agency for information deemed necessary by the Rating Agency in order to maintain the rating assigned thereby to the Bonds. The Trustee shall furnish any such requested information in its possession to the Rating Agency and shall, as may be reasonably requested by the Rating Agency, assist in efforts to obtain any necessary information from the Issuer or the Borrower, as applicable.

(End of Article V)

ARTICLE VI

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND HOLDERS

Section 6.01. Defaults; Events of Default. The occurrence of any of the following events is defined as and declared to be and to constitute an Event of Default hereunder:

- (a) Payment of any interest on any Bond shall not be made when and as that interest shall become due and payable;
- (b) Payment of the principal of any Bond shall not be made when and as that principal shall become due and payable, whether at stated maturity, Mandatory Tender, upon redemption, acceleration or otherwise;
- (c) Failure by the Issuer to observe or perform any other covenant, agreement or obligation on its part to be observed or performed contained in this Indenture or in the Bonds, which failure shall have continued for a period of 30 days after written notice, by certified United States mail, or overnight delivery service by a national carrier to the Issuer and the Borrower specifying the failure and requiring that it be remedied, which notice may be given by the Trustee in its discretion and shall be given by the Trustee at the written request of the Controlling Holders, provided if such failure cannot be reasonably cured within such 30 days, then the Issuer will be afforded an additional 60 days to cure such failure, provided that the Issuer has commenced efforts to cure within the initial 30-day period; and
- (d) The occurrence and continuance of an Event of Default as defined in Section 7.01 of the Loan Agreement.

The term “default” or “failure” as used in this Article VI means (i) a default or failure by the Issuer in the observance or performance of any of the covenants, agreements or obligations on its part to be observed or performed contained in this Indenture or in the Bonds, or (ii) a default or failure by the Borrower under the Loan Agreement, exclusive of any period of grace or notice required to constitute an Event of Default, as provided above or in the Loan Agreement.

The foregoing provisions of this Section or any other provision of this Indenture or any Financing Document notwithstanding, any Event of Default caused by the Borrower under Section 6.01 above (each a “Borrower Related Default”) shall not be deemed an Event of Default of the Issuer, and the Issuer shall not be considered to be in default of any of its obligations hereunder with respect thereto under any circumstances, as the Issuer is merely acting in a conduit capacity hereunder and the Bonds are secured by and payable solely from amounts received from the Borrower or the Project and the Trust Estate, and is not a debt or indebtedness of the Issuer as further provided in Section 2.04 hereof. Any remedial action hereunder with respect to a Borrower Related Default is therefore limited to action against the Trust Estate.

Anything in this Indenture to the contrary notwithstanding, the Borrower, the Investor Limited Partner and the Special Limited Partner shall have the cure rights set forth in Section 6.03 hereof.

Section 6.02. Notice of Default. If an Event of Default shall occur, the Trustee shall give written notice of the Event of Default, by electronic method or by certified United States mail or overnight delivery service by a national carrier, to the Issuer, the Construction Lender (but only prior to the Conversion Date), the Borrower, the Remarketing Agent, the Investor Limited Partner and the Special Limited Partner, within five calendar days after the Trustee has notice of the Event of Default pursuant to Section 5.02(g) hereof. If an Event of Default occurs of which a responsible officer of the Trustee has notice pursuant to this Indenture, the Trustee shall give written notice thereof, which notice can be by electronic means, within 30 calendar days after the Trustee's receipt of notice of its occurrence, to the Holders of all Bonds then outstanding as shown by the Register at the close of business 15 calendar days prior to sending that notice.

Section 6.03. Acceleration. Upon the occurrence and continuation of an Event of Default described in Section 6.01(a) or (b), the Trustee may, and upon the written request of the Controlling Holders shall, subject to Section 5.02(j), by written notice delivered to the Borrower and the Issuer, declare the principal of all Bonds then outstanding (if not then due and payable), and the interest accrued thereon, to be due and payable immediately. Upon the occurrence and continuation of any Event of Default other than those described in Sections 6.01(a) and 6.01(b) hereof, the Trustee may, and upon written consent and direction of all Holders of Bonds then outstanding, shall declare by a notice in writing delivered to the Borrower, the principal of all Bonds then outstanding (if not then due and payable), and the interest thereon, to be due and payable immediately. Upon such declaration, the principal and interest on the Bonds shall become and be due and payable immediately. Interest on the Bonds shall accrue to the date determined by the Trustee for the tender of payment to the Holders pursuant to that declaration; provided, that interest on any unpaid principal of Bonds outstanding shall continue to accrue from the date determined by the Trustee for the tender of payment to the Holders of those Bonds.

The provisions of the preceding paragraph are subject, however, to the condition that if, at any time after declaration of acceleration and prior to the entry of a judgment in a court for enforcement hereunder (after an opportunity for hearing by the Issuer and the Borrower),

(a) all sums payable hereunder (except the principal of and interest on Bonds which have not reached their stated maturity dates but which are due and payable solely by reason of that declaration of acceleration), plus interest to the extent permitted by law on any overdue installments of interest at the rate borne by the Bonds in respect of which the default shall have occurred, shall have been duly paid or provision shall have been duly made therefor by deposit with the Trustee, and

(b) all existing Events of Default shall have been cured,

then and in every case, the Trustee shall waive the Event of Default and its consequences and shall rescind and annul that declaration. No waiver or rescission and annulment shall extend to or affect any subsequent Event of Default or shall impair any rights consequent thereon.

The Borrower, Investor Limited Partner and the Special Limited Partner shall be entitled (but not obligated) to cure any Event of Default hereunder within the time frame provided hereunder. The Issuer and the Trustee agree that cure of any default or Event of Default made or tendered by the Investor Limited Partner or the Special Limited Partner shall be deemed to be a

cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Section 6.04. Other Remedies; Rights of Holders. With or without taking action under Section 6.03 hereof, upon the occurrence and continuance of an Event of Default, the Trustee may pursue any available remedy, including without limitation actions at law or in equity to enforce the payment of Bond Service Charges or the observance and performance of any other covenant, agreement or obligation under this Indenture, the Loan Agreement, the Tax Certificate, the Regulatory Agreement or the Note or any other instrument providing security, directly or indirectly, for the Bonds.

If, upon the occurrence and continuance of an Event of Default, the Trustee is requested in writing so to do by the Controlling Holders, the Trustee (subject to the provisions of Sections 5.01 and 5.02 hereof and particularly subparagraph 5.01(c)(iv) and subsection 5.02(j) of those Sections), shall exercise any rights and powers conferred by this Section 6.04 and by Section 6.03 hereof.

No remedy conferred upon or reserved to the Trustee (or to the Holders) by this Indenture is intended to be exclusive of any other remedy. Each remedy shall be cumulative and shall be in addition to every other remedy given hereunder or otherwise to the Trustee or to the Holders now or hereafter existing, provided that the only remedy enforceable against the Issuer shall be for specific performance of its covenants hereunder.

No delay in exercising or omission to exercise any remedy, right or power accruing upon any Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein. Every remedy, right and power may be exercised from time to time and as often as may be deemed to be expedient.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Holders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any remedy, right or power consequent thereon.

As the assignee of all right, title and interest of the Issuer in and to the Loan Agreement (except for the Reserved Rights), the Trustee is empowered to enforce each remedy, right and power granted to the Issuer under the Loan Agreement (other than with respect to the Reserved Rights). In exercising any remedy, right or power thereunder or hereunder, the Trustee shall take any action which would best serve the interests of the Holders in the judgment of the Trustee, applying the standards described in Sections 5.01 and 5.02 hereof.

The Issuer may pursue all available remedies at law or in equity with respect to the Reserved Rights, so long as the Issuer does not take action (i) to declare the outstanding balance of the Bonds or the outstanding balance owed under the Bond Documents to be due on account thereof, (ii) to have a receiver appointed in respect of the Project, (iii) to foreclose any liens upon or security interests or to enforce any other similar remedy against any of the property, or (iv) to enforce any other similar remedy which would cause such liens or security interests to be discharged or materially impaired thereby.

Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding without the approval of the Holders so affected.

Section 6.05. Right of Holders To Direct Proceedings. Anything to the contrary in this Indenture notwithstanding, the Controlling Holders shall have the right at any time to direct, by an instrument or document in writing executed and delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or any other proceedings hereunder; provided, that (a) any direction shall not be other than in accordance with the provisions of law and of this Indenture, (b) the Trustee shall be indemnified as provided in Sections 5.01 and 5.02 hereof, and (c) the Trustee may take any other action which it deems to be proper and which is not inconsistent with the direction.

Section 6.06. Application of Money. If at any time after the occurrence of an Event of Default the money held by the Trustee under this Indenture (other than amounts in the Rebate Fund) shall not be sufficient to pay the principal of and interest on the Bonds as the same become due and payable, such money, together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of remedies in this Article VI or otherwise, shall, be applied by the Trustee as set forth in this Section 6.06.

After payment of any costs (including court costs), expenses, liabilities and advances paid, incurred or made by the Trustee in the collection of money and to all fees of the Trustee and the Issuer for Ordinary and Extraordinary Expenses pursuant to any right given or action taken under the provisions of this Article VI or the provisions of the Financing Documents (including without limitation, court costs and reasonable attorneys' fees and expenses, except as limited by law or judicial order or decision entered in any action taken under this Article VI), all money received by the Trustee, shall be applied as follows, subject to Section 2.05 hereof and any provision made pursuant to Section 4.10 or 4.11 hereof:

(a) Unless the principal of all of the Bonds shall have become, or shall have been declared to be, due and payable, all of such money shall be deposited in the Bond Fund and shall be applied:

(i) First, to the payment to the Holders entitled thereto of all installments of interest then due on the Bonds, in the order of the dates of maturity of the installments of that interest, beginning with the earliest date of maturity and, if the amount available is not sufficient to pay in full any particular installment, then to the payment thereof ratably, according to the amounts due on that installment, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds; and

(ii) Second, to the payment to the Holders entitled thereto of the unpaid principal of any of the Bonds which shall have become due, in the order of their due dates, beginning with the earliest due date, with interest on those Bonds from

the respective dates upon which they became due at the rates specified in those Bonds, and if the amount available is not sufficient to pay in full all Bonds due on any particular date, together with that interest, then to the payment thereof ratably, according to the amounts of principal due on that date, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(b) If the principal of all of the Bonds shall have become due or shall have been declared to be due and payable pursuant to this Article VI, all of such money shall be deposited into the Bond Fund and shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest, of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Holders entitled thereto, without any discrimination or privilege, except as to any difference in the respective rates of interest specified in the Bonds.

(c) If the principal of all of the Bonds shall have been declared to be due and payable pursuant to this Article VI, and if that declaration thereafter shall have been rescinded and annulled under the provisions of Section 6.03 or 6.10 hereof, subject to the provisions of paragraph (b) of this Section 6.06 in the event that the principal of all of the Bonds shall become due and payable later, the money shall be deposited in the Bond Fund and shall be applied in accordance with the provisions of paragraph (a) of this Section 6.06.

(d) Whenever money is to be applied pursuant to the provisions of this Section 6.06, such money shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of money available for application and the likelihood of additional money becoming available for application in the future. Whenever the Trustee shall direct the application of such money, it shall fix the date upon which the application is to be made, and upon that date, interest shall cease to accrue on the amounts of principal, if any, to be paid on that date, provided the money is available therefor. The Trustee shall give notice of the deposit with it of any money and of the fixing of that date, all consistent with the requirements of Section 2.05 hereof for the establishment of, and for giving notice with respect to, a Special Record Date for the payment of overdue interest. The Trustee shall not be required to make payment of principal of a Bond to the Holder thereof, until the Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if it is paid fully.

Section 6.07. Remedies Vested in Trustee. All rights of action (including without limitation, the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining any Holders as plaintiffs or defendants. Any recovery of judgment shall be for the benefit of the Holders of the outstanding Bonds, subject to the provisions of this Indenture.

Section 6.08. Rights and Remedies of Holders. A Holder shall not have any right to institute any suit, action or proceeding for the enforcement of this Indenture, for the execution of any trust hereof, or for the exercise of any other remedy hereunder, unless:

(a) there has occurred and is continuing an Event of Default of which the Trustee has been notified, as provided in Section 5.02(g) hereof, or of which it is deemed to have notice under that paragraph,

(b) the Controlling Holders shall have made written request to the Trustee and shall have offered indemnity to the Trustee as provided in Sections 5.01 and 5.02 hereof, and

(c) the Trustee thereafter shall have failed or refused to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name within 60 days of receipt of the written request and offer of indemnity.

At the option of the Trustee, that notification (or notice), request, opportunity and offer of indemnity are conditions precedent in every case, to the institution of any suit, action or proceeding described above.

No one or more Holders of the Bonds shall have any right to affect, disturb or prejudice in any manner whatsoever the security or benefit of this Indenture by its or their action, or to enforce, except in the manner provided herein, any remedy, right or power hereunder. Any suit, action or proceedings shall be instituted, had and maintained in the manner provided herein for the benefit of the Holders of all Bonds then outstanding. Nothing in this Indenture shall affect or impair, however, the right of any Holder to enforce the payment of the Bond Service Charges on any Bond owned by that Holder at and after the maturity thereof, at the place, from the sources and in the manner expressed in that Bond.

Section 6.09. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any remedy, right or power under this Indenture in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Issuer and the Holders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no suit, action or proceedings had been taken.

Section 6.10. Waivers of Events of Default. Except as hereinafter provided, at any time, in its discretion, the Trustee may waive any Event of Default hereunder and its consequences and may rescind and annul any declaration of maturity of principal of or interest on, the Bonds. The Trustee shall do so upon the written request of the Controlling Holders.

There shall not be so waived, however, any Event of Default described in paragraph (a) or (b) of Section 6.01 hereof or any declaration of acceleration in connection therewith rescinded or annulled, unless at the time of that waiver or rescission and annulment payments of the amounts provided in Section 6.03 hereof for waiver and rescission and annulment in connection with acceleration of maturity have been made or provision has been made therefor. In the case of the waiver or rescission and annulment, or in case any suit, action or proceedings taken by the Trustee on account of any Event of Default shall have been discontinued, abandoned or determined

adversely to it, the Issuer, the Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively. No waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

(End of Article VI)

ARTICLE VII

SUPPLEMENTAL INDENTURES

Section 7.01. Supplemental Indentures Generally. The Issuer and the Trustee may enter into Supplemental Indentures as provided in this Article VII. Each such Supplemental Indenture under this Article shall be at the sole cost and expense of the Borrower (including attorneys' fees and expenses) and no such Supplemental Indenture shall extend the obligations of the Issuer (or impair the benefits to or rights of the Issuer) under any provision of the Bond Documents or any related agreement.

Section 7.02. Supplemental Indentures Not Requiring Consent of Holders. Without the consent of, or notice to, any of the Holders, the Issuer and the Trustee may enter into Supplemental Indentures with prior consent of the Construction Lender (but only prior to the Conversion Date) for any one or more of the following purposes:

- (a) to cure any ambiguity, inconsistency or formal defect or omission in this Indenture;
- (b) to grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that lawfully may be granted to or conferred upon the Holders or the Trustee;
- (c) to assign additional revenues under this Indenture;
- (d) to accept additional security and instruments and documents of further assurance with respect to the Project;
- (e) to add to the covenants, agreements and obligations of the Issuer under this Indenture, other covenants, agreements and obligations to be observed for the protection of the Holders, or to surrender or limit any right, power or authority reserved to or conferred upon the Issuer in this Indenture;
- (f) to evidence any succession to the Issuer and the assumption by its successor of the covenants, agreements and obligations of the Issuer under this Indenture, the Loan Agreement and the Bonds;
- (g) to facilitate (i) the transfer of Bonds held in Book-Entry Form from one Depository to another and the succession of Depositories, or (ii) the withdrawal of Bonds delivered to a Depository for use in a Book-Entry System and the issuance of replacement Bonds in fully registered form and in the form of physical certificates to others than a Depository;
- (h) to permit the Trustee to comply with any obligations imposed upon it by law;
- (i) to specify further the duties and responsibilities of the Trustee; and

(j) to achieve compliance of this Indenture or the Bonds with any applicable federal securities or income tax law.

The provisions of subsections 7.02(h) and (j) shall not be deemed to constitute a waiver by the Trustee, the Issuer or any Holder of any right which it may have in the absence of those provisions to contest the application of any change in law to this Indenture or the Bonds.

Section 7.03. Supplemental Indentures Requiring Consent of Holders. Exclusive of Supplemental Indentures to which reference is made in Section 7.02 hereof and subject to the terms, provisions and limitations contained in this Section 7.03, and not otherwise, with the consent of the Controlling Holders, evidenced as provided in this Indenture, and with the consent of the Borrower if required by Section 7.04 hereof, the Issuer and the Trustee may execute and deliver Supplemental Indentures adding any provisions to, changing in any manner or eliminating any of the provisions of this Indenture or any Supplemental Indenture or restricting in any manner the rights of the Holders. Nothing in this Section 7.03 or Section 7.02 hereof shall permit, however, or be construed as permitting:

(a) without the consent of the Holder of each Bond so affected, (i) an extension of the maturity of the principal of or the interest on any Bond or (ii) a reduction in the principal amount of any Bond or the rate of interest thereon, or

(b) without the consent of the Holders of all Bonds then outstanding, (i) the creation of a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (ii) a reduction in the aggregate principal amount of the Bonds required for consent to a Supplemental Indenture.

If the Issuer shall request that the Trustee execute and deliver any Supplemental Indenture for any of the purposes of this Section 7.03, upon (i) being satisfactorily indemnified with respect to its expenses in connection therewith, and (ii) if required by Section 7.04 hereof, receipt of the Borrower's consent to the proposed execution and delivery of the Supplemental Indenture, the Trustee shall cause notice of the proposed execution and delivery of the Supplemental Indenture to be mailed by first-class mail, postage prepaid (or, when the Bonds are in a Book-Entry System, sent pursuant to the applicable procedures of the Depository), to all Holders of Bonds then outstanding at their addresses as they appear on the Register at the close of business on the fifteenth day preceding sending such notice.

The Trustee shall not be subject to any liability to any Holder by reason of the Trustee's failure to mail, the Depository's failure to send, or the failure of any Holder to receive, the notice required by this Section 7.03. Any failure of that nature shall not affect the validity of the Supplemental Indenture when there has been consent thereto as provided in this Section 7.03. The notice shall set forth briefly the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Designated Office of the Trustee for inspection by all Holders.

If the Trustee shall receive, within a period prescribed by the Borrower, of not less than 60 days, but not exceeding one year, following the sending of the notice, an instrument or document or instruments or documents, in form to which the Trustee does not reasonably object, purporting to be executed by the Controlling Holders (which instrument or document or

instruments or documents shall refer to the proposed Supplemental Indenture in the form described in the notice and specifically shall consent to the Supplemental Indenture in substantially that form), the Trustee shall, but shall not otherwise, execute and deliver the Supplemental Indenture in substantially the form to which reference is made in the notice as being on file with the Trustee, without liability or responsibility to any Holder, regardless of whether that Holder shall have consented thereto.

Any consent shall be binding upon the Holder of the Bond giving the consent and, anything herein to the contrary notwithstanding, upon any subsequent Holder of that Bond and of any Bond issued in exchange therefor (regardless of whether the subsequent Holder has notice of the consent to the Supplemental Indenture). A consent may be revoked in writing, however, by the Holder who gave the consent or by a subsequent Holder of the Bond by a revocation of such consent received by the Trustee prior to the execution and delivery by the Trustee of the Supplemental Indenture. At any time after the Holders of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the Issuer a written statement that the Holders of the required percentage of Bonds have filed those consents. That written statement shall be conclusive evidence that the consents have been so filed.

If the Holders of the required percentage in aggregate principal amount of Bonds outstanding shall have consented to the Supplemental Indenture, as provided in this Section 7.03, no Holder shall have any right (a) to object to (i) the execution or delivery of the Supplemental Indenture, (ii) any of the terms and provisions contained therein, or (iii) the operation thereof, (b) to question the propriety of the execution and delivery thereof, or (c) to enjoin or restrain the Trustee or the Issuer from that execution or delivery or from taking any action pursuant to the provisions thereof.

Section 7.04. Consent of the Borrower. Anything contained herein to the contrary notwithstanding, any Supplemental Indenture executed and delivered in accordance with this Article VII shall not become effective unless and until the Borrower shall have consented in writing to the execution and delivery of that Supplemental Indenture; provided, however, that no consent shall be required if the Borrower is the source of a continuing, uncured Event of Default under the Loan Agreement. The Trustee has no obligation to determine whether or not (i) a Supplemental Indenture affects in any material respect any rights or obligations of the Borrower or (ii) the source of an Event of Default is the Borrower. In this regard, the Trustee may conclusively rely on the Opinion of Counsel as provided in Section 7.07 hereof.

Section 7.05. Responsibilities of Trustee. Notwithstanding anything else contained herein, the Trustee shall not be required to enter into any Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 7.06. Authorization to Trustee; Effect of Supplement. The Trustee is authorized to join with the Issuer in the execution and delivery of any Supplemental Indenture in accordance with this Article VII and to make the further agreements and stipulations which may be contained therein. Thereafter,

- (a) That Supplemental Indenture shall form a part of this Indenture;

(b) All terms and conditions contained in that Supplemental Indenture as to any provision authorized to be contained therein shall be deemed to be a part of the terms and conditions of this Indenture for any and all purposes;

(c) This Indenture shall be deemed to be modified and amended in accordance with the Supplemental Indenture; and

(d) The respective rights, duties and obligations under this Indenture of the Issuer, the Borrower, the Remarketing Agent, the Trustee and all Holders of Bonds then outstanding shall be determined, exercised and enforced hereunder in a manner which is subject in all respects to those modifications and amendments made by the Supplemental Indenture.

Express reference to any executed and delivered Supplemental Indenture may be made in the text of any Bonds issued thereafter, if that reference is deemed necessary or desirable by the Trustee or the Issuer. A copy of any Supplemental Indenture for which provision is made in this Article VII, except a Supplemental Indenture described in Section 7.02(g) hereof, shall be mailed or, when the Bonds are in a Book-Entry System, sent pursuant to the applicable procedures of the Depository, to the Holders by the Trustee. The Trustee shall not be required to execute any supplemental indenture containing provisions adverse to the Trustee.

Section 7.07. Opinion of Counsel. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel (at the sole expense of the Borrower) as conclusive evidence that (a) any proposed Supplemental Indenture complies with the provisions of this Indenture, and (b) it is proper for the Trustee to join in the execution of that Supplemental Indenture under the provisions of this Article VII. That counsel may be counsel for the Issuer or the Borrower.

Before the Issuer and the Trustee shall enter into any Supplemental Indenture, there shall have been delivered to the Trustee and the Issuer a Favorable Opinion of Bond Counsel (at the sole expense of the Borrower).

Section 7.08. Modification by Unanimous Consent. Notwithstanding anything contained elsewhere in this Indenture, the rights and obligations of the Issuer and of the Holders, and the terms and provisions of the Bonds and this Indenture or any Supplemental Indenture, may be modified or altered in any respect with the consent of (a) the Issuer, (b) the Holders of all of the Bonds then outstanding, (c) the Borrower, (d) the Construction Lender (but only prior to the Conversion Date) and (e) if such modification or alteration contains provisions adverse to the Trustee, the Trustee.

Section 7.09. Conversion Date. On the Conversion Date and upon the execution and delivery of the Permanent Period Indenture, the Permanent Period Bonds, and the Permanent Period Loan Agreement, this Indenture, the Loan Agreement, and the Bonds shall be deemed amended, restated, and superseded in full by the terms thereof.

(End of Article VII)

ARTICLE VIII

DEFEASANCE

Section 8.01. Release of Indenture. If (i) all of the outstanding Bonds are paid and discharged, or if there otherwise shall be paid to the Holders of the outstanding Bonds, all Bond Service Charges due or to become due thereon, and (ii) provision also shall be made for the payment of all other sums payable hereunder or under the Loan Agreement, the Regulatory Agreement, the Tax Certificate and the Note, then this Indenture shall cease, determine and become null and void (except for those provisions surviving by reason of Section 8.03 hereof in the event the Bonds are deemed paid and discharged pursuant to Section 8.02 hereof), and the covenants, agreements and obligations of the Issuer hereunder shall be released, discharged and satisfied.

Thereupon, and subject to the provisions of Section 8.03 hereof if applicable:

(a) the Trustee shall release this Indenture (except for those provisions surviving by reason of Section 8.03 hereof in the event the Bonds are deemed paid and discharged pursuant to Section 8.02 hereof), and, upon receipt of an Opinion of Counsel stating that all conditions precedent to such release have been satisfied, shall execute and deliver to the Issuer any instruments or documents in writing as shall be requisite to evidence that release and discharge or as reasonably may be requested by the Issuer, and

(b) the Trustee shall assign and deliver to the Issuer any property subject at the time to the lien of this Indenture which then may be in its possession, except amounts in the Bond Fund required (i) to be paid to the Borrower under Section 4.14 hereof, or (ii) to be held by the Trustee under Section 4.13 hereof or otherwise for the payment of Bond Service Charges.

Section 8.02. Payment and Discharge of Bonds. All or any part of the Bonds shall be deemed to have been paid and discharged within the meaning of this Indenture, including without limitation, Section 8.01 hereof, if:

(a) the Trustee as paying agent shall have received, in trust for and irrevocably committed thereto, sufficient Eligible Funds, or

(b) the Trustee shall have received, in trust for and irrevocably committed thereto, noncallable Government Obligations (or a combination of Eligible Funds and noncallable Government Obligations) which are certified by an Independent public accounting firm of national reputation to be of such maturities or redemption dates and interest payment dates, and to bear such interest, as will be sufficient together with any Eligible Funds to which reference is made in subsection (a) above, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (which earnings are to be held likewise in trust and so committed, except as provided herein), for the payment of all Bond Service Charges on those Bonds at their maturity or their redemption date, as the case may be; and

(c) the Trustee shall have been given irrevocable written instructions from either the Issuer or the Authorized Borrower Representative to give the written notice to the Holders as required pursuant to the last paragraph of this Section 8.02.

Any money held by the Trustee in accordance with the provisions of this Section 8.02 may be invested by the Trustee at the written direction of the Borrower only in noncallable Government Obligations having maturity dates, or having redemption dates which, at the option of the owner of those obligations, shall be not later than the date or dates at which money will be required for the purposes described above. To the extent that any income or interest earned by, or increment to, the investments held under this Section 8.02 is determined from time to time by the Trustee to be in excess of the amount required to be held by the Trustee for the purposes of this Section 8.02, that income, interest or increment shall be transferred at the time of that determination in the manner provided in Section 4.14 hereof for transfers of amounts remaining in the Bond Fund.

If any Bonds shall be deemed paid and discharged pursuant to this Section 8.02, then within 15 days after such Bonds are so deemed paid and discharged the Trustee shall cause a written notice to be given to each Holder as shown on the Register on the date on which such Bonds are deemed paid and discharged. Such notice shall (i) state the numbers of the Bonds deemed paid and discharged or state that all Bonds are deemed paid and discharged, and (ii) set forth a description of the obligations held pursuant to subparagraph (b) of the first paragraph of this Section 8.02.

The rights of the Issuer to indemnity, non-liability and payments of all Issuer Fees and Expenses shall survive the cancellation and termination of this Indenture pursuant to this Section.

Section 8.03. Survival of Certain Provisions. Notwithstanding the foregoing, any provisions of this Indenture which relate to the maturity of Bonds, interest payments and dates thereof, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of money in trust, and repayments to the Borrower from the Bond Fund, the rebate of money to the United States in accordance with Section 4.09 hereof and the Tax Certificate, and the rights and duties of the Trustee in connection with all of the foregoing, or which by their terms survive payment and discharge of the Bonds, shall remain in effect and be binding upon the Trustee and the Holders notwithstanding the release and discharge of this Indenture. The provisions of this Article VIII shall survive the release, discharge and satisfaction of this Indenture. The obligations of the Borrower to pay the Trustee its fees and expenses hereunder shall survive the release, discharge and satisfaction of this Indenture, but shall terminate effective automatically upon payment in full by the Borrower of all fees and expenses owed by the Borrower to the Trustee or the as of the date of termination of this Indenture. The rights of the Issuer to indemnity, non-liability and payment of all the Issuer Fees and Expenses, including attorneys' fees and expenses, shall survive the cancellation and discharge of this Indenture.

(End of Article VIII)

ARTICLE IX

COVENANTS AND AGREEMENTS OF THE ISSUER

Section 9.01. Covenants and Agreements of the Issuer. In addition to any other covenants and agreements of the Issuer contained in this Indenture or the Bond Ordinance, the Issuer further covenants and agrees with the Holders and the Trustee as follows:

(a) The Issuer is a municipal corporation duly organized and existing as a home-rule city under Article XX of the Constitution of the State of Colorado and the home rule charter of the City of Colorado Springs, Colorado.

(b) The Issuer has duly adopted the Bond Ordinance, and the Bond Ordinance has not been terminated, rescinded, canceled, revoked, vacated, amended, supplemented or otherwise modified since the date of its adoption and is and has been since the date of its adoption in full force and effect.

(c) Under the provisions of the Act, the Supplemental Act and the Bond Ordinance, the Issuer has all necessary power and authority to issue the Bonds and to execute and deliver this Indenture, the Loan Agreement, and the Regulatory Agreement, and to perform its duties and discharge its obligations hereunder and thereunder.

(d) This Indenture, the Loan Agreement, and the Regulatory Agreement have been validly authorized, executed and delivered by the Issuer, and assuming due authorization, execution, and delivery by the other parties thereto, constitute valid and binding limited obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally and the application of equitable principles. Anything contained in this Indenture to the contrary notwithstanding, it is hereby understood that none of the covenants of the Issuer contained in this Indenture are intended to create any obligation of the Issuer beyond its obligations to make payments from the Trust Estate.

(e) ***Rights and Enforcement of the Loan Agreement.*** The Trustee may enforce, in its name or in the name of the Issuer, all rights of the Issuer for and on behalf of the Holders, except for Reserved Rights, and may enforce all covenants, agreements and obligations of the Borrower under and pursuant to the Loan Agreement, regardless of whether the Issuer is in default in the pursuit or enforcement of those rights, covenants, agreements or obligations. The Issuer, however, will (to the extent within its power and control, and at the sole expense of the Borrower) do all things and take all actions on its part necessary to comply with covenants, agreements, obligations, duties and responsibilities on its part to be observed or performed under the Loan Agreement, and will take all actions within its authority to keep the Loan Agreement in effect in accordance with the terms thereof.

Section 9.02. Limitation on Issuer's Obligations. None of the Issuer or any director, member, officer, agent, employee or attorney of the Issuer, including any person executing the

Indenture or the Bonds, is liable personally on the Bonds; subject to any personal liability or accountability by reason of the execution and delivery of the Bonds or for any reason relating to the issuance of the Bonds; or liable for any other costs, expenses, losses, damages, claims or actions of any conceivable kind on any conceivable theory. The Issuer shall not be directly, indirectly, contingently, or morally obligated to pay the principal of, premium, if any, or interest on the Bonds, except from the Trust Estate (excluding the Reserved Rights), and the Issuer shall not be required to advance any moneys derived from the proceeds of taxes collected by the Issuer, the County, the State or by any political subdivision thereof or from any source of income of any of the foregoing other than the Trust Estate, whether for the payment of the principal of or interest on the Bonds or for any other purpose of this Indenture.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in this Indenture contained, against, the Issuer, any past, present or future member of its Governing Body, its officers, attorneys, accountants, financial advisors, agents or staff or the officers, attorneys, accountants, financial advisors, agents or staff of any successor public entity, as such, either directly or through the Issuer or any successor public entity, under any rule of law or penalty or otherwise, and all such liability of the Issuer, any member of its Governing Body and its officers, attorneys, accountants, financial advisors, agents and staff is hereby, and by the acceptance of the Bonds, expressly waived and released as a condition of, and in consideration for, the execution of this Indenture and the issuance of any of the Bonds.

It is recognized that notwithstanding any other provision of this Indenture, neither the Borrower, the Trustee nor any Bondholder shall look to the Issuer for damages suffered by the Borrower, the Trustee or such Bondholder as a result of the failure of the Issuer to perform any covenant, undertaking or obligation under this Indenture, the Loan Agreement, the Bonds or any of the other documents referred to herein, or as a result of the incorrectness of any representation made by the Issuer in any of such documents, nor for any other reason. Although this Indenture recognizes that such documents shall not give rise to any pecuniary liability of the Issuer, nothing contained in this Indenture shall be construed to preclude in any way any action or proceeding (other than that element of any action or proceeding involving a claim for monetary damages against the Issuer) in any court or before any governmental body, agency or instrumentality or otherwise against the Issuer or any of its officers or employees to enforce the provisions of any of such documents which the Issuer is obligated to perform and the performance of which the Issuer has not assigned to the Trustee or any other person; provided, however, that as a condition precedent to the Issuer's obligations hereunder, the Issuer shall have received satisfactory indemnification.

No agreements or provisions contained in this Indenture nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with the Project, or the issuance, sale and delivery of the Bonds shall give rise to any pecuniary liability of the Issuer or a charge against the general credit of the Issuer, or shall obligate the Issuer financially in any way except as may be payable from the Trust Estate (excluding the Reserved Rights). No failure of the Issuer to comply with any term, condition, covenant or agreement herein or in any document executed by the Issuer in connection with the issuance and sale of the Bonds shall subject the Issuer to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from the Trust Estate (excluding

the Reserved Rights). Nothing herein shall preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant or agreement herein, provided that no costs, expenses or other monetary relief shall be recoverable from the Issuer except as may be payable from the Trust Estate (excluding the Reserved Rights). No provision, covenant or agreement, any obligations imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness or multiple fiscal-year obligation of the Issuer within the meaning of any State constitutional or statutory limitation or shall constitute or give rise to a charge against its general credit.

No obligation, covenant, condition or agreement contained herein or in the Bonds shall be deemed to be an obligation, covenant, condition or agreement of any past, present or future officer, member, director, trustee, fiscal agent, counsel, financial advisor, attorney, official, employee or agent of the Issuer in their individual capacity, and no recourse shall be had for the payment of the principal of, or premium, if any, or interest on, and any sum that may be due and unpaid by the Issuer on the Bonds or for any claim based thereon or upon any obligation, covenant, provision, condition or agreement contained in this Indenture or in the Bonds against any past, present or future officer, member, director, trustee, fiscal agent, counsel, financial advisor, attorney, official, employee or agent of the Issuer, or any counsel attorney, financial advisor, member, director, trustee, officer, official, employee or agent of any successor to the Issuer, as such, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, member, director, trustee, attorney, financial advisor, fiscal agent, counsel, official, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of this Indenture and the delivery of the Bonds. Neither the officers, members, directors, financial advisors, attorneys, trustees, fiscal agents, counsel, officials, employees or agents of the Issuer nor any person executing the Bonds or this Indenture shall be liable personally on the Bonds or under this Indenture or be subject to any personal liability or accountability by reason of the issuance of the Bonds or the execution of this Indenture.

All obligations of the Issuer hereunder and under the other Bond Documents are special, limited obligations payable solely from funds made available to the Issuer under the Loan Agreement or the other Bond Documents, and no recourse shall be had to the Issuer or to any officer, member, director, trustee, fiscal agent, counsel, financial advisor, attorney, official, employee or agent (other than the Borrower) in satisfaction of any amounts due or liabilities incurred pursuant to the Issuer's issuance of the Bonds and related actions, inactions or transactions, except from such funds.

Section 9.03. Issuer Tax Covenants. It is the intention of the parties hereto that interest on the Bonds shall be and remain excluded from gross income for federal income tax purposes and to that end the Issuer agrees to comply with all the requirements set forth in the Tax Certificate. In the event of a conflict between the terms of this Indenture and the Tax Certificate, the terms of the Tax Certificate shall control. Notwithstanding the foregoing, the Issuer shall not be required to expend any money or take any action unless it is reimbursed by the Borrower for the expense or the cost of taking such action. The foregoing covenants of the Issuer assume compliance by the Borrower with its obligations under the Financing Documents and the Borrower's Tax Certificate.

(End of Article IX)

ARTICLE X

AMENDMENTS TO LOAN AGREEMENT, NOTE, REGULATORY AGREEMENT OR TAX CERTIFICATE

Section 10.01. Amendments Not Requiring Consent of Holders. Without the consent of or notice to the Holders, but with consent from the Construction Lender (only prior to the Conversion Date), the Issuer, the Borrower and the Trustee may enter into or consent to, as applicable, any amendment, change or modification of the Loan Agreement, the Note, the Regulatory Agreement or the Tax Certificate, as the case may be, as may be required or permitted (a) by the provisions of the Financing Documents, (b) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Loan Agreement, the Note, the Regulatory Agreement or the Tax Certificate, as the case may be, (c) in connection with an amendment or to effect any purpose for which there could be an amendment of this Indenture pursuant to Section 7.02 hereof, or (d) in connection with any other change therein which is not materially prejudicial to the Trustee or the Holders of the Bonds. In executing an amendment, change, or modification of the Loan Agreement, the Note, the Regulatory Agreement or the Tax Certificate, the Trustee may conclusively rely on an Opinion of Counsel (which may be counsel to the Issuer or Borrower) that such amendment, change, or modification is authorized or permitted by this Indenture and the applicable Financing Documents.

Section 10.02. Amendments Requiring Consent of Holders. Except for the amendments, changes or modifications contemplated in Section 10.01 hereof, neither the Issuer nor the Trustee shall consent to:

(a) any amendment, change or modification of the Loan Agreement or the Note which would change the amount or time as of which Loan Payments and Collateral Payments are required to be paid, without the giving of notice as provided in this Section 10.02 of the proposed amendment, change or modification and receipt of the written consent thereto of the Holders of all of the then outstanding Bonds affected by such amendment, change or modification, or

(b) any other amendment, change or modification of the Loan Agreement, the Note, the Regulatory Agreement or the Tax Certificate without the giving of notice as provided in this Section 10.02 of the proposed amendment, change or modification and receipt of the written consent thereto of the Holders of the Controlling Holders.

The consent of the Holders shall be obtained as provided in Section 7.03 hereof with respect to Supplemental Indentures.

If the Issuer or an Authorized Borrower Representative shall request at any time the consent of the Trustee to any proposed amendment, change or modification of the Loan Agreement, the Note, the Regulatory Agreement or the Tax Certificate contemplated in subsections (a) or (b) of this Section 10.02, upon being indemnified satisfactorily with respect to expenses, the Trustee shall cause notice of the proposed amendment, change or modification to be provided in the manner which is required by Section 7.03 hereof with respect to notice of Supplemental Indentures. The notice shall set forth briefly the nature of the proposed amendment, change or modification and

shall state that copies of the instrument or document embodying it are on file at the Designated Office of the Trustee for inspection by all Holders.

Section 10.03. Consent of the Borrower. Anything contained herein to the contrary notwithstanding, any of the documents described in Sections 10.01 and 10.02 hereof executed and delivered in accordance with this Article X shall not become effective unless and until the Borrower shall have consented in writing to the execution and delivery thereof.

Section 10.04. Favorable Opinion of Bond Counsel. Before the Issuer and the Trustee shall consent to any amendment, change or modification of any of the documents described in Sections 10.01 and 10.02, there shall be delivered (i) a Favorable Opinion of Bond Counsel (at the sole expense of the Borrower) to the Trustee and the Issuer (provided that a Favorable Opinion of Bond Counsel shall not be required for any amendment, change or modification which the Issuer determines to be non-material) and (ii) the Issuer and the Trustee shall be fully protected in relying upon, an Opinion of Bond Counsel as conclusive evidence that any such amendment, change or modification complies with the provisions of this Indenture..

Section 10.05. Not an Obligation of Issuer. Each such additional amendment under this Article shall be at the sole cost and expense of the Borrower (including attorneys' fees and expenses) and no such additional amendment shall extend the obligations of the Issuer (or impair the benefits to or rights of the Issuer) under any provision of the Bond Documents or any related agreement.

(End of Article X)

ARTICLE XI

MISCELLANEOUS

Section 11.01. Limitation of Rights. With the exception of rights conferred expressly in this Indenture, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the parties hereto, the Remarketing Agent, the Borrower, the Investor Limited Partner, the Special Limited Partner and the Holders of the Bonds any legal or equitable right, remedy, power or claim under or with respect to this Indenture or any covenants, agreements, conditions and provisions contained herein. This Indenture and all of those covenants, agreements, conditions and provisions are intended to be, and are, for the sole and exclusive benefit of the parties hereto, the Remarketing Agent, the Borrower and the Holders of the Bonds, as provided herein.

Section 11.02. Entire Agreement; Severability. This Indenture and the exhibits hereto set forth the entire agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understandings, oral or written. This Indenture supersedes all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. In case any section or provision of this Indenture, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Indenture, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Indenture or any other covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Indenture, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein.

Any illegality, invalidity or inoperability shall not affect any legal, valid and operable section, provision, covenant, agreement, stipulation, obligation, act, action, part or application, all of which shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law from time to time.

Section 11.03. Notices. Except as provided in Section 6.02 hereof, it shall be sufficient service or giving of any notice, request, complaint, demand or other instrument or document, if it is duly mailed by first-class mail, postage pre-paid, or is forwarded by overnight courier service, delivery charges pre-paid. Notices to the Issuer, the Borrower, the Construction Lender, the Investor Limited Partner, the Special Limited Partner, the Trustee, the Remarketing Agent and the Rating Agency shall be delivered to their respective Notice Address. Copies of all notices required to be sent to the Borrower shall be sent simultaneously to the Investor Limited Partner and the Special Limited Partner.

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Issuer, the Construction Lender, the Trustee, the Borrower, the Investor Limited Partner or the Special Limited Partner to one or both of the others also shall be given to the others.

The Issuer, the Trustee, the Borrower, the Investor Limited Partner, the Special Limited Partner, the Construction Lender, the Remarketing Agent and the Rating Agency may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or Persons to whose attention the same shall be directed.

In connection with any notice sent pursuant to the provisions of this Indenture, a certificate of the Trustee, the Issuer, the Borrower, the Investor Limited Partner, the Special Limited Partner or the Holders of the Bonds, whichever or whoever mailed that notice, that the notice was so mailed shall be conclusive evidence of the proper mailing of the notice.

The Trustee shall notify the Rating Agency and the Remarketing Notice Parties of (a) the occurrence of an Event of Default of which the Trustee has actual notice, (b) any change in the identity of the Trustee, (c) any amendments, modifications, supplements or changes to this Indenture, the Loan Agreement, the Note or the Bonds, including any extension of principal or modification of interest or redemption premium due on any of the Bonds, in each case only in the event the Trustee has actual notice, (d) any change or proposed change in the structure or identity of the Borrower of which the Trustee has actual knowledge, (e) any change or notification of proposed change of the Mandatory Tender Date, (f) any partial prepayment of the Loan or the giving of notice of the call for redemption of any Bonds, (g) any defeasance or acceleration of the Bonds hereunder, (h) any change in the Remarketing Agent or the Construction Lender of which the Trustee has actual knowledge, (i) any sale of Eligible Investments below par, as shown in a Cash Flow Projection delivered to the Rating Agency prior to the sale date, (j) the occurrence of any monetary or other material default under the Loan of which the Trustee has actual notice or (k) any material change in the investment of funds subject to the lien of this Indenture.

Section 11.04. Suspension of Mail and Courier Service. If because of the suspension of delivery of first-class mail or of delivery by overnight courier services, or for any other reason, the Trustee shall be unable to mail by the required class of mail or forward by overnight courier service any notice required to be given by the provisions of this Indenture, the Trustee shall give such notice in such other manner as in the judgment of the Trustee shall most effectively approximate the required mailing or forwarding thereof, and the giving of that notice in that manner for all purposes of this Indenture shall be deemed to be in compliance with the requirement of this Section 11.04. Except as otherwise provided herein, the mailing of any notice shall be deemed complete upon deposit of that notice in the mail and the giving of any notice by any other means of delivery shall be deemed complete upon receipt of the notice by the delivery service.

Section 11.05. Payments Due on Non-Business Days. If any Bond Payment Date is a day other than a Business Day, then payment of interest and principal need not be made by the Trustee on that date, but that payment may be made on the next succeeding Business Day on which the Trustee is open for business with the same force and effect as if that payment were made on the Bond Payment Date, and no interest shall accrue for the period after that date.

Section 11.06. Instruments of Holders. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, required under this Indenture to be executed by any Holder may be in any number of concurrent writings of similar tenor and may be executed by that Holder in person or by an agent or attorney appointed in writing.

Proof of (i) the execution of any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, (ii) the execution of any writing appointing any agent or attorney, and (iii) the ownership of Bonds, shall be sufficient for any of the purposes of this Indenture, if made in the following manner, and if so made, shall be conclusive in favor of the Trustee with regard to any action taken thereunder, namely:

(a) The fact and date of the execution by any person of any writing may be proved by the certificate of any officer in any jurisdiction, who has power by law to take acknowledgments within that jurisdiction, that the person signing the writing acknowledged that execution before that officer, or by affidavit of any witness to that execution; and

(b) The fact of ownership of Bonds shall be proved by the Register maintained by the Trustee.

Nothing contained herein shall be construed to limit the Trustee to the foregoing proof, and the Trustee may accept any other evidence of the matters stated therein which it deems to be sufficient. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, of the Holder of any Bond shall bind every future Holder of the same Bond, with respect to anything done or suffered to be done by the Issuer, the Borrower or the Trustee pursuant to that writing.

Section 11.07. Priority of This Indenture. This Indenture shall be superior to any liens which may be placed upon the Revenues or any other funds or accounts created pursuant to this Indenture.

Section 11.08. Binding Effect. This Indenture shall inure to the benefit of and shall be binding upon the Issuer and the Trustee and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 11.09. Counterparts; Electronic Signature. This Indenture may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument. The exchange of copies of this Indenture and of signature pages thereof by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original instrument for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 11.10. Electronic Storage. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

Section 11.11. Patriot Act. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity the Trustee will request

documentation to verify its formation and existence as a legal entity. Furthermore, if required by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. No. 107-56. 115 Stat. 272 (2001), as amended, the Trustee may request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation. The Trustee will request any such documentation under this Section 11.10 from the Borrower in accordance with the Loan Agreement and will not request such documentation from the Issuer.

Section 11.12. Governing Law; Venue. This Indenture and the Bonds shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State. Any and all claims, disputes or controversies related to this Indenture or the Bonds, or breach thereof, shall be litigated in the District Court for El Paso County, Colorado, which shall be the sole and exclusive forum for such litigation.

Section 11.13. Reference Date. This Indenture is dated for reference purposes only as of [_____] 1, 2025. This Indenture will not be effective and binding on the parties hereto unless and until the Closing Date occurs.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Trust Indenture to be executed and delivered by duly authorized officers thereof as of the day and year first written above.

**CITY OF COLORADO SPRINGS,
COLORADO**

By: _____
Blessing Mobolade
Mayor

Attest:

By _____
Sarah B. Johnson
City Clerk

**ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Trustee**

By _____
Authorized Officer, Zions Bank Division

EXHIBIT A

FORM OF BOND

NOTICE: Unless this certificate is presented by an authorized representative of The Depository Trust Company to the Trustee for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein. THIS SERIES 2025A-1 BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED.

REGISTERED
No. R-_____

REGISTERED
\$[PAR].00

**CITY OF COLORADO SPRINGS, COLORADO
MULTIFAMILY HOUSING REVENUE BONDS
(BRADLEY RIDGE APARTMENTS PROJECT)
SERIES 2025**

Initial Interest Rate	Dated Date	Initial Mandatory Tender Date	Maturity Date	CUSIP
[]%	[], 2025	[] 1], 20[]	[] 1], 20[]	[]

REGISTERED OWNER: CEDE& CO.

PRINCIPAL AMOUNT: _____ AND 00/100 DOLLARS (\$[PAR].00)

The CITY OF COLORADO SPRINGS, COLORADO (the “Issuer”), a municipal corporation duly organized and existing as a home-rule city under Article XX of the Constitution of the State of Colorado (“*State*”) and the home rule charter of the City of Colorado Springs, Colorado (the “*Charter*”), for value received, promises to pay to the Registered Owner specified above or registered assigns, but solely from the sources and in the manner referred to herein, the Principal Amount specified above on the Maturity Date specified above (subject to the rights of redemption and tender set forth herein), and to pay from those sources interest on the unpaid principal balance of said Principal Amount calculated at the aforesaid Initial Interest Rate on (a) [] 1] and [] 1] of each year, beginning [] 1], 20[], (b) each Mandatory Tender Date, (c) each Redemption Date, (d) the Maturity Date, and (e) the date of acceleration of the Bonds (the “Interest Payment Dates”), until the principal amount is paid or duly provided for. This Bond will bear interest from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from the date of initial delivery.

This Bond shall bear interest at a rate per annum equal to the Interest Rate (as defined in the Indenture), calculated on the basis of a 360-day year consisting of twelve 30-day months.

The principal of this Bond is payable upon presentation and surrender hereof at the designated operations office of the trustee, presently Zions Bancorporation, National Association (the “Trustee”). Interest is payable on each Interest Payment Date by wire transfer or check mailed to the person in whose name this Bond is registered (the “Holder”) at the close of business on the fifteenth day of the calendar month next preceding that Interest Payment Date (the “Regular Record Date”) on the registration books for this issue maintained by the Trustee, as registrar, at the address appearing therein. Payments in respect of Bonds in a Book-Entry System (as defined in the Indenture) (including principal, premium, if any, and interest) shall be made by wire transfer of immediately available funds to the accounts specified by the Depository (as defined in the Indenture). Any interest which is not timely paid or duly provided for shall cease to be payable to the Holder hereof as of the Regular Record Date, and shall be payable to the Holder hereof at the close of business on a Special Record Date (as defined in the Indenture) to be fixed by the Trustee for the payment of that overdue interest. Notice of the Special Record Date shall be mailed (or, when the Bonds are in a Book-Entry System, sent pursuant to the applicable procedures of the Depository) to Holders not less than 10 days prior thereto. The principal of and interest on this Bond are payable in lawful money of the United States of America, without deduction for the services of the paying agent. While the Bonds are held in a book-entry system and in certain other circumstances, all as provided in the Indenture, principal of and interest on this Bond is required to be paid by wire transfer or other arrangement, other than any payment of the entire unpaid principal amount hereof.

THIS BOND IS A SPECIAL, LIMITED OBLIGATION OF THE ISSUER PAYABLE SOLELY FROM, AND SECURED ONLY BY, THE TRUST ESTATE (BUT NOT FUNDS RESULTING FROM THE EXERCISE OF THE RESERVED RIGHTS), AND WHICH SHALL BE USED FOR NO OTHER PURPOSE EXCEPT AS EXPRESSLY AUTHORIZED IN THE INDENTURE. THIS BOND SHALL NOT BE A DEBT OR INDEBTEDNESS OF THE ISSUER, THE COUNTY, ANY PUBLIC AGENCY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE ISSUER, THE COUNTY, ANY PUBLIC AGENCY, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE LIABLE FOR PAYMENT OF THIS BOND OR FOR THE PERFORMANCE OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER WITH RESPECT THERETO, NOR IN ANY EVENT SHALL THIS BOND BE PAYABLE OUT OF ANY FUNDS, ASSETS OR PROPERTIES OTHER THAN THOSE OF THE ISSUER PLEDGED UNDER THE INDENTURE (BUT NOT FUNDS RESULTING FROM THE EXERCISE OF THE RESERVED RIGHTS). THIS BOND SHALL NOT CONSTITUTE AN INDEBTEDNESS OR A MULTIPLE FISCAL-YEAR FINANCIAL OBLIGATION WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION, AND NONE OF THIS BOND OR ANY OF THE ISSUER’S AGREEMENTS OR OBLIGATIONS WITH RESPECT TO THIS BOND OR UNDER THE INDENTURE, SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF OR A PLEDGE OF THE FAITH AND CREDIT OF OR A LOAN OF THE CREDIT OF OR A MORAL OBLIGATION OF ANY OF THE ISSUER, THE COUNTY, ANY PUBLIC AGENCY, THE STATE, NOR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER.

This Bond is one of a duly authorized issue of the Issuer’s Multifamily Housing Revenue Bonds (Bradley Ridge Apartments Project) Series 2025 (the “Bonds”), issuable under the Trust

Indenture dated as of [] 1, 2025 (the “Indenture”), between the Issuer and the Trustee, in an initial aggregate principal amount of \$[PAR] and used for the purpose of making a loan (the “Loan”) to be made to BRADLEY RIDGE APARTMENTS LP, a Colorado limited partnership (the “Borrower”). The Loan will be used by the Borrower to pay a portion of the costs of acquiring, rehabilitating, renovating, constructing, equipping and improving the Project, as defined in the Indenture, and as further described in the Loan Agreement dated as of even date with the Indenture (the “Loan Agreement”), between the Issuer and the Borrower. The Bonds are special, limited obligations of the Issuer, issued or to be issued under and are to be secured and entitled equally and ratably to the protection given by the Indenture. The Bonds are issued pursuant to the County and Municipality Development Revenue Bond Act, constituting Article 3, Title 29, Colorado Revised Statutes, as amended, the Supplemental Public Securities Act, constituting Part 2, Article 57, Title 11, Colorado Revised Statutes, as amended, the Charter of the Issuer, as amended, an ordinance duly adopted by the Governing Body of the Issuer, and the provisions of the Indenture, and it is the intention of the Issuer that such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds upon delivery for value. Any term used herein but not otherwise defined shall have the meaning ascribed to such term in the Indenture.

No obligation, covenant, condition or agreement contained in the Indenture or in the Bonds shall be deemed to be an obligation, covenant, condition or agreement of any past, present or future officer, member, director, trustee, fiscal agent, counsel, financial advisor, attorney, official, employee or agent of the Issuer in their individual capacity, and no recourse shall be had for the payment of the principal of, or premium, if any, or interest on, and any sum that may be due and unpaid by the Issuer on the Bonds or for any claim based thereon or upon any obligation, covenant, provision, condition or agreement contained in the Indenture or in the Bonds against any past, present or future officer, member, director, trustee, fiscal agent, counsel, financial advisor, attorney, official, employee or agent of the Issuer, or any counsel attorney, financial advisor, member, director, trustee, officer, official, employee or agent of any successor to the Issuer, as such, either directly or through the Issuer or any successor to the Issuer, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, member, director, trustee, attorney, financial advisor, fiscal agent, counsel, official, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the delivery of the Bonds. Neither the officers, members, directors, financial advisors, attorneys, trustees, fiscal agents, counsel, officials, employees or agents of the Issuer nor any person executing the Bonds or the Indenture shall be liable personally on the Bonds or under the Indenture or be subject to any personal liability or accountability by reason of the issuance of the Bonds or the execution of the Indenture.

The Bonds are subject to redemption and mandatory tender prior to their maturity as follows:

(a) ***Optional and Mandatory Redemption.*** The Bonds are subject to optional and mandatory redemption as provided in the Indenture.

(b) ***Mandatory Tender.*** The Unredeemed Bonds are subject to mandatory tender on each Mandatory Tender Date. Holders will not have the right to elect to retain their Unredeemed Bonds, and any such Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender

Date. Upon presentation and surrender of Unredeemed Bonds by a Holder on the date fixed for tender, such Holder shall be paid the Purchase Price of such Bonds. Accrued interest on such Bonds shall be paid separately on such Mandatory Tender Date, which is an Interest Payment Date, in the usual manner.

Notwithstanding any provision of this Bond or the Indenture to the contrary, the Issuer shall be permitted to direct Note prepayments to be transferred to a custodian or trustee selected by the Issuer, in lieu of application to prepay a like portion of this Bond, so long as the Issuer simultaneously causes other funds to be applied to prepay such portion of this Bond. The preceding provisions shall apply only for purposes of preserving or “recycling” private activity bond volume cap in accordance with Section 146(i)(6) of the Code.

Reference is made to the Act, the Supplemental Act, and the Indenture for a more complete description of the Project, the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Holders of the Bonds, and the terms and conditions upon which the Bonds are issued and secured. Each Holder assents, by its acceptance hereof, to all of the provisions of the Indenture.

The Borrower is required by the Loan Agreement to cause the Construction Lender (as defined in the Indenture) to make on its behalf Collateral Payments (as defined in the Indenture) to the Trustee in the amounts and at the times necessary to pay the principal of and interest (the “Bond Service Charges”) on the Bonds. In the Indenture, the Issuer has assigned to the Trustee, to provide for the payment of the Bond Service Charges on the Bonds, the Issuer’s right, title and interest in and to the Loan Agreement, except for Reserved Rights as defined in the Indenture. To secure its compliance with certain covenants in the Loan Agreement and in the Tax Certificate, the Borrower has executed and delivered a Regulatory Agreement and Declaration of Restrictive Covenants dated as of [_____] 1, 2025 (the “Regulatory Agreement”), between the Issuer and the Borrower.

Copies of the Indenture, the Loan Agreement, the Tax Certificate and the Regulatory Agreement are on file in the designated corporate trust office of the Trustee.

The Bond Service Charges on the Bonds are payable solely from the Trust Estate, as defined and as provided in the Indenture (being, generally, the amounts payable under the Loan Agreement and the Note in repayment of the Loan, amounts on deposit in the Bond Fund, amounts received as Collateral Payments (as defined in the Indenture) required to be received by the Trustee as a condition to, and in the amount of, the disbursement of amounts on deposit in the Project Fund, and any unexpended proceeds of the Bonds, but excluding Reserved Rights), and are a special, limited obligation of the Issuer payable solely from and only to the extent of the Trust Estate. The Bonds are not secured by an obligation or pledge of any money raised by taxation and do not represent or constitute a debt or pledge of the faith and credit of the Issuer, the County, the State, or any political subdivision thereof.

The Bonds are issuable only as fully registered bonds and, except as hereinafter provided, in printed or typewritten form, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), which shall be considered to be the Holder for all purposes of the Indenture, including, without limitation, payment by the Issuer of Bond Service

Charges, and receipt of notices to, giving of consents by and exercise of rights of, Holders. There shall be a single Bond representing each maturity, and all Bonds shall be immobilized in the custody of DTC or its custodian with the owners of beneficial interests in those Bonds (the “Book-Entry interests”) having no right to receive from the Issuer Bonds in the form of physical securities or certificates. Ownership of Book-Entry interests in the Bonds shall be shown by book-entry on the system maintained and operated by DTC, its participants (the “Participants”) and certain persons acting through the Participants, and transfers of ownership of Book-Entry interests shall be made only by that Book-Entry System, the Issuer and the Trustee having no responsibility therefor. DTC is to maintain records of the positions of Participants in the Bonds, and the Participants and persons acting through Participants are to maintain records of the purchasers and owners of Book-Entry interests in the Bonds. The Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository (as defined in the Indenture) or to another nominee of a Depository, without further action by the Issuer and otherwise at the expense of the Borrower.

If any Depository determines not to continue to act as a Depository for the Bonds for use in a Book-Entry System, the Issuer may attempt to have established a securities depository/Book-Entry System relationship with another qualified Depository under the Indenture. If the Issuer does not or is unable to do so, the Issuer and the Trustee, after the Trustee has made provision for notification of the owners of Book-Entry interests by the then Depository, shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver Bond certificates in fully registered form (in denominations of \$5,000, or any integral multiple of \$1,000 in excess thereof) to the assignees of the Depository or its nominee, all at the cost and expense (including costs of printing or otherwise preparing and delivering replacement Bond certificates) of those Persons requesting such authentication and delivery, if the event is not the result of Issuer action or inaction (including action at the request of the Borrower).

The Indenture permits certain amendments or supplements to the Indenture, the Loan Agreement, the Regulatory Agreement, the Tax Certificate and the Note not prejudicial to the Holders to be made without the consent of or notice to the Holders, and certain other amendments or supplements thereto to be made with the consent of the Holders of not less than a majority in aggregate principal amount of the Bonds then outstanding.

The Holder of each Bond has only those remedies provided in the Indenture.

This Bond shall not be entitled to any security or benefit under the Indenture or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed.

It is certified, recited, and warranted that the Bonds are issued under the authority of the Bond Ordinance duly adopted by the Board of Commissioners of the Issuer, the Act, the Supplemental Act and the Indenture. It is the intention of the Issuer, as expressed in said ordinance, that this recital shall conclusively impart full compliance with all of the provisions of said ordinance and shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value and that all of the Bonds issued are incontestable for any cause whatsoever after their delivery for value.

It is certified and recited that there have been performed and have happened in regular and due form, as required by law, all acts and conditions necessary to be done or performed by the Issuer or to have happened (a) precedent to and in the issuing of the Bonds in order to make them legal, valid and binding special, limited obligations of the Issuer, and (b) precedent to and in the execution and delivery of the Indenture and the Loan Agreement.

(Remainder of page intentionally left blank)

IN WITNESS OF THE ABOVE, the Issuer has caused this Bond to be to be executed and delivered by the manual or facsimile signature of its Mayor and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon and attested by the manual or facsimile signature of its City Clerk.

[SEAL]

**CITY OF COLORADO SPRINGS,
COLORADO**

By: _____
Blessing Mobolade
Mayor

Attest:

By _____
Sarah B. Johnson
City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Indenture.

**ZIONS BANCORPORATION, NATIONAL
ASSOCIATION**, as Trustee

By _____
Authorized Officer, Zions Bank Division

Date of Authentication: _____, 20__

FORM OF ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and irrevocably constitutes and appoints _____ attorney to transfer that Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____, 20____

Signature Guaranteed:

Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agent Medallion Program or in such other guarantee program acceptable to the Registrar.	Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.
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Please insert social security number or
other tax identification number of transferee

DTC FAST RIDER

Each Bond shall remain in the Trustee's custody subject to the provisions of the FAST Balance Certificate Agreement currently in effect between the Trustee and DTC.