

AGENDA

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING

MONDAY, August 27, 2012

AT 7:00 P.M.

- 1. Roll Call**
- 2. Minutes of Previous Meeting** (August 13, 2012)
- 3. Purpose of Special WEDA Meeting is to consider**
 - A. Resolution No. 144 re Loan approval for up to \$60 million to refinance an existing loan for the North Huron Urban Renewal Project
- 4. Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY
MONDAY, AUGUST 13, 2012, AT 7:23 P.M.

ROLL CALL

Present at roll call were Chairperson McNally, Vice Chairperson Winter, and Board Members Atchison, Briggs, Kaiser, Lindsey, and Major. Also present were J. Brent McFall, Executive Director, Martin McCullough, Attorney, and Linda Yeager, Secretary.

APPROVAL OF MINUTES

Board Member Briggs moved, seconded by Board Member Atchison, to approve the minutes of the meeting of July 23, 2012, as written. The motion carried unanimously.

PHASE 2 PROJECT CHANGE ORDER FOR THE WESTMINSTER MALL DEMOLITION

It was moved by Board Member Lindsey and seconded by Board Member Atchison to authorize the Executive Director to execute a \$71,982.20 change order to American Demolition, Inc. for additional costs related to the demolition of the Sears and Sears Automotive buildings raising the total contract amount for the Westminster Mall Demolition – Phase 2 Project to \$507,478.44. The motion passed unanimously.

ADJOURNMENT

There was no further business for the Authority's consideration, and it was moved by Kaiser, seconded by Major, to adjourn. The motion passed and the meeting adjourned at 7:25 p.m.

Chairperson

ATTEST:

Secretary

WEDA Agenda Item 3 A

Agenda Memorandum

Westminster Economic Development Authority Meeting
August 27, 2012



SUBJECT: Resolution No. 144 re WEDA Loan approval for up to \$60 million to refinance an existing loan for the North Huron Urban Renewal Project

Prepared By: Tammy Hitchens, Finance Director
Robert Smith, Treasury Manager
Robert Byerhof, Senior Financial Analyst
Rachel Price, Financial Analyst

Recommended Board Action

Adopt Resolution No. 144 authorizing the Executive Director or his designee to enter into a Loan Agreement for up to \$60 million with Compass Mortgage Corporation to refinance an existing Loan between the Westminster Economic Development Authority and the Bank for the North Huron Urban Renewal Project, as well as approving loan documents including but not limited to the Loan Resolution, Loan Agreement, Cooperation Agreement with the City, and an Intergovernmental Agreement with the City.

Summary Statement

- The recommended action secures long-term financing at a historically low interest rate by refinancing an existing loan with the same lender.
- By approving the attached resolution, Westminster Economic Development Authority (WEDA) approves the loan refunding and the following contract documents necessary to complete the transaction:
 - a) Loan Resolution dated August 27, 2012 authorizing WEDA to enter into the agreement related to the urban renewal project.
 - b) Loan Agreement dated August 29, 2012 between WEDA and the Lender Bank, Compass Mortgage.
 - c) Cooperation Agreement dated August 27, 2012 between WEDA and the City.
- An Intergovernmental Agreement (IGA) dated August 27, 2012 between WEDA and the City is recommended to reimburse the City for expenses associated with certain capital projects within the North Huron Urban Renewal Project (URA).
- This refinancing was discussed with the WEDA Board on May 7th and on August 13th. Staff was directed to bring this item to the Board for official action.

Expenditure Required: Not to exceed \$60 million

Source of Funds: Loan proceeds and increment revenues within the URA

Policy Issue

Should WEDA refund the 2009 North Huron URA Loan?

Alternatives

Decline or delay approval of the resolution concerning refunding of the 2009 WEDA loan. This alternative is not recommended. In 2016, there is a scheduled balloon payment of \$46.975 million and interest rates are currently at historic record lows, far below the current rate of 4.51%. Furthermore, additional loan proceeds above the current principal balance are needed to partially fund Orchard Parkway road improvements and essential storm water capital improvements in the URA. Of the solutions investigated, the proposed action provides a financially prudent long-term fixed rate solution neither increasing the annual debt service, nor extending the term of the original bonds issued in 2005. In addition, the refunding continues to provide for a floating sales tax pledge under the terms of the Loan Agreement, which permits excess sales tax revenues not needed for WEDA debt service to be available for the City's General Fund.

Background Information

In 2005, WEDA issued \$68.3 million of Variable Rate Revenue Bonds with an underlying Letter of Credit (LOC) agreement with DEPFA Bank. In September 2008 DEPFA Bank's credit ratings were downgraded, which resulted in investors tendering bonds back to the bank and subsequently resulted in these bonds being converted into Bank Bonds. The terms of the Bank Bonds eliminated the ability to release excess sales tax increment revenue due to an accelerated repayment of the principal, equal quarterly payments over a ten-year period per the agreement. On January 12, 2009 a Staff Report was presented to the WEDA Board and the Council regarding the Bank Bond issue.

The WEDA Board approved the recommendation to refund the 2005 Series WEDA Bonds in 2009 and obtained a new loan with Compass Mortgage Corporation (Bank) that has been beneficial to both WEDA and the City. The refunding resulted in WEDA benefitting from a financing solution eliminating the Bank Bonds. The loan agreement structured with the Bank was only six years in duration, included a scheduled balloon payment of \$46.975 million in 2016, and featured an interest rate exchange agreement (swap) which fixed the interest rate at 4.51% for the aforementioned duration. Furthermore, the loan agreement allowed the added benefit of creating a floating sales tax pledge that released excess sales tax increment revenues above the amount needed for debt and certain loan covenants. Prior to this, any excess sales tax revenues were kept within the URA and used solely for costs incurred with the URA.

Under the 2009 Loan Agreement, the swap terminates on the same day as the initial loan matures, June 1, 2016. As addressed in the August 13, 2012 Staff Report, the proposed 2012 refinancing includes the early termination fee associated with the swap agreement, which is estimated to range between \$3.70 million to \$4.20 million. It is common for the termination fee on such financial instruments to fluctuate due to interest payments made as well as the level of interest rates in the market, which impact the fee due if a swap is terminated prior to its maturity. As rates decline the swap termination fee WEDA must pay increases; however, lower interest rates mean that WEDA will pay less in interest on the new loan over the next sixteen years. Thus, despite this double edged sword, the refunding makes financial sense from both a nominal and present value analysis given today's low interest rate environment.

Staff completed a financial analysis of the projected cost to keep the existing loan in place until 2016 and then enter into a new loan versus securing long-term financing today and paying the upfront \$4.000 million swap termination from available funds in the Revenue Fund of the loan agreement. The interest rate assumption commencing in 2016 is based on a long-term rate averaging 5.5% versus entering into new loan this year with an interest rate of 3.50%. By entering into a new loan today versus waiting another 4 years, WEDA will save approximately \$5.2 million in interest costs over the life of the loan on a nominal basis and on a present value basis saves WEDA approximately \$2.1 million, inclusive of the \$4.0 million swap termination fee. Under the new loan, the interest rate will be fixed and so no new interest rate exchange agreement will be required.

The current loan has an existing principal balance of \$56.865 million with annual debt service payments equating to approximately \$4.879 million. The proposed new loan principal balance will increase to \$59.0 million but the estimated annual debt service will remain nearly the same at approximately \$4.878 million. The increase in principal will fund public road improvements within the URA with an Intergovernmental Agreement (IGA) between WEDA and the City.

An IGA establishes an obligation between the City and WEDA for public improvements and permit the City to be reimbursed for these expenses. Of the estimated \$7.0 million needed to construct the improvements, \$6.5 million will be funded from loan proceeds and previously collected property and sales tax increment held in revenue accounts at the Bank. The balance of the capital needed for the construction will be obtained from anticipated property and sales tax increment revenues in future years. Combined, these funding sources will construct Orchard Parkway from about 136th to 144th Avenues and construct 142nd Avenue between Huron Street and Orchard Parkway. This construction will connect critical planned retail and other office and commercial developments, including essential storm water capital improvements within the URA.

By entering into a new fixed rate loan, WEDA has an opportunity to secure a historically low fixed interest rate at about 3.50%, thus providing WEDA with known debt expenses until the final maturity in December 2028. Staff and the finance team believe that there is potentially greater interest rate risk to wait until 2016 to address the refinancing of this URA obligation versus securing a fixed rate solution at today's historic record low rates. While current short-term rates are at a historic low point, there is high probability that interest rates will only increase over time through final maturity in 2028. In addition, as experienced in 2008, there is a risk that the refinancing options available in the market will collapse due to systematic issues unrelated to WEDA's credit, resulting in higher costs to secure financing such as loans, letters of credit or bonds. If Banks are unable or unwilling to issue credit, the reality of a large balloon payment coming due in 2016 may prove financially difficult for WEDA.

After careful analysis of all of the relevant factors Staff recommends that the Board approve this Resolution by which WEDA will enter into a new loan to refund the existing loan, thereby obtaining a fixed interest rate estimated to be around 3.50% through maturity in 2028, the end of the 25-year URA period.

This recommended action supports the strategic objectives of a Financially Sustainable City Government Providing Exceptional Services, a Strong, Balanced Local Economy and Vibrant Neighborhoods in One Livable Community. It does so by controlling the financing costs for debt issued by WEDA and providing more certainty for the sales tax revenues generated in the Urban Renewal Area that the City will be able to retain.

Staff and Underwriters will be available at the WEDA meeting on August 27, 2012 to answer WEDA Commissioners' questions.

Respectfully submitted,

J. Brent McFall
Executive Director

Attachments: Loan Resolution
Loan Agreement
2012 Cooperation Agreement
2012 Intergovernmental Agreement

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. **144**

INTRODUCED BY COMMISSIONERS

SERIES OF 2012

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY AUTHORIZING, APPROVING AND DIRECTING THE EXECUTION AND DELIVERY OF A 2012 LOAN AGREEMENT FOR A 2012 LOAN IN THE ORIGINAL PRINCIPAL AMOUNT OF NOT TO EXCEED \$60,000,000, AND CERTAIN OTHER DOCUMENTS IN CONNECTION THEREWITH, FOR THE PURPOSE OF FINANACING AND REFINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN URBAN RENEWAL PROJECT.

WHEREAS, the Westminster Economic Development Authority (the “Authority”) is a public body corporate and politic, and has been duly created, organized, established and authorized by the City of Westminster, 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 Part 1 of Article 25 of Title 31, Colorado Revised Statutes, as amended (the “Act”); and

WHEREAS, an urban renewal plan, known as the “North Huron Urban Renewal Plan” (the “Urban Renewal Plan”), was duly and regularly approved by the City Council of the City for an urban renewal project under the Act; and

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

WHEREAS, pursuant to Section 31-25-105 of the Act, the Authority has the power to borrow money and to apply for and accept advances, loans, grants and contributions from any source for any of the purposes of the Act and to give such security as may be required; 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 bonds (including refunding bonds), 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 or for the payment, retirement, renewal or extension of any bonds previously issued by it under the Act; and

WHEREAS, the Authority is authorized to issue bonds without an election; and

WHEREAS, the Authority has previously issued its Tax Increment Adjustable Rate Revenue Bonds (North Huron Urban Renewal Project) Series 2005 in the original aggregate principal amount of \$68,300,000 (the “Prior Bonds”); and

WHEREAS, in order to refund the Prior Bonds, the Authority entered into a variable rate Loan Agreement (the “2009 Loan Agreement”) with Compass Mortgage Corporation (“Compass”) to obtain a loan in the principal amount of \$62,375,000 (the “2009 Loan”); and

WHEREAS, pursuant to Sections 11-59.3-101 through 11-59.3-105, inclusive, C.R.S. (the “Interest Rate Exchange Act”), and in connection with the 2009 Loan, the Authority previously entered into an agreement for an exchange of interest rates, cash flows or payments with respect to public securities; and

WHEREAS, in order to fix the interest rate on the 2009 Loan, the Authority executed and delivered an ISDA Master Agreement relating to the 2009 Loan, including a Schedule thereto and a Confirmation thereunder (together, the “Exchange Agreement”), with Compass Bank (the “Exchange Agreement Provider”), whereby the Authority agreed to pay the Exchange Agreement Provider a fixed rate of interest to be specified in the confirmation of the Exchange Agreement on a notional amount to be specified in the Confirmation, and the Exchange Agreement Provider agreed to pay the Authority a variable rate of interest equal to 65% of the Index plus the Base Margin (both as defined in the 2009 Loan Agreement); and

WHEREAS, the Authority has determined that it is in the best interest of the Authority to (i) refund the 2009 Loan Agreement to fix the interest rate; (ii) incur additional obligations to fund certain improvements of the Authority; and (iii) in connection with the refunding, pay a termination payment in order to terminate the Exchange Agreement (collectively, the “Project”); and

WHEREAS, the Authority intends to enter into a 2012 Loan Agreement with Compass Mortgage Corporation (“Compass”) to obtain a loan in the principal amount of not to exceed \$60,000,000 (the “2012 Loan”) in order to finance the costs of the Project; and

WHEREAS, the proceeds derived from the 2012 Loan, after payment of the costs of issuance properly allocable thereto, along with such other legally available moneys of the Authority as may be necessary, shall be used to pay and cancel the 2009 Loan on the date of funding of the 2012 Loan, to finance additional improvements of the Authority, and to pay other costs related to the Project, as more particularly hereinafter set forth; and

WHEREAS, the Authority specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S. (the “Supplemental Act”) to the 2012 Loan; and

WHEREAS, the 2012 Loan shall be a limited obligation of the Authority payable solely from the Pledged Revenue (as defined in the 2012 Loan Agreement); and

WHEREAS, the Board desires to delegate to the Executive Director of the Authority the power to determine the terms of the 2012 Loan consistent with the provisions of this Resolution; and

WHEREAS, there are on file with the Secretary of the Board: (a) the proposed form of the 2012 Loan Agreement; (b) the proposed form of the promissory note, in the form attached to the 2012 Loan Agreement (the "Note"), to be executed by the Authority and delivered to Compass evidencing the Authority's obligations to pay the 2012 Loan; and (c) the proposed form of the 2012 Cooperation Agreement between the Authority and the City (the "Cooperation Agreement").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, COLORADO, THAT:

Section 1. All actions (not inconsistent with the provisions of this Resolution) heretofore taken by the Board and the officers of the Authority directed toward the Project and the entering into of the 2012 Loan Agreement, the Note and the 2012 Cooperation Agreement hereby are ratified, approved and confirmed.

Section 2. The forms, terms and provisions of the 2012 Loan Agreement, the Note and the 2012 Cooperation Agreement (collectively, the "Documents") hereby are authorized and approved, and the Authority shall enter into the Documents in the respective forms as are on file with the Secretary of the Board, but with such changes therein as shall be consistent with this Resolution and as the Chair or Vice Chairperson of the Board or the Executive Director of the Authority shall approve, the execution thereof being deemed conclusive approval of any such changes. The Chair and/or the Vice Chairperson of the Board is hereby authorized and directed to execute and deliver the Documents, for and on behalf of the Authority. The Secretary of the Board is hereby authorized and directed to affix the seal of the Authority to, and to attest those Documents requiring the attestation of the Secretary.

Section 3. The officers of the Authority shall take all action which they deem necessary or reasonably required in conformity with the Act to enter into the Documents and refund the 2012 Loan, including the paying of incidental expenses, which are hereby authorized to be paid, and for carrying out, giving effect to and consummating the transactions contemplated by this Resolution and the Documents, including, without limitation, the execution and delivery of any necessary or appropriate closing documents to be delivered in connection with the execution and delivery of the Documents and the refunding of the 2012 Loan.

Section 4. Pursuant to Section 11-57-205, C.R.S., the Board hereby delegates to the Executive Director of the Authority the authority to make the following determinations with respect to the 2012 Loan, including the execution of any certificates necessary or desirable to evidence such determinations, which determinations shall be subject to the restrictions and parameters set forth below:

- (a) the rate or rates of interest on the 2012 Loan;
- (b) the conditions on which and the prices at which the 2012 Loan may be redeemed before maturity;
- (c) the existence and amount of any reserve funds;

- (d) the principal amount of the 2012 Loan;
- (e) the amount of principal maturing in any particular year; and
- (f) the dates on which principal and interest shall be paid;

The foregoing authority shall be subject to the following restrictions and parameters:

- (1) the 2012 Loan shall mature not later than December 1, 2028;
- (2) the principal amount of the 2012 Loan shall not exceed \$60,000,000;
- (3) the 2012 Loan shall bear interest at a rate not to exceed 4.5%; and
- (4) the maximum annual repayment cost of the 2012 Loan shall not exceed \$6,000,000;

Provided, however, that with respect to Sections (3) and (4) above, the maximum interest rate and the maximum annual repayment cost imposed as a result of an event of default shall conform to the provisions of the 2012 Loan Agreement.

Section 5. The 2012 Loan and the Note are special obligations of the Authority payable solely as provided in the 2012 Loan Agreement. The principal of, premium, if any, and interest on the 2012 Loan and the Note shall not constitute an indebtedness of the City or the State of Colorado or any political subdivision thereof, and neither the City, the State of Colorado nor any political subdivision thereof shall be liable thereon, nor in any event shall the principal of, premium, if any, and interest on the 2012 Loan and the Note be payable out of funds or properties other than the Pledged Revenue, as such term is defined in the 2012 Loan Agreement. Neither the Commissioners of the Authority nor any persons executing the 2012 Loan Agreement or the Note shall be liable personally on the 2012 Loan Agreement or the Note.

Section 6. After the 2012 Loan Agreement and the Note are entered into, this Resolution shall be and remain irrevocable, and may not be amended except in accordance with the 2012 Loan Agreement, until the 2012 Loan and the Note shall have been fully paid, canceled and discharged in accordance therewith.

Section 7. The 2009 Loan shall be paid and cancelled on the date of funding of the 2012 Loan, at a price equal to the par amount thereof plus accrued interest.

Section 8. The Exchange Agreement shall be terminated on the date of the funding of the 2012 Loan pursuant to the price set forth for “termination payments” under the Exchange Agreement.

Section 9. If, for any reason, the funds on hand from the 2012 Loan shall be insufficient to make the payment of the principal of and accrued interest on the 2009 Loan, as the same shall be due and payable as provided in Section 7 above, or the Exchange Agreement termination payment as set forth in Section 8 above, the Authority shall forthwith deposit

additional legally available funds as may be required fully to meet the amount due and payable on the 2009 Loan and Exchange Agreement.

Section 10. The officers of the Authority are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this Resolution, including but not limited to the execution of such certificates and affidavits as may be reasonably required by Compass.

Section 11. The Chair, the Vice Chairperson and the Executive Director are each hereby appointed as an Authorized Person, as defined in the 2012 Loan Agreement. Different or additional Authorized Persons may be appointed by resolution adopted by the Board and a certificate filed with Compass.

Section 12. All costs and expenses incurred in connection with the 2012 Loan and the transactions contemplated by this Resolution shall be paid either from the proceeds of the 2012 Loan or from legally available moneys of the Authority, or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Section 13. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 14. All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

Section 15. This Resolution shall be in full force and effect immediately upon its passage and approval.

PASSED, ADOPTED AND APPROVED this August 27, 2012.

(SEAL)

Chairperson of the Board of Commissioners

ATTEST:

Secretary

APPROVED AS TO LEGAL FORM:

Attorney for the Authority

STATE OF COLORADO)
) SS.
 WESTMINSTER ECONOMIC)
 DEVELOPMENT AUTHORITY)

I, Linda Yeager, the Secretary of the Westminster Economic Development Authority (the "Authority"), do hereby certify that:

1. The foregoing pages are a true and correct copy of a resolution (the "Resolution") passed and adopted by the Board of Commissioners of the Authority (the "Board") at a regular meeting held on August 27, 2012.

2. The Resolution was duly moved and seconded and the Resolution was adopted at the meeting of August 27, 2012, by an affirmative vote of a majority of the members of the Board as follows:

Name	"Yes"	"No"	Absent	Abstain
Nancy McNally				
Faith Winter				
Herb Atchison				
Bob Briggs				
Mark L. Kaiser				
Mary Lindsey				
Scott Major				

3. The members of the Board were present at such meetings and voted on the passage of such Resolution as set forth above.

4. The Resolution was approved and authenticated by the signature of the Chair or Vice Chairperson of the Board, sealed with the Authority seal, attested by the Secretary of the Board and recorded in the minutes of the Board.

5. There are no bylaws, rules or regulations of the Board which might prohibit the adoption of said Resolution.

6. Notice of the meeting of August 27, 2012, in the form attached hereto as Exhibit A, was posted in at the Westminster City Hall, 4800 W. 92nd Street, in the City of Westminster, not less than twenty-four hours prior to the meeting in accordance with law.

WITNESS my hand and the seal of said Authority affixed August 27, 2012.

(SEAL)

 Secretary

EXHIBIT A

(Form of Notice of Meeting)

LOAN AGREEMENT

by and between

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY
as Borrower

and

COMPASS MORTGAGE CORPORATION
as Lender

Dated as of August 29, 2012

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LOAN AGREEMENT

THIS LOAN AGREEMENT (this “Agreement”) is made and entered into as of August 29, 2012 by and between **WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY** (the “Borrower”), a public body corporate and politic duly existing under the laws of the State of Colorado, and **COMPASS MORTGAGE CORPORATION**, an Alabama corporation, in its capacity as lender (the “Lender”).

RECITALS

WHEREAS, the Borrower is a public body corporate and politic and has been duly created, organized, established and authorized by the City of Westminster, 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 part 1 of article 25 of title 31, Colorado Revised Statutes (the “Act”) (all capitalized terms used and not otherwise defined herein shall have the respective meanings assigned in Article I hereof); and

WHEREAS, pursuant to the Act, the Borrower has the power and authority to borrow money and to apply for and accept loans to accomplish the purposes set forth in the Act, and to give such security as may be required; and

WHEREAS, an urban renewal plan, known as the “North Huron Urban Renewal Plan” originally approved January 2004 as amended by a First Amendment thereto dated April 13, 2009 (collectively, the “Urban Renewal Plan”) has been duly and regularly approved by the City Council of the City for an urban renewal project (the “Urban Renewal Project”) under the Act; and

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

WHEREAS, the Borrower has previously issued, for the purpose of paying a portion of the costs of the Urban Renewal Project, its Adjustable Rate Revenue Bonds (North Huron Urban Renewal Project) Series 2005 in the original aggregate principal amount of \$68,300,000 (the “2005 Bonds”), pursuant to an Indenture of Trust dated as of May 1, 2005, between the Borrower and U.S. Bank National Association, Denver Colorado, as Trustee, as amended by the First Amendment to Indenture of Trust dated as of September 1, 2006; and

WHEREAS, for the purpose of refunding the 2005 Bonds, the Lender has previously advanced a loan to the Borrower in the original principal amount of \$62,375,000 (the “2009 Loan”), as further evidenced by a promissory note of the Borrower in like principal amount dated as of May 8, 2009, in accordance with a Loan Agreement between the Borrower and the Lender dated as of May 8, 2009 (as subsequently amended by an Amendment No. 1 to Loan Agreement dated March 26, 2012, the “2009 Loan Agreement”), which 2009 Loan is presently outstanding in the aggregate principal amount of \$56,865,000; and

WHEREAS, the Borrower has made a request to the Lender to make certain modifications to the 2009 Loan and to advance additional amounts to the Borrower for the purpose of funding additional costs of the Urban Renewal Project and, in order to accomplish the same, to advance to or on behalf of the Borrower a loan in the original principal amount of \$59,000,000 (the "Loan"), to refund the 2009 Loan and fund such additional costs of the Urban Renewal Project; and

WHEREAS, the Lender is willing to enter into this Agreement and to make the Loan to the Borrower pursuant to the terms and conditions contained herein; and

WHEREAS, the Borrower's authority to execute and deliver the Note (as defined in Article I hereof) and this Agreement and perform its obligations thereunder and hereunder is authorized pursuant to the Authorizing Resolution (as more particularly defined in Article I hereof); the Act; the provisions of Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Public Securities Act"); and all other laws thereunto enabling; and

WHEREAS, the Loan shall constitute a special revenue obligation of the Borrower payable from and secured by the Pledged Revenue, subject to the limitations set forth herein.

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

ARTICLE I

DEFINITIONS

"Actual Taxable Sales" means, with respect to any Fiscal Year, the total amount of transactions occurring in the Urban Renewal Project Area during such Fiscal Year which were subject to the Sales Tax, including, without limitation, the sale, lease, rental, purchase or consumption of tangible personal property and taxable services, expressed in dollars, as reported by the City. For purposes of clarification, "Actual Taxable Sales" for a particular Fiscal Year includes sales occurring through December of any Fiscal Year, which are reported and with respect to which sales tax is collected, on or before January 31 of the following Fiscal Year.

"Annual Debt Service Coverage Certificate" means a certificate, in the form attached as Exhibit D hereto, executed by the Authorized Person and approved by the Lender (which approval may be withheld only under the circumstances set forth in Section 2.08 hereof), demonstrating that, with respect to the Proposed Pledged Sales Tax Rate set forth therein for any particular Sales Tax Rate Period, the Projected Available Debt Service Revenues for the then current Fiscal Year divided by the sum of the Estimated Debt Requirements for the then current Fiscal Year (meaning the year in which such certificate is submitted) equals at least 1.15. Any Annual Debt Service Coverage Certificate shall be submitted and approved in accordance with Section 2.08 hereof.

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

“*Authorizing Resolution*” means, collectively, the resolution adopted by the Board on August 27, 2012, authorizing the Borrower to incur the indebtedness of the Loan and execute and deliver the Note, this Agreement, and the other Financing Documents to which the Borrower is a party.

“*Available Supplemental Reserve Moneys*” means, as of any date of calculation, any amounts on deposit in the Supplemental Reserve Fund (and for purposes of any calculation required in connection with an Annual Debt Service Coverage Certificate, the Loan Payment Fund) in excess of an amount equal to 50% of the Maximum Annual Debt Service Requirements.

“*BBVA*” means Banco Bilbao Vizcaya Argentaria S.A.

“*BBVA/Compass Entity*” means BBVA, Compass Bank, Compass Mortgage Corporation, and any subsidiary or affiliate of BBVA, Compass Bank and/or Compass Mortgage Corporation.

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

“*Bond Counsel*” means (a) as of the Closing Date, Sherman & Howard L.L.C., Denver, Colorado, and (b) as of any other date, Sherman & Howard L.L.C., Denver, Colorado, or such other attorneys selected by the Borrower with nationally recognized expertise in the issuance of tax-exempt debt.

“*Borrower*” means Westminster Economic Development Authority, a public body corporate and politic duly organized and existing as an urban renewal authority under the laws of the State of Colorado.

“*Business Day*” means a day on which the Lender, or banks or trust companies in New York, New York, are not authorized or required to remain closed and on which the New York Stock Exchange is not closed.

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

“*City Cooperation Agreement*” means the Cooperation Agreement dated as of August 27, 2012, by and between the City and the Borrower.

“*Closing*” means the concurrent execution and delivery of the Note, the Loan Agreement, and the other Financing Documents by the respective parties thereto and the issuance and disbursement of the Loan and application of the proceeds thereof in accordance with Section 2.03 hereof.

“*Closing Date*” means the date on which the Closing occurs, estimated to be on or about August 29, 2012.

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

“*Compass Bank*” means Compass Bank, an Alabama state chartered banking association.

“*County*” means Adams County, Colorado.

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

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

“*Debt*” means, without duplication, all of the following obligations of the Borrower which are secured by any portion of the Pledged Revenue: (a) borrowed money of any kind; (b) obligations evidenced by bonds, debentures, notes or similar instruments, including the Note; (c) 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 Borrower; (e) obligations issued or assumed as the deferred purchase price of property or services; (f) obligations subject to annual appropriation of amounts sufficient to pay such obligations; (g) 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 Borrower, 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 Borrower); (h) obligations arising from guarantees made by the Borrower; (i) obligations evidenced by capital leases; (j) obligations as an account party in respect of letters of credit and bankers’ acceptances or similar obligations issued in respect of the Borrower; (k) obligations evidenced by any interest rate exchange agreement; provided however, that notwithstanding the foregoing, for purposes of any restrictions on the issuance of Debt herein, Debt hereunder shall not include the City Cooperation Agreement, any amounts representing the overpayment of incremental property taxes as the result of refunds made to taxpayers and with respect to which the Borrower has undertaken an obligation to repay the County Treasurer as contemplated by Section 31-25-107(9)(a)(III), Colorado Revised Statutes, and management, consultant, operation, repair, service, goods, construction and maintenance contracts entered into in the ordinary course of business.

“*Debt Requirements*” means, with respect to any Payment Date, an amount equal to the sum of the following with respect to any such date: (a) the principal due on the Loan; and (b) the interest due on the Loan.

“*Default*” means an event, act or occurrence which, with the giving of notice or the lapse of time (or both), would become an Event of Default.

“*Default Interest Rate*” means a rate per annum equal to the Fixed Interest Rate plus 6.50%.

“*Estimated Debt Requirements*” means, with respect to any calendar year, an amount equal to the sum of the following with respect to such period:

- (a) the principal coming due on the Loan; and
- (b) the interest coming due on the Loan in such calendar year computed based on the Fixed Interest Rate, provided, however, that if on the date of calculation the Loan then bears

interest at the Default Interest Rate, the interest coming due on the Loan in such calendar year shall be calculated based on the Default Interest Rate.

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

“*Excluded Mill Levies*” means, collectively, (i) any mill levy imposed by the 144th Avenue Metropolitan District, the 136th Avenue General Improvement District and/or Orchard Park Place General Improvement District, (ii) any mill levy imposed by any special district formed after July 1, 2006, pursuant to Title 32, Article 1, Colorado Revised Statutes, which mill levy is in addition to, and not a replacement for, property taxes levied by taxing entities in existence as of July 1, 2006, and (iii) any mill levy imposed by any other improvement district formed pursuant to Part 6 of Title 31, Article 25, Colorado Revised Statutes (excluding the 144th Avenue General Improvement District), which mill levy is in addition to, and not a replacement for, property taxes levied by taxing entities in existence as of the date of the Original Loan Agreement (other than a replacement for property taxes levied by entities described in clause (i) or (ii) hereof).

“*Final Assessed Valuation*” means the final certified assessed valuation of all taxable property within the Urban Renewal Project Area, as calculated and recorded by the County Assessor on or about December 10 of each year, or on such other date as may be established by law for the annual final certification of assessed valuation.

“*Financing Documents*” means this Agreement, the Note, the Authorizing Resolution, the Urban Renewal Plan, the Replenishment Resolution and the City Cooperation Agreement, all in form and substance satisfactory to the Lender.

“*Fiscal Year*” means the 12 months commencing on the first day of January of any calendar year and ending on the last day of December of the same calendar year, or any other twelve month period which the Borrower or other appropriate authority hereafter may establish as the Borrower’s fiscal year.

“*Fitch*” means Fitch Ratings, Inc., its successors and assigns.

“*Fixed Interest Rate*” shall mean ____% per annum.

“*Interest Payment Date*” means June 1 and December 1 of each year, commencing December 1, 2012 and continuing through and including the Maturity Date.

“*Lender*” means Compass Mortgage Corporation, an Alabama corporation, in its capacity as lender of the Loan.

“*Loan*” means the loan made by the Lender to the Borrower in the original principal amount of \$59,000,000 as evidenced by the Note and made in accordance with the terms and provisions of this Agreement.

“*Loan Amount*” means Fifty Nine Million Five Hundred Thousand and 00/100 U.S. Dollars (\$59,000,000).

“*Loan Payment Fund*” means the fund by that name established by the provisions of Section 4.01 hereof to be administered by the Lender in the manner and for the purposes set forth in Section 4.03 hereof.

“*Maturity Date*” means December 1, 2028.

“*Maximum Annual Debt Service Requirements*” means, as of any date of calculation, the maximum Estimated Debt Requirements estimated for a current or future calendar year period during the term of the Loan.

“*Net Pledged Revenue*” means the moneys described in clauses (a), (b), (c) and (e) of the definition of Pledged Revenue set forth in this Article I.

“*Note*” means the Promissory Note evidencing the Loan issued in the original principal amount of \$59,000,000 from the Borrower, as maker, to the Lender, as payee, and dated as of August 29, 2012.

“*Parity Debt*” means any Debt of the Borrower having a lien upon all or any portion of the Pledged Revenue on parity with the lien thereon of the Loan.

“*Payment Date*” means a Principal Payment Date and/or any Interest Payment Date, as the context requires.

“*Permitted Investments*” means (a) certificates of deposit in Compass Bank or the Lender which have (i) a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (ii) a yield which is not less than the yield on reasonably comparable direct obligations of the United States, and (iii) a yield which is not less than the highest yield that is published or posted by the issuer of the certificate to be currently available from such issuer on reasonably comparable certificates of deposit offered to the public to comparable governmental entities and subject to the Public Deposit Protection Act; (b) any money market account offered by Compass Bank or the Lender which bears interest at the published money market rate of Compass Bank or the Lender, as applicable, and has a yield which is at least 100 basis points less than the yield on the Loan (as set forth in the Tax Certificate); and (c) any investment or deposit offered by Compass Bank or the Lender which (i) is a permitted investment for governmental entities under then-applicable Colorado law, and (ii) in the opinion of nationally recognized bond counsel delivered to the Borrower and the Lender will not cause the Borrower to violate the covenant in Section 5.05 hereof. If, after making a good faith effort to do so, the Borrower determines that it is not possible to invest in the investments described in (a), (b) or (c) above, Permitted Investments means any investment or deposit directed by the Borrower which (i) is a permitted investment for governmental entities under then-applicable Colorado law, and (ii) in the opinion of nationally recognized bond counsel delivered to the Borrower and the Lender will not cause the Borrower to violate the covenant in Section 5.05 hereof.

“*Pledged Property Tax Revenues*” means, for each Fiscal Year, that portion of the ad valorem property taxes produced by the levies at the rates fixed each year by or for the governing bodies of the various taxing jurisdictions within or overlapping the Urban Renewal Project Area (but excluding ad valorem property taxes produced by Excluded Mill Levies) upon that portion of the valuation for assessment of all taxable property within the Urban Renewal Project Area

which is in excess of the Property Tax Base Amount; provided, however, that such amount shall be reduced by any lawful collection fee charged by the County.

“*Pledged Revenue*” means:

- (a) Pledged Property Tax Revenues;
- (b) Pledged Sales Tax Revenues;
- (c) all amounts appropriated to the Borrower by the City in accordance with the Replenishment Resolution;
- (d) all amounts held in the funds and accounts established and maintained hereunder together with investment earnings thereon, including, without limitation, the Loan Payment Fund, the Reserve Fund and the Supplemental Reserve Fund; and
- (e) all other legally available moneys which the Borrower determines, in its sole discretion, to deposit in the Loan Payment Fund.

“*Pledged Sales Tax Rate*” means, for any particular Sales Tax Rate Period, the Proposed Pledged Sales Tax Rate set forth in an Annual Debt Service Coverage Certificate with respect to such Sales Tax Rate Period, provided, however, that:

- (a) for any Sales Tax Rate Period with respect to which an Annual Debt Service Coverage Certificate has not been provided by the Borrower and approved (or deemed approved as provided in the definition of “Annual Debt Service Coverage Certificate” herein) by the Lender on or before the February 15 immediately prior to the commencement of such Sales Tax Rate Period, the Pledged Sales Tax Rate shall mean 2.00%;
- (b) for any Sales Tax Rate Period in which an Event of Default has occurred or is then continuing as of the immediately preceding February 15, or in which amounts are owing by the Borrower to the City under the City Cooperation Agreement as of the immediately preceding February 15, the Pledged Sales Tax Rate shall mean 2.00%; and
- (c) for the Sales Tax Rate Period commencing the Closing Date and continuing through and including February 28, 2013, the Pledged Sales Tax Rate shall mean 0.00%.

“*Pledged Sales Tax Revenues*” means, for each Fiscal Year, all of the proceeds of the portion of the Sales Tax representing the Pledged Sales Tax Rate for such Fiscal Year collected within the Urban Renewal Project Area after deduction of the following amounts:

- (a) the proportional share of the reasonable and necessary costs and expenses of collecting and enforcing the Sales Tax attributable to the Urban Renewal Project Area; and
- (b) an amount equal to the Sales Tax Base Amount.

“*Principal Payment Date*” means December 1 of each year, commencing December 1, 2013 and continuing through and including the Maturity Date.

“Project Fund” means a fund of that name to be established by the Borrower and held by or on behalf of the Borrower. The Project Fund shall not be pledged to or constitute security for the payment of the Loan.

“Projected Available Debt Service Revenues” means, with respect to any Fiscal Year, the sum of (a) the Proposed Pledged Sales Tax Rate multiplied by the Actual Taxable Sales with respect to the immediately preceding Fiscal Year, less the then current Sales Tax Base Amount, plus (b) the Projected Pledged Property Tax Revenues for such Fiscal Year, plus (c) Available Supplemental Reserve Moneys as of the December 31 immediately preceding such Fiscal Year (or such lesser amount as may be specified by the Borrower in such certificate), less (D) the amount, if any, necessary for amounts on deposit in the Reserve Fund as of the December 31 immediately preceding such Fiscal Year to equal the Reserve Requirement, less (E) the amount, if any, necessary for amounts on deposit in the Supplemental Reserve Fund as of the December 31 immediately preceding such Fiscal Year to equal 50% of Maximum Annual Debt Service Requirements.

“Projected Pledged Property Tax Revenues” means, for any particular Fiscal Year, the amount of Pledged Property Tax Revenues projected to be generated in such Fiscal Year (net of the then current Property Tax Base Amount) based upon the most recent Final Assessed Valuation of the Urban Renewal Project Area, the most recent certified Property Tax Base Amount, and the most recent ad valorem property tax mill levies certified by all taxing jurisdictions within the Urban Renewal Project Area (but excluding ad valorem property taxes produced by Excluded Mill Levies).

“Property Tax Base Amount” means the amount certified by the Assessor as the valuation for assessment of all taxable property within the Urban Renewal Project Area last certified by the Assessor prior to the adoption of the Urban Renewal Plan or any modification thereof; and provided, however, that in the event of a general reassessment of taxable property in the Urban Renewal Project Area, the valuation for assessment of taxable property within the Urban Renewal Project Area shall be proportionately adjusted in accordance with such general reassessment in the manner required by the Act. The Property Tax Base Amount for calendar year 2012 was \$2,588,860.

“Proposed Pledged Sales Tax Rate” means the sales tax rate set forth in an Annual Debt Service Coverage Certificate, which shall not exceed 2.00%.

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

“Refunded Loan Obligation” means the loan made by the Lender to the Borrower in the original principal amount of \$62,375,000, as evidenced by the promissory note of the Borrower in like principal amount dated as of May 8, 2009, and made in accordance with the terms and provisions of the Loan Agreement dated as of May 8, 2009, between the Lender and the Borrower.

“*Replenishment Resolution*” means the resolution adopted by the City Council on August 27, 2012, expressing the City Council’s present intent to lend additional moneys to the Borrower to maintain the Reserve Fund at the Reserve Requirement.

“*Reserve Fund*” means the fund by that name established by the provisions of Section 4.01 hereof to be administered by the Lender in the manner and for the purposes set forth in Section 4.04 hereof.

“*Reserve Requirement*” means an amount equal to \$4,484,000.

“*Revenue Fund*” means the fund by that name established by the provisions of Section 4.01 hereof to be administered by the Lender in the manner and for the purposes set forth herein.

“*Sales Tax*” or “*Sales Taxes*” means the municipal sales tax at a rate of 2.00%, established by the City as the same shall from time to time be in effect, pertaining to, including, without limitation, the sale, lease, rental, purchase or consumption of tangible personal property and taxable services, or any successor tax in the event that such taxes are replaced or superseded, but excluding any additional sales tax which may be approved by the electors of the City subsequent to the execution and delivery of this Loan Agreement.

“*Sales Tax Base Amount*” means \$0 or such other amount as may be lawfully determined by the City to be the total collections of Sales Taxes within the Urban Renewal Project Area for the twelve-month period immediately preceding the original adoption of the Urban Renewal Plan or any modification thereof.

“*Sales Tax Rate Period*” means the 12 months commencing on March 1 of any calendar year and ending on February 28 (or February 29, as applicable) of the immediately succeeding calendar year; provided that the initial Sales Tax Rate Period shall commence the Closing Date and continue through and include February 28, 2013.

“*S&P*” means Standard & Poor’s Ratings Services, A Division of McGraw Hill, Inc., its successors and assigns.

“*Subordinate Debt*” means Debt which is secured by a lien on all or any portion of the Pledged Revenue subordinate to the lien thereon of the Loan. Such term includes the payment obligations of the Borrower under the City Cooperation Agreement and any amounts representing the overpayment of incremental property taxes as the result of refunds made to taxpayers and with respect to which the Borrower has undertaken an obligation to repay the County Treasurer as contemplated by Section 31-25-107(9)(a)(III), Colorado Revised Statutes.

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

“*Supplemental Reserve Fund*” means the fund by that name established by the provisions of Section 4.01 hereof to be administered by the Lender in the manner and for the purposes set forth in Section 4.05 hereof.

“2009 Loan Agreement” means the Loan Agreement dated as of May 8, 2009, as amended by an Amendment No. 1 to Loan Agreement dated March 26, 2012, between the Lender and the Borrower.

“2009 Interest Rate Exchange Agreement” means the International Swap Dealers Association, Inc. Master Agreement dated as of May 8, 2009, between the Borrower and BBVA, as supplemented by the Schedule to the Master Agreement dated of even date therewith between the Borrower and BBVA and the accompanying confirmation of pricing and other pertinent terms.

“Tax Certificate” means the tax compliance certificate to be signed by the Borrower, in a form acceptable to Bond Counsel, relating to the requirements of Sections 103 and 141-150 of the Code.

“Transaction Costs Fund” means the fund by that name established by the provisions of Section 4.01 hereof to be administered by the Lender in the manner and for the purposes set forth in Section 4.06 hereof.

“Urban Renewal Project Area” means the areas described in Exhibit C hereto.

ARTICLE II

LOAN TERMS, FEES, APPLICATION OF PROCEEDS

Section 2.01. Agreement to Make Loan. The Lender hereby agrees to make a loan to the Borrower in the original aggregate principal amount of \$59,000,000 (as previously defined, the “Loan Amount”) subject to the terms and conditions of this Agreement. The Loan shall be evidenced by the Note, the form of which is set forth in Exhibit A attached hereto.

Section 2.02. Loan Origination Fee. No Origination Fee will be collected with respect to the Loan.

Section 2.03. Application of Loan Proceeds and Other Available Funds. On the Closing Date, the Lender will disburse or apply, as applicable, the proceeds of the Loan (the “Loan Proceeds”), as follows:

- (a) \$6,500,000.00 from Loan Proceeds shall be deposited into the Project Fund for application by the Borrower solely to costs of the Urban Renewal Project; and
- (b) \$52,500,000.00 from Loan Proceeds shall be applied to the payment on the date hereof of the Refunded Loan Obligation, including accrued interest thereon to the date hereof.

In addition, on the Closing Date, amounts held by the Lender under the 2009 Loan Agreement (including the Reserve Fund, Supplemental Reserve Fund and Revenue Fund, as such terms are used in the 2009 Loan Agreement) shall be applied on the date hereof as follows: (i) \$_____ shall be applied to payment of the Refunded Loan Obligation, including accrued interest thereon (to the extent not funded from Loan Proceeds), (ii) \$_____ shall be

paid to BBVA for amounts due and owing by the Borrower under the 2009 Interest Rate Exchange Agreement; (iii) \$4,484,000.00 shall be deposited to the Reserve Fund; (iv) \$_____ shall be deposited to the Supplemental Reserve Fund Account; and (v) \$75,000.00 shall be deposited to the Transaction Costs Fund.

Section 2.04. Interest Rate and Calculation; Interest Payments; Principal Payments

(a) ***Interest Rate and Calculation.*** Unless the Default Interest Rate applies, the unpaid principal balance of the Loan will bear interest at the Fixed Interest Rate. Upon the occurrence of an Event of Default, interest shall immediately begin to accrue and compound semi-annually on all principal amounts owing on the Loan at the Default Interest Rate for so long as such Event of Default continues and remains uncured. Payment Dates and Computations; Compounding. All interest due and payable hereunder shall be calculated on the basis of a 360-day year and twelve 30-day months. Interest not paid when due shall compound on each Interest Payment Date at the rate of interest then borne by the Loan. The Lender's internal records of applicable interest rates shall be determinative in the absence of manifest error.

(b) ***Interest Payments.*** Interest payments on the Loan shall be due semi-annually on June 1 and December 1 each year, commencing December 1, 2012.

(c) ***Principal Payments.*** Repayment of Loan principal shall be due and payable on the 1st day of December each year, commencing December 1, 2013. The outstanding principal balance of the Loan shall be due and payable in full on the Maturity Date. The Loan amortization schedule setting the Principal Payment Dates and corresponding principal amounts due is set forth in Exhibit B attached hereto.

Section 2.05. Optional Prepayment and Order of Principal Payment.

(a) ***Optional Prepayment Prior to Ten Year Anniversary.*** The Loan may be prepaid, in whole or in part, on any date prior to August 29, 2022, upon payment of the principal amount of the Loan so prepaid plus accrued interest thereon to the date of prepayment, together with a prepayment penalty equal to: (i) three percent (3%) of the principal amount so prepaid, plus (ii) an amount equal to (a) the Annual Yield Differential multiplied by the Percent Being Prepaid, multiplied by (b) the Average Remaining Outstanding Principal Amount, multiplied by (c) the number resulting from the number of days from the Prepayment Date through the Maturity Date divided by 360. Notwithstanding the foregoing, the component of the prepayment penalty described in the foregoing clause (i) shall not be owing (provided that the component of the prepayment penalty described in the foregoing clause (ii) shall be paid) under the following circumstances: (1) if such prepayment is a result of refinancing all of the Loan then outstanding with the Lender; or (2) if such prepayment is made solely from revenues available therefor in the Supplemental Reserve Fund in accordance with Section 4.05(c) hereof, provided that any such prepayments are in \$100,000 increments and are made not more than once each calendar year. Principal prepayments on the Loan shall be applied by the Lender in inverse order of maturity, commencing with the principal payment due and owing on the Maturity Date.

For purposes of this Section 2.05(a), the following capitalized terms shall have the meanings assigned below:

“Annual Yield Differential” is defined as the difference (but not less than zero) between the nominal U.S. Treasury constant maturity yield, as reported in the Federal Reserve Bank H.15 Report (the “H.15 Report”), as of the Closing Date, for a maturity that is the same as the term of the Loan as of the Closing Date (rounded to the nearest whole number of months) or, if no such maturity is reported, an interpolated yield based on the reported maturity that is next shorter than, and the maturity reported that is next longer than, the term of the Loan as of the Closing Date, and (ii) the nominal U.S. Treasury constant maturity yield, as reported in the H.15 Report, daily updates, for the Prepayment Date for a maturity that is the same as the remaining term of the Loan at the Prepayment Date (rounded to the nearest whole number of months) or, if no such maturity is reported, an interpolated yield based on the reported maturity that is next shorter than, and the maturity reported that is next longer than, the remaining term of the Loan at the Prepayment Date. If the H.15 Report is not available for any day, then the H.15 Report for the immediately preceding day on which yields were last reported will be used. As of the Closing Date, the U.S. Treasury constant maturity yield is _____%.

“Average Remaining Outstanding Principal Amount” is defined as the simple average of (i) the outstanding principal balance of the Loan as of the Prepayment Date (prior to any prepayment being applied) and (ii) the scheduled principal amount of the Loan due on the Maturity Date (taking into account any prior prepayments, but not the prepayment then being made).

“Percent Being Prepaid” is defined as the amount determined by dividing the principal amount of the Loan being prepaid by the balance of the Loan as of the Prepayment Date (prior to any prepayment being applied).

“Prepayment Date” means the date on which the Lender is in actual receipt of the amount representing the prepayment of the Loan.

(b) ***Optional Prepayment After Ten Year Anniversary.*** The Loan may be prepaid, in whole or in part, on any date on and after August 29, 2022, upon payment of the principal amount of the Loan so prepaid plus accrued interest thereon to the date of prepayment, without penalty. Principal prepayments on the Loan shall be applied by the Lender in inverse order of maturity, commencing with the principal payment due and owing on the Maturity Date.

Section 2.06. Written Statements. The Lender agrees to send written statements itemizing all transactions in the funds and accounts made by the Lender to the Borrower at the

address set forth in Section 8.05 hereof or at such other address as the Borrower shall specify to the Lender in writing.

Section 2.07. Expenses and Attorneys' Fees. In the event that a claim by the Lender is brought against the Borrower relating to this Agreement or any of the other Financing Documents and the Lender prevails in such claim, the Borrower will reimburse the Lender for all reasonable attorneys' and all other consultants' fees and all other costs, fees and out-of-pocket disbursements incurred by the Lender in connection with the preparation, execution, delivery, administration, defense and enforcement of this Agreement or any of the other Financing Documents, including reasonable attorneys' and all other consultants' fees and all other costs and fees (a) incurred before or after commencement of litigation or at trial, on appeal or in any other proceeding; (b) incurred in any bankruptcy proceeding and (c) related to any waivers or amendments with respect thereto (examples of costs and fees include but are not limited to fees and costs for confirming the priority of the Lender's claim on the Pledged Revenue or the funds and accounts established hereunder). The Borrower will also reimburse the Lender for all costs of collection of the Pledged Revenue, including all reasonable attorneys' and all other consultants' fees, before and after judgment.

Section 2.08. Provisions Regarding Annual Debt Service Coverage Certificate. Any Annual Debt Service Coverage Certificate shall be submitted by the Borrower to the Lender no later than the February 1 immediately prior to the commencement of the Sales Tax Rate Period for which the Proposed Pledged Sales Tax Rate set forth in such certificate is proposed to be effective. Subject to compliance by the Borrower with the foregoing sentence, if, on the February 15 following submission of an Annual Debt Service Coverage Certificate, the Lender has not approved or provided to the Borrower a written objection thereto in compliance with the following sentence, the Lender will be deemed to have approved such certificate. The Lender shall be entitled to object to an Annual Debt Service Coverage Certificate only on the basis that the Lender reasonably believes that: (a) a mathematical calculation therein is incorrect or not in compliance with the provisions of this Agreement, or (b) one or more values used in the calculation are incorrect.

ARTICLE III

CONDITIONS TO CLOSING

Section 3.01. Conditions to Loan Closing. The funding by the Lender of the Loan pursuant to Section 2.03 is conditioned upon the satisfaction of each of the following:

(a) ***The Financing Documents.*** The Financing Documents shall have been duly executed and delivered by each of the respective parties thereto and shall not have been modified, amended or rescinded, shall be in full force and effect on and as of the Closing Date and executed original or certified copies of each thereof have been delivered to the Lender; provided, however, that with respect to the Note, the Lender shall be in receipt of the executed original.

(b) ***Borrower Proceedings.*** The Lender shall have received a certified copy of all resolutions and proceedings taken by the Borrower authorizing the execution,

delivery and performance of this Agreement, the Note, and the other Financing Documents to which the Borrower is a party, and the transactions contemplated hereunder and thereunder, together with such other certifications as to the specimen signatures of the officers of the Borrower authorized to sign this Agreement, the Note, and the other Financing Documents to be delivered by the Borrower hereunder and as to other matters of fact as shall reasonably be requested by the Lender.

(c) ***Governmental Approvals.*** The Lender shall have received certified copies of all governmental approvals, if any, necessary for the Borrower to execute, deliver and perform its obligations under this Agreement and the other Financing Documents to which the Borrower is a party.

(d) ***Representations and Warranties True; No Default.*** The Lender shall be satisfied that on the Closing Date each representation and warranty on the part of the Borrower contained in this Agreement and any other Financing Document to which the Borrower is a party are true and correct in all material respects and no Default or Event of Default has occurred and is continuing, and the Lender shall be entitled to receive certificates, signed by authorized officers of the Borrower, to such effect.

(e) ***Borrower's Certificate.*** The Lender shall have received a certificate signed by an authorized officer of the Borrower, dated the Closing Date, to the same effect as provided in the foregoing Subsections 3.01(a), (b), (c) and (d). Such certificate shall cover such other matters incidental to the transactions contemplated by this Agreement or any other Financing Document as the Lender may reasonably request.

(f) ***Bond Counsel's Legal Opinions.*** The Lender shall have received an opinion of Bond Counsel, dated the Closing Date and addressed to the Borrower, with a reliance letter addressed to the Lender, with respect to such matters as the Lender may require, including opinions to the effect that the obligations of the Borrower under this Agreement constitute a special revenue obligation of the Borrower, that such obligation is binding and enforceable against the Borrower in accordance with the terms of this Agreement; opinions addressing the tax exemption of the interest on the Loan for state and federal purposes; and otherwise in form and substance satisfactory to the Lender and its counsel.

(g) ***Opinion of Counsel to the Borrower.*** The Lender shall have received an opinion of counsel to the Borrower dated the Closing Date and addressed to the Lender, with respect to such matters as the Lender may require, in form and substance satisfactory to the Lender and its counsel, including opinions as to the validity of the Borrower's organization and existence; to the effect that all other governmental approvals, if any, necessary for the Borrower to execute, deliver and perform its obligations under this Agreement and the other Financing Documents to which the Borrower is a party have been duly obtained; that the Authorizing Resolution has been duly and properly adopted; and that this Agreement and the other Financing Documents to which the Borrower is a party have been duly authorized and delivered by the Borrower.

(h) ***Opinion of Counsel to City.*** The Lender shall have received an opinion from counsel to the City, dated the Closing Date and addressed to the Lender, with respect to such matters as the Lender may require, including, without limitation, opinions to the effect that the Urban Renewal Plan was duly and properly adopted by the City Council of the City, has not been rescinded, revoked, or amended since such adoption (except as modified by the First Amendment thereto dated April 13, 2009) and remains in full force and effect, and otherwise in form and substance satisfactory to the Lender and its counsel.

(i) ***Other Certificates and Opinions.*** The Lender shall have received certificates of authorized representatives of all parties to the Financing Documents with respect to such matters as the Lender may require, or opinions of counsel as the Lender may require, all in form and substance satisfactory to the Lender and its counsel.

(j) ***No Change in Law.*** No law, regulation, ruling or other action of the United States, the State of Colorado or any political subdivision or authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the Borrower from fulfilling its obligations under this Agreement.

(k) ***Fees and Expenses.*** All Lender's counsel fees and any other fees and expenses due and payable in connection with the issuance of the Loan, the execution and delivery of this Agreement and the other Financing Documents, and any other amounts due and payable hereunder shall have been paid by the Borrower or funded from amounts to be deposited into the Transaction Costs Fund in accordance with Section 2.03 hereof.

(l) ***Borrower Financial Information.*** The Borrower shall have provided the Lender with all pertinent financial information regarding the Borrower, including, without limitation, copies of all documents describing and evidencing any and all Debt of the Borrower.

(m) ***Borrower Due Diligence.*** The Lender and its counsel shall have been provided with the opportunity to review all agreements, documents, and other material information relating to the Borrower, the Pledged Revenue, the Refunded Bonds, and the Borrower's ability to perform its obligations under this Agreement and the other Financing Documents to which the Borrower is a party.

(n) ***Approval of Financing Documents.*** The Lender and its counsel shall have had sufficient time to review the Financing Documents and the substantially final versions of such documents shall be in form and content satisfactory to the Lender and its counsel.

(o) ***Other Requirements.*** The Lender shall be in receipt of such other certificates, approvals, filings, opinions and documents as shall be reasonably requested by the Lender.

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

(q) **Debt Outstanding.** The Lender shall be in receipt of the evidence satisfactory to the Lender, including, without limitation, certifications from the Borrower to the effect that, except for the indebtedness evidenced by the Note and this Agreement, as of the Closing Date the Borrower has no Debt outstanding, other than the contingent liability set forth in the City Cooperation Agreement.

ARTICLE IV

FUNDS AND ACCOUNTS

Section 4.01. Creation of Funds and Accounts. The following funds are hereby created and established, each of which shall be administered by the Lender in accordance with the provisions hereof:

- (a) the Revenue Fund;
- (b) the Loan Payment Fund;
- (c) the Reserve Fund;
- (d) the Supplemental Reserve Fund; and
- (e) the Transaction Costs Fund.

The Borrower shall also establish a Project Fund, which shall be held and administered by the Borrower. The Borrower shall cause all Loan Proceeds deposited therein to be applied to costs of the Urban Renewal Project. It is acknowledged that the Borrower intends to establish a depository account at the Lender or an affiliate thereof as the Project Fund and that the Borrower may elect, but is not required, to submit requisitions to the Lender (or such affiliate) for the purpose of directing the disbursement of funds therefrom.

Section 4.02. Flow of Funds. On the Closing Date, the Lender shall cause to be transferred any funds then held under the 2009 Loan Agreement in accordance with Section 2.03 hereof. Thereafter, the Borrower shall transfer all amounts comprising Net Pledged Revenue to the Lender as soon as may be practicable after the receipt thereof. The Lender shall deposit all such Net Pledged Revenue into the Revenue Fund and apply the same as received in the order of priority set forth below.

- FIRST: To the credit of the Loan Payment Fund, the amounts required by Section 4.03(b) hereof for the then current Fiscal Year;
- SECOND: To the credit of the Reserve Fund, the amount required to replenish the Reserve Fund to the Reserve Requirement, if any;
- THIRD: To the Lender, for application to any amounts due and owing hereunder other than principal and interest payments on the Loan; and

FOURTH: To the credit of any fund or account established for the payment of the principal of and interest on any Subordinate Debt, the amounts required for the then current Fiscal Year by the resolution or other enactment authorizing issuance of the Subordinate Debt; and

FIFTH: To the Supplemental Reserve Fund, any Net Pledged Revenue remaining and all Net Pledged Revenue received for the remainder of the Fiscal Year after the payments and accumulations set forth in clauses FIRST through FOURTH above with respect to such Fiscal Year.

Section 4.03. Loan Payment Fund.

(a) **General.** The Loan Payment Fund shall be administered by the Lender in accordance with the terms of this Agreement.

(b) **Credits to Funds.** There shall be credited to the Loan Payment Fund in each Fiscal Year an amount of Net Pledged Revenue which, when combined with other legally available moneys in the Loan Payment Fund, equals the Estimated Debt Requirements for such Fiscal Year. For purposes of clarification, the foregoing shall not be interpreted to require that there be maintained in the Loan Payment Fund at all times an amount equal to the Estimated Debt Requirements but, rather, that there is to be transferred to the Loan Payment Fund in each Fiscal Year (and prior to transfers for any other purpose provided in Section 4.02 hereof) moneys which in the aggregate, when combined with other legally available moneys in the Loan Payment Fund from time to time, equals the Estimated Debt Requirements for such Fiscal Year. At any given time, amounts on deposit in the Loan Payment Fund are not intended to be in excess of the portion of the Estimated Debt Requirements remaining to be paid for the then current Fiscal Year.

(c) **Notice of Deficiency.** If, on the day which is ten (10) Business Days prior to any Payment Date, the amount then on deposit in the Loan Payment Fund is insufficient to pay the Debt Requirements coming due on such Payment Date based on invoices provided from the Lender, the Lender shall notify the Borrower in writing of such shortfall indicating the amount of such deficiency. If, on or before such Payment Date, the Borrower provides funds to the Lender to make up any or all of such deficiency, then the Lender shall accept and deposit such funds into the Loan Payment Fund for the payment of the Debt Requirements then due.

(d) **Application of Moneys in Loan Payment Fund.** Moneys in the Loan Payment Fund (including amounts transferred thereto pursuant to provisions hereof) shall be used by the Lender solely to pay the Debt Requirements in the following order of priority.

(i) First, to the payment of interest due in connection with the Loan pursuant to the relevant invoice provided by the Lender; and

(ii) Second, to the payment of regularly scheduled principal on the Loan when due.

(e) *Investment Earnings.* All interest income from moneys credited to the Loan Payment Fund shall remain therein.

Section 4.04. Reserve Fund.

(a) *General.* The Reserve Fund shall be administered by the Lender in accordance with the terms of this Agreement. Moneys in the Reserve Fund shall be used by the Lender, if necessary, only for the purposes set forth in this Section 4.04 and the Reserve Fund is hereby pledged for such purposes.

(b) *Transfers to Loan Payment Fund.* If, on any Payment Date, the amount then on deposit in the Loan Payment Fund is an amount which is less than the Debt Requirements owing on such Payment Date, after taking into account amounts (if any) transferred from the Supplemental Reserve Fund to the Loan Payment Fund in accordance with Section 4.05 hereof, the Lender shall transfer from the Reserve Fund to the Loan Payment Fund an amount which, when combined with moneys then on deposit in the Loan Payment Fund, will be sufficient to pay such Debt Requirements when due on the applicable Payment Date. In the event that moneys in the Reserve Fund, together with moneys then on deposit in the Loan Payment Fund (including amounts transferred from the Supplemental Reserve Fund), are insufficient for such purpose, the Lender is to nonetheless transfer all moneys in the Reserve Fund to the Loan Payment Fund for the purpose of making partial payments in the order of priority provided in Section 4.03(d) hereof.

(c) *Replenishment of Reserve.* The Reserve Fund shall be replenished from Pledged Revenue available therefor in accordance with Section 4.02 hereof, and, after application of the foregoing, from amounts, if any, paid by the City in accordance with the Replenishment Resolution. In no event shall replenishment of the Reserve Fund to the Reserve Requirement be made later than August 31 of the Fiscal Year immediately succeeding the year in which a draw is made on the Reserve Fund.

(d) *Earnings.* All interest income on moneys on deposit in the Reserve Fund in excess of the Reserve Requirement shall be transferred by the Lender to the Loan Payment Fund.

(e) *Maturity Date.* All amounts on deposit in the Reserve Fund on the Maturity Date shall be applied by the Lender to the payment of the Loan.

(f) *Application to Prepayment of Loan.* In the event that the Borrower elects to pre-pay the Loan in full prior to the Maturity Date and utilize amounts on deposit in the Reserve Fund for such purpose, and provided that amounts on deposit in the Reserve Fund, together with amounts on deposit in the Loan Payment Fund and, if irrevocably pledged for such purpose, the Supplemental Reserve Fund, and other amounts, if any, deposited by the Borrower are sufficient to pay all principal and accrued interest on the Loan, and any prepayment penalty due in accordance with Section 2.05 hereof, all

amounts on deposit in the Reserve Fund shall be applied by the Lender to the payment of the Loan.

(h) ***Lender Notice Regarding Deficiency in Reserve Fund.*** If, at any time, the Reserve Fund is not funded to the Reserve Requirement, the Lender shall notify the City Manager of any deficiency and, pursuant to the Replenishment Resolution, the City Council has agreed to consider but is not obligated to, replenish the Reserve Fund immediately thereafter. Prior to any request to the City to replenish the Reserve Fund, Pledged Revenues shall be deposited in the Reserve Fund in accordance with Section 4.02 hereof. The Lender and the Borrower acknowledge that any City replenishment of the Reserve Fund shall constitute a loan by the City to the Borrower payable as Subordinate Debt in accordance with the City Cooperation Agreement and Section 4.02 hereof.

Section 4.05. Supplemental Reserve Fund.

(a) ***General.*** The Supplemental Reserve Fund shall be administered by the Lender in accordance with the terms of this Agreement. Moneys in the Supplemental Reserve Fund shall be used by the Lender, if necessary, only for the purposes set forth in this Section 4.05 and the Supplemental Reserve Fund is hereby pledged for such purposes.

(b) ***Transfers to Loan Payment Fund.*** If, on any Payment Date, the amount then on deposit in the Loan Payment Fund is an amount which is less than the Debt Requirements owing on such Payment Date, the Lender shall transfer from the Supplemental Reserve Fund to the Loan Payment Fund an amount which, when combined with moneys then on deposit in the Loan Payment Fund, will be sufficient to pay such Debt Requirements when due on the applicable Payment Date. In the event that moneys in the Supplemental Reserve Fund, together with moneys then on deposit in the Loan Payment Fund, are insufficient for such purpose, the Lender is to nonetheless transfer all moneys in the Supplemental Reserve Fund to the Loan Payment Fund for the purpose of making partial payments in the order of priority provided in Section 4.03(d) hereof. Moneys shall be transferred from the Supplemental Reserve Fund for such purpose prior to the transfer of any moneys from the Reserve Fund for such purpose.

(c) ***Loan Prepayment From Available Supplemental Reserve Moneys.*** Subject to the following sentences of this subparagraph (c), the Lender shall apply amounts on deposit in the Supplemental Reserve Fund constituting Available Supplemental Reserve Moneys in accordance with written direction of the Borrower, to the prepayment of the Loan in accordance with Section 2.05 hereof; provided, however, that any moneys on deposit in the Supplemental Reserve Fund and specified by the Borrower in an Annual Debt Service Coverage Certificate for purposes of supporting a Proposed Pledged Sales Tax Rate for any particular Fiscal Year shall not constitute Available Supplemental Reserve Moneys in such Fiscal Year for purposes of this Section 4.05(c). In the event that there has occurred and is then continuing an Event of Default hereunder, amounts on deposit in the Supplemental Reserve Fund shall not be disbursed

to the Borrower and shall be applied solely in accordance with subparagraph (b) hereof so long as the Event of Default continues.

(d) **Earnings.** All interest income on moneys on deposit in the Supplemental Reserve Fund shall be credited to the Supplemental Reserve Fund and be applied or disbursed in accordance with this Section 4.05, in the same manner, and subject to the same limitations, as all other moneys on deposit in the Supplemental Reserve Fund.

(e) **Application to Full Prepayment of Loan.** In the event that the Borrower elects to pre-pay the Loan in full prior to the Maturity Date and utilize amounts on deposit in the Supplemental Reserve Fund for such purpose, and provided that amounts on deposit in the Supplemental Reserve Fund, together with amounts on deposit in the Loan Payment Fund and, if irrevocably pledged for such purpose, the Reserve Fund, and other amounts, if any, deposited by the Borrower are sufficient and available to pay all principal and accrued interest on the Loan, and any prepayment penalty due in accordance with Section 2.05 hereof, all amounts on deposit in the Supplemental Reserve Fund shall be applied by the Lender to the payment of the Loan, as directed by the Borrower.

(f) **Application to Rebate Payments.** The Lender shall transfer to the Borrower from the Supplemental Reserve Fund the amount, if any, necessary to pay the Rebate Requirements to the United States of America when the same become due and payable, as more particularly defined and provided in the Tax Certificate.

(g) **Application to Urban Renewal Project Costs.** The Lender shall transfer amounts from the Supplemental Reserve Fund to or at the direction of the Borrower, for the payment of costs of the Urban Renewal Project, in accordance with a Requisition, in the form attached as Exhibit E hereto (or as otherwise agreed to by the Lender and the Borrower), executed by an Authorized Person; provided however that the Lender shall not be obligated to make such transfers more frequently than monthly. Notwithstanding the foregoing, in the event that there has occurred and is then continuing an Event of Default hereunder, amounts on deposit in the Supplemental Reserve Fund shall not be disbursed to the Borrower and shall be applied solely in accordance with subparagraph (b) hereof so long as the Event of Default continues.

(h) **Maturity Date.** Any amounts on deposit in the Supplemental Reserve Fund on the Maturity Date not required to pay Debt Requirements on such date shall be disbursed by the Lender to the Borrower for application to any lawful purpose.

Section 4.06. Transaction Costs Fund. The Transaction Costs Fund shall be maintained by the Lender in accordance with the terms of this Section 4.06. All moneys on deposit in the Transaction Costs Fund shall be applied by the Lender, as directed by the Borrower, to the payment of the costs incurred in connection with the transactions contemplated by the Financing Documents in accordance with invoices provided to the Lender and as detailed in a closing memorandum approved by the Borrower. Any amounts remaining in the Transaction Costs Fund sixty (60) days after the Closing Date shall be transferred by the Lender

to the Loan Payment Fund. At such time as no amounts remain in the Transaction Costs Fund, such fund shall terminate.

Section 4.07. Lender To Direct Funds and Accounts: Accounting. Subject to Article VII hereof, the Borrower hereby grants to the Lender the right and the authority to direct all activity with respect to all funds and accounts created pursuant to this Agreement, including those funds and accounts created pursuant to this Article IV (excluding the Project Fund), provided that any such Lender direction shall be in accordance with the terms of this Agreement. Subject to Article VII hereof, the Borrower shall not have any right, power, or authority to direct any activity within any funds created pursuant to this Agreement, including those funds and accounts created pursuant to this Article IV (excluding the Project Fund), except that the Borrower may make any deposits into such funds as may be required by this Agreement. Lender shall keep and maintain accounting records in such manner that the Pledged Revenue received and amounts deposited to each fund and account held hereunder may at all times be readily and accurately determined.

ARTICLE V

REPRESENTATIONS, WARRANTIES AND COVENANTS OF BORROWER

While any part of the Loan is available for disbursement or any obligations hereunder or under any of the other Financing Documents are unpaid or outstanding, the Borrower continuously warrants, covenants and agrees as follows:

Section 5.01. Accuracy of Information. All information, certificates or statements given to the Lender by the Borrower pursuant to this Agreement and the other Financing Documents will be true and complete when given.

Section 5.02. Organization; Litigation. The Borrower is validly existing and in good standing under the laws of its state of organization, has all requisite power and authority and possesses all licenses, permits and approvals necessary to conduct its business. There is no litigation or administrative proceeding threatened or pending against the Borrower which could, if adversely determined, have a material adverse effect on the Borrower's financial condition.

Section 5.03. Performance of Covenants, Authority. The Borrower covenants that it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations, and provisions contained in the Authorizing Resolution, this Agreement, the Note, and all proceedings pertaining thereto. The Borrower covenants that it is duly authorized under the constitution and laws of the State of Colorado, including, particularly and without limitation, the Act, to execute and deliver the Note, this Agreement, and the other Financing Documents to which it is a party, and that all action on its part for the execution and delivery of the Note, this Agreement, and the other Financing Documents to which it is a party have been duly and effectively taken and will be duly taken as provided therein and herein, and that the Loan, the Note, this Agreement, and the other Financing Documents to which the Borrower is a party are and will be valid and enforceable obligations of the Borrower according to the terms thereof and hereof.

Section 5.04. Use of Proceeds. Disbursements by the Lender to the Borrower hereunder will be used exclusively by the Borrower for the purposes represented to the Lender and in accordance with the provisions of Section 2.03 hereof.

Section 5.05. Tax Covenants. The Borrower covenants for the benefit of the Lender that it will not take any action or omit to take any action with respect to the Loan, the proceeds thereof, or any other funds of the Borrower or any facilities financed or refinanced with the proceeds of the Loan if such action or omission (a) would cause the interest on the Loan to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, (b) would cause interest on the Loan to lose its exclusion from alternative minimum taxable income defined in Section 55(b)(2) of the Tax Code, except that interest on the Loan is required to be included in calculating the “adjusted current earnings” adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations or (c) would cause interest on the Loan to lose its exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law. The foregoing covenants shall remain in full force and effect notwithstanding the payment in full or defeasance of the Loan until the date on which all obligations of the Borrower in fulfilling the above covenants under the Tax Code and Colorado law have been met.

Section 5.06. Other Liabilities. The Borrower will pay and discharge, when due, all of its liabilities, 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 5.07. Financial Statements. The financial statements and other information previously provided to the Lender by the Borrower or provided to the Lender by the Borrower in the future are or will be complete and accurate and prepared in accordance with generally accepted accounting principles generally applicable to urban renewal authorities. There has been no material adverse change in the Borrower’s financial condition since such information was provided by the Borrower to the Lender. The Borrower will (a) maintain accounting records in accordance with generally recognized and accepted principles of accounting generally applicable to urban renewal authorities consistently applied throughout the accounting periods involved; (b) provide the Lender with such information concerning the business affairs and financial condition (including insurance coverage) of the Borrower as the Lender may request; and (c) without request, provide the Lender with the information set forth in Section 5.08 below. The Borrower shall notify the Lender promptly of all interim litigation or administrative proceedings, threatened or pending, against the Borrower which would, if adversely determined, in Borrower’s reasonable opinion, have a material adverse effect on the Borrower’s financial condition arising after the date hereof.

Section 5.08. Reporting Requirements. The Borrower will provide the following to the Lender at the times and in the manner provided below:

- (i) as soon as available, but not later than 210 days following each Fiscal Year, a copy of the City’s comprehensive annual financial report (CAFR) which shall include audited financial statements of the City and of the Borrower as a component of the City;

(ii) as soon as available, but in no event later than December 31 of each year, the annual budget of the Borrower for the immediately succeeding Fiscal Year; and

(iii) promptly upon receipt thereof, a certification of values issued by the County Assessor containing the preliminary certified “assessed value” and certified preliminary assessed valuation of the Urban Renewal Project Area and of the 144th Avenue General Improvement District for that year;

(iv) promptly upon receipt thereof, a certification of values issued by the County Assessor containing the final certified “assessed value” and Final Assessed Valuation of the Urban Renewal Project Area and of the 144th Avenue General Improvement District for that year;

(v) within 45 days of the end of each calendar quarter, commencing with the quarter ending September 30, 2012, a summary of the Pledged Revenues received by the Borrower during the previous calendar quarter and during the consecutive twelve month period, separating the amount of Pledged Property Tax Revenue and Pledged Sales Tax Revenues received;

(vi) as soon as available, a copy of any report to the Borrower of any auditor of the Borrower, following approval thereof by the Borrower;

(vii) on or prior to the issuance of any Debt, a schedule reflecting the Borrower’s Debt then outstanding and the Debt then proposed to be issued, which shall specify, for each obligation constituting Debt, the principal amount then outstanding, the interest rate, and the nature of such Debt (i.e., whether such Debt is Parity Debt or Subordinate Debt), accompanied by a certificate of an Authorized Person as to the accuracy and completeness of such information;

(viii) promptly at the time or times at which such event occurs, written notice of any events likely to have a material adverse effect on the Borrower or the Loan; and

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

Section 5.09. Inspection of Books and Records. The Lender shall have the right to examine any of the books and records of the Borrower at any reasonable time and as often as the Lender may reasonably desire. Without limiting the generality of the foregoing, the Lender agrees that it shall use commercially reasonable efforts to maintain as confidential any non-public or proprietary information obtained by the Lender in exercising its rights under this Section 5.09.

Section 5.10. Instruments of Further Assurance. The Borrower covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such agreements supplemental hereto and such further acts, instruments, and transfers as the Lender may reasonably require for the better assuring, transferring, and pledging unto the Lender the Pledged Revenue; provided, however, that the Borrower shall not be obligated to incur in excess of nominal expenses in complying with this covenant.

Section 5.11. Additional Debt. The Borrower shall not issue or incur any additional Debt without the prior written consent of the Lender.

Section 5.12. Continued Existence. The Borrower will maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Loan.

Section 5.13. Restructuring. In the event the Pledged Revenue is insufficient or is anticipated to be insufficient to pay the principal of, prepayment penalty, if any, and interest on the Loan when due, the Borrower shall use its best efforts to refinance, refund, or otherwise restructure the Loan so as to avoid such a default.

Section 5.14. Operation and Management. The Borrower will continue to operate in accordance with all applicable laws, rules, regulations, and intergovernmental agreements, and keep and maintain separate accounts of the receipts and expenses thereof in such manner that the Pledged Revenue may at all times be readily and accurately determined.

Section 5.15. Annual Audit and Budget. At least once a year in the time and manner provided by law, the Borrower will cause audits to be performed of the records relating to the Borrower's revenues and expenditures. In addition, at least once a year in the time and manner provided by law, the Borrower will cause budgets to be prepared and adopted. The audits and budgets of the Borrower may be presented as a component of the City. Copies of the budgets and the audits will be filed and recorded in the places, time, and manner provided by law.

Section 5.16. No Exclusion of Property. The Borrower shall take no action that could have the effect of excluding property from the Urban Renewal Project Area unless consented to by the Lender.

Section 5.17. Amendments to Financing Documents Require Prior Lender Consent. The Borrower shall not amend or consent to any amendment to any Financing Document, or waive any provision thereof, without the prior written consent of the Lender.

ARTICLE VI

DEPOSITS; INVESTMENTS

Section 6.01. Deposits Held Under This Agreement. Subject to Section 6.02 hereof, all moneys held in any of the funds or accounts to be held and administered by the Lender under this Agreement shall be held in depository accounts in the possession of Compass Bank or the Lender and satisfying the requirements of the Public Deposit Protection Act and shall not be

invested, but shall earn interest at the rate provided by Compass Bank or the Lender, as applicable, with respect to depository accounts.

Section 6.02. Investment of Reserve Fund and Supplemental Reserve Fund. Notwithstanding any provision contained herein, the Lender shall invest moneys on deposit in the Reserve Fund and the Supplemental Reserve Fund as directed in writing by the Borrower in Permitted Investments and may rely upon such direction as a determination that the investment described in such direction is a Permitted Investment.

Section 6.03. Compliance with Tax Covenants. Any and all interest income on moneys held and administered by the Lender under this Agreement shall be subject to full and complete compliance at all times with the covenants and provisions of Section 5.05 hereof.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01. Events of Default. The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an Event of Default under this Agreement (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default hereunder except as provided in this Section 7.01.

(a) The Borrower fails to pay the interest on the Loan when due pursuant to this Agreement;

(b) The Borrower fails to pay the principal or prepayment penalty on the Loan when due pursuant to this Agreement;

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

(d) The Borrower defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the Borrower in this Agreement or the Note, and fails to remedy the same to the satisfaction of the Lender within 45 days after the occurrence thereof;

(e) The Borrower fails to replenish the Reserve Fund to the Reserve Requirement by the time required in Section 4.04(c) hereof;

(f) Any financial information, statement, certificate, representation or warranty given to the Lender by the Borrower in connection with entering into this Agreement or the other Financing Documents and/or any borrowing thereunder, or required to be furnished under the terms thereof, shall prove untrue or misleading in any material respect (as determined by the Lender in the exercise of its judgment) as of the time when given and shall not be duly corrected and communicated to the Lender within the first to occur of 30 days following (i) the Borrower becoming aware of such incorrect

information or (ii) the Lender's delivery of written notice to the Borrower of such incorrect information;

(g) Any final judgment, not subject to further appeals, shall be obtained against the Borrower in excess of the sum of \$10,000 and shall remain unsatisfied, unpaid, unvacated, unbonded or unstayed for a period of 30 days following the date of entry thereof;

(h) (i) the Borrower shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for itself or for any substantial part of its property, or the Borrower shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Borrower any case, proceeding or other action of a nature referred to in clause (i) and the same shall remain undismissed for a period of 60 days from the date of commencement; or (iii) there shall be commenced against the Borrower 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 60 days from the entry thereof; or (iv) the Borrower 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 Borrower shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(i) a change occurs in the financial or operating conditions of the Borrower, that, in the Lender's reasonable judgment, will have a materially adverse impact on the ability of the Borrower to generate revenues sufficient to satisfy the Borrower's obligations under this Agreement, or its other obligations, and the Borrower fails to cure such condition within 45 days after receipt by the Borrower of written notice thereof from the Lender;

(j) any funds or investments on deposit in, or otherwise to the credit of, any of the Loan Payment Fund, Supplemental Reserve Fund, Reserve Fund, or Transaction Costs Fund become subject to any writ, judgment, warrant or attachment, execution or similar process not attributable to actions of the Lender;

(k) Fitch or S&P shall have downgraded either of their ratings on the sales tax revenue obligations of the City to Baa1 or BBB+, respectively, or below;

(l) the City fails to appropriate moneys to pay when due any obligation subject to annual appropriation; or

(m) any determination, decision, or decree is made by the Commissioner or the District Director of the Internal Revenue Service, or by any court of competent jurisdiction, that the interest payable on the Loan is includable in the gross income for federal income tax purposes of the Lender 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 Loan becoming includable in the gross income of the Lender 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 Borrower.

Section 7.02. Remedies on Occurrence of Event of Default.

(a) ***Lender's Rights and Remedies.*** Upon the occurrence and continuance of an Event of Default, the Lender shall have the following rights and remedies which may be pursued:

(i) ***Receivership.*** Upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Lender hereunder, the Lender shall be entitled as a matter of right to the appointment of a receiver or receivers of the Pledged Revenue, and of the revenues, income, product, and profits thereof pending such proceedings, subject however, to constitutional limitations inherent in the sovereignty of the Borrower; but notwithstanding the appointment of any receiver or other custodian, the Lender shall be entitled to the possession and control of any cash, securities, or other instruments constituting Pledged Revenue at the time held by, or payable or deliverable under the provisions of this Loan Agreement to, the Lender.

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

(iii) ***Mandamus or Other Suit.*** The Lender may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce its rights hereunder.

(b) ***Judgment.*** No recovery of any judgment by the Lender shall in any manner or to any extent affect the lien of this Loan Agreement on the Pledged Revenue or any rights, powers, or remedies of the Lender hereunder, but such lien, rights, powers, and remedies of the Lender shall continue unimpaired as before.

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

Section 7.03. Notice to Lender of Default. Notwithstanding any cure period described above, the Borrower will immediately notify the Lender in writing when it obtains knowledge of the occurrence of any Default or Event of Default.

Section 7.04. Termination of Disbursements; Additional Lender Rights. Upon the occurrence of an Event of Default, the Lender may at any time (a) cease making any disbursements from the Supplemental Reserve Fund for the payment of costs of the Urban Renewal Project; and/or (b) take such other steps to protect or preserve the Lender's interest in the Pledged Revenue.

Section 7.05. Delay or Omission No Waiver. No delay or omission of the Lender to exercise any right or power accruing upon any default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such default, or acquiescence therein; and every power and remedy given by this Agreement may be exercised from time to time and as often as may be deemed expedient.

Section 7.06. No Waiver of One Default to Affect Another; All Remedies Cumulative. No waiver of any Event of Default hereunder shall extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. All rights and remedies of the Lender provided herein shall be cumulative and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

Section 7.07. Other Remedies. Nothing in this Article VII is intended to restrict the Lender's rights under any of the Financing Documents or at law, and the Lender may exercise all such rights and remedies as and when they are available.

ARTICLE VIII

MISCELLANEOUS

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

Section 8.02. Successors; Assignment. Except where specifically stated as a right or obligation of the Lender only if the Lender is a BBVA/Compass Entity, the rights, options, powers and remedies granted in this Agreement and the other Financing Documents will extend to the Lender and to its successors and permitted Lender assignees, will be binding upon the Borrower and its successors and will be applicable hereto and to all renewals and/or extensions hereof. This Loan Agreement shall be assignable by the Lender to any entity without the consent of the Borrower, provided that the assignee (unless a BBVA/Compass Entity) shall provide an opinion of legal counsel to the effect that the assignee is legally authorized to perform the obligations of the Lender hereunder.

Section 8.03. Indemnification. Except for harm arising from the Lender's willful misconduct, gross negligence or bad faith, and without waiving governmental immunity, the Borrower, to the extent allowed by law, hereby indemnifies and agrees, to defend and hold the Lender harmless from any and all losses, costs, damages, claims and expenses of any kind suffered by or asserted against the Lender relating to claims by third parties as a result of, or arising out of, the negligence or other misconduct of the Borrower, or any claim made against the Borrower, in connection with the financing provided under the Financing Documents. To the extent permitted by law, this indemnification and hold harmless provision will survive the termination of the Financing Documents and the satisfaction of the Obligations due the Lender.

Section 8.04. Notice of Claims against Lender; Limitation of Certain Damages. In order to allow the Lender to mitigate any damages to the Borrower from the Lender's alleged breach of its duties under the Financing Documents or any other duty, if any, to the Borrower, the Borrower agree to give the Lender written notice no later than twenty (20) days after the Borrower knows of any claim or defense it has against the Lender, whether in tort or contract, relating to any action or inaction by the Lender under the Financing Documents, or the transactions related thereto, or of any defense to payment of the Obligations for any reason. The requirement of providing timely notice to the Lender represents the parties' agreed-to standard of performance regarding the duty of the Lender to mitigate damages related to claims against the Lender. Notwithstanding any claim that the Borrower may have against the Lender, and regardless of any notice the Borrower may have given the Lender, the Lender will not be liable to the Borrower for consequential and/or special damages arising therefrom, except those damages arising from the Lender's willful misconduct, gross negligence or bad faith. Failure by the Borrower to give notice to the Lender shall not waive any claims of the Borrower but such failure shall relieve the Lender of any duty to mitigate damages prior to receiving notice.

Section 8.05. 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 telex; (d) received by telecopy; (e) received through the internet; or (f) when personally delivered at the following addresses:

If to the Borrower: Westminster Economic Development Authority
4800 W. 92nd Avenue
Westminster, Colorado 80031
Attention: Executive Director
Telephone: 303.658.2010

with copies to:

Westminster Economic Development Authority
4800 W. 92nd Avenue
Westminster, Colorado 80031
Attention: Marty McCullough, City Attorney
Telephone: 303.658.2234

Sherman & Howard

633 17th Street, Suite 3000
Denver, Colorado 80202
Attention: Dee Wisor
Telephone: (303) 299-8228

To Lender: Compass Mortgage Corporation
999 – 18th Street, Suite 2800
Denver, CO 80202
Attention: Matt Chorske
Telephone: (303) 217-2235

with a copy to: Kutak Rock LLP
1801 California Street, Suite 3100
Denver, CO 80202
Attn: Saranne Maxwell
Telephone: (303) 297-2400

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

Section 8.07. Applicable Law and Jurisdiction; Interpretation; Severability. This Agreement will be governed by and interpreted in accordance with the internal laws of the State of Colorado, except to the extent superseded by Federal law. Invalidity of any provisions of this Agreement will not affect any other provision. **THE BORROWER AND THE LENDER HEREBY CONSENT TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN DENVER, COLORADO, AND WAIVE ANY OBJECTIONS BASED ON *FORUM NON CONVENIENS*, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE NOTE, OR THE PLEDGED REVENUE OR ANY TRANSACTIONS ARISING THEREFROM, OR ENFORCEMENT AND/OR INTERPRETATION OF ANY OF THE FOREGOING.** Nothing in this Agreement will affect the Lender's rights to serve process in any manner permitted by law. This Agreement, the other Financing Documents and any amendments hereto (regardless of when executed) will be deemed effective and accepted only at the Lender's offices, and only upon the Lender's receipt of the executed originals thereof. Invalidity of any provision of this Agreement shall not affect the validity of any other provision.

Section 8.08. Copies; Entire Agreement; Modification. The Borrower hereby acknowledges the receipt of a copy of this Agreement and all other Financing Documents.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING, EXPRESSING CONSIDERATION AND SIGNED BY THE PARTIES ARE ENFORCEABLE. NO OTHER TERMS OR PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. THE TERMS OF THIS

AGREEMENT MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT. THIS NOTICE SHALL ALSO BE EFFECTIVE WITH RESPECT TO ALL OTHER CREDIT AGREEMENTS NOW IN EFFECT BETWEEN THE BORROWER AND THE LENDER. A MODIFICATION OF ANY OTHER CREDIT AGREEMENT NOW IN EFFECT BETWEEN THE BORROWER AND THE LENDER, WHICH OCCURS AFTER RECEIPT BY THE BORROWER OF THIS NOTICE, MAY BE MADE ONLY BY ANOTHER WRITTEN INSTRUMENT. ORAL OR IMPLIED MODIFICATIONS TO ANY SUCH CREDIT AGREEMENT ARE NOT ENFORCEABLE AND SHOULD NOT BE RELIED UPON.

Section 8.09. Waiver of Jury Trial. THE BORROWER AND THE LENDER HEREBY JOINTLY AND SEVERALLY WAIVE, TO THE EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO ANY OF THE FINANCING DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. EACH OF THE BORROWER AND THE LENDER REPRESENTS TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

Section 8.10. 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 of the Borrower, or any officer or agent of the Borrower, acts in good faith in the performance of his duties as a member, officer, or agent of the Board or the Borrower and in no other capacity, no civil recourse shall be available against such member, officer or agent for payment of the principal of and interest on the Loan. Such recourse shall not be available either directly or indirectly through the Board of the Borrower, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the delivery of the Note evidencing the Loan and as a part of the consideration for such transfers, the Lender, and any person purchasing or accepting the transfer of the obligations representing the Loan specifically waives any such recourse.

Section 8.12. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this Loan Agreement and the Note are 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 the Note and the Loan 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 issuance of the Note or the Loan Agreement shall be commenced more than 30 days after the authorization of the Note and the Loan Agreement.

Section 8.14. Pledge of Revenues; Limited Obligation. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Loan provided herein and therein shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Agreement, the Note, and the Authorizing Resolution. The amounts pledged to the payment of the Note and the Loan Agreement shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall have a first priority. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the Borrower irrespective of whether such persons have notice of such liens.

The obligations of the Authority pursuant to this Agreement and the Note are special obligations payable solely from and secured only by a pledge of the Pledged Revenues and amounts held in the funds created pursuant to Section 4.01 hereof.

Section 8.15. Payment on Non-Business Days. Except as provided herein, whenever any payment hereunder shall be stated to be due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of the amount due.

Section 8.16. Termination. This Agreement shall terminate at such time as no amounts are due and owing to the Lender hereunder or under any of the other Financing Documents.

[The remainder of this page intentionally left blank]

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

LENDER

COMPASS MORTGAGE CORPORATION, an
Alabama corporation

By _____
Matthew J. Chorske, Vice President

BORROWER

WESTMINSTER ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Chairperson, Board of Commissioners

[SEAL]

Attest:

By _____
Secretary, Board of Commissioners

[Signature Page to Loan Agreement]

EXHIBIT A
FORM OF NOTE

PROMISSORY NOTE

US \$ _____

August __, 2012

FOR VALUE RECEIVED, WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic duly organized and existing as an urban renewal authority under the laws of the State of Colorado (hereinafter referred to as “Maker”), promises to pay to the order of COMPASS MORTGAGE CORPORATION, an Alabama corporation, its successors and assigns (hereinafter referred to as “Payee”), at the office of Payee or its agent, designee, or assignee, or such place as Payee or its agent, designee, or assignee may from time to time designate in writing, the principal sum of _____ AND 00/100 DOLLARS (US \$ _____) pursuant to the terms of the Loan Agreement dated of even date herewith (the “Loan Agreement”) by and between Maker and Payee, in lawful money of the United States of America. Unless and until otherwise designated in writing by Payee to Maker, all payments hereunder shall be made to Payee in accordance with the Loan Agreement.

Amounts received by Payee under this Promissory Note (this “Note”) shall be applied in the manner provided by the Loan Agreement. This Note shall bear interest, be payable, mature and be enforceable pursuant to the terms and provisions of the Loan Agreement. All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed in the Loan Agreement.

This Note is governed by and interpreted in accordance with the internal laws of the State of Colorado, except to the extent superseded by Federal law. Invalidity of any provisions of this Note will not affect any other provision.

Pursuant to Section 11-57-210 of the Colorado Revised Statutes, as amended, this Note is entered into pursuant to certain provisions of the Supplemental Public Securities Act, being Title 11, Article 57, of the Colorado Revised Statutes, as amended. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of this Note after delivery for value.

The obligations of the Authority pursuant to this Note are special obligations payable solely from and secured only by a pledge of the Pledged Revenues and amounts held in the funds created pursuant to Section 4.01 of the Loan Agreement.

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

IN WITNESS WHEREOF, an authorized representative of Westminster Economic Development Authority, as Maker, has executed this Promissory Note as of the day and year first above written.

WESTMINSTER ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Chairperson, Board of Commissioners

[SEAL]

Attest:

By _____
Secretary, Board of Commissioners

[Signature Page to Promissory Note]

EXHIBIT B

PRINCIPAL REPAYMENT SCHEDULE

[BELOW IS APPROXIMATE. TO BE FINALIZED UPON SETTING OF RATE]

Year	Principal Payment Due
12/1/2013	\$2,813,000
12/1/2014	2,912,000
12/1/2015	3,014,000
12/1/2016	3,119,000
12/1/2017	3,228,000
12/1/2018	3,341,000
12/1/2019	3,458,000
12/1/2020	3,579,000
12/1/2021	3,705,000
12/1/2022	3,834,000
12/1/2023	3,969,000
12/1/2024	4,107,000
12/1/2025	4,251,000
12/1/2026	4,400,000
12/1/2027	4,554,000
12/1/2028	4,716,000
Total	\$59,000,000

EXHIBIT C
URBAN RENEWAL AREA

EXHIBIT D

FORM OF ANNUAL DEBT SERVICE COVERAGE CERTIFICATE

The undersigned, on behalf of the Westminster Economic Development Authority (the "Authority"), as required by Section 4.05(g) of the Loan Agreement dated as of August 29, 2012 (the "Agreement," to which reference is made for the definition of capitalized terms not otherwise defined herein), by and between the Authority and Compass Mortgage Corporation (the "Lender"), hereby states and certifies as follows:

(a) The undersigned is a duly authorized representative of the Authority, and as such, is familiar with the facts herein and is authorized to certify the same.

(b) This certificate is delivered with respect to the Sales Tax Rate Period to commence March 1, 20__ and end February __, 20__. As a result the Estimated Debt Requirements set forth in the attached Schedule A are for the Fiscal Year ending December 31, 20__, amounts on deposit in the Revenue Fund, Reserve Fund, Supplemental Reserve Fund and Loan Payment Fund are as of December 31, 20__, and Actual Taxable Sales are for the Fiscal Year ended December 31, 20__.

(c) The Proposed Pledged Sales Tax Rate is ____, which amount is not less than the Minimum Pledged Sales Tax Rate indicated on Schedule A hereto.

(d) No Event of Default under the Loan Agreement has occurred and is now continuing.

(e) No amounts are now owed to the City under the City Cooperation Agreement.

Dated: _____

WESTMINSTER ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Name _____
Title _____

The foregoing Annual Debt Service Coverage Certificate is hereby acknowledged and approved by Compass Mortgage Corporation on the date set forth below.

Dated _____

COMPASS MORTGAGE CORPORATION

By _____

Name _____

Title _____

SCHEDULE A TO ANNUAL DEBT SERVICE COVERAGE CERTIFICATE

ESTIMATED DEBT REQUIREMENTS	Amount	line
Principal		
Interest		
Total		(A)
Coverage Ratio	1.15	
Target Revenues (line A multiplied by 1.15)		(B)
PROJECTED AVAILABLE DEBT SERVICE REVENUES		
Projected Pledged Property Tax Revenues		
Urban Renewal Project Area Total Assessed Value		
Urban Renewal Project Area Base Assessed Value		
Urban Renewal Project Area Incremental Assessed Value		
Certified Tax Levies--Entities Covering Entire Urban Renewal Project Area (But Not "Excluded Mill Levies")		
Projected Property Taxes--Entities Covering Entire Urban Renewal Project Area (Tax Levies Applied to Urban Renewal Project Area Incremental Assessed Value)		(C)
144 th Avenue GID Total Assessed Value		
144 th Avenue GID Base Assessed Value		
144 th Avenue GID Incremental Assessed Value		
Certified Tax Levy--144 th Avenue GID		
Projected Property Taxes--144 th Avenue GID (Tax Levy Applied to 144 th Avenue Incremental Assessed Value)		(D)
Estimated County Collection Costs		(E)
Total (C plus D minus E)		(F)
Available Supplemental Reserve Moneys		
Amount in Revenue Fund		
Amount in Supplemental Reserve Fund and Loan Payment Fund		
Total		(G)
50% of Maximum Annual Debt Service Requirements		(H)
Available Supplemental Reserve Moneys (G less H)		(I)
Reserve Fund Replenishment		
Reserve Requirement		(J)
Amount in Reserve Fund		(K)
Replenishment Due (J minus K; if K is greater than J, enter \$0)		(L)
Supplemental Reserve Fund Replenishment		
50% of Maximum Annual Debt Service Requirements		(M)
Amount in Supplemental Reserve Fund, Loan Payment Fund and Revenue Fund (enter amount from line G)		(N)
Replenishment Due (M minus N; if N is greater than M, enter \$0)		(O)
Projected Available Debt Service Revenues (excluding sales tax) (F plus I, minus L, minus O)		(P)
Sales Tax Base Amount	\$0	(Q)
Sales Tax Revenues Required (B minus P plus Q)		(R)
Actual Taxable Sales		(S)
Resulting Sales Tax Percentage (R divided by S, multiplied by 100)		(T)
Minimum Pledged Sales Tax Rate (T rounded up to nearest 0.10%)		

EXHIBIT E
FORM OF REQUISITION FROM SUPPLEMENTAL RESERVE FUND

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY

NORTH HURON URBAN RENEWAL PROJECT

SUPPLEMENTAL RESERVE FUND ACCOUNT: _____

To: Shane Miner
999 18th Street, #2800
Denver, CO 80202
Email: Shane.miner@compassbank.com

This requisition is made in accordance with Section 4.05(g) of the Loan Agreement, dated August 29, 2012, between the Westminster Economic Development Authority and Compass Mortgage Corporation. Terms defined in the Agreement and not otherwise defined herein shall have the same meaning when used herein.

The Westminster Economic Development Authority hereby states as follows:

1. This is Requisition No._____.
2. The amount requisitioned hereunder is \$_____.
3. The amount requisitioned hereby shall be transferred from the Supplemental Reserve Fund to the Project Fund and shall thereafter be transferred from the Project Fund to (indicate the person, firm or corporation to whom the amount requisitioned is due):
4. The manner of payment to the payee is to be mailed to:
5. The amount hereby requisitioned constitutes a cost of the Urban Renewal Project and is a proper charge against the aforementioned Supplemental Reserve Fund, and has not been the basis for any previous withdrawal.
6. No Event of Default has occurred and is continuing under the Loan Agreement.
7. The undersigned is an Authorized Representative of the Borrower authorized to submit this Requisition.

Dated: _____

By: _____

2012 COOPERATION AGREEMENT (NORTH HURON URA)
BETWEEN THE CITY OF WESTMINSTER AND
THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY

THIS COOPERATION AGREEMENT (this “Agreement”), dated as of August 27, 2012, is made and entered into between the CITY OF WESTMINSTER, COLORADO (the “City”) and the WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY (the “Authority”).

WHEREAS, the City is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its City Charter; and

WHEREAS, the Authority is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes (“C.R.S.”) (the “Urban Renewal Law”); and

WHEREAS, pursuant to Article XIV of the Colorado Constitution, and Title 29, Article 1, Part 2, C.R.S., the City and the Authority are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the City has heretofore approved the Westminster Economic Development Authority North Huron Urban Renewal Plan (the “Plan”) and the urban renewal project described therein (the “Urban Renewal Project”); and

WHEREAS, the Urban Renewal Project has been undertaken for the public purpose of enhancing employment opportunities, eliminating existing conditions of blight, and improving the tax base of the City; and

WHEREAS, pursuant to Section 31-25-112, C.R.S., the City is specifically authorized to do all things necessary to aid and cooperate with the Authority in connection with the planning or undertaking of any urban renewal plans, projects, programs, works, operations or activities of the Authority, to enter into agreements with the Authority respecting such actions to be taken by the City, and appropriating funds and making such expenditures of its funds to aid and cooperate with the Authority in undertaking the Urban Renewal Project and carrying out the Plan; and

WHEREAS, the Authority has previously issued its Tax Increment Adjustable Rate Revenue Bonds (North Huron Urban Renewal Project) Series 2005 in the original aggregate principal amount of \$68,300,000 (the “Prior Bonds”), for the purpose of financing the acquisition, construction and equipping of the Urban Renewal Project; and

WHEREAS, in order to refund the Prior Bonds, the Authority entered into a variable rate Loan Agreement (the “2009 Loan Agreement”) with Compass Mortgage Corporation (“Compass”) to obtain a loan in the principal amount of not to exceed \$62,375,000 (the “2009 Loan”); and

WHEREAS, the Authority has determined that it is in the best interest of the Authority to (i) refund the 2009 Loan Agreement to fix the interest rate; ; (ii) incur additional obligations to fund certain improvements of the Authority; and (iii) in connection with the refunding, pay a termination payment in order to terminate the Exchange Agreement (collectively, the “Project”); and

WHEREAS, the City Council of the City (the “Council”) has adopted its Resolution 12-24 (the “Replenishment Resolution”) declaring its nonbinding intent and expectation that it will appropriate any funds requested, within the limits of available funds and revenues, in a sufficient amount to replenish the Reserve Fund to the Reserve Requirement, for the purpose of providing additional security for the payment of principal and interest on the Loan.

NOW, THEREFORE, in consideration of the mutual promises set forth below, the City and the Authority agree as follows:

1. LOAN. (a) If the Council appropriates funds pursuant to the Replenishment Resolution, such funds shall be a loan from the City to the Authority to be repaid as provided herein.

(b) The Authority acknowledges that the City Manager, City Staff and the City Attorney have provided and will continue to provide substantial administrative and legal services to the Authority in connection with the Plan, the Urban Renewal Project, the Loan and the Project. The Authority shall pay to the City, the City’s costs for services rendered to the Authority in connection with the Plan, the Urban Renewal Project, the Loan and the Project. The City shall provide written evidence of such costs to the Authority from time to time. To the extent that this annual debt is incurred, this obligation is hereby designated a loan from the City to the Authority to be repaid as provided herein.

(c) Any other amounts advanced or loaned to the Authority by the City or payments made or debts incurred by the City on behalf of the Authority relating to the Plan, the Urban Renewal Project, the Loan or the Project may be designated a loan from the City to the Authority to be repaid as provided herein.

2. PAYMENT. (a) All amounts payable by the Authority to the City hereunder shall constitute “Subordinate Debt” for purposes of the Loan Agreement. The Authority shall cause such amounts to be paid from and to the extent of Pledged Revenue (as defined in the Loan Agreement) available for the payment of Subordinate Debt in accordance with Section 4.02 of the Loan Agreement.

(b) The Authority agrees to pay the City interest in the amount of 5% on the principal balance of any amounts designated as a loan hereunder.

3. FURTHER COOPERATION. (a) The City shall continue to make available such employees of the City as may be necessary and appropriate to assist the Authority in carrying out any authorized duty or activity of the Authority pursuant to the Urban Renewal Law, the Plan, the Urban Renewal Project, the Loan or the Project, or any other lawfully authorized duty or activity of the Authority.

(b) The City agrees to assist the Authority by pursuing all lawful procedures and remedies available to it to collect and transfer to the Authority on a timely basis all Pledged Revenue for deposit with Compass in accordance with the Loan Agreement. To the extent lawfully possible, the City will take no action that would have the effect of reducing tax collections that constitute Pledged Revenue.

(c) The City agrees to pay to the Authority any Pledged Property Tax Revenues and any Pledged Sales Tax Revenues (each as defined in the Loan Agreement) when, as and if received by the City, but which are due and owing to the Authority pursuant to the Urban Renewal Plan.

4. SUBORDINATION. The Authority's obligations pursuant to this Agreement are subordinate to the Authority's obligations for the repayment of any current or future bonded indebtedness. For purposes of this Agreement, the term "bonded indebtedness," "bonds" and similar terms describing the possible forms of indebtedness include all forms of indebtedness that may be incurred by the Authority, including, but not limited to, general obligation bonds, revenue bonds, revenue anticipation notes, tax increment notes, tax increment bonds, and all other forms of contractual indebtedness of whatsoever nature that is in any way secured or collateralized by revenues of the Authority, and including the Loan.

5. ALLOCATION OF SALES TAX REVENUE. The City currently imposes a municipal sales tax at a rate of 3.85%, pertaining to, including without limitation, the sale, lease, rental, purchase or consumption of tangible personal property and taxable services. Pursuant to the terms of the Urban Renewal Plan, the City and the Authority may provide for the method by which sales tax increments shall be allocated and paid to the Authority. The City and the Authority hereby agree that the incremental revenues derived from the City sales tax at a rate as specified any loan agreement, bond indenture, bond resolution or other agreement pursuant to which WEDA borrows money for the project, shall be allocated to the Authority. Pursuant to Section 31-25-107, C.R.S., the balance of the City's sales tax revenues shall be retained by the City.

6. GENERAL PROVISIONS. (a) Dispute Resolution. If a dispute arises between the parties relating to this Agreement, the parties agree to submit the dispute to mediation prior to filing litigation.

(b) Separate Entities. Nothing in this Agreement shall be interpreted in any manner as constituting the City or its officials, representatives, consultants or employees as the agents of the Authority, nor as constituting the Authority or its officials, representatives, consultants or employees as agents of the City. Each entity shall remain a separate legal entity pursuant to applicable law. Neither party shall be deemed hereby to have assumed the debts, obligations or liabilities of the other.

(c) Third Parties. Neither the City nor the Authority shall be obligated or liable under the terms of this Agreement to any person or entity not a party hereto, other than the Lender.

(d) Modifications. No modification or change of any provision in this Agreement shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by both parties with the prior written consent of the Lender and incorporated as a written amendment to this Agreement. Memoranda of understanding and correspondence shall not be construed as amendments to the Agreement.

(e) Entire Agreement. This Agreement shall represent the entire agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations or agreements, either written or oral, between the parties relating to the subject matter of this Agreement and shall be independent of and have no effect upon any other contracts.

(f) Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

(g) Assignment. This Agreement shall not be assigned, in whole or in part, by either party without the written consent of the other and of the Lender.

(h) Waiver. No waiver of a breach of any provision of this Agreement by either party shall constitute a waiver of any other breach or of such provision. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies reserved in this Agreement shall be cumulative and additional to any other remedies in law or in equity.

(i) The Prior Cooperation Agreements. This Agreement supersedes and replaces any and all prior cooperation agreements. Any amounts owing to the City by the Authority pursuant to such prior cooperation agreements shall be payable under the terms and conditions described in this Agreement and shall be payable on a subordinate basis to the payment due and owing under the Loan Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS HEREOF, the parties have caused this Agreement to be executed by their duly authorized officers on the date above.

WESTMINSTER ECONOMIC
DEVELOPMENT AUTHORITY

CITY OF WESTMINSTER, COLORADO

By: _____
Chairperson

By: _____
Mayor

ATTEST:

ATTEST:

Secretary

City Clerk

Executive Director

APPROVED AS TO LEGAL FORM

APPROVED AS TO LEGAL FORM

By: _____
Authority Attorney

By: _____
City Attorney

**INTERGOVERNMENTAL COOPERATION AGREEMENT BETWEEN
THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY AND THE CITY
OF WESTMINSTER REGARDING PUBLIC IMPROVEMENTS IN THE
NORTH HURON URBAN RENEWAL AREA**

This Intergovernmental Cooperation Agreement (the "Agreement"), dated as of August 27, 2012, by and between the WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY ("WEDA"), a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado and the CITY OF WESTMINSTER (the City"), a home rule municipality duly organized and existing under the Constitution and laws of the State of Colorado (collectively the "Parties").

W I T N E S S E T H ;

WHEREAS, the City is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its City Charter; and

WHEREAS, WEDA is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes ("C.R.S.") (the "Urban Renewal Law"); and

WHEREAS, pursuant to Article XIV of the Colorado Constitution, and Title 29, Article 1, Part 2, C.R.S., the City and WEDA are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the City has heretofore approved the Westminster Economic Development Authority North Huron Urban Renewal Plan (the "Plan") and the urban renewal project described therein (the "Urban Renewal Project"); and

WHEREAS, the Urban Renewal Project has been undertaken for the public purpose of enhancing employment opportunities, eliminating existing conditions of blight, and improving the tax base of the City; and

WHEREAS, pursuant to Section 31-25-112, C.R.S., the City is specifically authorized to do all things necessary to aid and cooperate with WEDA in connection with the planning or undertaking of any urban renewal plans, projects, programs, works, operations or activities of WEDA, to enter into agreements with WEDA respecting such actions to be taken by the City, and appropriating funds and making such expenditures of its funds to aid and cooperate with WEDA in undertaking the Urban Renewal Project and carrying out the Plan; and

WHEREAS, pursuant to the Plan, WEDA is collecting tax increment revenues to accomplish the purposes of the Plan; and

WHEREAS, the City and WEDA have determined that it is in the best interest of the Authority and the City that the City construct various public improvements, including improvements to Orchard Parkway and 142nd Avenue, at an estimated cost of not to exceed \$7,000,000 (the "Project"); and

WHEREAS, in order to repay the City for the costs of the Project, WEDA has entered into a Loan Agreement (the "Loan Agreement") with Compass Bank ("Compass"); in the amount of \$59,000,000, approximately \$6,500,000 of such amount shall be used to provide funding for a portion of the Project; and

WHEREAS, the remaining costs of the Project are expected to be advanced by the City to WEDA, and WEDA shall repay such advance through tax increment revenues as authorized by Section 31-25-107(9)(a)(II), Colorado Revised Statutes; and

WHEREAS, the Parties desire to enter into this intergovernmental cooperation agreement for the purpose of financing the Project and to provide for the repayment of amounts advanced by the City to WEDA.

NOW THEREFORE, in consideration of the foregoing recitals, and the following terms and conditions, the Parties hereby agree as follows:

1. Construction of the Project. The City agrees to construct the Project on behalf of WEDA subject to the following:

- (a) WEDA shall reimburse the City for all costs of the Project from approximately \$6,500,000 of proceeds of the Loan with Compass and the remaining amount of not to exceed \$500,000 shall be repaid by WEDA through tax increment revenue or other available revenue of WEDA;
- (b) Any amounts advanced by the City to WEDA for the Project shall not bear interest;
- (c) Any such advance shall be subordinate to the Loan Agreement and shall be repaid to the City at such times as revenues are available to WEDA.

2. Cooperation. The Parties covenant with each other that in any action or challenge of the Urban Renewal Plan or this Agreement, regarding the legality, validity or enforceability of any provision thereof, the Parties will work cooperatively and in good faith to defend and uphold each and every such provision.

3. Effective Date; Term. This Agreement shall become effective as of the date set forth in the initial paragraph hereof. Unless sooner terminated by mutual consent of the Parties, this Agreement shall remain in full force and effect until the tax allocation provisions of the Urban Renewal Plan and the Act terminate.

4. Amendments and Waivers. No amendment or waiver of any provision of this Agreement, nor consent to any departure herefrom, in any event shall be effective unless the

same shall be in writing and signed by the Parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. Governing Law. This Agreement shall be governed by, and construed in accordance with the laws of the State of Colorado.

6. Headings. Paragraph headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

7. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto and duly authorized as of the date first above written.

WESTMINSTER ECONOMIC DEVELOPMENT
AUTHORITY

By: _____
Executive Director

APPROVED AS TO LEGAL FORM:

Attorney for Authority

CITY OF WESTMINSTER

By: _____
Mayor

(SEAL)

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

City Attorney