

2016 SENIOR LOAN AGREEMENT

by and between

COLORADO SPRINGS URBAN RENEWAL AUTHORITY

and

U. S. BANK NATIONAL ASSOCIATION

Dated as of August [__], 2016

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2016 SENIOR LOAN AGREEMENT

THIS 2016 SENIOR LOAN AGREEMENT (this “Agreement” or the “Loan Agreement”) is made and entered into as of August [___], 2016, by and between **COLORADO SPRINGS URBAN RENEWAL AUTHORITY**, a body corporate and politic duly existing under the laws of the State of Colorado (the “Authority”), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association, in its capacity as lender (the “Bank”).

RECITALS

WHEREAS, the Authority is a body corporate and politic and has been duly created, organized, established and authorized by the City of Colorado Springs, Colorado (the “City”) to transact business and exercise its powers as an urban renewal authority, all under and pursuant to the Colorado Urban Renewal Law, constituting Sections 31-25-101 et seq., Colorado Revised Statutes, as amended (the “Act”); and

WHEREAS, pursuant to Section 31-25-109 of the Act, the Authority has the power and authority to issue “bonds” (defined by the Act to mean and include notes, interim certificates or receipts, temporary bonds, certificates of indebtedness, debentures or other obligations) to finance the activities or operations permitted and authorized to be undertaken by the Authority under the Act; and

WHEREAS, an urban renewal plan, known as the North Nevada Avenue Corridor Urban Renewal Plan, as amended from time to time (the “Urban Renewal Plan”), has been duly and regularly approved by the City Council of the City for urban renewal projects under the Act located in the Urban Renewal Area (as defined herein); and

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

WHEREAS, in order to provide funds to finance certain public improvements within the Urban Renewal Area, the Authority issued \$47,125,000 in aggregate principal amount of its “Colorado Springs Urban Renewal Authority Tax Increment Revenue Bonds (University Village Colorado Project), Series 2008A Senior,” and \$7,505,000 in aggregate principal amount of its “Colorado Springs Urban Renewal Authority Tax Increment Revenue Bonds (University Village Colorado Project), Series 2008B Subordinate (Convertible to Senior)” (collectively, the “2008 Bonds”), which 2008 Bonds are special, limited obligations of the Authority; and

WHEREAS, the Board of Commissioners of the Authority (the “Board”) has determined and does hereby determine that it is in the best interests of the Authority and its taxpayers that all of the currently outstanding 2008 Bonds (the “Refunded Bonds”) be refunded and defeased pursuant to the terms of the Refunding Escrow Agreement (the “Escrow Agreement”) by and between the Authority and UMB Bank, n.a. (the “Escrow Agent”), and that for such purposes, the Authority should authorize the incurrence of debt in the form of (a) a senior tax increment revenue term loan (as more particularly defined herein, the “2016 Senior Loan” or the “Loan”) in the principal amount of \$[_____]; and (b) subordinate tax increment revenue bonds (as

more particularly defined herein, the “2016 Subordinate Bonds”) in the principal amount of \$[_____]; and

WHEREAS, the Bank is willing to make the 2016 Senior Loan to the Authority on the terms set forth herein; and

WHEREAS, the 2016 Senior Loan shall be evidenced by a promissory note (as more particularly defined herein, the “2016 Senior Note” or the “Note”), a form of which is included in this Agreement as Exhibit A; and

WHEREAS, the 2016 Senior Loan, as evidenced by the 2016 Senior Note, is payable from and secured by the Senior Pledged Revenue and the Senior Pledged Collateral (each term as defined herein) and is a special, limited revenue obligation of the Authority; and

WHEREAS, the Authority has elected to apply the provisions of Section 11-57-201 *et seq.*, C.R.S., the Supplemental Public Securities Act, to the Loan and Note; and

WHEREAS, the Authority has duly authorized the execution and delivery of this Loan Agreement, the 2016 Senior Note and all other Senior Financing Documents (defined herein) necessary to provide for the 2016 Senior Loan; and

WHEREAS, all things necessary to make the 2016 Senior Loan, as evidenced by the 2016 Senior Note, the valid special limited revenue obligation of the Authority, and this Loan Agreement a valid agreement between the Authority and the Bank, in accordance with their and its terms, have been done.

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

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless otherwise defined herein or the context otherwise requires, capitalized terms used herein shall have the meaning set forth in the Authorizing Resolution. In addition, the following terms as used in this Agreement shall have the following meanings, unless the context otherwise requires. These definitions shall be equally applicable to both the singular and the plural forms of the terms so defined.

“*Act*” means the Colorado Urban Renewal Law, Title 31, Article 25, Part 1, C.R.S., and any successor statute thereto.

“*Administrative Expenses*” means all reasonable fees of the Custodian for services rendered under the Custodial Agreement, paying agents, registrars, Bond Counsel, legal counsel, accountants, rebate analysts, engineers and others incurred by or on behalf of the Authority in connection with the 2016 Senior Loan, or upon request of the Custodian in the performance of services under the Custodial Agreement for which the Custodian and such other persons are entitled to payment or reimbursement; provided that the Authority may, without creating any

breach of this Agreement or the Custodial Agreement, contest in good faith the reasonableness of any such services, fees or expenses performed or incurred at the request of the Custodian.

“*Annual Senior Payment Cap*” means, with respect to each of the Fiscal Years set forth below, the corresponding amount set forth below:

<u>Fiscal Year</u>	<u>Annual Senior Payment Cap</u>
2016	\$4,600,000
2017	4,650,000
2018	4,700,000
2019	4,750,000
2020	4,800,000
2021	4,850,000
2022	4,900,000
2023	4,950,000
2024	5,000,000
2025	5,050,000
2026	5,100,000
2027	5,150,000
2028	5,200,000
2029	5,600,000
2030	6,500,000

“*Anti-Corruption Laws*” means all laws, rules, and regulations of any jurisdiction applicable to the Authority from time to time concerning or relating to bribery or corruption.

"*Applicable Margin*" means: (a) prior to the Maturity Date and so long as no Rate Increase Event shall have occurred and be continuing, 1.95% per annum; and (b) while any Rate Increase Event shall have occurred and be continuing, 5.00% per annum.

“*Applicable Rate*” means a variable rate per annum equal to:

- (a) prior to the Maturity Date, the sum of (i) 70% of the One Month LIBOR Rate and (ii) the Applicable Margin; and
- (b) from and after the Maturity Date, to the extent that any principal amounts remain due with respect to the 2016 Senior Loan, the sum of (i) the Daily Reset LIBOR Rate and (ii) 5.00% per annum;

provided that the average interest rate on the 2016 Senior Loan for any Fiscal Year shall not exceed the Maximum Rate.

“*Authority*” means the Colorado Springs Urban Renewal Authority, a body corporate and politic duly existing under the laws of the State of Colorado.

“*Authority Net Regularly Scheduled Swap Payment*” means any amount payable by the Authority to the 2016 Senior Swap Counterparty on any regularly scheduled payment date pursuant to the terms of the 2016 Senior Swap Agreement, after netting any amount payable by the 2016 Senior Swap Counterparty to the Authority on such date in accordance with the terms of the 2016 Senior Swap Agreement.

“*Authority Representative*” means the Chair or the Executive Director of the Authority or any other Person designated in writing signed by the Chair to act on behalf of the Authority. The specimen signature of the Person or Persons designated as Authority Representative shall be contained in or be attached to such designating instrument and such designation shall be furnished to the Bank, and the Custodian. The designation of any Authority Representative shall remain effective until a new written instrument is filed with or actual notice is given to the Bank, and the Custodian that such designation has been revoked.

“*Authority’s Retained Operating Revenue*” means the first \$50,000 in Incremental Property Tax Revenue received by the Authority in each Fiscal Year.

“*Authorizing Resolution*” means the resolution adopted by the Board on July 20, 2016, authorizing the Authority to incur the 2016 Senior Loan, and to execute and deliver the 2016 Senior Note, this Agreement, and the other Senior Financing Documents on the Closing Date.

“*Bank*” means U.S. Bank National Association, a national banking association, Denver, Colorado, in its capacity as lender of the 2016 Senior Loan.

“*Board*” means the Board of Commissioners of the Authority.

“*Bond Counsel*” means counsel to the Authority of national recognition in the field of tax-exempt obligations and public finance. As of the Closing Date, Kutak Rock LLP serves as Bond Counsel to the Authority.

“*Business Day*” means any day of the week on which the Bank is conducting its banking operations nationally and on which day the Bank’s offices are open for business in Denver, Colorado.

“*City*” means the City of Colorado Springs, Colorado, and any successor thereto.

“*City Junior Lien MOU*” means the Memorandum of Understanding dated January 15, 2009 between the Authority and the City, as amended by the [Amendment thereto] dated as of August [___], 2016.

“*Closing*” means the concurrent execution and delivery of the 2016 Senior Note, this Agreement, and the other Senior Financing Documents to be executed and delivered on the Closing Date by the respective parties thereto and the issuance and disbursement of the Initial Funded Amount and application of the proceeds thereof in accordance with the provisions hereof.

“*Closing Date*” means August [___], 2016, which is the date on which the Closing occurs.

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

“*Costs of Issuance Fund*” means the fund by that name established by the provisions of the Custodial Agreement to be held and administered by the Custodian pursuant to the provisions of the Custodial Agreement for the purposes set forth in Section 3.07 hereof.

“*Counterparty Net Regularly Scheduled Swap Payment*” means any amount payable by the 2016 Senior Swap Counterparty to the Authority on any regularly scheduled payment date pursuant to the terms of the 2016 Senior Swap Agreement, after netting any amount payable by the Authority to the 2016 Senior Swap Counterparty on such date in accordance with the terms of the 2016 Senior Swap Agreement.

“*County*” means El Paso County, Colorado, and any successor thereto.

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

“*Custodial Agreement*” means the Custodial Agreement, dated as of August [___], 2016, between the Authority and the Custodian, as amended or supplemented from time to time.

“*Custodian*” means UMB Bank, n.a., and its successors and assigns, as custodian under the Custodial Agreement.

“*Daily Reset LIBOR Rate*” means USD-LIBOR-BBA with a Designated Maturity of one day.

“*Debt*” means, without duplication, all of the following obligations of the Authority for the payment of which the Authority has promised or is required to impose an ad valorem property tax levy and/or impose fees: (a) borrowed money of any kind; (b) obligations evidenced by bonds, debentures, notes or similar instruments; (c) except for those subject to annual appropriation by the Authority, obligations upon which interest charges are customarily paid; (d) obligations under conditional sale or other title retention agreements relating to property or assets purchased by the Authority; (e) obligations issued or assumed as the deferred purchase price of property or services; (f) obligations in connection with indebtedness of others secured by (or which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any lien or other encumbrance on property owned or acquired by the Authority, whether or not the obligations secured thereby have been assumed (only to the extent of the fair market value of such asset if such indebtedness has not been assumed by the Authority); (g) obligations arising from guarantees made by the Authority; (h) obligations evidenced by capital leases; (i) obligations as an account party in respect of letters of credit and bankers’ acceptances or similar obligations issued in respect of the Authority; and (j) obligations evidenced by the 2016 Senior Swap Agreement and any other interest rate exchange agreement. Debt does not include any amounts outstanding under the Authority IGA or other intergovernmental agreements under which operations and maintenance advance and reimbursement obligations are documented, none of which require the Authority to impose of ad valorem property tax levy or fees for the payment thereof.

“*Designated Maturity*” means the period of time following which a specified LIBOR rate resets.

“*Developer*” means University Village Developers, LLC, and any successors thereto.

“*Developer Junior Lien Note*” means the Advanced Funds Note dated February 1, 2008 made by the Authority to the Developer pursuant to the Redevelopment Agreement, as amended by the [Amendment thereto] dated as of August [___], 2016.

“*Escrow Agent*” means UMB Bank, n.a., in its capacity as escrow agent pursuant to the Escrow Agreement.

“*Escrow Agreement*” means the Refunding Escrow Agreement by and between the Authority and the Escrow Agent, dated August [___], 2016.

“*Excess Interest Amount*” has the meaning set forth in Section 2.02(k) hereof.

“*Favorable Opinion of Bond Counsel*” means, with respect to any action the occurrence of which requires such an opinion, an unqualified, written opinion of Bond Counsel stating, in substance, that the 2016 Senior Loan, as made pursuant to this Loan Agreement and evidenced by the 2016 Senior Note, constitutes a valid and binding special, limited revenue obligation of the Authority payable solely from and to the extent of the Senior Pledged Revenue and Senior Pledged Collateral, enforceable in accordance with their terms; addressing other applicable matters of State law, including the State tax exemption of interest on the 2016 Senior Loan; and addressing other matters related thereto, as may be agreed to by the Authority and the Bank.

“*Fiscal Year*” means each 12-month period beginning January 1 and ending December 31.

“*Government Obligations*” means noncallable direct full faith and credit obligations of the United States of America or noncallable obligations the payment of principal of and interest on which is unconditionally guaranteed by the full faith and credit of the United States of America.

“*Incipient Rate Increase Event*” means an event, act or occurrence which, with the giving of notice and/or the lapse of time, including the expiration of a grace period or cure period, would become a Rate Increase Event hereunder.

“*Incremental Property Tax Revenue*” means Property Tax Revenue in excess of an amount equal to the ad valorem property taxes produced by the levy at the rates fixed for such year by or for the governing bodies of the various taxing jurisdictions within or overlapping the Urban Renewal Area upon a valuation for assessment equal to the Property Tax Base Amount.

“*Incremental Sales Tax Cap*” means \$98,800,000 as established by the City Council of the City on May 22, 2007, by Resolution No. 91-07.

“*Incremental Sales Tax Revenue*” means the Sales Tax Revenue in excess of the Sales Tax Base Amount; provided, however, that the aggregate Incremental Sales Tax Revenue

(including those collected prior to the date hereof) shall not exceed the Incremental Sales Tax Cap.

“Incremental Tax Revenue” means (a) Incremental Property Tax Revenue received in excess of the Authority’s Retained Operating Revenue and (b) Incremental Sales Tax Revenue.

“Interest Payment Date” means: (a) prior to and including the Maturity Date, the first day of each calendar month, which date shall be subject to adjustment in accordance with the [Modified Following Business Day Convention], commencing [September 1], 2016, and including the Maturity Date; (b) the Maturity Date; and (c) from and after the Maturity Date, to the extent that any principal amounts remain due with respect to the 2016 Senior Loan, the first New York Business Day of every month.

“Interest Period” means the period commencing on a Reset Date and ending on the numerically corresponding day one month thereafter, with the initial Interest Period commencing on the Closing Date and ending on the initial Reset Date (being [September 1], 2016); provided, however, if on the first day of the last Interest Period applicable to the remaining term of the 2016 Senior Loan is less than one month, said Interest Period shall be in effect only until the Maturity Date.

“London Banking Day” means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London, United Kingdom.

“Maturity Date” means [June 1, 2026].

“Maximum Rate” means the lesser of (a) [12]% per annum and (b) the maximum interest rate permitted by applicable law.

[*“Modified Following Business Day Convention”* means the convention for adjusting any relevant date if it would otherwise fall on a day that is not a New York Business Day to that date which will be the first following day that is a New York Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a New York Business Day.]

“Net Regularly Scheduled Swap Payment” means an Authority Net Regularly Scheduled Swap Payment or a Counterparty Net Regularly Scheduled Swap Payment, as applicable.

“New York Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in U.S. Dollars in New York, New York.

“OFAC” means the U.S. Department of the Treasury’s Office of Foreign Assets Control, and any successor thereto.

“One Month LIBOR Rate” means USD-LIBOR-BBA with a Designated Maturity of one month, commencing on the applicable Reset Date.

“*Participant*” shall have the meaning ascribed thereto in Section 8.02(d) hereof.

“*PATRIOT Act*” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended from time to time, and any successor statute.

“*Permitted Investments*” means any of the following investments to the extent permitted under the laws of the State, as amended from time to time, for the investment of the Authority’s money, as may be further limited by resolutions of the Authority, certified copies of which have been delivered to the Bank and the Custodian from time to time: (a) Government Obligations; (b) any other investment that is a legal investment for Authority funds under Section 24-75-601.1, *et seq.*, C.R.S.; and (c) interest-bearing deposit accounts (which may be represented by certificates of deposit, time deposit open account agreements or other deposit instruments) of the Bank or any Participant or the Custodian (if different from the Bank) fully insured by the Federal Deposit Insurance Corporation (FDIC) or otherwise permitted under the Colorado Public Depository Protection Act, Section 11-10.5-101, *et. seq.*, C.R.S.

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

“*Principal Payment Date*” means: (a) each date annual principal payments are due as set forth in Section 2.02(c) hereof; and (b) the Maturity Date.

“*Property Tax Base Amount*” means such amount as shall be certified by the County Assessor of the County as the valuation for assessment of all taxable property within the Urban Renewal Area last certified by the County Assessor of the County prior to the adoption of the Urban Renewal Plan, as such amount may be proportionately adjusted for general reassessments in accordance with Colorado law, which as of the Closing Date is \$[5,184,610.00].

“*Property Tax Revenue*” means, for each Fiscal Year, that portion of ad valorem property taxes produced by the levy at the rates fixed each year by or for the governing bodies of the various taxing jurisdictions within or overlapping the Urban Renewal Area upon that portion of the valuation for assessment of all taxable property within the Urban Renewal Area; provided, however, that such revenue shall be reduced by any lawful collection fee charged by the County; and provided further, however, that in the event of a general reassessment of taxable property in the Urban Renewal Area, the valuation for assessment of taxable property within the Urban Renewal Area shall be proportionately adjusted in accordance with such general reassessment.

“*Rate Increase Event*” has the meaning set forth in Section 7.01 hereof.

“*Rate Increase Event Rate*” means the interest rate per annum payable on the 2016 Senior Loan while any Rate Increase Event shall have occurred and be continuing, which interest rate shall be computed as set forth in clause (a) of the definition of “Applicable Rate” herein and clause (b) of the definition of “Applicable Margin” herein.

“*Rebate Fund*” means the fund by that name established by the provisions of the Custodial Agreement to be held and administered by the Custodian pursuant to the provisions of the Custodial Agreement for the purposes set forth in Section 3.06 hereof.

“*Redevelopment Agreement*” means the Amended and Restated Redevelopment Agreement dated as of February 1, 2008 between the Authority and the Developer.

“*Reference Banks*” means any four major banks in the London interbank market.

“*Refunded Bonds*” means all of the currently outstanding 2008 Bonds.

“*Refunded Bonds Trustee*” means UMB Bank, n.a., in its capacity as trustee for the Refunded Bonds.

“*Reset Date*” means [September 1], 2016 and thereafter on the first day of each calendar month.

“*Sales Tax*” means the municipal sales tax established by the City pursuant to Article 2 of Chapter 7 of the City Code, as the same shall from time to time be in effect (except for the sales tax for Trails, Open Space and Parks and for the Public Safety Sales Tax Fund and any other future sales tax the City may restrict as not being available for tax increment financing), pertaining to and including, without limitation, the sale of tangible personal property at retail or the furnishing of taxable services, or any successor tax in the event that such tax is replaced or superseded.

“*Sales Tax Base Amount*” means such amount as may be lawfully determined to be the total collections of Sales Tax (net of vendor’s fees) within the Urban Renewal Area in the twelve month period ending on the last day of the month prior to the effective date of the approval of the Urban Renewal Plan, as such amount may be proportionately adjusted for an increase in the Sales Tax rate or a change of the vendor’s fee in accordance with Colorado law, which as of the Closing Date is \$[421,682.48].

“*Sales Tax Revenue*” means, for each Fiscal Year, all of the proceeds of the Sales Tax (net of vendor’s fees) collected within the Urban Renewal Area for such Fiscal Year after deduction of the proportionate share of the reasonable and necessary costs and expenses of collecting and enforcing the Sales Tax attributable to the Urban Renewal Area.

“*Sanctioned Country*” means, at any time, any country or territory which is itself the subject or target of any comprehensive Sanctions.

“*Sanctioned Person*” means, at any time, (a) any Person or group listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, the United Nations Security Council, the European Union or any EU member state, (b) any Person or group operating, organized or resident in a Sanctioned Country, (c) any agency, political subdivision or instrumentality of the government of a Sanctioned Country, or (d) any Person 50% or more owned, directly or indirectly, by any of the above.

“*Sanctions*” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom.

“*Senior Financing Documents*” means this Agreement, the 2016 Senior Note, the Authorizing Resolution, the Custodial Agreement, the Tax Certificate, the Escrow Agreement, the 2016 Senior Swap Agreement and any other document or instrument required or stated to be delivered hereunder or thereunder and to which the Authority is a party, all in form and substance satisfactory to the Bank.

“*Senior Payment Fund*” means the Senior Payment Fund established by the provisions of the Custodial Agreement to be held and administered by the Custodian pursuant to the provisions of the Custodial Agreement for the purposes set forth in Section 3.04 hereof.

“*Senior Payment Obligations*” means, collectively, as of any date: (a) all principal of and interest on the 2016 Senior Loan due and owing hereunder as of such date (including without limitation any Excess Interest Amount, any compounded interest previously due and unpaid, any interest accruing at the Rate Increase Event Rate then due and owing and any principal prepaid pursuant to Section 2.02(d); (b) any amounts payable pursuant to Section 2.02(g) due and owing as of such date; (c) any fees of the Bank due and owing as of such date; (d) any replenishment of the Senior Reserve Fund required by the Custodial Agreement as of such date; (e) all Authority Net Regularly Scheduled Swap Payments due and owing under the 2016 Senior Swap Agreement as of such date and (f) all Termination Payments due and owing by the Authority under the 2016 Senior Swap Agreement as of such date.

“*Senior Pledged Collateral*” means all moneys, securities and other amounts on deposit in the Senior Pledged Revenue Fund, the Senior Payment Fund and the Senior Reserve Fund held and administered by the Custodian under the Custodial Agreement.

“*Senior Pledged Revenue Fund*” means the fund by that name established by the provisions of the Custodial Agreement to be held and administered by the Custodian pursuant to the provisions of the Custodial Agreement for the purposes set forth in Section 3.03 hereof.

“*Senior Pledged Revenue*” means: (a) the Incremental Tax Revenue; (b) any Counterparty Net Regularly Scheduled Swap Payments; (c) any Termination Payments paid by the 2016 Senior Swap Counterparty; and (d) any other legally available moneys which the Authority determines to credit to the Senior Pledged Revenue Fund; provided that with respect to any Fiscal Year, if the amount of Senior Payment Obligations paid during such Fiscal Year shall equal the Annual Senior Payment Cap for such Fiscal Year, all Incremental Tax Revenues received during such Fiscal Year in excess of the amount of such Annual Senior Payment Cap shall cease to be Senior Pledged Revenue and shall thereafter be Subordinate Pledged Revenue and used as provided in the 2016 Subordinate Indenture.

“*Senior Reserve Fund*” or “*Reserve Fund*” means the Reserve Fund established by the provisions of the Custodial Agreement to be held and administered by the Custodian pursuant to the provisions of the Custodial Agreement for the purposes set forth in Section 3.05 hereof.

“*Senior Reserve Fund Requirement*” means \$3,350,000.

“*Subordinate Obligations*” means any bonds, notes, contracts or other securities or obligations issued by the Authority, payable from or secured by the Incremental Tax Revenue on a basis subordinate to the 2016 Senior Loan.

“*Subordinate Pledged Revenue*” shall have the meaning assigned to it in Section 2.02(1).

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

“*Tax Certificate*” means the Tax Compliance Certificate of the Authority dated as of the Closing Date.

“*Termination Payment*” means any amount other than Net Regularly Scheduled Swap Payments payable by the Authority or the 2016 Senior Swap Party, as applicable, pursuant to the terms of the 2016 Senior Swap Agreement, including without limitation any payment due upon the early termination of the 2016 Senior Swap Agreement pursuant to the terms thereof.

“*2008 Bonds*” means, collectively, the “Colorado Springs Urban Renewal Authority Tax Increment Revenue Bonds (University Village Colorado Project), Series 2008A Senior,” and the “Colorado Springs Urban Renewal Authority Tax Increment Revenue Bonds (University Village Colorado Project), Series 2008B Subordinate (Convertible to Senior).”

“*2016 Senior Loan*” or “*Loan*” means the loan made by the Bank to the Authority pursuant to Section 2.01(a) of this Agreement, as evidenced by the 2016 Senior Note.

“*2016 Senior Note*” means the “Colorado Springs Urban Renewal Authority Senior Tax Increment Revenue Note (University Village Colorado Project Refunding), Series 2016,” dated August [___], 2016, evidencing the 2016 Senior Loan and issued in the original principal amount of \$[_____] from the Authority, as maker, to the Bank, as payee.

“*2016 Senior Swap Agreement*” means, collectively, the ISDA Master Agreement, including the Schedule thereto, each dated as of August [___], 2016, and the Confirmation entered into pursuant thereto dated August [___], 2016, each between the Authority and the 2016 Senior Swap Counterparty.

“*2016 Senior Swap Counterparty*” means U.S. Bank National Association, in its capacity as counterparty to the Authority with respect to the 2016 Senior Swap Agreement.

“*2016 Subordinate Bonds*” means the “Colorado Springs Urban Renewal Authority Subordinate Tax Increment Revenue Bonds (University Village Colorado Project Refunding), Series 2016, being a series of Subordinate Obligations.

“*2016 Subordinate Indenture*” means the Subordinate Indenture of Trust dated on or about the date hereof between the Authority and UMB Banks, n.a., in its capacity as trustee for the 2016 Subordinate Bonds.

“*UCCS Junior Lien Loan Agreement*” means the Loan Agreement dated as of March 20, 2008, between the University of Colorado, as lender, and the Authority, as borrower, as amended by the Loan Agreement Amendment dated as of November 10, 2015 and the [Second Loan Agreement Amendment dated as of August [___], 2016], being a Subordinate Obligation.

“*Urban Renewal Area*” means the area included in the Urban Renewal Plan as approved by the City.

“*Urban Renewal Plan*” means the North Nevada Avenue Corridor Urban Renewal Plan approved by the City Council of the City on December 14, 2004, by Resolution No. 298 04, as may be further amended or supplemented in accordance with the Act.

“*USD-LIBOR-BBA*” means that rate for a Reset Date equal to the rate for deposits in U.S. Dollars for given Designated Maturity which appears on the Reuters Screen LIBOR01 Page as of 11:00 a.m., London time, on the day that is two London Banking Days preceding such Reset Date. If such rate does not appear on the Reuters Screen LIBOR01 Page, the rate for such Reset Date shall be the USD-LIBOR-Reference Banks Rate.

“*USD-LIBOR-Reference Banks*” means that rate for a Reset Date determined on the basis of the rates at which deposits in U.S. Dollars are offered by the Reference Banks at approximately 11:00 a.m., London time, on the day that is two London Banking Days preceding such Reset Date to prime banks in the London interbank market for a given time period commencing on that Reset Date. The Bank will request the principal London office of each of the Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, the rate for that Reset Date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that Reset Date will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the Bank, at approximately 11:00 a.m., New York City time, on that Reset Date for loans in U.S. Dollars to leading European banks for a period of three months commencing on such Reset Date for the same amount.

ARTICLE II

LOAN

Section 2.01. Term Loan.

(a) Application; Agreement To Make 2016 Senior Loan. The Authority hereby applies to the Bank for, and authorizes and instructs the Bank to issue for its account, the 2016 Senior Loan in the aggregate principal amount of \$[_____]. Subject to the terms and conditions of this Agreement, including without limitation satisfaction of the conditions set forth in Section 2.05 hereof, the Bank hereby agrees to extend the 2016 Senior Loan to the Authority in such aggregate principal amount subject to the terms and conditions of this Agreement. The 2016 Senior Loan shall be evidenced by the 2016 Senior Note, the form of which is set forth in Exhibit A attached hereto. The 2016 Senior Loan, as so evidenced by the 2016 Senior Note, shall constitute a special, limited revenue obligation of the Authority payable from and secured solely by the Senior Pledged Revenue and the Senior Pledged Collateral, subject to the limitations set forth herein.

(b) Payment of Upfront Fee. The Authority shall pay to the Bank a fee of \$230,000 (the “Upfront Fee”), payable at Closing.

(c) Application of 2016 Senior Loan Proceeds. On the Closing Date, subject to the terms and conditions of this Agreement, including without limitation satisfaction of

the conditions set forth in Section 2.06 hereof, the Bank will disburse the proceeds of the Loan in the amount of \$[_____] for application as follows:

(i) \$3,350,000 to the Custodian for deposit in the Senior Reserve Fund as the amount of the Senior Reserve Fund Requirement;

(ii) \$[_____] to the Costs of Issuance Fund to pay costs of issuance in connection with the 2016 Senior Loan and 2016 Senior Note (including, without limitation, the Upfront Fee); and

(iii) \$[_____] to the Escrow Agent for deposit in accordance with the Escrow Agreement.

Section 2.02. Interest Rate; Interest Payments; Principal Payments.

(a) Interest Rate. Subject to Section 2.02(b)(ii) hereof, the unpaid principal balance of the 2016 Senior Loan will bear interest at the Applicable Rate for each Interest Period.

(b) Interest Payments.

(i) *Monthly Payments.* Interest payments on the Loan shall be due monthly on each Interest Payment Date, and on the Maturity Date.

(ii) *Rate Increase Event Interest Rate; Unpaid Interest.* Immediately upon the occurrence of a Rate Increase Event, interest shall immediately begin to accrue on all principal amounts and any past due interest amounts on the 2016 Senior Loan at the Rate Increase Event Rate for so long as such Rate Increase Event continues and remains uncured. Interest not paid when due shall compound on each Interest Payment Date at the rate of interest then borne by the 2016 Senior Loan (which, it is acknowledged, upon the occurrence of a Rate Increase Event, shall be the Rate Increase Event Rate).

(c) Principal Payments. Repayment of principal amounts owing on the 2016 Senior Loan shall commence on December 1, 2016. Principal payments thereafter shall be made annually on December 1 of each year thereafter until the Maturity Date, and on the Maturity Date, in the amounts set forth below:

<u>Principal Payment Date</u>	<u>Principal Amount Due[†]</u>
December 1, 2016	
December 1, 2017	
December 1, 2018	
December 1, 2019	
December 1, 2020	
December 1, 2021	
December 1, 2022	
December 1, 2023	
December 1, 2024	
December 1, 2025	
Maturity Date	†,††

† Assumes no prepayments of the 2016 Senior Loan principal prior to the Maturity Date. Amount will be reduced to the extent of any such prepayments as set forth in subsection (d) of this Section 2.02.

†† The balance of the 2016 Senior Loan shall be paid on the Maturity Date.

On the Maturity Date, the outstanding principal balance of the 2016 Senior Loan shall be due and payable in full (subject to the limitations on remedies set forth in Section 7.02 hereof). On the Maturity Date (or prior to the Maturity Date if a Rate Increase Event has occurred and is continuing beyond any applicable grace period), the Custodian shall transfer amounts from the Senior Reserve Fund and upon transfer of such amounts from the Custodian, the Bank shall apply such amounts to the payment of all Senior Payment Obligations then due and owing the basis provided in Section 4 of the Custodial Agreement.

(d) Mandatory Prepayment. Not less than [___] days prior to any Principal Payment Date (other than the Maturity Date), the Authority shall determine whether the sum of Senior Pledged Revenue received to such date and expected to be received during the remainder of such Fiscal Year will exceed the Senior Payment Obligations payable during, and estimated to be payable during the remainder of, such Fiscal Year. If such amount of Senior Pledged Revenue received and expected to be received shall so exceed such Senior Payment Obligations payable and estimated to be payable during such Fiscal Year, the Authority shall apply such excess (less a reasonable hold-back for interest due during the first Interest Period of the following Fiscal Year) to the prepayment of principal of the 2016 Senior Loan on such Principal Payment Date; provided that the sum of such prepaid principal and such other Senior Payment Obligations during such Fiscal Year shall not exceed the Annual Senior Payment Cap for such Fiscal Year. Any such principal so prepaid shall reduce the principal payment payable on the Maturity Date as set forth in subsection (c) of this Section 2.02.

(e) Obligations Unconditional. The Authority's obligation to repay the 2016 Senior Loan hereunder and all of its other obligations under this Agreement shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the Authority may have against the

Bank, any Participant, or any other Person, including, without limitation, any defense based on the failure of any nonapplication or misapplication of the proceeds of the 2016 Senior Loan hereunder, and irrespective of the legality, validity, regularity or enforceability of all or any of the Senior Financing Documents, and notwithstanding any amendment or waiver of (other than an amendment or waiver signed by the Bank explicitly reciting the release or discharge of any such obligation), or any consent to, or departure from, all or any of the Senior Financing Documents or any exchange, release, or nonperfection of any collateral securing the obligations of the Authority hereunder and any other circumstances or happening whatsoever, whether or not similar to any of the foregoing; provided, however, that nothing contained in this Section 2.02(e) shall abrogate or otherwise affect the rights of the Authority pursuant to Section 8.15 hereof.

(f) Waivers, Etc. To the full extent permitted by law: (i) the Authority hereby waives (A) presentment, demand, notice of demand, protest, notice of protest, notice of dishonor and notice of nonpayment; (B) to the extent the Bank is not in default hereunder, the right, if any, to the benefit of, or to direct application of, any security hypothecated to the Bank until all obligations of the Authority to the Bank hereunder, howsoever arising, has been paid; (C) the right to require the Bank to proceed against the Authority hereunder, or against any Person under any guaranty or similar arrangement, or under any agreement between the Bank and any Person or to pursue any other remedy in the Bank's power; (D) all statutes of limitation; and (E) any defense arising out of the election by the Bank to foreclose on any security by one or more nonjudicial or judicial sales; (ii) the Bank may exercise any other right or remedy, even though any such election operates to impair or extinguish the Authority's right to repayment from, or any other right or remedy it may have against, any Person, or any security; and (iii) the Authority agrees that the Bank may proceed against the Authority or any Person directly and independently of any other, and that any forbearance, change of rate of interest, or acceptance, release or substitution of any security, guaranty, or loan or change of any term or condition thereunder or under any Financing Document (other than by mutual agreement between the Authority and the Bank) shall not in any way affect the liability of the Authority hereunder.

(g) Yield Protection and Changes in Capital Adequacy.

(i) Yield Protection. If, on or after the date of this Agreement, the adoption of any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive (whether or not having the force of law), or any change in the interpretation, promulgation, implementation or administration thereof by any governmental or quasi-governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, including, notwithstanding the foregoing, all requests, rules, guidelines or directives in connection with the Dodd Frank Wall Street Reform and Consumer Protection Act regardless of the date enacted, adopted or issued, or compliance by the Bank or any Participant with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(A) subjects the Bank or any Participant to any taxes, or changes the basis of taxation of payments (other than with respect to taxes imposed on the overall net income of the Bank or such Participant) to the Bank or any Participant in respect of the Loan or participations therein; or

(B) imposes or increases or deems applicable any reserve, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, the Bank or any Participant; or

(C) imposes any other condition the result of which is to increase the cost to the Bank or any Participant of issuing or participating in the Loan, or reduces any amount receivable by the Bank or any Participant in connection with the Loan or participations therein, or requires the Bank or any Participant to make any payment calculated by reference to the amount of the Loan or participations therein held or interest or fees received by it, by an amount deemed material by the Bank or such Participant, as the case may be,

and the result of any of the foregoing is to increase the cost to the Bank or such Participant, as the case may be, of issuing or participating in the Loan or to reduce the return received by the Bank or such Participant, as the case may be, in connection with the Loan or participations therein, then, within fifteen (15) days after demand by the Bank, the Authority shall pay the Bank such additional amount or amounts as will compensate the Bank or such Participant, as the case may be, for such increased cost or reduction in amount received, but solely from Senior Pledged Revenue.

(ii) Changes in Capital Adequacy Regulations. If the Bank determines the amount of capital required or expected to be maintained by the Bank, or any corporation controlling the Bank, is increased as a result of a Change (defined below), then, within fifteen (15) days of demand by the Bank, the Authority shall pay the Bank, but solely from Senior Pledged Revenue, the amount necessary to compensate for any shortfall in the rate of return on the portion of such increased capital which the Bank determines is attributable to this Agreement (after taking into account the Bank's policies as to capital adequacy); however, a failure to pay such amount shall not constitute a default hereunder and no interest shall accrue on the unpaid amount. Notwithstanding the foregoing, for purposes of this Agreement, all requests, rules, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act shall be deemed to be a Change regardless of the date enacted, adopted or issued and all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or the United States financial regulatory authorities shall be deemed to be a Change regardless of the date adopted, issued, promulgated or implemented. "Change" means (i) any change after the date of this Agreement in the Risk-Based Capital Guidelines (defined

below) or (ii) any adoption of or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) or in the interpretation, promulgation, implementation or administration thereof after the date of this Agreement which affects the amount of capital required or expected to be maintained by the Bank or any corporation controlling the Bank. “Risk-Based Capital Guidelines” means (i) the risk-based capital guidelines in effect in the United States on the date of this Agreement, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations adopted prior to the date of this Agreement.

(h) Manner of Payments. All interest, fees, and other payments to be made hereunder by or on behalf of the Authority to the Bank shall be made, and shall not be considered made until received, in United States dollars in the Payment Account in immediately available funds. The Authority or the Custodian shall make each payment hereunder in the manner and at the time necessary so that each such payment is received in the Payment Account not later than 2:00 p.m., New York time, on the day when due in lawful money of the United States of America in immediately available funds. Any payment received after 2:00 p.m., New York time, shall be deemed made on the next succeeding Business Day. All payments made hereunder by or on behalf of the Authority to the Bank may be applied to such amounts due hereunder and under the 2016 Senior Note in such order as the Bank shall elect.

(i) Calculation of Interest and Fees; Rate Increase Event Rate. All interest and fees due and payable under this Agreement shall be calculated on the basis of a 360-day year and actual number of days elapsed. Any sum due to the Bank and not paid when due and any sum due to the Bank upon the occurrence or during the continuance of any Rate Increase Event hereunder shall bear interest at the Rate Increase Event Rate.

(j) Written Statements; Computation of Interest. The Bank agrees to send written statements or invoices itemizing all amounts due hereunder to the Authority (including without limitation any amounts due to the Authority under Section 2.02(g) hereof) with a copy to the Custodian at their addresses set forth in Section 8.05 hereof or at such other addresses as the Authority or the Custodian might specify to the Bank in writing. The Bank shall compute the amount of the interest on the unpaid principal balance of the 2016 Senior Loan due on each Interest Payment Date and shall provide to the Authority and the Custodian a written statement showing such computation not less than [three (3)] Business Days prior to each such Interest Payment Date. Each computation of interest pursuant to this Section 2.02(j) shall be conclusive and binding upon the parties hereto and the Custodian in the absence of manifest error. Not later than [January 15] of any Fiscal Year, the Bank shall also provide to the Authority and the Custodian an estimate the amount of Senior Payment Obligations to become due through the remainder of such Fiscal Year and for the first Interest Period of the immediately succeeding Fiscal Year and shall update such estimate on the 15th day of each succeeding calendar month so as to enable the Custodian to apply moneys deposited from time to time in the Revenue Fund for the payment of Senior Payment Obligations as described in

Section 2 of the Custodial Agreement. Failure of the Bank to provide any such written statement or any error therein shall not in any manner affect any obligation of the Authority hereunder, including without limitation, the obligation to pay interest on the unpaid principal balance of the 2016 Senior Loan.

(k) Maximum Interest Rate. Notwithstanding anything herein or in the Senior Financing Documents to the contrary, no obligation owed to the Bank hereunder shall bear interest at a rate greater than the Maximum Rate. To the extent the actual rate of interest required to be paid on any obligation owed to the Bank hereunder would exceed the Maximum Rate, the difference between what would have been the interest payable on such amounts had they accrued interest at such actual rate and the actual interest paid on such obligations at the Maximum Rate (the “Excess Interest Amount”) shall remain an obligation of the Authority. Notwithstanding anything herein or in the Senior Financing Documents to the contrary, if at any time there is an Excess Interest Amount owed to the Bank, any reduction in interest rate below the Maximum Rate that would result from the application of the Applicable Rate shall not reduce the rate of interest below the Maximum Rate until the first to occur of (i) the date on which all principal payments on the 2016 Senior Loan have been made or (ii) the Excess Interest Amount has been repaid to the Bank.

(l) Annual Senior Payment Cap. Notwithstanding any provision of this Agreement to the Contrary, the Authority and the Bank acknowledge and agree that (i) all Senior Payment Obligations payable during a Fiscal Year are limited to the amount of the Annual Senior Payment Cap for such Fiscal Year, (ii) the Authority is not obligated, nor permitted by the Custodial Agreement, to pay any Senior Payment Obligation in excess of such Annual Senior Payment Cap for such Fiscal Year, and (iii) with respect to any such Fiscal Year, if the amount of Senior Payment Obligations paid during such Fiscal Year shall equal the Annual Senior Payment Cap for such Fiscal Year, all Incremental Tax Revenues received during such Fiscal Year in excess of the amount of such Annual Senior Payment Cap shall cease to be Senior Pledged Revenue and shall thereafter be Subordinate Pledged Revenue and used as provided in the 2016 Subordinate Indenture.

Section 2.03. Costs, Expenses and Taxes. The Authority shall pay to the Bank the costs, expenses and taxes provided for herein at the times and in the amounts as set forth herein.

Section 2.04. Pledge; Limited Obligation. The Authority hereby pledges, assigns and grants to the Bank a first priority security interest in the Senior Pledged Revenue and the Senior Pledged Collateral to secure its payment of the Senior Payment Obligations to the Bank hereunder and under the other Senior Financing Documents, which pledge and lien shall be subject to no prior liens. Other than with respect to such payments made with respect to the 2016 Senior Swap Agreement, the Authority represents and warrants that the Senior Pledged Revenue and the Senior Pledged Collateral shall not be made subject to any lien or encumbrance without the prior written consent of the Bank, except as permitted by Section 5.11.

The creation, perfection, enforcement and priority of the pledge of the Senior Pledged Revenue hereunder shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Agreement, the Custodial Agreement and the Authorizing Resolution. The

Senior Pledged Revenue, as received by or otherwise credited to the Authority, shall immediately be subject to the lien of such pledge without any physical delivery, filing or further act. The lien of such pledge shall have a first priority. The lien of such pledge shall be valid, binding and enforceable as against all Persons having claims of any kind in tort, contract or otherwise against the Authority irrespective of whether such Persons have notice of such liens.

The Authority hereby authorizes the Bank to file one or more financing statements (including fixture filings), continuation statements, or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the lien and security interest in the Senior Pledged Collateral granted by the Authority to the Bank hereunder, without the signature of the Authority, and naming the Authority as a debtor and the Bank as secured party.

The Authority covenants to file such financing statements and other documents and to take all such other actions necessary or required to ensure that to the maximum extent possible the pledge, assignment and delivery of the Senior Pledged Revenue and Senior Pledged Collateral hereunder will create a valid, perfected, first priority security interest in all right, title or interest of the Authority in or to such Senior Pledged Revenue and the Senior Pledged Collateral, and the proceeds thereof, subject to no prior pledge, lien, mortgage, hypothecation, security interest, charge, option or encumbrance or to any agreement purporting to grant to any third party a security interest in the property or assets of the Authority which would include the Senior Pledged Revenue or the Senior Pledged Collateral or any portion thereof. The Authority covenants and agrees that it will defend such right, title and security interest of the Bank in all right, title or interest of the Authority in and to the Senior Pledged Revenue and the Senior Pledged Collateral and the proceeds thereof against the claims and demands of all Persons whomsoever.

Notwithstanding any other provision of this Agreement to the contrary, all obligations of the Authority to the Bank under this Agreement, including without limitation the principal of and interest on the 2016 Senior Loan (including without limitation any Excess Interest, any compounded interest previously due and unpaid, any interest accruing at the Rate Increase Event Rate and any principal prepaid pursuant to Section 2.02(d)), all fees of the Bank, and all amounts payable by the Authority to the Bank pursuant to Section 2.02(g), as well as all other Senior Payment Obligations, shall be (a) payable solely from, and shall be limited solely to amounts available from, the Senior Pledged Revenue and Senior Pledged Collateral, and (b) subject to the limitations of Section 2.02(l).

No revenues or funds of the City have been pledged or will be made available to pay the 2016 Senior Loan or the 2016 Senior Note.

Section 2.05. Conditions to Closing. The obligations of the Bank to make the 2016 Senior Loan hereunder and the effectiveness of this Agreement is conditioned upon the satisfaction of each of the following conditions precedent on or before the Closing Date in a manner satisfactory to the Bank:

- (a) all Senior Financing Documents and other instruments applicable to the 2016 Senior Loan have been duly executed and delivered in form and substance

satisfactory to the Bank and shall have not been modified, amended or rescinded, shall be in full force and effect on and as of the Closing Date and executed original or certified copies of each thereof shall have been delivered to the Bank;

(b) the Bank has received a certified copy of the Authorizing Resolution of the Authority, which shall be in form and content satisfactory to the Bank and authorize the Authority to obtain the 2016 Senior Loan and perform all acts contemplated by this Agreement and all other Senior Financing Documents, and a certified copy of all other ordinances, resolutions and proceedings taken by the Authority authorizing the Authority to obtain the 2016 Senior Loan and the execution, delivery and performance of this Agreement and the other Senior Financing Documents and the transactions contemplated hereunder and thereunder, together with such other certifications as to the specimen signatures of the officers of the Authority authorized to sign this Agreement and the other Senior Financing Documents to be delivered by the Authority hereunder and as to other matters of fact as shall reasonably be requested by the Bank;

(c) the Authority has provided a certificate signed by a Authority Representative certifying that on the Closing Date each representation and warranty on the part of the Authority contained in this Agreement and in any other Financing Document is true and correct in all material respects, no Rate Increase Event or Incipient Rate Increase Event has occurred and is continuing or would result from the execution and delivery of this Agreement, the incurrence of the 2016 Senior Loan or the issuance of the 2016 Senior Note, and no default exists under any other Senior Financing Documents or under any other agreements by and between the Authority and the Bank or would result from the execution and delivery of this Agreement the incurrence of the 2016 Senior Loan or the issuance of the 2016 Senior Note, and certifying as to such other matters as the Bank may reasonably request;

(d) the Bank shall have received the opinion of Bond Counsel as to such matters standard in similar transactions and reasonably satisfactory to the Bank, including but not limited to the following opinions: (i) the 2016 Senior Loan, evidenced by the 2016 Senior Note, constitutes a special, limited revenue obligation of the Authority payable from and secured by the Senior Pledged Revenue and the Senior Pledged Collateral, (ii) interest on the 2016 Senior Loan is exempt from income taxation by the United States of America and the State of Colorado, subject to certain limitations; (iii) this Agreement imposes a valid lien on the Senior Pledged Revenue; and (iv) this Agreement, the 2016 Senior Note, and the Custodial Agreement are enforceable against the Authority in accordance with their terms, subject to certain limitations;

(e) the Bank shall have received evidence satisfactory to the Bank that as of the Closing Date amounts on deposit in the Senior Reserve Fund will be not less than the 2016 Senior Loan Reserve Requirement;

(f) all resolutions adopted and proceedings taken in connection with the transactions contemplated by this Agreement, including all Senior Financing Documents, are satisfactory to the Bank and its counsel;

(g) the Bank shall have received an opinion of general counsel to the Authority relating to certain matters standard in similar transactions and reasonably satisfactory to the Bank;

(h) the Custodian shall be UMB Bank, n.a.;

(i) the Bank shall have received a certificate of the Custodian signed by an authorized representative of the Custodian certifying as to the authority, incumbency and specimen signatures of the authorized representatives of the Custodian and certifying as to such other matters as the Bank might reasonably request;

(j) the bank shall have received an opinion of Bond Counsel to the effect that as of the date of such opinion Incremental Sales Tax Revenue shall be collectible under the Act until December 14, 2029 and Incremental Property Tax Revenue shall be collectible under the Act through the 2030 collection year (2029 tax year);

(k) no law, regulation, ruling or other action of the United States, the State of Colorado or any political subdivision or authority therein or thereof shall be enacted or shall have occurred, the effect of which would be to prevent the Authority from fulfilling its obligations under this Agreement or the other Senior Financing Documents;

(l) all Bank fees and expenses due and payable at or prior to Closing in accordance with this Agreement, shall have been paid;

(m) the Bank shall have been provided with the reasonable opportunity to review all pertinent financial information requested by the Bank regarding the Authority, agreements, documents, and any other material information relating to the Authority, the Senior Pledged Collateral or the Senior Pledged Revenue;

(n) the Bank shall have received such other certificates, approvals, filings, opinions and documents as shall be reasonably requested by the Bank; and

(o) all other legal matters pertaining to the execution and delivery of this Agreement, the 2016 Senior Note and the other Senior Financing Documents shall be reasonably satisfactory to the Bank.

ARTICLE III

FUNDS AND ACCOUNTS

Section 3.01. Acknowledgement of Funds. Pursuant to the Custodial Agreement, the Authority created and established the following funds and accounts, which shall be held and administered by the Custodian in accordance with the provisions of the Custodial Agreement:

(a) the Senior Pledged Revenue Fund;

(b) the Senior Payment Fund;

- (c) the Senior Reserve Fund;
- (d) the Rebate Fund; and
- (e) the Costs of Issuance Fund.

Section 3.02. Application of Senior Pledged Revenue. Following issuance of the 2016 Senior Loan, the Authority shall transfer, or cause to be transferred, all amounts comprising Senior Pledged Revenue to the Custodian as soon as may be practicable after the receipt thereof for application by the Custodian at the times and in the manner set forth in the Custodial Agreement.

Section 3.03. Senior Pledged Revenue Fund. The Senior Pledged Revenue Fund shall be held and administered by the Custodian in accordance with the terms of the Custodial Agreement. Moneys in the Senior Pledged Revenue Fund shall be applied by the Custodian only as set forth in the Custodial Agreement and the Senior Pledged Revenue Fund is hereby pledged to secure the obligations of the Authority to the Bank under this Agreement and the 2016 Senior Note.

Section 3.04. Senior Payment Fund. The Senior Payment Fund shall be held and administered by the Custodian in accordance with the terms of the Custodial Agreement. Moneys in the Senior Payment Fund shall be applied by the Custodian only as set forth in the Custodial Agreement and the Senior Payment Fund is hereby pledged to secure the obligations of the Authority to the Bank under this Agreement and the 2016 Senior Note.

Section 3.05. Senior Reserve Fund. The Senior Reserve Fund shall be held and administered by the Custodian in accordance with the terms of the Custodial Agreement. Moneys in the Senior Reserve Fund shall be applied by the Custodian only as set forth in the Custodial Agreement and the Senior Reserve Fund is hereby pledged to secure the obligations of the Authority to the Bank under this Agreement and the 2016 Senior Note. The Senior Reserve Fund shall be replenished as required from time to time in accordance with the terms of the Custodial Agreement.

Section 3.06. Rebate Fund. The Rebate Fund shall be held and administered by the Custodian in accordance with the terms of the Custodial Agreement. Moneys in the Rebate Fund shall be applied by the Custodian only as set forth in the Custodial Agreement. The Rebate Fund and the amounts on deposit therein are not pledged to secure the obligations of the Authority to the Bank under this Agreement and the 2016 Senior Note.

Section 3.07. Costs of Issuance Fund. The Costs of Issuance Fund shall be held and administered by the Custodian in accordance with the terms of the Custodial Agreement. Moneys in the Costs of Issuance Fund shall be applied by the Custodian only as set forth in the Custodial Agreement. The Costs of Issuance Fund and the amounts on deposit therein are not pledged to secure the obligations of the Authority to the Bank under this Agreement and the 2016 Senior Note.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY

So long as the 2016 Senior Loan is outstanding and while any obligations hereunder are unpaid or outstanding, the Authority continuously represents and warrants to the Bank as follows:

Section 4.01. Due Organization. The Authority body corporate and politic duly organized and validly existing under the laws of the State of Colorado.

Section 4.02. Power and Authorization. The Authority has all requisite power and authority to carry on its business as now conducted and as contemplated to be conducted under the Senior Financing Documents; to execute, deliver and to perform its obligations under this Agreement and the other Senior Financing Documents; and to cause the execution, delivery and performance of the Senior Financing Documents.

Section 4.03. No Legal Bar. To the best of the Authority's knowledge, the Authority is not in violation of any of the provisions of the laws of the State of Colorado or the United States of America or any of the provisions of any order of any court of the State of Colorado or the United States of America which would affect its ability to comply with its obligations under this Agreement or any of the other Senior Financing Documents. The execution, delivery and performance by the Authority of this Agreement and of the other Senior Financing Documents: (a) will not violate any provision of any applicable law or regulation or of any order, writ, judgment or decree of any court, arbitrator or governmental authority; (b) will not violate any provisions of any document constituting, regulating or otherwise affecting the operations or activities of the Authority; and (c) will not violate any provision of, constitute a default under, or result in the creation, imposition or foreclosure of any lien, mortgage, pledge, charge, security interest or encumbrance of any kind, other than liens created or imposed by the Senior Financing Documents on the Senior Pledged Revenue or the Senior Pledged Collateral, which could have a material adverse effect on the assets, financial condition, business or operations of the Authority, on the Authority's power to cause the Senior Financing Documents to be executed and delivered, or its ability to pay in full in a timely fashion the obligations of the Authority under this Agreement or the other Senior Financing Documents.

Section 4.04. Consents. The Authority has obtained all consents, permits, licenses and approvals of, and has made all registrations and declarations with any governmental authority or regulatory body required for the execution, delivery and performance by the Authority of this Agreement and the other Senior Financing Documents.

Section 4.05. Litigation. There is no action, suit, inquiry or investigation or proceeding to which the Authority is a party, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official which is pending or, to the best knowledge of the Authority, threatened, in connection with any of the transactions contemplated by this Agreement or against or, to the best knowledge of the Authority, affecting the assets of, the Authority, nor, to the best knowledge of the Authority, is there any basis therefor, wherein an unfavorable decision, ruling or finding: (a) would adversely affect the validity or enforceability

of, or the authority or ability of the Authority to perform its obligations under, the Senior Financing Documents; (b) would, in the reasonable opinion of the Authority, have a materially adverse effect on the ability of the Authority to conduct its business as presently conducted or as proposed or contemplated to be conducted; or (c) would adversely affect the exclusion of interest on the 2016 Senior Loan from gross income for federal income tax purposes or the exemption of such interest from State of Colorado personal income taxes.

Section 4.06. Enforceability. This Agreement and each other Financing Document constitutes the legal, valid and binding obligation of the Authority, enforceable against the Authority in accordance with its terms (except as such enforceability may be limited by bankruptcy, moratorium or other similar laws affecting creditors' rights generally and provided that the application of equitable remedies is subject to the application of equitable principles).

Section 4.07. Changes in Law. To the best knowledge of the Authority, there is not pending any change of law which, if enacted or adopted would have a material adverse effect on the assets, financial condition, business or operations of the Authority, on the Authority's power to issue or its ability to pay in full in a timely fashion the obligations of the Authority under this Agreement or the other Senior Financing Documents. For the avoidance of doubt, any proposed regulatory changes previously announced by the Colorado Division of Property Taxation shall not constitute a change in law as contemplated by this Section 4.07.

Section 4.08. Financial Statements and Other Financial Information. The financial statements and other financial information previously provided to the Bank or provided to the Bank in the future by the Authority or any officer or agent of the Authority are or will be complete and accurate in all material respects and any such financial statements or financial information has been prepared in accordance with generally accepted accounting principles. There has been no material adverse change in the Authority's financial condition since such information was provided to the Bank.

Section 4.09. Accuracy of Information. All information, certificates or statements given to the Bank pursuant to this Agreement and the other Senior Financing Documents will be true and complete when given. There are no facts that the Authority has failed to disclose to the Bank that, individually or in the aggregate, would have a material adverse effect on the Senior Pledged Collateral or the assets, financial condition, business or operations of the Authority or the Authority's ability to perform its obligations under this Agreement or the other Senior Financing Documents to which it is a party.

Section 4.10. Tax-Exempt Status. The Authority has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the 2016 Senior Loan from gross income for federal income tax purposes or the exemption of such interest from State of Colorado personal income taxes.

Section 4.11. Senior Financing Documents. Each representation and warranty of the Authority contained in any Financing Document is true and correct as of the Closing Date.

Section 4.12. Regulations U and X. The Authority is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U or X issued by the Board of Governors of the Federal Reserve System); and no proceeds of the 2016 Senior Loan will be or have been used to extend credit to others for the purpose of purchasing or carrying any margin stock.

Section 4.13. Compliance with Senior Financing Documents. The Authority is not in noncompliance in its performance, observance, or fulfillment of any of the obligations, covenants or conditions contained in any Financing Document or other resolution, agreement or instrument to which it is a party which would have a material adverse effect on the ability of the Authority to perform its obligations hereunder or under the other Senior Financing Documents, or which would materially adversely affect the enforceability hereof or thereof.

Section 4.14. Sovereign Immunity. Except for actions that lie or could lie in tort, the Authority does not enjoy any rights of immunity on the grounds of sovereign immunity in respect of its obligations under the 2016 Senior Note, this Agreement or any of the other Senior Financing Documents, and to the extent the Authority ever gains any such rights of sovereign immunity in respect of its obligations under the 2016 Senior Note, this Agreement or any of the other Senior Financing Documents, the Authority waives, to the extent permitted by law, any such rights and agrees to execute any certificate required by the Bank in connection with such waiver.

Section 4.15. No Filings. No filings, recordings, registrations or other actions are necessary to create and perfect the pledges provided for herein and in the Custodial Agreement; all obligations of the Authority hereunder are secured by the lien and pledge provided for herein and in the Custodial Agreement; and the liens and pledges provided for herein and in the Custodial Agreement constitute valid prior liens subject to no other liens.

Section 4.16. Security; Outstanding Debt.

(a) Except for the Authority's obligations under this Agreement, the 2016 Senior Note and the other Senior Financing Documents, the Authority has no other Debt outstanding payable from or secured by the Senior Pledged Revenue or the Senior Pledged Collateral or any portion thereof entitled to the benefit of a prior or parity lien and charge on the Senior Pledged Revenue or the Senior Pledged Collateral or any portion thereof.

(b) The Authority represents and warrants that it will incur additional Debt payable from or secured by the Senior Pledged Revenue or the Senior Pledged Collateral or any portion thereof only in accordance with the provisions of Section 5.11 of this Agreement.

Section 4.17. Appropriation. No portion of the Senior Pledged Revenue or the Senior Pledged Collateral is subject to appropriation by any Person.

Section 4.18. Insurance. The Authority currently maintains insurance of such type and in such amounts or in excess of such amounts as are customarily carried by, and insures against such risks as are customarily insured against, by entities of like type, size and character to it.

Section 4.19. Usury. The terms of the 2016 Senior Note and this Agreement regarding the calculation and payment of interest and fees do not violate any applicable usury laws.

Section 4.20. Anti-Corruption Laws; Sanctions; Anti-Terrorism Laws.

(a) The Authority and its officers and employees and to the knowledge of the Authority, its directors and agents, are in compliance with Anti-Corruption Laws and any applicable Sanctions in all material respects. Neither the Authority or, to the knowledge of the Authority, any of its directors, officers or employees is a Sanctioned Person. The Loan, use of the proceeds of the Loan or other transactions contemplated hereby will not violate Anti-Corruption Laws or applicable Sanctions.

(b) To the best knowledge of the Authority, neither the making of the Loan hereunder nor the use of the proceeds thereof will violate the PATRIOT Act, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto or successor statute thereto. To the best knowledge of the Authority, the Authority is in compliance in all material respects with the PATRIOT Act.

ARTICLE V

COVENANTS OF THE AUTHORITY

So long as the 2016 Senior Loan is outstanding and while any obligations hereunder or under any of the other Senior Financing Documents are unpaid or outstanding, the Authority continuously warrants and agrees as follows:

Section 5.01. Performance of Covenants, Authority. The Authority covenants that it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations, and provisions contained in the Authorizing Resolution, this Agreement, the 2016 Senior Note, the other Senior Financing Documents and all its proceedings pertaining thereto as though such covenants, undertakings, stipulations, and provisions were set forth in full herein (for the purpose of this provision the Senior Financing Documents shall be deemed to continue in full force and effect notwithstanding any earlier termination thereof so long as any obligation of the Authority under this Agreement shall be unpaid or unperformed). The Authority covenants, represents, warrants and agrees that it is duly authorized under the constitution and laws of the State of Colorado, including, particularly and without limitation, the Act, to incur the 2016 Senior Loan and to execute and deliver the 2016 Senior Note, this Agreement, and the other Senior Financing Documents, and to pledge the Senior Pledged Revenue and the Senior Pledged Collateral in the manner and to the extent herein and in the Custodial Agreement set forth, and that all action on its part for the incurrence of the 2016 Senior Loan and the execution and delivery of the 2016 Senior Note, this Agreement, and the other Senior Financing Documents and the pledge of the Senior Pledged Revenue and Senior Pledged Collateral in the manner and to the extent herein and in the Custodial Agreement set forth, has been duly and effectively taken and will be duly taken as provided herein, and that the 2016 Senior Loan, the 2016 Senior Note, this Agreement,

and the other Senior Financing Documents are and will be valid and enforceable obligations of the Authority according to the terms hereof and thereof.

Section 5.02. Laws, Permits and Obligations. The Authority will comply in all material respects with all applicable laws, rules, regulations, orders and directions of any governmental authority, including without limitation all environmental laws, Anti-Corruption Laws and applicable Sanctions and all agreements and obligations binding on the Authority, noncompliance with which would have a material adverse effect on the Authority, its financial condition, assets or ability to perform its obligations under this Agreement and/or the other Senior Financing Documents; provided that the Authority may in good faith contest such laws, rules, regulations, orders and directions and the applicability thereof to the Authority to the extent that such action would not be likely to have a material adverse effect on the Authority's ability to perform its obligations hereunder.

Section 5.03. Tax Covenants. The Authority covenants to comply with the tax covenants set forth in the Tax Certificate. The Authority shall not take any action or omit to take any action which, if taken or omitted, would adversely affect the exclusion of interest with respect to the 2016 Senior Loan from gross income for purposes of Federal income taxation or the exemption of such interest from State personal income taxes.

Section 5.04. Bonding and Insurance. The Authority shall carry general liability coverage, worker's compensation, public liability, and such other forms of insurance on insurable Authority property upon the terms and conditions, and issued by recognized insurance companies, as in the judgment of the Authority would ordinarily be carried by entities having similar properties of equal value, such insurance being in such amounts as will protect the Authority and its operations. To the extent required by law, each Authority officer or employee having custody of any Authority funds or responsible for the handling of such funds, shall be bonded or insured against theft or defalcation at all times.

Section 5.05. Other Liabilities. The Authority shall pay and discharge, when due, all of the Senior Payment Obligations, except when the payment thereof is being contested in good faith by appropriate procedures which will avoid financial liability and with adequate reserves provided therefor.

Section 5.06. Proper Books and Records. The Authority shall keep or cause the Custodian to keep adequate and proper records and books of account in which complete and correct entries shall be made with respect to the Authority, the Senior Pledged Revenue and all of the funds and accounts established or maintained pursuant to any of the Senior Financing Documents. The Authority shall (a) maintain accounting records in accordance with generally recognized and accepted principles of accounting consistently applied throughout the accounting periods involved; (b) provide the Bank with such information concerning the business affairs and financial condition (including insurance coverage) of the Authority as the Bank may request and, (c) without request, provide the Bank with the information set forth in Section 5.07 hereof.

Section 5.07. Reporting Requirements.

(a) The Authority shall notify the Bank promptly of all interim litigation or administrative proceedings which are pending or, to the Authority's knowledge, threatened, against the Authority that would in the Authority's reasonable opinion, if determined adversely to the Authority, have a material adverse effect on the Authority's assets, financial condition, business or operations or the ability of the Authority to perform its obligations under this Agreement or under any other Senior Financing Documents.

(b) The Authority shall provide the following to the Bank at the times and in the manner provided below:

(i) as soon as available, but not later than 270 days following each Fiscal Year, the Authority shall furnish to the Bank its audited financial statements (to the extent such audited financial statements are required to be filed with the State of Colorado), prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and certified by a firm of independent certified public accountants selected by the Authority, together with a certificate of a Authority Representative evidencing the Authority's continuing compliance with Sections 5.10, 5.11, 5.12 and 5.16 hereof, and stating whether there exists on the date of such certificate any Rate Increase Event or Incipient Rate Increase Event and, if any Rate Increase Event or Incipient Rate Increase Event then exists, setting forth the details thereof and the actions which the Authority is taking or proposes to take with respect thereto;

(ii) as soon as available, but in no event later than January 31 of each Fiscal Year, the Authority shall furnish to the Bank the Authority's annual budget for such Fiscal Year and, as soon as available, shall furnish a copy of any proposed amendments thereto;

(iii) as soon as available, but in no event later than September 30 of each year, the Authority shall furnish to the Bank the preliminary certified "actual value" and assessed valuation of all property within the Urban Renewal Area for such calendar year;

(iv) as soon as available, but in no event later than December 31 of each year, the Authority shall furnish to the Bank the final certified assessed valuation of all property within the Urban Renewal Area, as calculated, recorded and certified by the County Assessor of the County on or before December 10 of such calendar year;

(v) as soon as available, but in no event later than January 31 of each Fiscal Year, the Authority shall furnish to the Bank a listing of all mill levies being collected by each taxing overlapping the Urban Renewal Area during such Fiscal Year;

(vi) as soon as available, but in no event later than [the end of the second calendar month following the end of each calendar quarter], the Authority

shall furnish to the Bank the total amount of sales tax collected within the Urban Renewal Area during such calendar quarter;

(vii) not later than June 30 of any Fiscal Year beginning in 2020, the Authority shall certify to the Bank the total amount of sales tax collected within the Urban Renewal Area for [the latest 12-calendar month period for which such amount is available] as of the date of such certificate; and

(viii) promptly upon request of the Bank, the Authority shall furnish to the Bank such other reports or information regarding the Senior Pledged Revenue or the Senior Pledged Collateral or the assets, financial condition, business or operations of the Authority as the Bank may reasonably request.

(c) The Authority shall promptly notify the Bank of any Rate Increase Event or Incipient Rate Increase Event of which the Authority has knowledge, setting forth the details of such Rate Increase Event or Incipient Rate Increase Event and any action which the Authority proposes to take with respect thereto.

(d) The Authority shall notify the Bank as soon as possible after the Authority acquires knowledge of any audit or examination of the 2016 Senior Loan by the Internal Revenue Service or any allegation made by the Internal Revenue Service that the interest payable on the 2016 Senior Loan is includable in the gross income for federal income tax purposes of the Bank or any Participant or the effective tax benefit of such interest to the Bank is reduced by virtue of the occurrence of any event, including any change in the Constitution or laws of the United States of America or the State of Colorado, which results in interest payable on the 2016 Senior Loan becoming includable in the gross income of the Bank or any Participant pursuant to Section 103(b) of the Internal Revenue Code.

(e) The Authority shall immediately notify the Bank of any resignation of the Custodian.

(f) The Authority shall notify the Bank as soon as possible after the Authority acquires knowledge of the occurrence of any event which, in the reasonable judgment of the Authority, is likely to have a material adverse effect on the assets, financial condition, business or operations of the Authority or the ability of the Authority to perform its obligations under this Agreement or under any other Senior Financing Documents.

(g) The Authority shall provide as soon as available prior written notice of any proposed cancellation, termination, amendment, supplement, modification or waiver of any of the provisions of the Senior Financing Documents and the nature thereof and copies of all actual amendments, supplements, modifications or waivers thereof.

Section 5.08. Visitation and Examination. Unless otherwise prohibited by law, the Authority will permit any Person designated by the Bank upon reasonable prior notice to the Authority to visit any of its offices to examine the Authority's or the Custodian's books and financial records, and make copies thereof or extracts therefrom, and to discuss its affairs,

finances and accounts with its principal officers, all at such reasonable times and as often as the Bank may reasonably request.

Section 5.09. Further Assurances. The Authority shall do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such indentures supplemental hereto and such further acts, instruments, and transfers as the Bank may reasonably require or deem advisable to carry into effect the purposes of this Agreement or to better assure and confirm unto the Bank its rights, powers, and remedies hereunder and under the Senior Financing Documents or for the better assuring, transferring, and pledging unto the Bank of the Senior Pledged Collateral.

Section 5.10. Transfer of Senior Pledged Revenue to Custodian. The Authority shall transfer the Senior Pledged Revenue to the Custodian when and as required by the Custodial Agreement.

Section 5.11. Additional Debt or Obligations; Subordinate Obligations. Other than the 2016 Senior Swap Agreement, the 2016 Subordinate Bonds, the UCCS Junior Lien Loan Agreement, the Developer Junior Lien Note and the City Junior Lien MOU, the Authority covenants not to issue or incur any Debt or any other obligation which is payable from or secured by any portion of the Incremental Tax Revenue without the prior written consent of the Bank. No Subordinate Obligations shall be, or shall be convertible to be, payable from the Senior Pledged Revenues (except to the extent that Senior Pledged Revenues shall convert to Subordinate Pledged Revenues as provided in Section 2.02(1)) without the prior written consent of the Bank.

Section 5.12. Continued Existence. The Authority shall maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the 2016 Senior Loan, and will continue to operate and manage the Authority and its facilities in an efficient and economical manner in accordance with all applicable laws, rules, and regulations.

Section 5.13. Restructuring. In the event the Senior Pledged Revenue and Senior Pledged Collateral are insufficient or are anticipated to be insufficient to pay the principal of and interest on the 2016 Senior Loan when due, the Authority shall use commercially reasonable efforts to refinance, refund, or otherwise restructure the 2016 Senior Loan so as to avoid a Rate Increase Event.

Section 5.14. Authority Operations. The Authority shall manage its finances and day to day operations in an economical and efficient manner and in accordance with all applicable laws, rules, and regulations.

Section 5.15. Administrative Expenses. The Authority shall pay all Administrative Expenses related to the 2016 Senior Loan.

Section 5.16. Material Adverse Action. The Authority shall not take any action nor consent to any action that would materially adversely affect the Senior Pledged Revenue, the Senior Pledged Collateral or any material portion thereof without the prior written consent of the Bank.

Section 5.17. No Change in Senior Financing Documents; No Inconsistent Action.

The Authority shall not cancel, terminate, amend, supplement, modify or waive any of the provisions of the Authorizing Resolution, the Custodial Agreement, the 2016 Senior Swap Agreement or the Tax Certificate or consent to any such cancellation, termination, amendment, supplement, modification or waiver, without the prior written consent of the Bank. The Authority shall not cancel, terminate, amend, supplement, modify or waive any of the provisions of any other Senior Financing Document or consent to any such cancellation, termination, amendment, supplement, modification or waiver, which cancellation, termination, amendment, supplement, modification or waiver or consent thereto would have a material adverse effect on the Senior Pledged Revenue, the Senior Pledged Collateral or the assets, financial condition, business or operations of the Authority or the Authority's ability to perform its obligations under this Agreement or the other Senior Financing Documents to which it is a party, without the prior written consent of the Bank. The Authority shall take no action, nor shall it cause the Custodian to take any action under any of the Senior Financing Documents to which it is a party, that is inconsistent with the rights of the Bank under this Agreement including, without limitation, its obligations to make payments to the Bank hereunder.

Section 5.18. Removal or Appointment of Agents. The Authority shall not remove the Custodian without cause, and the Authority shall not appoint a successor Custodian without the prior written consent of the Bank.

Section 5.19. References to Bank. The Authority shall not refer to the Bank in any official statement, offering memorandum, or private placement memorandum without the Bank's prior written consent thereto.

Section 5.20. Termination of Agreement. So long as the Authority's obligations hereunder remain unpaid or unperformed, the Authority shall not terminate this Agreement.

Section 5.21. No Priority Claim. The Authority shall not grant or permit to be granted any lien on or security interest in and to any portion of the Senior Pledged Revenue or the Senior Pledged Collateral on a basis senior or prior to, or, other that with respect to the 2016 Senior Swap Agreement, on a parity with, the lien on and security interest in the Senior Pledged Revenue or the Senior Pledged Collateral granted hereby with respect to the Senior Payment Obligations.

Section 5.22. Use of Proceeds. The Authority will use or cause to be used the proceeds of the 2016 Senior Loan in accordance with Section 2.01(c) hereof.

Section 5.23. Additional Covenants Related to Anti-Corruption Laws; PATRIOT Act.

(a) The Authority shall not use, and the Authority shall ensure that its directors, officers, employees and agents shall not use, the proceeds of the 2016 Senior Loan (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or (ii) in any manner that would result in the violation of any applicable Sanctions.

(b) The Authority shall provide such information and take such actions as are reasonably requested by the Bank in order to assist the Bank in maintaining compliance with the PATRIOT Act.

ARTICLE VI

INVESTMENTS

Section 6.01. Permitted Investments Only. All moneys held by the Bank in any of the funds or accounts held and administered by the Bank under this Agreement shall be promptly invested or reinvested by the Bank, at the written or oral request (followed by written instructions) and direction of an Authority Representative, in Permitted Investments only.

Section 6.02. Other Investment Requirements. Such investments shall mature or be redeemable at the option of the owner thereof no later than the respective dates when moneys held for the credit of such fund or account will be required for the purposes intended. A Authority Representative may direct the Bank to, or in the absence of direction, the Bank shall, in accordance with this subsection, invest and reinvest the moneys in any investment permitted hereby so that the maturity date, interest payment date, or date of redemption, at the option of the owner of such investment, shall coincide as nearly as practicable with the times at which money is needed to be so expended. The Bank may make any and all such investments through its money center. The Bank may, without the need for direction of a Authority Representative but not in contravention of directions by a Authority Representative, purchase or invest in shares of any investment company that (i) is registered under the Investment Company Act of 1940, as amended (including both corporations and Massachusetts business trusts, and including companies for which the Bank may provide advisory, administrative, custodial, or other services for compensation), (ii) invests substantially all of its assets in short-term high-quality money-market instruments, limited to obligations issued or guaranteed by the United States, and (iii) maintains a constant asset value per share.

Section 6.03. Compliance with Tax Covenants. Any and all such investments shall be subject to full and complete compliance at all times with the covenants and provisions of Section 5.03 hereof.

ARTICLE VII

RATE INCREASE EVENTS AND REMEDIES

Section 7.01. Rate Increase Event. The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute a Rate Increase Event under this Agreement (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body):

(a) the Authority fails to pay the principal of or interest on the 2016 Senior Loan or any other amount payable to the Bank hereunder when due;

(b) (i) the Authority fails to observe or perform any of the covenants, agreements or conditions in Section 5.10, 5.11, 5.20, 5.21 and 5.22, or (ii) the Authority fails to observe or perform any other of the covenants, agreements, or conditions on the part of the Authority in this Agreement or the 2016 Senior Note and, solely in the case of clause (ii), the Authority fails to remedy the same within thirty (30) days after the Bank has provided the Authority with notice thereof; provided that such period shall be extended to sixty (60) days so long as the Authority shall proceed with reasonable diligence to effect such remedy;

(c) any representation or warranty made by the Authority in this Agreement or in any other Senior Financing Document or any certificate, instrument, financial or other statement furnished by the Authority to the Bank, proves to have been untrue or incomplete in any material respect when made or deemed made;

(d) the Authority fails or refuses to pay the Senior Pledged Revenue to the Custodian when and as required by the Custodial Agreement;

(e) the amount of sales tax collections certified by the Authority in any certificate delivered to the Bank pursuant to Section 5.07(b)(vii) shall be less than \$3,600,000;

(f) the Urban Renewal Plan shall be amended, modified or changed without the prior written consent of the Bank, which consent shall not be unreasonably withheld and shall be granted or expressly withheld by the Bank within 10 Business Days after receipt of notice thereof;

(g) except to the extent already described in this Section 7.01, (i) the occurrence and continuance of a payment default under the 2016 Senior Swap Agreement or an event of noncompliance by the Authority under the Authorizing Resolution, the Custodial Agreement or the Tax Certificate, in any such case after the expiration of any applicable grace period or (ii) the occurrence and continuance of an event of termination or event of default or noncompliance by the Authority under any Senior Financing Document other than as described in clause (i) above after the expiration of any grace period, which event of termination or event of noncompliance, in the Bank's reasonable judgment, would have a material adverse effect on the Senior Pledged Revenue or the Senior Pledged Collateral or the assets, financial condition, business or operations of the Authority or the Authority's ability to perform its obligations under this Agreement or the other Senior Financing Documents to which it is a party;

(h) the Authority shall initiate, acquiesce or consent to any proceedings to dissolve itself or to consolidate itself with other similar entities into a single entity or the Authority shall otherwise cease to exist;

(i) a change occurs in the financial or operating conditions of the Authority, or the occurrence of any other event that, in the Bank's reasonable judgment, will have a materially adverse impact on the sufficiency of the Senior Pledged Revenue to satisfy the Authority's obligations under this Agreement or its other obligations, and the Authority

fails to cure such condition within six (6) months after receipt by the Authority of written notice thereof from the Bank;

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

(k) this Agreement, the Custodial Agreement or any other Financing Document, or any material provision hereof or thereof, (i) ceases to be valid and binding on the Authority or is declared null and void, or the validity or enforceability thereof is contested by the Authority (unless being contested in good faith), or the Authority denies it has any or further liability under any such document to which it is a party; or (ii) any pledge or security interest created hereunder or under the Custodial Agreement fails to be fully enforceable with the priority required hereunder or thereunder;

(l) the auditor for the Authority delivers a qualified opinion with respect to its status as an on-going concern;

(m) any funds or investments on deposit in, or otherwise to the credit of, the Senior Pledged Revenue Fund, the Senior Payment Fund, the Senior Reserve Fund or any of the other funds or accounts established hereunder or under the Custodial Agreement shall become subject to any writ, judgment, warrant or attachment, execution or similar process;

(n) any determination, decision, or decree is made by the Commissioner or any District Director of the Internal Revenue Service, or by any court of competent jurisdiction, that the interest payable on the 2016 Senior Loan is includable in the gross income for federal income tax purposes of the Bank or any Participant or the effective tax benefit of such interest to the Bank is reduced by virtue of the occurrence of any event, including any change in the Constitution or laws of the United States of America or the State of Colorado, which results in interest payable on the 2016 Senior Loan becoming

includable in the gross income of the Bank or any Participant pursuant to Section 103(b) of the Internal Revenue Code, and the rules and regulations promulgated thereunder if and so long as such determination, decision or decree is not being appealed or otherwise contested in good faith by the Authority;

(o) the Authority shall, without Bank consent, take any action or consent to any action that could have the effect of excluding property from the boundaries of the Urban Renewal Area, if such exclusion is expected to materially reduce the amount of Senior Pledged Revenue;

(p) the occurrence of any other event (other than as described in this Section 7.01) that, in the Bank's reasonable judgment, would have a material adverse effect on the Senior Pledged Revenue or the Senior Pledged Collateral or the assets, financial condition, business or operations of the Authority or the Authority's ability to perform its obligations under this Agreement or the other Senior Financing Documents to which it is a party, and the Authority fails to cure such condition within six (6) months after receipt by the Authority of written notice thereof from the Bank.

Section 7.02. Remedies. Upon the occurrence of any Rate Increase Event, the 2016 Senior Loan shall bear interest at the Rate Increase Event Rate, subject to the limitations of Section 2.02(l).

Section 7.03. Notice to Bank and Custodian of Rate Increase Event or Incipient Rate Increase Event. Notwithstanding any cure period described above, the Authority will immediately notify the Bank and the Custodian in writing when the Authority obtains knowledge of the occurrence of any Rate Increase Event or Incipient Rate Increase Event.

Section 7.04. Additional Bank Rights. Upon the occurrence of a Rate Increase Event, the Bank may at any time (a) Setoff (as defined below) any Senior Pledged Revenue or Senior Pledged Collateral; and/or (b) take such other steps to protect or preserve the Bank's interest in the Senior Pledged Revenue and the Senior Pledged Collateral.

Section 7.05. Credit Balances; Setoff. As additional security for the payment of the obligations owed by the Authority to the Bank pursuant to this Agreement and the 2016 Senior Note, the Authority hereby grants to the Bank a security interest in, a first priority lien on and an express contractual right to set off against all depository account balances, cash and any other property of the Authority constituting Senior Pledged Revenue or Senior Pledged Collateral now or hereafter in the possession of the Bank and the right to refuse to allow withdrawals from any account (collectively, "Setoff").

Section 7.06. Delay or Omission No Waiver. No delay or omission of the Bank to exercise any right or power accruing upon any Rate Increase Event shall exhaust or impair any such right or power or shall be construed to be a waiver of any such event, or acquiescence therein; and every power and remedy given by this Agreement may be exercised from time to time and as often as may be deemed expedient.

Section 7.07. No Waiver of One Rate Increase Event to Affect Another; All Remedies Cumulative. No waiver of any Rate Increase Event hereunder shall extend to or

affect any subsequent or any other then existing Rate Increase Event or shall impair any rights or remedies consequent thereon. All rights and remedies of the Bank provided herein shall be cumulative and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. This Agreement and Relationship to Other Documents. The warranties, covenants and other obligations of the Authority (and the rights and remedies of the Bank) that are outlined in this Agreement and the other Senior Financing Documents are intended to supplement each other. In the event of any inconsistencies in any of the terms in the Senior Financing Documents, all terms will be cumulative so as to give the Bank the most favorable rights set forth in the conflicting documents, except that if there is a direct conflict between any preprinted terms and specifically negotiated terms (whether included in an addendum or otherwise), the specifically negotiated terms will control.

Section 8.02. Participations by the Bank. The Bank may at any time, without the consent of the Authority, sell to one or more commercial banks or other Persons not affiliates of the Authority (a “Participant”) participating interests in its rights and obligations hereunder subject to such Participant entering into an investor agreement prior to or concurrently with such sale that is substantially similar to the one delivered by the Bank to the Authority at Closing; provided, however, that: (a) the Bank’s obligations hereunder shall remain unchanged; (b) the Bank shall remain solely responsible for the performance of such obligations; and (c) the participation of one or more Participants shall not reduce or alter the Bank’s obligations hereunder or affect in any way the rights or obligations of the Authority hereunder and the Authority has the right to continue to deal solely with the Bank. The Bank will give notice of the sale of such participation and the name of the Participant to the Authority not later than thirty (30) days prior to the date of such sale. In the case of any such participation, the Participant shall be entitled to the benefit of Section 2.02(g) as though it were also the Bank hereunder, and if amounts outstanding under this Agreement are due and unpaid, each Participant shall be deemed to have the right of Setoff (as defined in Section 7.05) with respect to Senior Pledged Revenue and Senior Pledged Collateral in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as the Bank under this Agreement.

Section 8.03. Litigation/Indemnification. The Authority agrees, solely to the extent permitted by law and as set forth herein, to completely indemnify and hold harmless the Bank and its agents, employees, officers, directors and controlling Persons, together with any Participant and its agents, employees, officers, directors and controlling Persons (hereinafter collectively referred to in this Section 8.03 as the “Indemnitees”) from and against any and all claims, damages, liabilities, settlements, judgments, losses, legal fees and costs or expenses incurred (including all reasonable fees and disbursements of the Indemnitees’ legal counsel and allocated cost of in-house counsel and staff and all of the Indemnitees’ reasonable travel and other out-of-pocket expenses incurred in connection with the investigation of and preparation for any such pending or threatened claims and any litigation and other proceedings arising

therefrom) arising out of or based upon (i) the 2016 Senior Loan; or (ii) the holding or owning by the Bank, the Participant, or their respective nominees of any Senior Pledged Collateral; or (iii) any matters for which neither the Bank nor any Participant has any liability as set forth under Section 8.15 of this Agreement; provided, however, that the Authority shall not be required to indemnify the Indemnitees pursuant to this Section 8.03 for any claims, damages, losses, liabilities, settlements, judgments, legal fees or costs or expenses to the extent proven to be caused by the Bank's willful or grossly negligent failure or bad faith. Nothing in this Section 8.03 is intended to limit the Authority's obligations contained in Article II hereof.

If any action, lawsuit or claim shall be brought or asserted against the Indemnitees in respect of which indemnity may be sought by the Indemnitees from the Authority under this Section 8.03, the Indemnitees shall promptly notify the Authority in writing, and the Authority shall promptly assume the defense thereof, including but not limited to, the employment of counsel (the selection of which has been approved by the Indemnitees and such approval shall not be unreasonably withheld), the payment of all legal fees and expenses and the right to negotiate and consent to settlement; provided, however, that the Authority shall not settle any such action which may adversely affect the Bank without the Bank's written consent, which consent shall not be unreasonably withheld.

In the event that the Indemnitees shall be advised by counsel experienced in matters of banking or securities laws that the Indemnitees have defenses or causes of action separate from those of the Authority, or that there is otherwise a conflict of interest, the Indemnitees have the right to employ their own counsel ("Independent Counsel") to defend the Indemnitees against such action at the expense of the Authority, who shall pay all reasonable legal fees and expenses incurred by such Independent Counsel. The Indemnitees' selection of Independent Counsel shall be approved by the Authority, and such approval shall not be unreasonably withheld. With respect to claims against the Indemnitees defended by Independent Counsel, the Indemnitees have the right to negotiate settlement of any such claims; provided, however, that the Authority shall not be liable for any such settlement effected by the Indemnitees without the written consent of the Authority, which consent shall not be unreasonably withheld.

The obligations of the Authority under this Section 8.03 shall be in addition to any rights that any Indemnitee may have at common law or otherwise and shall survive the payment in full of all amounts owing to the Bank hereunder. If indemnification pursuant to this Section 8.03 shall be found to be unlawful or invalid for any reason, then the Authority and each Indemnitee shall to the extent permitted by law make contributions in payment of any liabilities incurred pursuant to the above referenced issuance, sale and distributions and statements or omissions in accordance with the respective fault of the Authority and each Indemnitee.

Nothing in this Section 8.03 shall be considered a waiver, express or implied, to any protections afforded the Authority under Title 24, Article 10, C.R.S., the Colorado Constitution, or under other current law, and the Authority expresses no opinion or certification as to the validity of this Section 8.03 under current law.

Section 8.04. Notice of Claims Against Bank; Limitation of Certain Damages. In order to allow the Bank to mitigate any damages to the Authority from the Bank's alleged breach of its duties under the Senior Financing Documents or any other duty, if any, to the Authority,

the Authority agrees to give the Bank written notice no later than ten (10) days after the Authority knows of any claim or defense it has against the Bank, whether in tort or contract, relating to any action or inaction by the Bank under the Senior Financing Documents, or the transactions related thereto, or of any defense to payment of the obligations of the Authority hereunder for any reason. The requirement of providing timely notice to the Bank represents the parties' agreed-to standard of performance regarding the duty of the Bank to mitigate damages related to claims against the Bank. Notwithstanding any claim that the Authority may have against the Bank, and regardless of any notice the Authority may have given the Bank, the Bank will not be liable to the Authority for, and the Authority hereby waives, any indirect, consequential, punitive, exemplary and/or special damages arising therefrom, except those damages arising from the Bank's willful misconduct, gross negligence or bad faith. Failure by the Authority to give notice to the Bank shall not waive any claims of the Authority but such failure shall relieve the Bank of any duty to mitigate damages prior to receiving notice.

Section 8.05. Notices. Notice of any record shall be deemed delivered when the record has been (a) deposited in the United States Mail, postage pre-paid; (b) received by overnight delivery service; (c) received by facsimile; (d) received through the internet; or (e) when personally delivered at the following addresses (or such other addresses set forth in a notice to each of the other parties):

To Authority: Colorado Springs Urban Renewal Authority
30 S. Nevada Ave.
Suite 502
Colorado Springs, CO 80903
Attention: Jim Rees, Executive Director
Telephone: (719) 651-3136
Email: reescsura@gmail.com

(with a copy to): Kraemer Kendall Rupp Deen Neville LLC
430 N. Tejon
Suite 300
Colorado Springs, CO 80903
Attention: David Neville, Esq.
Telephone: (719) 471-3690
Email: dneville@k2blaw.com

To Bank: U.S. Bank National Association
950 17th Street
8th Floor
Denver, CO 80202
Attention: Jason Edrington
Telephone: (303) 585-4873
Email: Jason.edrington@usbank.com

(with a copy to): Kline Alvarado Veio, P.C.
1775 Sherman Street
Suite 1790

Denver, CO 80203
Attention: Brent Kline, Esq.
Telephone: (720) 266-4021
Email: bkline@kvfirm.com

To Custodian: UMB Bank, n.a.
Corporate Trust & Escrow Services
1670 Broadway
Denver, CO 80202
Attention: Leigh Lutz
Telephone: (303) 839-2220
Email: leigh.lutz@umb.com

Section 8.06. Payments. Payments due on the 2016 Senior Loan shall be made in lawful money of the United States. All payments may be applied by the Bank to principal, interest and other amounts due under the 2016 Senior Note and this Agreement in any order which the Bank elects.

Section 8.07. Applicable Law and Jurisdiction; Interpretation; Severability. This Agreement and the 2016 Senior Note will be governed by and interpreted in accordance with the internal laws of the State of Colorado, but giving effect to federal laws applicable to national banks. Invalidity of any provisions of this Agreement will not affect any other provision. THE AUTHORITY AND THE BANK HEREBY CONSENT TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN DENVER, COLORADO, AND WAIVE ANY OBJECTIONS BASED ON *FORUM NON CONVENIENS*, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS AGREEMENT AND THE 2016 SENIOR NOTE, OR ANY TRANSACTIONS ARISING THEREFROM, OR ENFORCEMENT AND/OR INTERPRETATION OF ANY OF THE FOREGOING. Nothing in this Agreement will affect the Bank's rights to serve process in any manner permitted by law. This Agreement and the 2016 Senior Note (regardless of when executed) will be deemed effective and accepted only at the Bank's offices, and only upon the Bank's receipt of the executed originals thereof.

Section 8.08. Copies; Entire Agreement; Modification. The Authority hereby acknowledges the receipt of a copy of this Agreement and the 2016 Senior Note. IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING, EXPRESSING CONSIDERATION AND SIGNED BY THE PARTIES ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. THE TERMS OF THIS AGREEMENT MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT.

Section 8.09. Waiver of Jury Trial. THE AUTHORITY, TO THE EXTENT PERMITTED BY LAW, AND THE BANK HEREBY JOINTLY AND SEVERALLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO ANY OF THE SENIOR FINANCING DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY

TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. THE AUTHORITY AND THE BANK EACH REPRESENTS TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

Section 8.10. Attachments. All documents attached hereto, including any appendices, schedules, riders, and exhibits to this Agreement, are hereby expressly incorporated by reference.

Section 8.11. No Recourse Against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Public Securities Act, if a member of the Board, or any officer or agent of the Authority, acts in good faith in the performance of his duties as a member, officer, or agent of the Board or the Authority and in no other capacity, no civil recourse shall be available against such member, officer or agent for payment of the principal of and interest on the 2016 Senior Loan. Such recourse shall not be available either directly or indirectly through the Board or the Authority, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the delivery of the 2016 Senior Note evidencing the 2016 Senior Loan and as a part of the consideration for such transfer, the Bank and any Person purchasing or accepting the transfer of the obligation representing the 2016 Senior Loan specifically waives any such recourse.

Section 8.12. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this Agreement is entered into pursuant to certain provisions of the Supplemental Public Securities Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of this Agreement after delivery for value.

Section 8.13. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Public Securities Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or incurrence of the 2016 Senior Loan shall be commenced more than thirty (30) days after the authorization of the 2016 Senior Loan.

Section 8.14. No Liability. Any action taken or omitted by the Bank under or in connection with the Senior Financing Documents, if taken or omitted in good faith and without willful misconduct or gross negligence, shall be binding upon the Authority and shall not put the Bank under any resulting liability to the Authority. The Bank, including its agents, employees, officer's directors and controlling Persons, shall not have any liability to the Authority, and the Authority assumes all risk, responsibility and liability for (i) the form, sufficiency, correctness, validity, genuineness, falsification and legal effect of any demands and other documents, instruments and other papers relating to the 2016 Senior Loan even if such documents, should prove to be in any or all respects invalid, insufficient, fraudulent or forged; (ii) the general and particular conditions stipulated therein; (iii) the good faith acts of any Person whatsoever in connection therewith; (iv) failure of any Person (other than the Bank, subject to the terms and conditions hereof) to comply with the terms of the 2016 Senior Loan; (v) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telex, telegraph, wireless or otherwise, whether or not they be in code; (vi) errors in translation or errors in interpretation of technical terms; (vii) for any other consequences arising from causes beyond the Bank's control; or (viii) any use of which may be made of the proceeds of the 2016 Senior Loan, except to the extent of any direct, as opposed to indirect, consequential, or special

damages suffered by the Authority which direct damages are proven by the Authority to be caused by the Bank's willful or grossly negligent failure to make lawful payment under the 2016 Senior Loan.

Section 8.15. No Waiver; Modifications in Writing. No failure or delay on the part of the Bank in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other right, power or remedy. The remedies provided for herein are cumulative and are not exclusive of any remedies that may be available to the Bank at law or in equity or otherwise. No amendment, modification, supplement, termination or waiver of or to any provision of this Agreement, nor consent to any departure by the Authority therefrom, shall be effective unless the same shall be in writing and signed by or on behalf of the Bank. Any amendment, modification or supplement of or to any provision of this Agreement, and any consent to any departure by the Authority from the terms of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given. No notice to or demand on the Authority in any case shall entitle the Authority to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of the Bank to any other or further action in any circumstances without notice or demand. The Bank shall notify the Custodian of each amendment to this Agreement.

Section 8.16. Payment on Non-Business Days. Whenever any payment hereunder shall be stated to be due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of the amount due.

Section 8.17. Document Imaging. The Authority hereby acknowledges the receipt of a copy of the Agreement and all other Senior Financing Documents. The Bank may, on behalf of the Authority, create a microfilm or optical disk or other electronic image of the Agreement and any or all of the Senior Financing Documents. The Bank may store the electronic image of such Agreement and Senior Financing Documents in its electronic form and then destroy the paper original as part of the Bank's normal business practices, with the electronic image deemed to be an original.

Section 8.18. Execution in Counterparts. This Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same Agreement.

Section 8.19. Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 8.20. Headings. Article and Section headings used in this Agreement are for convenience of reference only and shall not affect the construction of this Agreement.

Section 8.21. Waiver of Rules of Construction. The Authority and the Bank hereby waive any and all provisions of law to the effect that an ambiguity in a contract or agreement should be interpreted against the party responsible for its drafting.

Section 8.22. Integration. This Agreement is intended to be the final agreement between the parties hereto relating to the subject matter hereof and this Agreement and any agreement, document or instrument attached hereto or thereto or referred to herein or therein shall supersede all oral negotiations and prior writings with respect to the subject matter hereof.

Section 8.23. Binding Effect; Third Party Beneficiaries. This Agreement shall be binding upon, and inure to the benefit of, the Authority and the Bank and their respective successors and assigns; provided, however, that the Authority may not assign its rights or obligations hereunder without the prior written consent of the Bank. There are no third party beneficiaries of this Agreement.

Section 8.24. No Advisory or Fiduciary Relationship. In connection with any aspect of the transactions contemplated by this Agreement (including in connection with any amendment, waiver or other modification hereof or of any Financing Document), the Authority acknowledges and agrees that the Bank has not provided advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms and other similar matters concerning such financial products or issues; or undertaken a solicitation of a municipal entity, within the meaning of Section 975 of the Dodd–Frank Wall Street Reform and Consumer Protection Act.

Section 8.25. Redactions. To the extent required to be delivered to the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to Rule G-34 or any similar or successor MSRB rule, upon request the Bank shall provide to the Authority versions of this Agreement and the other Senior Financing Documents as amended that have been redacted in a manner consistent with MSRB Notice 2011-17 (February 23, 2011) or any similar or successor MSRB notice. The Authority shall only provide such redacted versions from the Bank to any broker-dealer that requests such documents for purposes of delivery to the MSRB pursuant to Rule G-34 or any similar or successor MSRB rule. If the Authority provides such documents directly to the MSRB for dissemination pursuant to Rule G-34 or any similar or successor MSRB rule, the Authority shall only provide such redacted copies from the Bank to the MSRB.

Section 8.26. No Rating, CUSIP Number or Securities Depository. The 2016 Senior Loan has not and is not expected to be, rated by a nationally recognized organization which regularly rates such obligations, assigned a CUSIP number or registered with or made eligible for registration with any securities depository, including but not limited to the Depository Trust Company, New York, New York.

[End of Agreement – Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have executed this 2016 Senior Loan Agreement as of the date set forth above.

BANK:

U.S. BANK NATIONAL ASSOCIATION

By _____
Vice President

AUTHORITY:

COLORADO SPRINGS URBAN RENEWAL
AUTHORITY

By _____
Chair

[SEAL]

Attest:

By _____
Executive Director/Secretary

[Signature Page to 2016 Senior Loan Agreement]

EXHIBIT A

FORM OF 2016 SENIOR NOTE

ANY INTEREST IN THE 2016 SENIOR LOAN MAY ONLY BE ASSIGNED, TRANSFERRED, CONVEYED TO A FINANCIAL INSTITUTION OR INSTITUTIONAL INVESTOR THAT EXECUTES A LETTER SUBSTANTIALLY IN THE FORM OF THE LENDER LETTER DELIVERED BY THE BANK ON THE CLOSING DATE.

**UNITED STATES OF AMERICA
STATE OF COLORADO
DENVER COUNTY
COLORADO SPRINGS URBAN RENEWAL AUTHORITY**

**SENIOR TAX INCREMENT REVENUE NOTE
(UNIVERSITY VILLAGE COLORADO PROJECT REFUNDING)
SERIES 2016**

US \$ _____

August __, 2016

FOR VALUE RECEIVED, COLORADO SPRINGS URBAN RENEWAL AUTHORITY, a body corporate and politic duly existing under the laws of the State of Colorado (hereinafter referred to as “Maker”), promises to pay to the order of U.S. BANK NATIONAL ASSOCIATION, a national banking association, its successors and assigns (hereinafter referred to as “Payee”), at the office of Payee or its agent, designee, or assignee at 950 17th Street, 12th Floor, Denver, Colorado, 80202, or at such place as Payee or its agent, designee, or assignee may from time to time designate in writing, the principal sum of _____ MILLION _____ AND NO/100 DOLLARS (US \$ _____) pursuant to the terms of the 2106 Senior Loan Agreement, dated as of August __, 2016, by and between Maker and Payee (as amended or supplemented from time to time, the “2016 Senior Loan Agreement”), together with accrued and unpaid interest thereon as set forth in the 2016 Senior Loan Agreement (this “Note”), in lawful money of the United States of America. All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed in the 2016 Senior Loan Agreement.

This Note is a special, limited revenue obligation of the Maker payable from and secured solely by the Senior Pledged Revenue and the Senior Pledged Collateral and any other sources provided therefor in the 2016 Senior Loan Agreement, subject to the limitations set forth in the 2016 Senior Loan Agreement. **No revenues or funds of the City of Colorado Springs, Colorado, have been pledged or will be made available to pay the Note.**

This Note shall bear interest, be payable, and mature pursuant to the terms and provisions of the 2016 Senior Loan Agreement.

Amounts received by Payee under this Note shall be applied in the manner provided by the 2016 Senior Loan Agreement. All amounts due under this Note shall be payable without setoff, counterclaim or any other deduction whatsoever by Maker.

Unless payments are made in the required amount in immediately available funds in accordance with the provisions of the 2016 Senior Loan Agreement, remittances in payment of all or any part of the amounts due and payable hereunder shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Payee in funds immediately available at the place where this Note is payable (or any other place as Payee, in Payee's sole discretion, may have established by delivery of written notice thereof to Maker) and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Payee of any payment in an amount less than the amount then due shall be deemed an acceptance on account only and any unpaid amounts shall remain due hereunder, all as more particularly provided in the 2016 Senior Loan Agreement.

In the event of nonpayment of this Note, Payee shall be entitled to all remedies under the 2016 Senior Loan Agreement and at law or in equity, and all remedies shall be cumulative.

It is expressly stipulated and agreed to be the intent of Maker and Payee at all times to comply with applicable state law and applicable United States federal law. If the applicable law (state or federal) is ever judicially interpreted so as to render usurious any amount called for under this Note or under the 2016 Senior Loan Agreement, or contracted for, charged, taken, reserved or received with respect to the indebtedness evidenced by this Note, then it is Maker's and Payee's express intent that all excess amounts theretofore collected by Payee be credited on the principal balance of this Note (or, if this Note has been or would thereby be paid in full, refunded to Maker), and the provisions of this Note shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and under the 2016 Senior Loan Agreement. All sums paid or agreed to be paid to Payee for the use, forbearance and detention of the indebtedness evidenced hereby and by the 2016 Senior Loan Agreement shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the maximum rate permitted under applicable law from time to time in effect and applicable to the indebtedness evidenced hereby for so long as such indebtedness remains outstanding.

Maker and any endorsers, sureties or guarantors hereof jointly and severally waive presentment and demand for payment, protest and notice of protest and non-payment, all applicable exemption rights, valuation and appraisal, notice of demand, and all other notices in connection with the delivery, acceptance, performance, default or enforcement of the payment of this Note and the bringing of suit and diligence in taking any action to collect any sums owing hereunder or in proceeding against any of the rights and collateral securing payment hereof. Maker and any surety, endorser or guarantor hereof agree (i) that the time for any payments hereunder may be extended from time to time without notice and consent, (ii) to the acceptance of further collateral, (iii) to the release of any existing collateral for the payment of this Note, (iv) to any and all renewals, waivers or modifications that may be granted by Payee with respect to the payment or other provisions of this Note, and/or (v) that additional makers, endorsers, guarantors or sureties may become parties hereto all without notice to them and without in any

manner affecting their liability under or with respect to this Note. No extension of time for the payment of this Note shall affect the liability of Maker under this Note or any endorser or guarantor hereof even though Maker or such endorser or guarantor is not a party to such agreement.

Failure of Payee to exercise any of the options granted herein to Payee upon the happening of one or more of the events giving rise to such options shall not constitute a waiver of the right to exercise the same or any other option at any subsequent time in respect to the same or any other event. The acceptance by Payee of any payment hereunder that is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the options granted herein or in the 2016 Senior Loan Agreement to Payee at that time or at any subsequent time or nullify any prior exercise of any such option without the express written acknowledgment of Payee.

Maker (and the undersigned representative of Maker, if any) represents that Maker has full power, authority and legal right to execute, deliver and perform its obligations pursuant to this Note and this Note constitutes the legal, valid and binding obligation of Maker.

All notices or other communications required or permitted to be given hereunder shall be given in the manner and be effective as specified in the 2016 Senior Loan Agreement, directed to the parties at their respective addresses as provided therein.

This Note is governed by and interpreted in accordance with the internal laws of the State of Colorado. Invalidity of any provisions of this Note will not affect any other provision.

Pursuant to Section 11-57-210 of the Colorado Revised Statutes, as amended, this Note is entered into pursuant to and under the authority of certain provisions of the Supplemental Public Securities Act, being Title 11, Article 57, of the Colorado Revised Statutes, as amended. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of this Note after delivery for value and shall conclusively impart full compliance with all provisions and limitations of said statutes, and this Note shall be incontestable for any cause whatsoever after delivery for value.

MAKER HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN DENVER, COLORADO,, AND WAIVES ANY OBJECTION BASED ON FORUM NON CONVENIENS, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS NOTE, THE 2016 SENIOR LOAN AGREEMENT, THE PLEDGED REVENUE, ANY OTHER FINANCING DOCUMENT, OR ANY TRANSACTIONS ARISING THEREFROM, OR ENFORCEMENT AND/OR INTERPRETATION OF ANY OF THE FOREGOING.

MAKER HEREBY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS NOTE, THE 2016 SENIOR LOAN AGREEMENT, OR ANY OF THE OTHER FINANCING DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. MAKER

REPRESENTS TO PAYEE THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

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

BY ACCEPTANCE OF THIS NOTE, THE PAYEE AGREES AND CONSENTS TO ALL OF THE LIMITATIONS IN RESPECT OF THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS NOTE CONTAINED HEREIN, IN THE RESOLUTION OF THE MAKER AUTHORIZING THE ISSUANCE OF THIS NOTE AND IN THE SERVICE PLAN FOR THE MAKER.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, an authorized representative of Colorado Springs Urban Renewal Authority, as Maker, has executed this Note as of the day and year first above written.

COLORADO SPRINGS URBAN RENEWAL
AUTHORITY

By _____
Chair

[SEAL]

Attest:

By _____
Executive Director/Secretary

[Signature Page to Note]