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**FORWARD BOND PURCHASE AGREEMENT**

**by and among**

**JPMORGAN CHASE BANK, N.A.,  
as Permanent Lender**

**JPMORGAN CHASE BANK, N.A.,  
as Construction Lender**

**CITY OF COLORADO SPRINGS, COLORADO,  
as Issuer**

**[TRUSTEE]  
as Trustee**

**and**

**BRADLEY RIDGE APARTMENTS LP,  
as Borrower**

**Relating to:**

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City of Colorado Springs, Colorado  
Multifamily Housing Revenue Bonds  
(Bradley Ridge Apartments Project)  
Series 2025**

**Dated as of \_\_\_\_\_ 1, 2025**

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## FORWARD BOND PURCHASE AGREEMENT

THIS FORWARD BOND PURCHASE AGREEMENT (this "Agreement") is dated as of \_\_\_\_\_ 1, 2025 by and among **JPMORGAN CHASE BANK, N.A.**, a national banking association, as permanent lender (in such capacity, the "Permanent Lender"), **JPMORGAN CHASE BANK, N.A.**, a national banking association, as construction lender (in such capacity, the "Construction Lender"), **ZIONS BANCORPORATION, NATIONAL ASSOCIATION**, a national banking association, as trustee (the "Trustee"), the CITY OF COLORADO SPRINGS, COLORADO (the "Issuer"), and **BRADLEY RIDGE APARTMENTS LP**, a Colorado limited partnership (the "Borrower").

### RECITALS:

A. Issuer has determined to issue its Multifamily Housing Revenue Bonds (Bradley Ridge Apartments Project) Series 2025 in the aggregate principal amount of \$\_\_\_\_\_.00 (the "Governmental Lender Note"), pursuant to the Trust Indenture dated as of \_\_\_\_\_ 1, 2025 (the "Initial Indenture"), by and between Issuer and Trustee, for the purpose of providing funding for the acquisition, construction, development and equipping of a 336-unit multifamily rental housing development to be known as Bradley Ridge Apartments, (the "Project") and located on certain real property described on Exhibit A hereto (the "Premises"). Borrower has a leasehold interest in the Premises pursuant to the Ground Lease (as defined below).

B. Pursuant to the Loan Agreement, dated \_\_\_\_\_ 1, 2025 (the "Initial Bond Loan Agreement"), by and among Borrower and Issuer, the proceeds of the Bonds will be used by Issuer to make a loan (the "Bond Loan") to the Borrower evidenced by one or more notes (whether one or more and as the same may be amended, restated or modified from time-to-time, the "Initial Bond Loan Note") in the maximum aggregate principal amount of the Bonds, to finance a portion of the costs of the acquisition and construction of the Project. To secure the amounts necessary to cash-collateralize the Bond Loan during the construction phase of the Bonds and fund additional construction costs, Borrower has obtained a construction loan from Construction Lender in the maximum principal amount of \$\_\_\_\_\_.00 (the "Construction Loan").

C. The Construction Loan is evidenced by a Promissory Note dated as of the date hereof (the "Construction Note") which is in turn secured by a Construction Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated as of \_\_\_\_\_ 1, 2025, from the Borrower to the Public Trustee of El Paso County (the "Public Trustee") for the benefit of Construction Lender (the "Construction Mortgage"). The Construction Loan is governed by that certain Construction Loan Agreement dated as of \_\_\_\_\_, 2025, by and between Borrower and Construction Lender (the "Construction Loan Agreement").

D. Issuer, Permanent Lender, Trustee, Borrower and Construction Lender have entered into this Agreement whereby following completion of the Improvements and satisfaction of the other terms and conditions set forth in this Agreement, the Bonds shall convert to the permanent mode (the "Permanent Period") and Permanent Lender will purchase the Bonds in an amount not to exceed the Commitment Mortgage Loan Amount (as defined below), as such amount may be increased or decreased as of the Conversion Date (as defined below) in accordance with this Agreement. During the Permanent Period, the Permanent Loan (as defined herein) shall be governed by, inter alia, the Permanent Period Financing Agreement (as defined below).

E. The conversion of the Project to the Permanent Period (the "Conversion") shall occur on or before a date no later than ten (10) Business Days following satisfaction of all of the conditions set forth in Articles IV and V of this Agreement but no later than the Termination Date (as defined below), subject to extension as described hereunder.

F. As of the Conversion Date, and upon Permanent Lender's payment to the Trustee of the Permanent Lender Purchase Price (as defined below), and the satisfaction of the Conditions to Conversion (as defined below), (i) Trustee shall partially redeem the Bonds in an amount necessary to reduce the

balance thereof to the principal amount of the Permanent Loan, (ii) Issuer and Trustee shall execute the Permanent Period Indenture (as defined below), (iii) the Bonds shall be removed from the Book-Entry System (as defined in the Initial Indenture) and converted to physical Permanent Period Bonds (as defined below) and delivered to Permanent Lender, (iv) the Issuer, the Trustee and the Borrower shall execute the Permanent Period Financing Agreement (as defined below) (v) the Trustee will endorse the Initial Bond Loan Note back to the Issuer, (vi) the Initial Bond Loan Note will then be amended and restated in the form of the Note (as defined below) in the Permanent Phase Loan Amount (as defined below) and endorsed by the Issuer to Fannie Mae (as defined below) and the Trustee, as their interests may appear; (vii) Borrower will execute the Security Instrument (as defined below) in favor of the Issuer and Fannie Mae; and (viii) the Issuer, the Trustee and Fannie Mae will execute and the Borrower will acknowledge, accept and agree to the Assignment and Intercreditor Agreement (as defined below).

G. The execution of the Permanent Loan Documents on the Conversion Date will occur pursuant to the terms of this Agreement, the Initial Indenture and the Initial Bond Loan Agreement and the other documents executed at Initial Closing and will not result in a reissuance of the Bonds for federal income tax purposes.

H. Capitalized terms used herein without specific definition shall have the meanings given to them in the Initial Indenture.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the parties herein contained, and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

## ARTICLE I

### DEFINITIONS

"Ancillary Permanent Loan Documents" means, collectively, the Assignment of Management Agreement, the Recourse Guaranty Agreement, the Environmental Indemnity Agreement and the UCC Financing Statements.

"Architect" means Way Architects, P.C..

"Assignment and Intercreditor Agreement" means that certain Assignment and Intercreditor Agreement to be executed on the Conversion Date in the form attached to this Agreement

"Assignment of Management Agreement" means that certain Assignment of Management Agreement to be executed on the Conversion Date in the form attached hereto as Exhibit E, Schedule IV, among the Property Manager, the Borrower and Fannie Mae, as the same may be amended from time to time.

"Bond Documents" means, collectively, the Bonds, the Initial Indenture, the Initial Bond Loan Agreement and the Bond Regulatory Agreement, all other documents executed in connection with the issuance and sale of the Bonds, together with any amendments or supplements to the foregoing consented to by Permanent Lender.

"Bond Regulatory Agreement" means the Tax Regulatory Agreement dated as of \_\_\_\_\_ 1, 2025 between the Issuer and Borrower.

"Bonds" has the meaning set forth in the recitals of this Agreement. As of the Conversion Date, the Permanent Period Bonds shall be deemed the Bonds under the Bond Documents.

"Borrower" has the meaning set forth in the preliminary paragraph of this Agreement.

"Borrower's Governing Agreement" means the [Amended and Restated Agreement of Limited Partnership] of the Borrower dated as of \_\_\_\_\_, 2025, by and among the General Partner/Managing Member, the Equity Investor and the Special Limited Partner, including any amendments and supplements thereto as permitted by this Agreement.

"Borrower's Organizational Documents" means the Borrower's Governing Agreement, the Borrower's certificate of limited partnership and any amendments and supplements thereto.

"Business Day" means any day other than (i) a Saturday, Sunday or other day on which national banks in the State are not open for business or (ii) a day on which the offices of Permanent Lender are not open to the public for business.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations (permanent and temporary) issued thereunder. References herein to any Code section shall include any successor provisions.

"Commitment Mortgage Loan Amount" means \$ \_\_\_\_\_ or such other amount specified in Addendum A of the Fannie Mae Commitment.

"Completion of Construction" has the meaning set forth in Section 4.1(a) of this Agreement.

"Conditions to Conversion" means all of the conditions set forth in Article IV of this Agreement.

"Construction Loan" has the meaning set forth in the recitals of this Agreement.

"Construction Loan Agreement" is defined in the recitals of this Agreement.

"Construction Loan Documents" means the Construction Note, the Construction Loan Agreement, the Construction Mortgage and any other documents executed in connection with the Construction Loan, as the same may be amended, modified, or replaced from time to time.

"Construction Mortgage" has the meaning set forth in the recitals of this Agreement.

"Construction Note" has the meaning set forth in the recitals of this Agreement.

"Construction Period" means the phase of the Project occurring prior to the Conversion Date.

"Conversion" has the meaning set forth in the recitals of this Agreement.

"Conversion Date" means that date upon which all of the Conditions to Conversion are satisfied and the Permanent Lender purchases the Bonds.

"Credit Enhancement Instrument" means a stand-by credit enhancement instrument to be issued by Fannie Mae as of the Conversion Date.

"Delivery Assurance Documents" means, collectively, the Delivery Assurance Guaranty, the Delivery Assurance Mortgage and the Delivery Assurance Promissory Note.

"Delivery Assurance Guaranty" means that certain Limited Permanent Loan Guaranty Agreement, dated as of the Initial Closing, executed by Guarantor for the benefit of Permanent Lender, as the same may be amended from time to time.

"Delivery Assurance Mortgage" means that certain Delivery Assurance Deed of Trust, Security Agreement and Fixture Filing, dated as of the Initial Closing, from Borrower to the trustee named therein for the benefit of Permanent Lender, as the same may be amended from time to time.

"Delivery Assurance Promissory Note" means the Promissory Note (Delivery Assurance), dated as of the Initial Closing, executed by Borrower payable to Permanent Lender, as the same may be amended from time to time.

"Environmental Indemnity Agreement" means that certain Environmental Indemnity Agreement, to be executed by the Borrower for the benefit of Fannie Mae on the Conversion Date in the form attached hereto as Exhibit E, Schedule VI, as the same may be amended from time to time.

"Equity Investor" means, [REDACTED], a [REDACTED] [as of Initial Closing, [REDACTED], a [REDACTED], which will subsequently assign its interest as the investor limited partner of the Borrower under the Borrower's Governing Agreement to [REDACTED], [REDACTED],] and its successors and/or assigns.

"Extended Termination Date" is defined in Section 4.4.

"Extension Period" is defined in Section 4.4.

"Fannie Mae" means Fannie Mae, a corporation organized and existing under the Federal National Mortgage Association Charter Act, 12 U.S.C. § 1716, et seq., as amended.

"Fannie Mae Commitment" means that certain Commitment Letter for Future Delivery of a Standby Bond Credit Enhancement, dated \_\_\_\_\_, by and between Fannie Mae and Permanent Lender pursuant to which Fannie Mae has agreed, subject to the satisfaction of the conditions to conversions stated therein, to issue the Credit Enhancement Instrument on the Conversion Date with respect to the Bonds.

"Federal Bankruptcy Code" means Title 11 of the United States Code, as the same may be amended from time to time or any successor statute thereto.

"Forward Conversion Delivery Tolerance" an amount not to exceed \$ \_\_\_\_\_.00 (10% of the Commitment Mortgage Loan Amount), as such amount may be determined as of the Conversion Date in accordance with the Fannie Mae Commitment.

"General Contractor" means [CSI Construction], a \_\_\_\_\_.

"General Partner/Managing Member" means Bradley Ridge GP LLC, a Delaware limited liability company and its successors and permitted assigns.

"General Partner/Managing Member's Organizational Documents" means, as applicable, the General Partner/Managing Member's operating agreement, articles of organization and any amendments or supplements thereto.

"Ground Lease" means that certain [Ground Lease] entered into by and between the Borrower and Ground Lessor dated \_\_\_\_\_, 2025.

"Ground Lessor" means [Peak Real Estate Foundation, Inc., a Colorado nonprofit corporation], and its successor and permitted assigns

"Guarantor" means, individually and collectively, Lincoln Avenue Capital Management, LLC and Lincoln Avenue Capital LLC, and any successor guarantor or guarantors of the Borrower obligations with respect to the Permanent Loan.

"Indebtedness" means the aggregate of all principal and interest payments that accrue or are due and payable in connection with the Permanent Loan, together with all other obligations and liabilities and all amounts, sums and expenses due Permanent Lender hereunder or under any of the Permanent Loan Documents.

"Indenture" means, (i) prior to the Conversion Date, the Initial Indenture and (ii) as of and following the Conversion Date, the Permanent Period Indenture.

"Initial Closing" means \_\_\_\_\_, 2025.

"Interest Rate" means a rate equal to \_\_\_\_\_%.

"Issuer" has the meaning set forth in the preliminary paragraph of this Agreement.

"Legal Requirements" means all applicable existing and future federal, state and local laws, ordinances, rules and regulations and court orders affecting the Project, the Borrower or Guarantor including those pertaining to zoning, subdivision, land use, environmental, traffic, fire, building, occupational safety and other applicable labor laws (including any applicable minimum or prevailing wage laws), health and the Americans With Disabilities Act.

"Loan Agreement" means (i) prior to the Conversion Date, the Initial Bond Loan Agreement and (ii) as of and following the Conversion Date, the Permanent Period Financing Agreement.

"Management Agreement" means that certain [Management Agreement], executed as of \_\_\_\_\_, 20\_\_ between the Borrower and the Property Manager, as the same may be amended from time to time.

"Material Adverse Change" means any occurrence of whatsoever nature (including, without limitation, any adverse determination in any litigation, arbitration or governmental investigation or proceeding), with respect to the Borrower, the Guarantor, the Project and/or the Premises which Permanent Lender reasonably determines is like to materially adversely affect (i) the then present or prospective financial condition or operations of any of Borrower or Guarantor, or (ii) the availability of Tax Credits in substantially the amount contemplated by Borrower's Governing Agreement, or (iii) the value of the Premises or (iv) any other material collateral securing repayment of the Permanent Loan, or (v) or impair the ability of Borrower or any Guarantor to perform its obligations as and when required under any of the Permanent Loan Documents, as determined by Permanent Lender in its sole but reasonable discretion.

"Maximum Permanent Loan Amount" means \$\_\_\_\_\_.00, which is the sum of the Forward Conversion Delivery Tolerance and the Commitment Mortgage Loan Amount. The final amount of the Permanent Loan shall be determined as of the Conversion Date in accordance with the Fannie Mae Commitment but shall not exceed the Maximum Permanent Loan Amount.

"Note" means the Amended and Restated Multifamily Note in the form attached to this Agreement, dated the Conversion Date in the principal amount of the Permanent Phase Loan Amount, which Note amends and restates the Initial Bond Loan Note in its entirety.

"Permanent Commitment" means that certain commitment letter, dated \_\_\_\_\_, 20\_\_, executed by Borrower and Permanent Lender with respect to the Permanent Lender's agreement to cause Fannie Mae to deliver the Credit Enhancement Instrument.

"Permanent Lender" is defined in the introductory paragraph on page one of this Agreement and shall include any subsequent owners from time to time of the Permanent Period Bonds during the Permanent Period, and their respective successor and assigns.

"Permanent Lender Purchase Price" shall have the meaning assigned in Section 3.1 hereof.

"Permanent Loan" means the loan evidenced by the Note and all other amounts secured by the Permanent Loan Documents.

"Permanent Loan Documents" means collectively, the Reimbursement Agreement, the Security Instrument, the Note, the Ancillary Permanent Loan Documents and all other documents now or hereafter executed by Borrower or any other Person to evidence or secure the payment of the Indebtedness or the performance by Borrower under said documents and all amendments, modifications, restatements, extensions, renewals and replacements of the foregoing.

"Permanent Loan Maturity Date" means \_\_\_\_\_, 2046.

"Permanent Loan Term" means the period of time beginning on the Conversion Date and ending on the Permanent Loan Maturity Date.

"Permanent Period" shall have the meaning assigned in the Recitals of this Agreement.

"Permanent Period Bonds" means the Bonds during the Permanent Period, which Bonds shall be 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 Indenture" means the Trust Indenture in the form attached hereto as Exhibit C, which Permanent Period Indenture shall be executed, delivered and become effective on the Conversion Date.

"Permanent Period Financing Agreement" means the Financing Agreement in the form attached hereto as Exhibit D, which Permanent Period Financing Agreement shall be executed, delivered and become effective on the Conversion Date.

"Permanent Phase Loan Amount" has the meaning assigned in the Fannie Mae Commitment.

"Permitted Encumbrances" means with respect to the Project, only the Ground Lease, the Regulatory Agreement, and the outstanding liens, easements, restrictions, security interests and other exceptions to title expressly set forth in Schedule B to the title insurance policy to be issued as of the Conversion Date by the Title Company insuring the Security Instrument, together with the liens and security interests in favor of Trustee or Permanent Lender created by the Permanent Loan Documents, and such other matters as are expressly set forth in the Bond Documents and the Permanent Loan Documents, the Ground Lease, and including, without limitation, any liens, restrictions and/or security interests in connection with the Subordinate Loans.

"Person" means and includes any individual, corporation, partnership, joint venture, limited liability company, association, bank, joint-stock company, trust, unincorporated organization or government, or an agency or political subdivision thereof.

"Plans and Specifications" is defined in Section 4.1(a).

"Project" has the meaning set forth in the recitals of this Agreement.

"Project Documents" means the Bond Documents, the Construction Loan Documents, the Permanent Loan Documents, the Delivery Assurance Documents, the Borrower's Governing Agreement, the Regulatory Agreement, the Management Agreement, and all other documents relating to the Project and by which the Borrower or Guarantor is bound, as amended, restated or supplemented from time to time.

"Project Inspector" means the construction consultant to be hired by the Permanent Lender at the expense of Borrower to confirm Completion of Construction.

"Property Manager" means [Seldin Company, a Nebraska limited liability company] and any successor property manager of the Project, as approved in advance by Permanent Lender in accordance with the terms of this Agreement.

"Recourse Guaranty Agreement" means that certain Guaranty of Non-Recourse Obligations to be executed by the Guarantor for the benefit of Fannie Mae on the Conversion Date in the form attached hereto as Exhibit E, Schedule V, as the same may be amended from time to time.

"Regulatory Agreement" means, to the extent applicable, and collectively, (a) the Tax Credit Extended Use Agreement (b) the Bond Regulatory Agreement, and (c) any other regulatory agreements and/or any declaration of covenants and restrictions to be entered into between the Borrower, or any applicable government agency setting forth certain terms and conditions under which the Project is to be developed and/or operated.

"Reimbursement Agreement" means the Reimbursement Agreement to be executed by the Borrower and Fannie Mae on the Conversion Date in the form attached hereto as Exhibit E, Schedule II, as the same may be amended from time to time.

"Security Instrument" means that certain Multifamily Deed of Trust, Assignment of Rents Security Agreement to be executed by the Borrower for the benefit of Fannie Mae and Issuer on the Conversion Date in the form attached hereto as Exhibit E, Schedule III, as the same may be amended from time to time.

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

"State" means the state or commonwealth in which the Premises are situated.

"Subordinate Lender" means, individually and collectively, the lender of each Subordinate Loan.

"Subordinate Loan" means the subordinate loan in the amount of \$2,000,000 made by \_\_\_\_\_, a \_\_\_\_\_.

"Subordinate Loan Documents" means the loan documents in form and substance reasonably satisfactory to the Permanent Lender evidencing or securing the Subordinate Loan as may be amended from time to time with the prior written consent of Permanent Lender.

"Subordination Agreement" means the subordination agreement(s), dated as of the date hereof, by and between Borrower, Construction Lender, Subordinate Lender, Fannie Mae and Trustee with respect to each Subordinate Loan, as the same may be amended from time to time.

"Tax Credit Extended Use Agreement" means the extended low-income housing commitment described in Section 42(h)(6)(B) of the IRS Code to be entered into by the Borrower and to be recorded against the Premises.

"Tax Credits" means the low-income housing tax credits under Section 42 of the Code allocated to the Borrower with respect to the Project.

"Termination Date" is defined in Section 4.1.

"Title Company" means Royal Abstract National LLC or any other nationally recognized title insurance company approved by Permanent Lender in its reasonable discretion.



“UCC Financing Statements” means the Uniform Commercial Code Financing Statements naming Borrower as debtor and Permanent Lender and/or Fannie Mae as secured party to be recorded or filed, as applicable, on or after the Conversion Date.

## ARTICLE II

**2.1 Purchase of Bonds.** Subject to the terms and conditions of this Agreement, Permanent Lender agrees to purchase, without recourse, representation or warranty (except as provided in this Agreement and its exhibits), the Bonds on the Conversion Date (which at the time of purchase shall have a principal amount outstanding equal to the Permanent Lender Purchase Price).

## ARTICLE III

### PERMANENT PHASE LOAN AMOUNT; FEES, COSTS AND EXPENSES

#### **3.1 Permanent Lender Purchase Price.**

(a) Subject to the terms and conditions of this Agreement, Permanent Lender agrees to acquire the Bonds on the Conversion Date for a purchase price not to exceed the Maximum Permanent Loan Amount (the “Permanent Lender Purchase Price”), provided that the Permanent Lender Purchase Price shall be equal to the Permanent Phase Loan Amount. The Permanent Lender Purchase Price is subject to adjustment as provided in Sections 3.1(b) and (c) below. On or before the Conversion Date, Borrower shall pay to Trustee, as a payment of principal and interest on the Bonds, an amount sufficient to reduce the principal amount of the Bonds outstanding, together with any accrued and unpaid interest on the Bonds, as of the Conversion Date, to the Permanent Lender Purchase Price as adjusted hereunder.

(b) If the Permanent Phase Loan Amount determined as of the Conversion Date in accordance with the Fannie Mae Commitment is less than the Commitment Mortgage Loan Amount, then as a condition to Permanent Lender’s purchase of the Bonds, Borrower must make a principal payment on the Bonds prior to the Conversion Date in an amount sufficient to reduce the principal amount of the Bonds (and, therefore, the Permanent Lender Purchase Price) to the Permanent Phase Loan Amount.

(c) If the Permanent Phase Loan Amount determined as of the Conversion Date in accordance with the Fannie Mae Commitment is greater than the Commitment Mortgage Loan Amount, Permanent Lender will, subject to the satisfaction of the conditions described in the Permanent Commitment and the Fannie Mae Commitment, increase the Permanent Phase Loan Amount to an amount not to exceed the Maximum Permanent Loan Amount.

#### **3.2 Payment of Permanent Lender Purchase Price**

The Permanent Lender Purchase Price shall be deposited by Permanent Lender into the Construction Loan Prepayment Fund (as defined in the Initial Indenture) held by Trustee pursuant to the Initial Indenture on the Conversion Date, by wire transfer of immediately available funds.

#### **3.3 Fees, Costs and Expenses To Be Paid by Borrower to Permanent Lender or Fannie Mae.**

Borrower shall pay to Permanent Lender or Fannie Mae (as applicable) the following amounts as provided below:

(a) Good Faith Deposit. In connection with Borrower's election to lock the Interest Rate, Borrower has paid to Permanent Lender a good faith deposit in an amount equal to one percent (1%) of the Commitment Mortgage Loan Amount.

(b) Origination Fee. Prior to Initial Closing, Borrower shall pay to Permanent Lender an origination fee in the amount equal to 1.00% of the Commitment Mortgage Loan Amount. To the extent that the Permanent Lender Purchase Price (as determined on the Conversion Date) exceeds the Commitment Mortgage Loan Amount, Borrower shall pay to Permanent Lender a supplemental origination fee on the Conversion Date in an amount equal 1.00% of the amount by which the Permanent Lender Purchase Price exceeds the Commitment Mortgage Loan Amount.

(c) Standby Forward Commitment Fee. Pursuant to the Fannie Mae Commitment, Borrower shall pay to Permanent Lender for delivery to Fannie Mae a standby forward commitment fee in the amount required by the Fannie Mae Commitment.

(d) Conversion Fee. On the Conversion Date, Borrower shall pay to Permanent Lender a conversion fee in the amount of \$10,000.00.

(e) Fannie Mae Delivery Fee. Pursuant to the Fannie Mae Commitment, on the Conversion Date, Borrower shall pay to Permanent Lender for delivery to Fannie Mae a delivery fee in the amount required by the Fannie Mae Commitment.

(f) Other Costs and Expenses. In addition, Borrower shall pay to Permanent Lender or Fannie Mae (as applicable), at Initial Closing and on the Conversion Date, all other reasonable out of pocket costs and expenses incurred by Permanent Lender or Fannie Mae in connection with this Agreement and the Bonds, such as closing costs, appraisal fees, legal fees, environmental review and consulting fees.

**3.4 Delivery Assurance Documents.** In connection with Borrower's election to lock the Interest Rate, Borrower has or has caused Guarantor to execute and deliver the Delivery Assurance Documents to Permanent Lender as of the date that Permanent Lender agreed to lock the Interest Rate. The Delivery Assurance Mortgage shall be recorded against the Premises at Initial Closing. The Delivery Assurance Mortgage shall be subordinate to the Construction Mortgage and the mortgages securing the Subordinate Loan. On the Conversion Date, Permanent Lender shall (i) cancel and return the Delivery Assurance Note to Borrower, (ii) terminate the Delivery Assurance Guaranty, and (iii) cause the Delivery Assurance Mortgage to be released of record.

## **ARTICLE IV CONDITIONS TO CONVERSION**

**4.1 Conditions to Conversion.** Permanent Lender's obligation to purchase the Bonds on the Conversion Date shall be subject to the timely satisfaction of the following conditions precedent (collectively, the "Conditions to Conversion") on or before \_\_\_\_\_, 20\_\_ (the "Termination Date"). The Termination Date is subject to one (1), six (6) month extension in accordance with Section 4.4, below. Each of the Conditions to Conversion is for the benefit of Permanent Lender and may be waived by Permanent Lender but only if the waiver is in writing and signed by Permanent Lender. Permanent Lender may acquire the Bonds without requiring satisfaction of each Conversion Condition, but such waiver must be in writing. All of the documents and agreements required below shall be in form and substance reasonably satisfactory to Permanent Lender. The Conditions to Conversion are as follows:

(a) Completion of Construction. Permanent Lender shall have received written evidence satisfactory to Permanent Lender, in its reasonable discretion, evidencing the satisfactory completion of the Project substantially in accordance with the plans and specifications therefor approved by Permanent Lender as of the Initial Closing (the "Plans and Specifications"), including, without limitation, (i) a final closeout letter from the Project Inspector, (ii) completion of all punch list

items, or Permanent Lender has agreed to establish an escrow account containing funds sufficient in Permanent Lender's reasonable opinion to complete such items, (iii) signed lien releases for all subcontractors and from the General Contractor, (subject to any remaining punch list described in clause (ii)), (iv) a certificate of substantial completion from the Architect on an AIA form or other form reasonably acceptable to Permanent Lender, (v) a statement from Borrower certifying that the number of units has not changed and the square footage of the Project has not changed substantially from those shown in the Plans and Specifications, (vi) complete as-built Plans and Specifications, in such detail, and with such drawings and certifications, as Permanent Lender may reasonably require, (vii) any required municipal approvals, certificates, sign-offs and acceptances of permits required by the applicable governmental agency or department as a condition to the use and occupancy of the Project, as applicable and if customarily issued for projects such as the Project, a valid certificate of occupancy. Satisfaction of the foregoing requirements shall constitute "Completion of Construction" for purposes of this Agreement.

(b) Conditions to Conversion. The Borrower shall have satisfied the Conditions to Conversion described in the Permanent Commitment and the Fannie Mae Commitment.

(c) Delivery of Credit Enhancement Instrument. Fannie Mae shall have issued the Credit Enhancement Instrument in an amount no less than the Permanent Lender Purchase Price on or before the Conversion Date.

(d) Truth of Representations. Each of Borrower's representations and warranties contained in the Project Documents is and shall remain true and correct in all material respects on and as of the Conversion Date as if made on and as of the Conversion Date.

(e) No Event of Default. As of the Conversion Date, no default or Event of Default shall exist and be continuing under, and no event that would constitute an Event of Default after the giving of notice or the passage of time, or both, shall exist and be continuing under the Permanent Commitment or Project Documents.

(f) No Material Adverse Change. As of the Conversion Date, no Material Adverse Change shall have occurred and is continuing.

(g) Project Documents. As of the Conversion Date and contemporaneously with the purchase of the Bonds by Permanent Lender, (i) each of the documents required by Section 5.2 hereof shall be executed and delivered to Permanent Lender and (ii) each of the Project Documents (other than those documents that will be terminated or cancelled as of the Conversion Date as specified hereunder) shall be in full force and effect and no event of default or event that with the giving of notice, or the passage of time, or both, would constitute an event of default has occurred and is continuing as confirmed in writing (including by email) by the Borrower to the Permanent Lender.

(h) Subordinate Loan. As of the Conversion Date the Subordinate Loan shall have fully funded and the Subordination Agreement shall remain in full force and effect.

(i) Payment of Borrower's Obligations to Construction Lender. As of the Conversion Date, Borrower shall have paid Construction Lender all amounts then due and owing under the Construction Loan Documents and all accrued and unpaid interest thereon, together with satisfaction of all other obligations due and owing under the Construction Loan Documents on or before the Conversion Date.

(j) Additional Conditions. All of the general conditions precedent set forth on **Exhibit E** shall have been satisfied.

(m) Obligations of Permanent Lender. Notwithstanding anything to the contrary in this Agreement, Permanent Lender shall have no obligation to purchase the Bonds if any condition to Permanent Lender's purchase of the Bonds in accordance with this Agreement has not been timely satisfied as required under this Agreement, unless such condition(s) is waived by the Permanent Lender.

**4.2 Conditions to Construction Lender's Release of the Construction Mortgage.** Construction Lender's obligation to request for the Public Trustee's release the Construction Mortgage on the Conversion Date shall be subject to the timely satisfaction of the following conditions precedent:

(a) Payment by Borrower of the Construction Loan. Borrower shall have paid Construction Lender all amounts owing under the Construction Loan and all accrued and unpaid interest thereon, together with satisfaction of all other obligations due and owing under the Construction Loan Documents on or before the Conversion Date.

**4.3 Conditions to Issuer's and Trustee's Obligations.** Issuer's and Trustee's obligation to (i) partially redeem the Bonds in an amount necessary to reduce the balance thereof to the principal amount of the Permanent Loan, (ii) execute the Permanent Period Indenture, (iii) deliver the Bonds to Permanent Lender in accordance with Section 2.11 of the Initial Indenture, and (iv) execute the Permanent Period Financing Agreement (as applicable) on the Conversion Date, shall be subject to the timely satisfaction of the following conditions precedent:

(a) Satisfaction of the Conditions of the Indenture. The conditions to Conversion shall be satisfied in accordance with Section 2.11 of the Initial Indenture.

**4.4 Extension of Termination Date.** Subject to the satisfaction of the conditions stated in the Fannie Mae Commitment and the Permanent Commitment, Borrower may extend the Termination Date once for a period of up to six (6) months (the "Extension Period") to \_\_\_\_\_, 20\_\_ (the "Extended Termination Date") so long as, prior to the Termination Date, Construction Lender has extended the maturity date of the Construction Period to a date on or after the Extended Termination Date pursuant to the terms of the Construction Loan Documents (whereupon Permanent Lender shall execute and deliver to Construction Lender and Borrower a written confirmation that Permanent Lender has agreed to the Extended Termination Date). Borrower shall pay to Permanent Lender all fees required by the Permanent Commitment or the Fannie Mae Commitment in connection with said extension, together with all costs and expenses incurred by Permanent Lender or Fannie Mae in connection with said extension.

## **ARTICLE V CONVERSION**

**5.1 Time of Conversion.** The precise date and time of the Conversion Date shall be mutually determined by Borrower and Permanent Lender; provided, however, the Conversion (and hence the Conversion Date) shall not occur later than the Termination Date or the Extended Termination Date, as the case may be. In the event the Conversion does not occur on or before the Termination Date or the Extended Termination Date (if applicable) as a result of the failure of Borrower to satisfy any condition for the benefit of Permanent Lender set forth in this Agreement, then Permanent Lender shall have the right, in its sole and absolute discretion, to terminate this Agreement.

**5.2 Procedure for Conversion.** On the Conversion Date, Permanent Lender shall wire or cause the Title Company to wire the Permanent Lender Purchase Price to Trustee. On the Conversion Date and in accordance with this Agreement and Section 2.11 of the Initial Indenture, (i) Trustee shall partially redeem the Bonds in an amount necessary to reduce the balance thereof to the principal amount of the Permanent Loan, (ii) Issuer and Trustee shall execute the Permanent Period Indenture, (iii) the Bonds shall be removed from the Book-Entry System (as defined in the Initial Indenture) and converted to physical Permanent Period Bonds and delivered to Permanent Lender, (iv) Borrower and Issuer shall execute the Permanent Period Financing Agreement, (v) Borrower shall execute in favor of Trustee the Note to reflect the amount of the Permanent Loan and the other terms of the Permanent Loan, (vi) Borrower shall execute

the Security Instrument, (vii) Borrower shall execute the Ancillary Permanent Loan Documents in favor of Fannie Mae and (viii) Construction Lender will request the Public Trustee to release the Construction Mortgage and will release any UCC financing statements in favor of Construction Lender. On the Conversion Date, the Title Company shall (a) deliver the request from the Construction Lender to the Public Trustee for the recorded release of the Construction Mortgage, release any UCC financing statements in favor of Construction Lender and record the Security Instrument, (b) issue a title policy with respect to the Permanent Loan as set forth on Exhibit E; and (c) otherwise comply with the terms of the escrow instructions from Borrower, Permanent Lender and/or Construction Lender.

**5.3 Closing Costs.** All reasonable costs, expenses, taxes and attorneys' fees relating to Conversion shall be paid by Borrower on or before the Conversion Date, including, without limiting the generality of the foregoing, escrow fees and costs, recording costs, title insurance premiums, tax service, mortgage tax, and reasonable fees paid to attorneys in preparation of documents or providing legal advice or opinions.

## **ARTICLE VI REPRESENTATIONS AND WARRANTIES**

**6.1 Representations of Construction Lender.** Construction Lender represents and warrants to Permanent Lender, Issuer and Borrower as of the date hereof that:

(a) Sole Beneficiary. Construction Lender is the sole legal beneficiary of the Construction Mortgage.

(b) Authority. Construction Lender, and the officers acting on its behalf, have the right, power, legal capacity, and authority to execute and deliver this Agreement and all instruments and other documents required to be executed and delivered by Construction Lender in connection herewith.

(c) Binding Obligation. This Agreement constitutes the valid, legal and binding agreement of Construction Lender, and is enforceable against Construction Lender in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability relating to or affecting the enforcement of creditors' rights and/or by general equitable principles which may limit the availability of equitable remedies, including without limitation, the remedy of specific performance.

(d) Brokers. Construction Lender has not engaged any broker or finder or incurred or become obligated to pay any broker's commission or finder's fee in connection with the transactions contemplated by this Agreement.

**6.2 Representations of Permanent Lender.** Permanent Lender represents and warrants to Borrower, Issuer and Construction Lender as of the date hereof that:

(a) Authority. Permanent Lender and the officers acting on its behalf, have all requisite power and authority to execute and deliver, and to perform all of its obligations under this Agreement and under all instruments and other documents to be executed and delivered by Permanent Lender in connection herewith.

(b) Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of Permanent Lender enforceable against Permanent Lender in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability relating to or affecting the enforcement of creditors' rights and/or by general equitable principles which may limit the availability of equitable remedies, including without limitation, the remedy of specific performance.

(c) Brokers. Permanent Lender has not engaged any broker or finder or incurred or become obligated to pay any broker's commission or finder's fee in connection with the transactions contemplated by this Agreement.

**6.3 Representations of Borrower.** As of the date hereof, Borrower represents and warrants to Permanent Lender, Construction Lender and Issuer that:

(a) Sole Owner. Subject to the Ground Lease, Borrower is the sole legal and beneficial owner of the Project, free and clear of any and all liens and security interests in favor of any other party, except for the Permitted Encumbrances.

(b) Authority. Borrower has all requisite power and authority to execute and deliver, and to perform all of its obligations under, this Agreement and under all instruments and other documents to be executed and delivered by Borrower in connection herewith.

(c) Organization. Borrower is a limited partnership duly organized, and validly existing under the laws of the State, is in full compliance with all requirements for its formation and existence and has continuously been in existence and transacting business under its name from the date of its formation.

(d) Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of Borrower enforceable against Borrower in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability relating to or affecting the enforcement of creditors' rights and/or by general equitable principles which may limit the availability of equitable remedies, including without limitation, the remedy of specific performance.

(e) No Actions, Suits or Proceeding. There are no actions, suits or proceedings at law or in equity now pending or, to Borrower's best knowledge, overtly threatened against or affecting the Premises, Project, Borrower, the General Partner/Managing Member, or the Guarantor which if adversely determined would have a material adverse effect on the Premises or the Project or the financial condition of Borrower or Guarantor. None of Borrower, General Partner/Managing Member or Guarantor, is in material default with respect to any order, writ, injunction, decree or demand of any court or any governmental agency binding upon any of Borrower, General Partner/Managing Member or Guarantor.

(f) No Voluntary Bankruptcy. None of Borrower, General Partner/Managing Member or Guarantor have: (i) filed a petition for relief under the Bankruptcy Code, or under any other present or future state or federal law regarding bankruptcy, reorganization or other debtor relief law; (ii) filed a pleading or an answer in any involuntary proceeding under the Bankruptcy Code or other debtor relief law which admits the jurisdiction of the court or the petition's material allegations regarding any of Borrower's, General Partner/Managing Member's or Guarantor's, respective insolvency; (iii) made a general assignment for the benefit of creditors; or (iv) applied for, or suffered the appointment of, a receiver, trustee, custodian or liquidator of any of Borrower, General Partner/Managing Member or Guarantor or any of their respective property.

(g) No Involuntary Bankruptcy. No involuntary petition under the Bankruptcy Code or under any other debtor relief law has been filed against Borrower, General Partner/Managing Member or Guarantor, or in any way restrains or limits Borrower or General Partner/Managing Member or Guarantor, regarding the Bonds, the Permanent Loan, the Project or the Premises.

(h) FIRPTA Compliance. Borrower is a "United States Person" within the meaning of Section 7702(a)(30) of the Internal Revenue Code of 1986, as amended.

(i) Brokers. Borrower has not engaged any broker or finder or incurred or become obligated to pay any broker's commission or finder's fee in connection with the Loan or the transactions contemplated by this Agreement.

#### **6.4 Disclaimer.**

(a) Obligations of Construction Lender. Notwithstanding anything to the contrary in this Agreement, Construction Lender shall have no obligation to request for the Public Trustee's release of the Construction Mortgage if Construction Lender reasonably determines that any condition to Construction Lender's obligation to request for the Public Trustee's release of the Construction Mortgage in accordance with this Agreement has not been timely satisfied as required under this Agreement.

(b) Obligations of Permanent Lender. Notwithstanding anything to the contrary in this Agreement, Permanent Lender shall have no obligation to purchase the Bonds if Permanent Lender (i) is not presented with one hundred percent (100%) of the then outstanding Bonds on the Conversion Date or (ii) reasonably determines that any condition to Permanent Lender's purchase of the Bonds in accordance with this Agreement has not been timely satisfied as required under this Agreement.

### **ARTICLE VII RESERVED**

### **ARTICLE VIII DEFAULT AND REMEDIES**

**8.1 Default by Construction Lender.** Construction Lender shall be in default hereunder if Construction Lender shall fail to meet, comply with or perform any covenant, agreement, or obligation within the time limits and in the manner required in this Agreement. In the event of a default by Construction Lender, hereunder, Borrower or Equity Investor may, at its sole and exclusive remedy hereunder, enforce specific performance of this Agreement against Construction Lender.

**8.2 Default by Permanent Lender.** Permanent Lender shall be in default hereunder if Permanent Lender shall fail to meet, comply with or perform any covenant, agreement, or obligation within the time limits and in the manner required in this Agreement. In the event of a default by Permanent Lender hereunder, Borrower or Equity Investor may, at its sole and exclusive remedy hereunder, enforce specific performance of this Agreement against Permanent Lender.

**8.3 Default by Borrower.** Borrower shall be in default hereunder upon the occurrence of any one or more of the following events:

(a) any of Borrower's representations or warranties set forth in this Agreement are materially untrue or inaccurate in any materially adverse respect on the date when made; or

(b) Borrower shall fail to meet, comply with or materially perform any covenant, agreement, or obligation within the time limits (including any applicable notice, grace and cure periods) and in the manner required in this Agreement.

In the event of a default by Borrower hereunder, and if such default is not cured by Borrower or by Guarantor or the Equity Investor within thirty (30) days after written notice to the Borrower and to the Equity Investor, Permanent Lender shall have all rights and remedies against Borrower provided for in the Permanent Loan Commitment and/or the Delivery Assurance Documents. In addition, in the event of a default by Borrower hereunder that is continuing beyond all applicable notice, grace, and cure periods, Construction Lender shall have all of the rights and remedies available to Construction Lender under the Construction Loan Documents.

Notwithstanding the foregoing, if the Conversion Date does not occur by the Extended Termination Date, Permanent Lender may terminate this Agreement, and it shall be treated as a default under this Section 8.3 (and no cure period provided above shall waive or otherwise modify Permanent Lender's rights under this sentence, or extend the Extended Termination Date).

The Permanent Lender hereby agrees that the Equity Investor shall have the right, but not the obligation, to cure any default by Borrower hereunder, and that any cure of any default made or tendered by the Equity Investor shall be (a) deemed to be a cure by the Borrower, and (b) accepted or rejected on the same basis as if made or tendered by the Borrower. The Permanent Lender agrees that effective notice to the Borrower under the Permanent Loan Documents shall require delivery of a copy of such notice to the Equity Investor.

**8.4 Attorney's Fees.** If it shall be necessary for any party to employ an attorney to enforce its rights pursuant to this Agreement because of the default of the other party, the defaulting party shall be fully liable and responsible for and shall reimburse the non-defaulting party for reasonable attorney's fees incurred

## **ARTICLE IX NOTICES**

**9.1 Method of Delivery.** All notices and demands given pursuant to the terms hereof shall be given in writing delivered in person, by commercial courier, or by registered or certified mail, return receipt requested, with all postage and fees fully prepaid. Notices shall be considered delivered upon receipt by a person commonly accepting delivery of letters or parcels at the recipient's address, such receipt to be as indicated by the return receipt if the notice was sent by mail; except that, upon an attempt to effectuate service of notice as provided herein, if the party being sent the notice either (a) refuses to accept delivery, or (b) has moved and no notice has been served upon the party sending the notice in question informing it of the recipient's new address, then the party to whom the notice was intended to be served shall be deemed to have received the notice upon the attempt to deliver it at the last address for the intended recipient as to which the sender had notice. Notices shall be addressed as specified below, subject to the right of either party to change the address for service of notice on it by such party serving a notice upon the other of the new address, except that any change of address to a post office box shall not be effective unless a street address is also specified for use in effectuating personal service.

### **9.2 Address for Notices.**

(a) The address of Construction Lender for all purposes under this Agreement and for all notices hereunder shall be:

JPMorgan Chase Bank, N.A.  
c/o Community Development Banking  
1301 Canyon Boulevard  
Boulder, Colorado 80302  
Attention: Isaac Silver, Vice President  
Email Address: isaac.silver@chase.com

With copies to: Phillips Lytle LLP  
28 E. Main Street, Suite 1400  
Rochester, New York 14614  
Attention: Victoria Grady, Esq.  
Email Address: vgrady@phillipslytle.com

(b) The address of Permanent Lender for all purposes under this Agreement and for all notices hereunder shall be:

JPMorgan Chase Bank, N.A.



14800 Frye Road  
Fort Worth, Texas 76155  
Attention: Portfolio Management  
Telephone: (877) 344-3080

With copies to:

Troutman Pepper Locke LLP  
401 9<sup>th</sup> Street, NW, Suite 1000  
Washington, DC 20004  
Attention: Dameon Rivers, Esq.  
Email: dameon.rivers@troutman.com

(c) The address of Borrower for all purposes under this Agreement and for all notices hereunder shall be:

Bradley Ridge Apartments LP  
401 Wilshire Blvd, 11<sup>th</sup> Floor  
Santa Monica, CA 90401  
Attention: Russell Condas and Ben Taylor  
Email: rcondas@lincolnavenue.com; btaylor@lincolnavenue.com

With copies to:

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

and

Lincoln Avenue Communities  
680 5<sup>th</sup> Avenue, 17<sup>th</sup> Floor  
New York, NY 10019  
Attention: Hanna Jamar  
Email: hanna@lincolnavenue.com

and

Housing Authority of the City of Colorado Springs, Colorado  
P.O. Box 1575/MC 2490  
831 S. Nevada Avenue, Floor 2  
Colorado Springs, Colorado 80901  
Attention: Executive Director

- (d) The address of Issuer for all purposes under this Agreement and for all notices hereunder shall be:

City of Colorado Springs, Colorado  
30 South Nevada Avenue, Suite 202  
Colorado Springs, Colorado 80903  
Attention: Chief Financial Officer

With a copy to:

Kutak Rock LLP  
2001 16th Street, Suite 1800  
Denver, CO 80202  
Attention: John H.T. Bales  
Email: john.bales@kutakrock.com

- (e) The address of Trustee for all purposes under this Agreement and for all notices hereunder shall be:

[REDACTED]

**9.3 Notice to Permanent Lender of Default Under Construction Loan Documents and Bond Documents.** Concurrently with the delivery by Trustee or Construction Lender (as applicable) to Borrower of any notice of default under the Construction Loan Documents or under any of the Bond Documents, Trustee or Construction Lender (as applicable) shall send to Permanent Lender and Issuer a copy of any such notice of default at the address set forth in this Agreement.

## **ARTICLE X MISCELLANEOUS**

**10.1 Entire Agreement.** This Agreement and the Permanent Commitment (including the exhibits hereto) contains the entire agreement among the parties regarding the conversion of the Bonds to the Permanent Period and no oral statements or prior written matter not specifically incorporated herein shall be of any force and effect. No variation, modification, or changes hereof shall be binding on any party hereto unless set forth in a document executed by all parties.

**10.2 Successors and Assigns.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and upon their respective legal representatives, successors and assigns. Prior to Conversion, Permanent Lender may not assign all or any portion of its rights, interests and obligations under this Agreement without the prior written consent of the Construction Lender, and any such assignment made without such consent shall be null and void with no force or effect, provided, however, that Permanent Lender may assign all or any portion of its rights, interests and obligations under this Agreement without the consent of the Construction Lender or Borrower if the assignee is Fannie Mae or an entity owned or controlled by Permanent Lender or Fannie Mae. After Conversion, Permanent Lender may assign all or any portion of its rights, interests and obligations hereunder at any time and from time to time without the consent of any party.

**10.3 Time of Essence.** Time is of the essence in the execution and performance of this Agreement and of each provision hereof.

**10.4 Terminology.** Wherever required by the context, any gender shall include any other gender, the singular shall include the plural, and the plural shall include the singular.

**10.5 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, excluding the State's conflict and choice of law principles that would result in the application of the laws of another state. Any and all claims, disputes or controversies

related to this Agreement, or breach thereof, which involve Issuer shall be litigated in the District Court for El Paso County, Colorado, which shall be the sole and exclusive forum for such litigation.

**10.6 Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

**10.7 Attorneys' Fees.** In the event of any action at law or in equity in relation to this Agreement, the losing party shall pay the prevailing party's reasonable attorneys' fees and costs.

**10.8 Rules of Construction.** The parties acknowledge that each party and its counsel have reviewed and commented as to the terms and conditions of this Agreement, and the parties hereby agree that normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or amendments or exhibits hereto.

**10.9 Business Day.** A "Business Day" for purposes of this Agreement shall mean a day of the week (excluding Saturday, Sunday or a legal holiday) on which the offices of Construction Lender and Permanent Lender are open to the public for carrying on substantially all business functions. Unless specifically referenced in the Agreement as a Business Day, all references to "days" shall be to calendar days. If any date set forth in this Agreement for the performance of any obligation or for the delivery of any document or notice should be on other than a Business Day, then compliance with such obligation or delivery on the next following Business Day shall be deemed acceptable.

**10.10 Counterparts.** This Agreement and any exhibits attached hereto requiring signatures may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute but one instrument.

**10.11 Electronic Signature; Electronically Signed Document.** For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature. The parties agree that the electronic signature of a party to this Agreement (or any amendment or supplement of this Agreement) shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files.

**10.12 Exhibits.** Each of the Exhibits attached hereto is hereby incorporated by reference into this Agreement.

**10.13 Venue; Jurisdiction.** The parties hereto agree that any controversy arising under or in relation to this Agreement shall be litigated in the State of Colorado. The state and federal courts and authorities with jurisdiction in the State of Colorado shall have jurisdiction over all controversies that shall arise under or in relation to this Agreement and the Permanent Loan Documents. Each party hereto irrevocably consents to service, jurisdiction and venue of such courts for any such litigation and waive any other venue to which they might be entitled by virtue of domicile, habitual residence or otherwise.

**10.14 Term.** The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following: (1) the completion of Conversion in accordance with this Agreement; (2) the termination of this Agreement or the Permanent Commitment in accordance with the express terms thereof and the payment to Permanent Lender of all fees due under the Permanent Loan Commitment and/or the Delivery Assurance Documents; or (3) the acquisition by Construction Lender of

title to the Premises pursuant to a foreclosure, or a deed in lieu of foreclosure, of (or the exercise of a power of sale contained in) the Construction Loan Documents.

**10.15 Determination of Reasonableness and Materiality.** In any dispute or controversy concerning a determination by Permanent Lender herein, needing to be “reasonable” and/or “material,” (or similar words of import), Borrower shall bear the burden of proving that such determination was in fact not reasonable and/or material.

[Signatures Begin on Following Page]

IN WITNESS WHEREOF, this Forward Bond Purchase Agreement is hereby made as of the date first written above.

**PERMANENT LENDER:**

**JPMORGAN CHASE BANK, N.A.**, a national banking  
association

By: \_\_\_\_\_  
Name:  
Title: Authorized Officer

**CONSTRUCTION LENDER:**

**JPMORGAN CHASE BANK, N.A.**, a national banking  
association

By: \_\_\_\_\_  
Name:  
Title: Authorized Officer

[Signatures Continue on Following Page]

**BORROWER:**

**BRADLEY RIDGE APARTMENTS LP**, a Colorado  
limited partnership

By: Bradley Ridge GP LLC, a Delaware limited liability  
company, its General Partner

By: \_\_\_\_\_  
Russell Condas  
Vice President

[Signatures Continued from Previous Page]

**TRUSTEE:**

\_\_\_\_\_, a national banking  
association, as Trustee

By \_\_\_\_\_  
Authorized Signatory



**ISSUER:**

**CITY OF COLORADO SPRINGS, COLORADO**, a  
municipal corporation

By: \_\_\_\_\_

Blessing Mobolade  
Mayor

**EXHIBIT A**

## **EXHIBIT B**

### **BORROWER'S CERTIFICATE**

The undersigned, **BRADLEY RIDGE APARTMENTS LP**, a Colorado limited partnership ("**Borrower**"), hereby represents and warrants to **JPMORGAN CHASE BANK, N.A.**, a national banking association (together with its successors and assigns, "**Permanent Lender**"), as of the Conversion Date, the following. All capitalized terms not otherwise defined herein shall have the same definition as set forth in the Forward Bond Purchase Agreement dated as of \_\_\_\_\_ 1, 2025 by and among the Borrower, the Issuer, Trustee, the Construction Lender and Permanent Lender.

1. **Other Representations and Warranties.** The representations and warranties set forth in this Borrower's Certificate (this "**Certificate**") are in addition to, and not in substitution for, the representations and warranties of Borrower set forth in the Project Documents, all of which (a) are deemed made as of the date of this Certificate by the Borrower (unless expressly specific to another date), and are incorporated into this Certificate as if expressly restated in this Certificate, and (b) are true and correct in all material respects as of the date of this Certificate.

2. **No Defenses.** There are no defenses, offsets, counterclaims or claims that Borrower may have relating to the Bond Documents or Permanent Loan Documents.

3. **Entire Agreement.** The Permanent Loan Documents, the Delivery Assurance Documents and the Bond Documents constitute the entire agreements among the parties thereto with respect to the matters set forth therein, and there are no agreements, understandings, warranties or representations with respect to the matters set forth therein except as specifically delineated in the foregoing agreements.

4. **No Known Default.** Borrower affirms that it has no knowledge of any uncured default or any facts or circumstances which, with due notice and/or lapse of time, would constitute an Event of Default by Borrower, General Partner/Managing Member, Guarantor or any affiliate of Borrower, under the Permanent Loan Documents or the other Project Documents.

5. **Reserved.**

6. **Authority/Enforceability.** Borrower is in compliance in all material respects with all applicable laws, rules and regulations applicable to its organization, existence and transaction of business and has all necessary rights and powers to own a leasehold interest in the Premises and own and operate the Project.

7. **Binding Obligations.** Borrower has the power and authority to perform all its obligations under the Permanent Loan Documents and Project Documents. The Permanent Loan Documents and Project Documents and the obligations therein are legal, valid and binding obligations of Borrower except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability relating to or affecting the enforcement of creditors' rights and/or by general equitable principles.

8. **Formation and Organizational Documents.** Borrower has delivered to Construction Lender and to Permanent Lender all of the Borrower's Organizational Documents and the General Partner/Managing Member's Organizational Documents and all such documents remain in full force and effect and have not been amended or modified in violation of the Construction Loan Documents since they were delivered to the Construction Lender and to Permanent Lender as of Initial Closing. Borrower shall promptly provide Construction Lender and Permanent Lender with copies of any material amendments or modifications of the Borrower's Organizational Documents and the General Partner/Managing Member's Organizational Documents and any such material amendments or modifications shall be subject to the consent of Permanent Lender to the extent required by the Permanent Loan Documents.

9. No Violation. Borrower's execution, delivery, and performance under the Permanent Loan Documents does not: (a) require any consent or approval not heretofore obtained under any partnership agreement, operating agreement, articles of incorporation, bylaws or other document; (b) violate any governmental requirement or any other statute, law, regulation or ordinance or any order or ruling of any court or governmental entity applicable to the Premises and Project; (c) conflict with, or constitute a breach or default or permit the acceleration of obligations under any agreement, contract, lease, or other document by which the Borrower is or the Premises or Project are bound or regulated; or (d) violate any statute, law, regulation or ordinance, or any order of any court or governmental entity.

10. Compliance with Laws. Borrower has, and at all times shall have obtained, all material permits, licenses, exemptions, and approvals necessary to occupy and operate the Premises and Project, and shall maintain compliance with all governmental requirements applicable to the Premises and Project and all other applicable statutes, laws, regulations and ordinances necessary for the transaction of its business.

11. Litigation. Except as disclosed to Construction Lender and Permanent Lender in writing, there are no claims, actions, suits, or proceedings pending, or to Borrower's knowledge threatened, against Borrower or affecting the Premises or Project, except claims in the ordinary course of business which are fully covered (other than with respect to applicable deductible) by general liability policies maintained by Borrower.

12. Financial Condition. The most recent financial statements and information heretofore delivered to Construction Lender and Permanent Lender by Borrower, including, without limitation, information relating to the financial condition of Borrower, the General Partner/Managing Member, the Premises and the Project, fairly and accurately represent the financial condition of the subject thereof and have been prepared (except as noted therein) in accordance with generally accepted accounting principles consistently applied. Except as otherwise disclosed to Construction Lender and Permanent Lender in writing, Borrower has not entered into any material transaction which is not disclosed in such financial statements.

13. Voluntary Bankruptcy. None of the Borrower, General Partner/Managing Member or Guarantor has: (i) filed a petition for relief under the Bankruptcy Code, or under any other present or future state or federal law regarding bankruptcy, reorganization or other debtor relief law; (ii) filed a pleading or an answer in any involuntary proceeding under the Bankruptcy Code or other debtor relief law which admits the jurisdiction of the court or the petition's material allegations regarding insolvency of the Borrower or the General Partner/Managing Member; (iii) made a general assignment for the benefit of creditors; or (iv) applied for, or suffered the appointment of, a receiver, trustee, custodian or liquidator of Borrower, General Partner/Managing Member, Guarantor, or any of their property.

14. Involuntary Bankruptcy. No involuntary petition under the Bankruptcy Code or under any other debtor relief law has been filed against the Borrower, General Partner/Managing Member or Guarantor that has not been fully dismissed.

15. No Material Adverse Change. As of the Conversion Date, no Material Adverse Change shall have occurred and is continuing.

16. Tax Liability. Borrower has filed all required federal, state, city and municipal tax returns required to be filed as of this date and has paid all taxes and assessments prior to delinquency.

17. Americans With Disabilities Act Compliance. The Project has been designed and shall be constructed and completed, and thereafter maintained, in strict accordance and full compliance with all applicable requirements of the Americans With Disabilities Act.

18. Reserved.

19. Compliance with Matters Related to the Tax Credits. Borrower hereby represents, certifies and warrants to Permanent Lender as follows:

(a) The Borrower has received that certain 42(m) Letter regarding the allocation of Tax Credits to the Borrower for the Project by the applicable tax credit agency, under Section 42(m)(1)(D) of the Code in the annual amount necessary for the financial feasibility of the Project (the "Tax Credit Approval") and such Tax Credit Approval is in full force and effect as of the date hereof.

(b) The Borrower has satisfied and will continue to satisfy all requirements imposed from time to time under the Code and the regulations thereunder with respect to rental levels and occupancy by qualified tenants by the close of the first year of the credit period so as to permit the Borrower to be entitled to the Tax Credits throughout the credit period under Section 42 of the Code.

(c) The Borrower has obtained and will continue to obtain at the times required by the Regulatory Agreements and/or the Code from all tenants of rent-restricted dwelling units of the Project appropriate information to verify their incomes and family sizes, and the Borrower has always complied and will continue to comply in all respects with the compliance monitoring plan established by the relevant tax credit monitoring agency pursuant to Treasury Regulations issued under Section 42(m) of the Code,

(d) (i) All rent-restricted dwelling units in the Project, as of their initial occupancy, have always been and will continue to be leased to persons who satisfy the income restrictions under Section 42(g)(1) of the Code at rents satisfying the rent restrictions of Section 42(g)(2) of the Code; (ii) all rental units in the Project have always been and will continue to be of equal quality with comparable amenities available to low-income tenants on a comparable basis without separate fees; and (iii) all qualified low-income dwelling units in the Project, as of their initial occupancy, have been and will continue to be occupied by tenants under leases with terms of not less than six (6) months.

Borrower acknowledges that Permanent Lender will not approve a Conversion to the Permanent Loan Term without the execution and delivery of this Certificate and that Permanent Lender is relying on the truth and accuracy of the certifications set forth above in proceeding with the Conversion to the Permanent Loan Term

[Signatures Begin on Following Page]

IN WITNESS WHEREOF, I have hereto set my hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**BORROWER:**

**BRADLEY RIDGE APARTMENTS LP**, a Colorado  
limited partnership

By: Bradley Ridge GP LLC, a Delaware limited liability  
company, its General Partner

By: \_\_\_\_\_  
Russell Condas  
Vice President

**EXHIBIT C**

Permanent Period Indenture

[See Attached]

**EXHIBIT D**

Permanent Period Financing Agreement

[See Attached]



## **EXHIBIT E**

### **GENERAL CONDITIONS TO CONVERSION**

In addition to those conditions precedent set forth in Section 4.1 of the Forward Bond Purchase Agreement (the "Agreement"), Permanent Lender's obligation to acquire the Bonds on the Conversion Date shall be subject to the satisfaction of the following specific conditions precedent:

1. Reserved.
2. Release of Construction Loan Mortgage and Recording of UCC-3 Financing Statements. Construction Lender shall deliver to Title Company (i) a request to the Public Trustee for the recordable release of the Construction Mortgage and (ii) UCC-3 Financing Statements as may be required to release any UCC financing statements in favor of Construction Lender. Borrower shall cause the Title Company to deliver to Permanent Lender, within thirty (30) days after the recordation of the foregoing documents, certified copies of such recorded documents.
3. Reimbursement Agreement. Borrower shall execute and deliver to Fannie Mae the Reimbursement Agreement.
4. Security Instrument. Borrower shall execute and deliver to the Title Company for recording the original of the Security Instrument. Borrower shall cause the Title Company to deliver to Permanent Lender (with a copy to Trustee), within thirty (30) days after the recordation of the Security Instrument, an original or certified copy of the recorded Security Instrument.
5. Note. Borrower shall execute and Trustee shall have received the original of the Note.
6. Reserved.
7. As-Built Survey. Permanent Lender shall have received an ALTA as-built survey of the Premises complying with all applicable ALTA/NSPS requirements, as reasonably determined by Permanent Lender. Such as-built survey shall: (i) be subject to the reasonable approval of Permanent Lender; (ii) be prepared and certified to Permanent Lender and Permanent Lender's title insurer by a registered land surveyor approved by Permanent Lender (using a form of certification acceptable to Permanent Lender in its discretion); (iii) be dated or recertified not more than sixty (60) days prior to the Conversion Date; (iv) be in compliance with the most-current minimum detail requirements for land title surveys adopted by the American Land Title Association and American Congress on Surveying and Mapping; (v) show the as-built location of the Project, easements, and utilities, with a legal description conforming to the Title Policy; (vi) establish that the Project is located within the property lines; (vii) include the total square footage of the land area of the Premises; (viii) attest to the existence or non-existence of a flood hazard area on the Premises; and (ix) cover such other matters as are reasonably required by Permanent Lender.
8. Title Insurance. The Title Company shall be prepared to issue to Fannie Mae, as of the Conversion Date, a new full ALTA loan policy of title insurance naming Fannie Mae as the insured (in either case, the "Permanent Loan Title Policy"), satisfying the following requirements:
  - (a) The Permanent Loan Title Policy shall be issued in an amount equal to the amount of the Permanent Phase Loan Amount;
  - (b) The Permanent Loan Title Policy shall insure that the Security Instrument, including any modifications thereto, constitutes a first and prior lien upon the fee simple interest in the Premises and Project, subject only to (a) the Permitted Encumbrances, and (b) any title exception approved

by Permanent Lender subsequent to the recordation of the Construction Deed of Trust (the “Approved Additional Exceptions”);

(c) Any property taxes or supplemental taxes or assessments to which the Permanent Loan Title Policy is subject must be shown as a “lien not yet due and delinquent” or similar language reasonably acceptable to Permanent Lender (and such taxes and assessments must not be delinquent). There can be no delinquent taxes or assessments shown in the Permanent Loan Title Policy;

(d) The Permanent Loan Title Policy may be subject to specific survey exceptions reasonably acceptable to Permanent Lender based upon the required as-built ALTA survey to be provided to Permanent Lender at Conversion as described above, provided the appropriate easement and other survey-related endorsements are also issued, as required by Permanent Lender. No general survey exception shall be allowed in the Permanent Loan Title Policy;

(e) The Permanent Loan Title Policy shall also contain all endorsements required by applicable Fannie Mae requirements;

(f) The Permanent Loan Title Policy shall satisfy all applicable Fannie Mae requirements.

Borrower shall pay all premiums for the Permanent Loan Title Policy and all of the costs and expenses incurred by the Title Company in complying with this Agreement or Permanent Lender’s title requirements.

9. Compliance with Legal Requirements; Licenses. Borrower shall have furnished to Permanent Lender evidence reasonably satisfactory to Permanent Lender establishing that the Premises and the intended uses thereof comply with all applicable zoning, subdivision, environmental, planning, building and other similar governmental laws, rules and regulations. Such evidence may include, at Permanent Lender’s option, a zoning report obtained by Permanent Lender.

10. Hazard Insurance. Permanent Lender shall have received written evidence that all policies of insurance required after Conversion under the Permanent Loan Documents have been issued and are in full force and effect.

11. Property Management. The Property Manager shall be serving as property manager of the Project pursuant to the Management Agreement. Borrower shall submit to Permanent Lender for its approval, prior to the Conversion Date, an executed original copy (certified as true and correct in all material respects by an officer of Borrower) of the Management Agreement, as amended, modified, or revised to date, or any contract that replaces in whole or in part the Management Agreement, together with an estoppel certificate in respect thereof, in a form reasonably acceptable to Permanent Lender.

12. Replacement Reserves. Borrower shall establish with Permanent Lender a replacement reserve in the amount required by the Permanent Commitment and/or the Fannie Mae Commitment.

13. Fannie Mae Conditions to Conversion. All conditions to conversion specified in the Fannie Mae Commitment shall be satisfied in a form and a substance satisfactory to Permanent Lender and Fannie Mae.

14. Perfection and Security Interest. Borrower shall have executed and delivered such financing statements and other documents, all in form and substance reasonably satisfactory to Permanent Lender, to perfect Permanent Lender’s or Fannie Mae’s security interest in the Project.

15. Extended Low-Income Housing Commitment. Unless customarily recorded in the applicable jurisdiction after the conversion of permanent loan, Borrower shall have executed an extended

low-income housing commitment described in Section 42(h)(6)(B) of the Code which shall be in form and substance reasonably satisfactory to the Permanent Lender.

16. Legal Opinions and Certification. Permanent Lender shall receive the following written opinions:

(a) A legal opinion letter addressed to Permanent Lender from Borrower's legal counsel addressing due authority and enforceability matters related to the Conversion, including, without limitation, opinions on the enforceability of the Security Instrument, the Note, the Ancillary Permanent Loan Documents and the Subordination Agreement.

(b) A legal opinion letter addressed to Permanent Lender from Kutak Rock LLP ("**Bond Counsel**"), in form and substance reasonably satisfactory to Permanent Lender, dated as of the Conversion Date and opining that Conversion will not, in and of itself, adversely affect any exclusion of interest on the Bonds from gross income for purposes of federal income taxation (a "**No Adverse Affect Opinion**").

(c) Certification. Borrower shall execute and deliver to Permanent Lender a certification in the form attached hereto as Exhibit B.

17. Completion of Due Diligence. Permanent Lender shall have received and approved all of the due diligence items required by its then current conversion underwriting or legal checklist.

18. Treasury Form 8609. Permanent Lender has received a copy of the signed and submitted Treasury Form 8609 for the Project. In the event Treasury Form 8609 is not obtainable prior to the Conversion Date, Permanent Lender will waive the requirement as a Condition to Conversion, subject to Permanent Lender receiving (i) a copy of the final Cost Certification (as defined in Borrower's Governing Agreement), (ii) copies of all other documentation filed by Borrower with the applicable tax credit agency for purposes of obtaining Treasury Form 8609 and (iii) Fannie Mae has agreed to issue the Credit Enhancement Instrument without receipt of Treasury Form 8609.

19. Reserved.

20. Reserved.

21. Reserved.

**SCHEDULE I TO EXHIBIT E**

Note

[attached]

**SCHEDULE II TO EXHIBIT E**

Reimbursement Agreement

**SCHEDULE III TO EXHIBIT E**

Security Instrument

**SCHEDULE IV TO EXHIBIT E**

Assignment of Management Agreement

**SCHEDULE V TO EXHIBIT E**

Recourse Guaranty Agreement



**SCHEDULE VI TO EXHIBIT E**

Environmental Indemnity Agreement

**SCHEDULE VII TO EXHIBIT E**

[RESERVED]

**SCHEDULE VIII TO EXHIBIT E**

[RESERVED]

**SCHEDULE IX TO EXHIBIT E**

Assignment and Intercreditor Agreement

[ATTACHED]