

LOAN AND SECURITY AGREEMENT

THIS LOAN AND SECURITY AGREEMENT (this "Agreement") is executed as of the ___ day of November, 2005, by and between GOLDEN URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado ("Borrower"), and COLORADO BUSINESS BANK ("Lender").

Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise require, the terms defined in this Section have the meanings assigned to them in this Section, and include the plural as well as the singular; all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GASB.

"Act" means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31 of the Colorado Revised Statutes, as amended from time to time.

"Additional OPA Property Tax Revenues" means Property Tax Revenues which are generated by a property subject to a Future Owner Participation Agreement and which Property Tax Revenues are in excess of the Property Tax Revenues generated by such property in the year such Future Owner Participation Agreement was entered into. In no event however, shall the term include any additional incremental Property Tax Revenues generated by the improvements to be constructed in connection with the Proposed Redevelopment Projects in excess of the Property Tax Revenues generated by such Projects for the base year in which construction thereof commenced.

"Advance" means any advance to Borrower by Lender under Loan.

"Affiliate" means any Person controlled by, controlling or under common control with Borrower, including without limitation, any Subsidiary of Borrower. For purposes of this definition: (i) "control," when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and (ii) "Affiliate" shall not be deemed to include any condominium association, partnership, limited liability company or joint venture of which Borrower is now or hereafter a member, partner or joint venturer, as appropriate, and in which its membership, partnership, joint venture or other ownership interest therein or any obligations with regard thereto, as applicable, either (x) does not violate the Debt limitations of Section 16(b) hereof; or (y) is otherwise financed or paid for from sources other than the Collateral.

"Agreement" means this Loan and Security Agreement, and all amendments, extensions, modifications, replacements and substitutions thereto.

"Business Day" means a day other than a Saturday or Sunday on which banks are generally open for business in Denver, Colorado.

"Capital Lease" means any lease of any property, excluding real property, used in Borrower's business operations that would, in conformity with GASB, be required to be accounted for as a capital lease on Borrower's balance sheet.

"Closing" means the effective date of this Agreement.

"Collateral" means the following revenues and moneys of Borrower:

the Property Tax Revenues;

the Property Tax Revenue Account; and

all replacements and substitutions of the Property Tax Revenue Account into any other account (whether or not maintained with Lender) and all earnings, income and cash proceeds on deposit from time to time in the Property Tax Revenue Account.

"Debt" shall mean, as to any Person, whether recourse is secured by or is otherwise available against all or only a portion of the assets of such Person, and whether or not contingent, but without duplication:

- (a) every obligation of such Person for money borrowed;
- (b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations incurred in connection with the acquisition of property, assets or business;
- (c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar facilities issued for the account of such Person;
- (d) every reimbursement obligation of such Person with respect to owner participation agreements, reimbursement agreements or other tax increment financing agreements pertaining to any tax increment financing arrangement involving any portion of the Property Tax Revenues;
- (e) every obligation of such Person to contribute property or services or to make capital or equity contributions to or for the benefit of any entity in which such Person is a shareholder, partner, member, joint venturer or owner of any legal or beneficial interest therein, whether pursuant to capital call, subscription agreement, contribution agreement or otherwise;
- (f) every obligation of such Person issued or assumed as the deferred purchase price of property or services (including securities repurchase agreements but excluding trade accounts payable or accrued liabilities arising in the ordinary course of business which are not overdue or which are being contested in good faith);
- (g) every obligation of such Person under any Capital Lease;
- (h) every obligation in respect of Debt of any other entity (including any partnership in which such Person is a general partner) to the extent that such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent that the terms of such Debt provide that such Person is not liable therefor and such terms are enforceable under applicable law;

(i) every obligation, contingent or otherwise, of such Person guaranteeing, or having the economic effect of guaranteeing or otherwise acting as surety for, any obligation of a type described in any of clauses (a) through (h) of this definition (the "primary obligation") of another Person (the "primary obligor"), in any manner, whether directly or indirectly, and including, without limitation, any obligation of such Person (i) to purchase or pay (or advance or supply funds for the purchase of) any security for the payment of such primary obligation, (ii) to purchase property, securities or services for the purpose of assuring the payment of such primary obligation, or (iii) to maintain working capital, equity capital or other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such primary obligation.

The "amount" or "principal amount" of any Debt at any time of determination represented by (v) any Debt, issued at a price that is less than the principal amount at maturity thereof, shall be the amount of the liability in respect thereof determined in accordance with generally accepted accounting principles, and (w) any Capital Lease shall be the principal component of the aggregate of the rentals obligation under such Capital Lease payable over the term thereof that is not subject to termination by the lessee.

"Default" means an event that, with giving of notice or passage of time or both, would constitute an Event of Default.

"Default Rate" means at any time the lesser of (a) 9.51% per annum, or (b) the highest non-usurious interest rate permitted by applicable Law.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Estimated Property Tax Revenues" means the total annual Property Tax Revenues anticipated to be received by Borrower from the Jefferson County Treasurer for the applicable calendar year based on the estimate of annual Property Tax Revenues to be delivered to Borrower by the Jefferson County Assessor on or before December 15 of the prior year.

"Event of Default" has the meanings specified in the "Events of Default and Remedies" Section of this Agreement.

"Future Owner Participation Agreement" means an agreement entered into by the Borrower and an owner of property after the date of this Agreement pursuant to which the Borrower agrees to reimburse such property owner for expenditures made by such property owner (which expenditures could have been made by the Borrower pursuant to the Act) and which reimbursement payments are limited to the Additional OPA Property Tax Revenues generated by such property. In no event, however, shall the term include any owner participation or reimbursement agreements pertaining to additional incremental Property Tax Revenues generated by the improvements to be constructed in connection with the Proposed Redevelopment Projects.

"GASB" means accounting standards established by the Governmental Accounting Standards Board then in effect, applied on a consistent basis.

"Golden Urban Renewal Plan" means the Golden Urban Renewal Plan (aka Golden Downtown Redevelopment Plan) approved by the City of Golden, Colorado by Ordinance No. 1078.

"Good Faith" or "good faith" means honesty in fact in the conduct or transaction concerned and the test for the good faith of any Person shall be a subjective rather than an objective (or reasonableness) test of such Person's state of mind.

"Jefferson County Assessor" means the County Assessor of Jefferson County, Colorado, and any successor thereto authorized and empowered by applicable law to act in such capacity. In the event the office of the Jefferson County Assessor shall ever cease to exist, such term shall mean and refer to any replacement office authorized by applicable law to act in such capacity.

"Jefferson County Treasurer" means the County Treasurer of Jefferson County, Colorado, and any successor thereto authorized and empowered by applicable law to act in such capacity. In the event the office of the Jefferson County Treasurer shall ever cease to exist, such term shall mean and refer to any replacement office authorized by applicable law to act in such capacity.

"Laws" means all constitutions, treaties, statutes, laws, ordinances, regulations, rules, orders, writs, injunctions, or decrees of the United States of America, any state or commonwealth, any municipality, any foreign country, any territory or possession, or any Tribunal.

"Loan" means the non-revolving draw-down term loan in the maximum principal amount of Eight Million Seven Hundred Fifty Thousand and No/100 Dollars (\$8,750,000.00) being made by Lender to Borrower in accordance with, and subject to the terms and conditions of, this Agreement and the other Loan Documents.

"Loan Documents" means this Agreement, the Promissory Note and any other documents or instruments now or hereafter executed in connection with the Loan that evidence, secure or otherwise govern or pertain to the Loan, together with all amendments, extensions, modifications, replacements, and substitutions to any of the foregoing documents and instruments.

"Material Adverse Effect" means any of the following: (i) a material adverse effect on the business, operations, financial or other condition of Borrower; (ii) any material impairment (whether in a single event or a series of successive events) of Borrower's ability, as a whole, to pay, perform and observe any and all of its Obligations under the Loan Documents; or (iii) a material impairment of the priority of Lender's security interests in the Collateral or in Lender's ability to exercise its rights and remedies in accordance with the Loan Documents.

"Maturity Date" means December 1, 2015, unless sooner accelerated in accordance with this Agreement, in which case it means the earlier date.

"Non-Default Rate" means a fixed rate of interest equal to 4.51% per annum.

"Obligations" means: (i) all indebtedness, liability and other obligations of Borrower arising under this Agreement, the Promissory Note, and the other Loan Documents; and (ii) all other covenants, indemnities, liabilities, and obligations of Borrower arising under any of the Loan Documents.

"Permitted Liens" means any liens or encumbrances upon any of the Collateral disclosed to, and permitted by, Lender pursuant to Section 16(a) of this Agreement.

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

"Plan" means an employee benefit plan or other plan maintained for employees of Borrower and covered by Title IV of ERISA.

"Promissory Note" means the Tax Increment Revenue Note of even date herewith in the original principal amount of the Loan executed by Borrower and made payable to the order of Lender, together with all amendments, modifications, extensions, replacements and substitutions thereto.

"Property Tax Revenues" shall mean that portion of the annual ad valorem property tax revenues in excess of the amount produced by the levy of those taxing bodies that levy ad valorem property taxes on the valuation for assessment of taxable property in the Urban Renewal Area last certified prior to the effective date of approval of the Golden Urban Renewal Plan as calculated in accordance with Section 31-25-107(9) of the Act and the regulations implementing the Act; less the proportional share of the reasonable and necessary costs and expenses of enforcing and collecting the Property Tax Revenues. The term "Property Tax Revenues" shall also include, without limitation: (i) Borrower's rights to payment of such Revenues, whether arising under contract, by statute or otherwise; (ii) any and all interest, earnings and income on such Revenues; (iii) any all additional incremental Property Tax Revenues generated by the improvements to be constructed in connection with the Proposed Redevelopment Projects in excess of the Property Tax Revenues generated by such Projects for the base year in which construction thereof commenced; and (iv) those Property Tax Revenues payable by the Jefferson County Treasurer to Borrower with regard to ad valorem property taxes assessed by the Jefferson County Assessor in the year 2014 and payable in the year 2015.

"Property Tax Revenue Account" shall have the meaning set forth in Section 7 hereof.

"Senior Debt Service Coverage Ratio" means (i) the total Property Tax Revenues (less any Additional OPA Property Tax Revenues) for a particular calendar year plus the balance of, including all additional deposits required to be made by Borrower to, the Debt Service Reserve Account for the relevant time period divided by (ii) the total of all regularly scheduled Senior Debt Service Payments of Borrower for such year.

"Senior Debt Service Payments" means the sum of (i) all regularly scheduled principal and interest payments on the Loan; plus (ii) all regularly scheduled payments required to be

made by Borrower from the Property Tax Revenues under the Owner Participation Agreements described in Section 4 of **Exhibit C** attached hereto.

"Subordination Provisions" means the subordination provisions appearing in **Exhibit D** attached hereto and incorporated herein by this reference, all of which shall be included in any instrument evidencing or securing any Debt of Borrower permitted pursuant to Section 16(b) hereof (other than any Debt pertaining to any Future Owner Participation Agreements) and which shall expressly name Lender and its successors and assigns as intended third party beneficiaries thereof.

"Subsidiary" means any corporation, partnership, limited liability company, partnership, or other entity of which more than 50% of the outstanding ownership interests are directly or indirectly owned by Borrower and one or more entities of which more than 50% of the outstanding ownership interests are directly or indirectly owned by Borrower, or by one or more corporations, partnerships, limited liability companies or partnerships or other entities of which more than 50% of the outstanding ownership interests are directly or indirectly owned by Borrower. For purposes of this definition, "Subsidiary" shall not be deemed to include any condominium association, partnership, limited liability company or joint venture of which Borrower is now or hereafter a member, partner or joint venturer, as appropriate, and in which its membership, partnership, joint venture or other ownership interest therein, as applicable, (x) does not violate the Debt limitations of Section 16(b) hereof; or (y) is otherwise financed or paid for from sources other than the Collateral.

"Taxes" means all taxes, assessments, fees, levies, imposts, duties, deductions, withholdings, or other charges of any nature whatsoever affecting the Borrower or the Collateral from time to time or at any time imposed by any Law or Tribunal.

"Total Debt Service Coverage Ratio" means (i) the Estimated Property Tax Revenues to be received by Borrower for the applicable calendar year, divided by (ii) the maximum regularly scheduled Total Debt Service Payments of Borrower for any calendar year during the remainder of the term of the Loan.

"Total Debt Service Payments" means, as of the time of calculation during the term hereof, the sum of (i) all regularly scheduled principal and interest payments on the Loan during the applicable calendar year; plus (ii) all regularly scheduled payments required to be made by Borrower from the Estimated Property Tax Revenues under the Owner Participation Agreements described in Section 4 of **Exhibit C** attached hereto for such calendar year; plus (iii) all regularly scheduled principal and interest payments required to be made by Borrower from Estimated Property Tax Revenues under any of the Debt permitted pursuant to Section 16(b)(iii) hereof for such calendar year; plus (iv) the total amount of grants made to property owners located within the current Golden Urban Renewal Plan area from Estimated Property Tax Revenues for such calendar year; plus (v) the amount required to be paid under a Future Owner Participation Agreement, but only up to the amount of the Additional OPA Property Tax Revenues generated by the property subject to such Future Owner Participation Agreement.

"Tribunal" means any state, commonwealth, federal, foreign, territorial or other court or governmental department, commission, board, bureau, district, authority, agency, central bank, or instrumentality, or any arbitration authority.

"Urban Renewal Area" means the area included in and subject to the Golden Urban Renewal Plan.

2. The Loan.

(a) Advances. Lender agrees to provide Borrower with Advances of the Loan upon and subject to the terms and conditions of this Agreement and other Loan Documents. The following is an anticipated Advance schedule for the Loan, although the parties acknowledge that the same is subject to change. Under no circumstances, however, shall Advances of the Loan be allowed or permitted subsequent to November 1, 2009:

<u>Date of Advance</u>	<u>Principal Amount of Advance</u>
At Closing	\$2,150,000.00
April 1, 2006	\$2,000,000.00
November 1, 2006	\$2,000,000.00
February 1, 2007	\$2,000,000.00
January 1, 2008	<u>\$ 600,000.00</u>
Total Amount of Advances	\$8,750,000.00

Advances of the Loan shall be in a minimum amount of Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00). The Loan shall accrue interest under the terms and conditions set forth in this Agreement, shall be secured by the Collateral and shall at all times during the term of the Loan remain a "qualified tax-exempt obligation" as defined in Section 265(b)(3) of the U.S. Internal Revenue Code, as amended from time to time (the "Code"). Each request for an Advance shall be accompanied by a Request for Advance executed by Borrower substantially in the form of **Exhibit B** attached hereto and incorporated herein by this reference, with all blanks completed and boxes checked, as appropriate. The Loan is a non-revolving loan, and no portion of the Loan once borrowed, may be repaid and re-borrowed.

Notwithstanding anything to the contrary contained herein, in no event shall Borrower be entitled to any Advance of Loan proceeds (or portion thereof) if such Advance (or portion thereof) would cause Borrower not to comply with the Senior Debt Service Coverage Ratio requirements of Section 15(k) hereof. Borrower shall, from available Property Tax Revenues, and may, from other moneys of the Borrower, deposit additional funds to the Debt Service Reserve Account at the times and in the amounts required pursuant to the provisions of Section 13(b)(i) hereof in order to maintain compliance with the Senior Debt Service Coverage Ratio requirements of Section 15(k). Borrower's failure, after notice from the Bank of a deficiency, to maintain a sufficient balance in the Debt Service Reserve Account in accordance with the requirements of Section 13(b)(i) hereof in order to comply with the Senior Debt Service Coverage Ratio requirements of this Agreement shall constitute an immediate Event of Default under this Agreement and the other Loan Documents. Borrower's failure to satisfy the Total Debt Service

Coverage Ratio test requirements of Sections 13(b)(i) and 13(b)(ii) hereof shall not constitute a Default or Event of Default under this Agreement or the other Loan Documents, but shall be an express condition precedent to: (y) the borrowing or re-payment (including any pre-payment) of any Debt otherwise permitted under Section 16(b)(iii) hereof until the earlier of such time as: (I) there exists sufficient proceeds in the Property Tax Revenue Account to make all Senior Debt Service Payments and, to the extent of any Additional OPA Property Tax Revenues, the payments due on any Future Owner Participation Agreements for the particular year in question (it being agreed that during any time period in which Borrower is not in compliance with the Total Debt Service Coverage Ratio test, Borrower may make payments or pre-payments on such Debt from other sources not constituting a portion of the Collateral, including sale tax revenues and amounts on deposit in Borrower's general operating account); or (II) Lender has received all required payments on the Loan for the relevant time period; and (z) the transfer of any funds on deposit in the Property Tax Revenue Account to Borrower's general operating account in accordance with the terms and provisions of Section 12(d) hereof which are not in excess of the Senior Debt Service Payments for such calendar year.

(b) Payment of Amounts Owing Under Loan. Subject to the terms and conditions set forth in Sections 5 and 18(s) hereof and without limiting any other amounts required to be paid by Borrower to Lender pursuant to this Agreement, Borrower shall pay Lender all outstanding amounts with respect to the Loan including, without limitation, all unpaid principal and accrued but unpaid interest, fees, and expenses thereon on the Maturity Date.

(c) Promissory Loan Note; Ledgers and Other Records. The Loan shall be evidenced by the Promissory Note and any related ledgers or other records of Lender. The ledgers and other records of Lender shall be conclusive and binding evidence of the amounts owing and unpaid on the Promissory Note, absent manifest error.

3. Interest Rate.

(a) The principal of the Advances outstanding from time to time during any month under the Loan shall bear interest (computed on the basis of actual days elapsed in a 365/366 year) at the Non-Default Rate; provided, however, if an Event of Default has occurred and is continuing at any time, in Lender's discretion and without waiving any of its other rights and remedies, the principal of the Advances under the Loan outstanding from time to time shall thereafter bear interest at the Default Rate, such default interest to be payable upon demand; and provided further, that in any event no rate change shall be put into effect which would result in a rate greater than the highest rate permitted by Colorado Law.

4. Bank Qualified Debt. The Loan shall remain a "qualified tax exempt obligation" within the meaning of Section 265(b)(3) of the Code at all times during the term of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Promissory Note or any of the other Loan Documents, in event the Loan, as a result of any act or omission of Borrower, ceases at any time during the term hereof to remain a "qualified tax exempt obligation", the Loan shall thereafter accrue interest at the Default Rate.

5. Payments.

(a) Loan.

(i) Interest Payments. Borrower shall pay to Lender interest on the unpaid principal balance of the Loan on June 1 and December 1 of each calendar year during the term of the Loan. In addition, Borrower may (but shall not be obligated to) make interest-only payments on the Loan on March 1 and September 1 of each calendar year during the term of the Loan if Borrower notifies Lender of its intent to do so at least thirty (30) days prior to such quarterly interest payment date.

(ii) Principal Payments; Amortization. Borrower shall make principal reduction payments on the Loan commencing June 1, 2006, and continuing on June 1 and December 1 of each calendar year thereafter during the term of the Loan. The amount of such principal payments shall be (A) based on a level amortization schedule over the remainder of the term of the Loan; (B) calculated by Lender on December 1 of each year during the term of this Agreement, commencing December 1, 2005; and (C) based on the then current outstanding principal balance of the Loan. The interest only payments required or permitted to be made by Borrower pursuant to Section 5(a)(i) hereof shall not reduce or delay the principal reduction payments required pursuant to this Section.

(iii) Payment of Loan on Maturity Date. If not sooner paid, Borrower shall, subject to Section 18(s) hereof, pay to Lender all outstanding amounts with respect to the Loan (including, without limitation, any Advances and all accrued but unpaid interest, fees, expenses and charges with respect to the Loan) on the Maturity Date.

6. Voluntary Prepayment. In addition to the scheduled principal payments required pursuant to Section 5(a)(ii) hereof, Borrower may, in its discretion, prepay the Loan in whole or in part without premium or penalty on June 1 and December 1 of each year during the term hereof upon providing Lender with at least thirty (30) days' prior notice of its intent to do so. All prepayments shall be applied: first, to fees, charges and expenses; then, to interest; and then, to principal.

7. Form of Payments. All payments with respect to the Loan, and the other amounts to be paid to Lender under this Agreement and the other Loan Documents shall be made to Lender in immediately available funds. Following the occurrence and during the continuance of an Event of Default, Borrower hereby authorizes Lender, in its discretion, to charge such amounts on deposit in Borrower's depository account no. _____ established and maintained with Lender to hold and maintain the Property Tax Revenues (the "Property Tax Revenue Account"). Borrower acknowledges and agrees that Lender shall have and retain all statutory and common law rights of offset with regard to the Property Tax Revenue Account.

8. Payment on Business Days. Whenever any payment to be made 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 interest on the Advances under the Loan or the fees hereunder, as the case may be.

9. Use of Proceeds. All requested Advances and the use thereof shall comply with all applicable laws. In no event shall the proceeds of the Loan be used for Borrower's operating overhead or reimbursement payments under any Owner Participation Agreement described in Section 4 of **Exhibit C** hereto or any Future Owner Participation Agreement.

10. Estoppel. Borrower, upon Lender's demand from time to time, shall admit and certify in writing the outstanding balance on the Obligations and the existence or absence of any known claims, defenses, setoffs, or counterclaims in connection therewith. Any billing statement or accounting rendered by Lender shall be conclusive and fully binding on Borrower unless specific written notice of exception is given to Lender by Borrower within thirty (30) days after its receipt by Borrower.

11. Fees.

(a) Non-Refundable Loan Fee. Borrower shall pay to Lender a fully-earned and non-refundable loan origination fee for the Loan in an amount equal to 1% of the principal amount of the Loan, payable as follows:

A one-half of 1% (.5%) loan origination fee shall be paid by Borrower to Lender at the time of Closing and shall be calculated on the basis of Seven Million Two Hundred Fifty Thousand and No/100 Dollars (\$7,250,000.00) of the principal amount of the Loan being advanced. The balance of one-half of 1% (.5%) loan origination fee (again calculated on the basis of Seven Million Two Hundred Fifty Thousand and No/100 Dollars (\$7,250,000.00) of principal being advanced) shall be paid by Borrower to Lender at the time of each Advance; provided, however, that if the final One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) of principal of the Loan is advanced pursuant to the terms of this Agreement, Borrower shall pay to Lender a 1% loan origination fee on such amount at the time of such Advance.

(b) Lender's Expenses. Borrower shall pay or reimburse Lender for its reasonable fees and expenses (including, without limitation, reasonable legal fees and all accounting, audit and field examination fees and expenses) incurred by Lender in connection with (i) the preparation, negotiation, execution, delivery, filing, recording, and administration of this Agreement and the other Loan Documents; (ii) the preparation, negotiation, execution, delivery, filing, recording, and administration, from time to time, of any and all amendments, modifications, extensions, replacements, and substitutions of this Agreement and the other Loan Documents; (iii) the protection, collection, enforcement and exercise of any Obligations, rights and remedies under this Agreement and the other Loan Documents; and (iv) the collection, protection, repossession, storage, preparation, processing, manufacture, sale, use, disposition, and foreclosure of any Collateral (collectively, "Lender's Fees"). Borrower also shall pay or reimburse Lender for all Taxes (except Lender's income taxes), fees, duties, imposts and other charges incurred by or imposed upon Lender in connection with the Loan and other financial accommodations described in this Agreement and the other Loan Documents.

12. Collateral Provisions.

(a) Grant of Security Interest. Borrower hereby pledges, hypothecates, assigns for security purposes, and grants to Lender a first priority lien and security interest in the Collateral as security for the payment and performance of the Obligations in a full and complete manner, subject solely to the right to prior payment under the Owner Participation Agreements described in Section 4 of Exhibit C attached hereto and, to the extent of any Additional OPA Property Tax Revenues, any Future Owner Participation Agreements. Such liens and security interests shall encumber all of the Collateral.

(b) Creation, Perfection, Enforcement and Priority of Security Interests. The creation, perfection, enforcement and priority of the liens and security interests in the Collateral granted, pledged, assigned and hypothecated hereby in favor of Lender shall be governed by C.R.S. §11-57-208 (2) and all other applicable provisions of Part 2, Title 11, Article 57, Colorado Revised Statutes and each section and subsection thereof, as well as by C.R.S. §31-25-101 et. seq. and all subsections thereof. The parties hereby acknowledge and agree that Borrower's execution, delivery and issuance of the Note shall be governed by and subject to the terms and provisions of Title 11, Article 57, Part 2 and Title 31, Article 25, Part 1, Colorado Revised Statutes, and all sections and subsections thereof. Borrower irrevocably and unconditionally authorizes Lender (or its agent) to file at any time and from time to time such financing statements with respect to the Collateral naming Lender or its designee as the secured party and Borrower as debtor, as Lender may require, and including any other information with respect to Borrower or otherwise required by the applicable law of such jurisdiction as Lender may determine, together with any amendment and continuations with respect thereto, which authorization shall apply to all financing statements and other notices filed on, prior to or after the date hereof. Borrower hereby ratifies and approves all financing statements and notices naming Lender or its designee as secured party and Borrower, as debtor with respect to the Collateral (and any amendments with respect to such financing statements) filed by or on behalf of Lender prior to the date hereof and ratifies and confirms the authorization of Lender to file such financing statements (and amendments, if any).

(c) Notification of Jefferson County Treasurer. In addition to the other rights of Lender described in this Agreement with respect to any and all rights to payment constituting Collateral, Lender may at any time after the occurrence of an uncured Event of Default, notify the Jefferson County Treasurer that such Property Tax Revenues and Borrower's rights to payment thereof have been assigned or transferred to Lender as security for the Obligations and shall be paid directly to Lender. Borrower shall join in giving such notice if Lender so requests. At any time after Borrower or Lender gives such notice to the Jefferson County Treasurer, Lender may, but need not, in Lender's name or in Borrower's name, demand, sue for, collect, or receive any money or property at any time payable or receivable on account of, or securing, any such Property Tax Revenues or related rights to payment thereof, or grant any extension to, make any compromise or settlement with or otherwise agree to waive, modify, amend, or change the obligations (including collateral obligations) of the Jefferson County Treasurer, applying all Collateral as permitted under this Agreement; subject, however, to the requirements of any applicable Law. If the Property Tax Revenues are paid directly to the Lender, the Lender shall provide the Borrower with a sufficient amount of such Property Tax Revenues to make the payments required under the Owner Participation Agreements described in Section 4 of **Exhibit**

C attached hereto and, to the extent of any Additional OPA Property Tax Revenues, any Future Owner Participation Agreements.

(d) Pledge of Property Tax Revenue Account. As additional security for the payment and performance of the Obligations, Borrower hereby pledges, hypothecates, assigns for security purposes and grants to Lender a first priority lien and security interest in and to the Property Tax Revenue Account and all substitutions and replacements thereof into any other account (whether or not maintained with Lender) and all earnings, income and cash proceeds on deposit therein and any increases thereto, subject, however, to the prior rights of property owners under the Owner Participation Agreements described in Section 4 of **Exhibit C** hereto and, to the extent of any Additional OPA Property Tax Revenues, any Future Owner Participation Agreements. Borrower acknowledges and agrees that Lender shall have and maintain throughout the term of the Loan possession and control of the Property Tax Revenue Account and that no withdrawals therefrom (other than to make payments of principal and interest on the Loan and to make owner participation payments pursuant to the Owner Participation Agreements described in Section 4 of **Exhibit C** hereto and, to the extent of any Additional OPA Property Tax Revenues, any Future Owner Participation Agreements, in each case in accordance with the terms and provisions of this Agreement and the other Loan Documents) shall be made or permitted without the express prior written consent of Lender; provided, however, that: (A) so long as: (i) no Default or Event of Default then exists and is continuing hereunder; and (ii) Borrower remains in compliance with the Total Debt Service Coverage Ratio test requirements of Sections 13(b)(i) and 13(b)(ii) hereof, amounts on deposit in the Property Tax Revenue Account may be used to make principal and interest payments due on any of the subordinated Debt permitted pursuant to Section 16(b)(iii) hereof and, to the extent of any Additional OPA Property Tax Revenues, payments due on any Future Owner Participation Agreements; and (B) any amounts on deposit in the Property Tax Revenue Account in excess of the payments required to be made on the Loan and the Owner Participation Agreements described in Section 4 of **Exhibit C** hereto and, to the extent of any Additional OPA Property Tax Revenues, any Future Owner Participation Agreements for any particular calendar year during the term hereof may be transferred by Borrower to the general operating account established and maintained by Borrower with Lender and used by Borrower for any other lawful purpose. Upon the occurrence and continuation of any Event of Default, Lender shall be entitled to apply all amounts then on deposit in the Property Tax Revenue Account to the principal, accrued but unpaid interest, and other amounts owing under this Agreement and the other Loan Documents in such amounts and in such order as Lender, in its sole and absolute discretion, may elect, subject, however, to the prior rights of property owners under the Owner Participation Agreements described in Section 4 of **Exhibit C** hereto and, to the extent of any Additional OPA Property Tax Revenues, any Future Owner Participation Agreements.

13. Conditions of Lending.

(a) Documentary Conditions Precedent to Advances under the Loan. The obligation of Lender to make any Advance under the Loan on and after the date hereof shall be subject to the condition precedent that Lender has received all of the following documents on the date hereof, each in form and substance satisfactory to Lender:

(i) A certificate of the Executive Director of Borrower, certifying as to (A) the resolutions of the commissioners of Borrower authorizing the execution, delivery and performance of this Agreement and the other Loan Documents, (B) the Golden Urban Renewal Plan, and all amendments and modifications thereto, and (C) the signatures of the officers or agents of Borrower authorized to execute and deliver this Agreement, the other Loan Documents and other instruments, agreements and certificates, including Advance requests, on behalf of Borrower.

(ii) A copy of the certificate establishing the Borrower certified by the Colorado Department of Local Affairs;

(iii) A certificate of the Clerk of the City of Golden, Colorado, certifying the names of all current commissioners of Borrower;

(iv) This Agreement properly executed on behalf of Borrower;

(v) The Promissory Note properly executed on behalf of Borrower;

(vi) A Request for Advance in the form attached hereto as **Exhibit B**, for the initial Advance of Loan proceeds and as otherwise required by this Agreement, properly completed and executed by Borrower;

(vii) UCC-1 Financing Statements;

(viii) Payoff and lien release letter executed by Wells Fargo Bank, N.A., together with terminations of all liens and security interests against the Collateral (except Permitted Liens and those in favor of the Lender) properly executed by the lien holders and secured parties;

(ix) Current searches of appropriate filing offices showing that (A) no state or federal Tax liens have been filed and remain in effect against Borrower, (B) no financing statements have been filed and remain in effect against Borrower except those financing statements relating to Permitted Liens and liens released at Closing as contemplated by the preceding Clause (viii);

(x) An IRS Form 8038-G or Form 8038-GC, fully completed and executed by Borrower. Payment of any unpaid fees or other amounts owing to Lender as of the date of this Agreement;

(xi) Payment of all of Lender's attorneys' fees and costs, lien search fees, and all other charges and expenses incurred by Lender in the documentation, negotiation and closing of the loan transaction described herein;

(xii) An opinion letter from Borrower's counsel containing opinions as to Borrower's formation and existence; power and authority to execute, deliver and perform its Obligations under the Loan Documents; the due authorization and enforceability of the Loan Documents as against Borrower; Borrower's status as a tax exempt entity and tax treatment of the transaction contemplated by the Loan Documents;

the priority and perfection of the liens and security interests granted by Borrower in favor of Lender as security for the Obligations; and such other opinions as Lender or its counsel may reasonably request, all in form and content reasonably acceptable to Lender; and

(xiii) Such other documents, instruments, certifications and other materials as Lender, in its sole discretion, may require.

(b) Non-documentary Conditions Precedent to Advances under the Loan. The obligation of Lender to make any Advance under the Loan on and after the date hereof shall be subject to the following additional conditions precedent:

(i) At Closing, ten percent (10%) of the amount of the initial Advance of Two Million One Hundred Fifty Thousand and No/100 Dollars (\$2,150,000.00), or Two Hundred Fifteen Thousand and No/100 Dollars (\$215,000.00), shall be either withheld from such Advance or deposited by the Borrower from other moneys of the Borrower and deposited into a separate debt service reserve account (the "Debt Service Reserve Account") established by Borrower with Lender at the time of Closing. The Debt Service Reserve Account shall be maintained by Borrower with Lender throughout the term of the Loan. Borrower shall make additional deposits to the Debt Service Reserve Account in an amount equal to ten percent (10%) of each subsequent requested Advance from such Advance or from other moneys of the Borrower at the time the same is made; provided, however, that the amount on deposit in the Debt Service Reserve Account shall not exceed Five Hundred Thousand Dollars (\$500,000.00) unless such excess is required to meet the Senior Debt Service Coverage Ratio, as described below. The Borrower shall, from available Property Tax Revenues, and may, from other moneys of the Borrower, make an additional deposit to the Debt Service Reserve Account on or before December 31 of each year during the term of the Loan in such amount as may be required by Lender to cause Borrower to remain in compliance, for the following year, with the Senior Debt Service Coverage Ratio described in Section 15(k) hereof (each an "Additional Borrower Deposit"). Provided Lender receives from (x) the Jefferson County Assessor on or before December 15 of each year during the term of this Agreement, such Assessor's calculation of the Estimated Property Tax Revenues for Borrower's next succeeding fiscal year; and (y) Borrower on or before December 15 of each year during the term hereof, the proposed budget and other financial projections for Borrower's next succeeding fiscal year required pursuant to Section 15(a)(iv) hereof, Borrower's Senior Debt Service Coverage Ratio and Total Debt Service Coverage Ratio for the next succeeding fiscal year shall be calculated by Lender and the results thereof provided to Borrower no later than December 31 of each such year during the term of the Loan, together with a calculation of any Additional Borrower Deposit required by Borrower to the Debt Service Reserve Account in order to maintain compliance with the Senior Debt Service Coverage Ratio. Such Additional Borrower Deposits, if any, required by Lender in order to insure Borrower's ongoing compliance with the Senior Debt Service Coverage Ratio shall not be made from proceeds of the Loan but shall be made from Property Tax Revenues (including future additional incremental Property Tax Revenues) or may be made from Borrower's other sources.

(ii) In addition to and without limiting the generality of anything contain in Section 13(b)(i) hereof, as condition to Borrower's ability to incur any Debt otherwise permitted pursuant to Section 16(b)(iii) hereof, Borrower shall notify Lender of its desire to incur such Debt and, in connection therewith, provide Lender with financial information concerning the amount and payee thereof and the term thereof, including interest rate and maturity. Borrower shall also provide Lender with an updated budget for the current fiscal year, including the amount and payee of all then existing Debt and the current Estimated Property Tax Revenues. Lender shall have five (5) days following its receipt of all such required information to verify that the Total Debt Service Coverage Ratio test has been satisfied. If Borrower satisfies such test, Borrower shall be permitted to incur such Debt and make ordinary course payments thereon even if there then exists, at the time of such calculation, insufficient proceeds in the Property Tax Revenue Account to make all required principal, interest and other payments (if any) on the Loan during such fiscal year. If Borrower fails to satisfy such test, Borrower shall not be entitled to: (A) incur any Debt otherwise permitted pursuant Section 16(b)(iii) hereof; and (B) make, nor shall any holder of any Debt permitted pursuant to Section 16(b)(iii) hereof be entitled to accept, any payment or pre-payment of such Debt, in each case unless and until the earliest of such time as: (I) there exists sufficient proceeds in the Property Tax Revenue Account to make all required Senior Debt Service Payments and, to the extent of any Additional OPA Property Tax Revenues, the payments due on any Future Owner Participation Agreements for the particular year in question (it being agreed that during any time period in which Borrower is not in compliance with the Total Debt Service Coverage Ratio test, Borrower may make payments or pre-payments on such Debt from other sources not constituting a portion of the Collateral, including sale tax revenues and amounts on deposit in the Borrower's general operating account); (II) Lender has received all required payments on the Loan for the relevant time period; or (III) Borrower demonstrates that it is in compliance with the Total Debt Service Coverage Ratio test. In connection with entering into any Future Owner Participation Agreement, the Borrower shall notify the Lender of its intention to enter into such Future Owner Participation Agreement and shall provide the Lender with a copy of the Future Owner Participation Agreement and the payments required to be made thereunder. Under no circumstances shall Borrower enter into any Future Owner Participation Agreement involving any of the Proposed Redevelopment Projects without Lender's prior written consent, which consent may be withheld in its sole discretion.

(iii) On the date of such requested Advance, the representations and warranties contained in this Agreement shall be correct as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date.

(iv) On the date of such requested Advance, no event shall have occurred and be continuing, or would result from such Advance that would constitute a Default or an Event of Default.

(v) On the date of such requested Advance, all conditions precedent to the disbursement of such Advance shall have been completed to Lender's satisfaction.

14. Representations and Warranties. Borrower hereby represents and warrants to Lender as follows:

(a) Urban Renewal Authority Existence and Power; Name; Chief Executive Office.

(i) Borrower is a duly organized and existing urban renewal authority, lawfully created under the Act, and is duly licensed or qualified to transact business in all jurisdictions where the character of the property owned or leased by it or the nature of the business transacted by it make such licensing or qualification necessary. Borrower has all requisite power and authority, corporate or otherwise, to conduct its business, to own its properties and to execute, deliver, and perform all of its Obligations under the Loan Documents.

(ii) Borrower has transacted business solely under the name "Golden Urban Renewal Authority." After the Closing and during the term of the Loan, Borrower will transact business under the name "Golden Urban Renewal Authority." The chief executive office of Borrower and the only location at which Borrower transacts business in the United States is identified on Exhibit A attached hereto and incorporated herein by this reference, and all of Borrower's business records relating to its businesses or the Collateral are kept at that location.

(b) Authorization of Borrowing; No Conflict as to Law or Agreements. The execution, delivery and performance by Borrower of the Loan Documents and the borrowings from time to time hereunder have been duly authorized by all necessary action of the Borrower and do not and shall not: (i) require any authorization, consent or approval by, or registration, declaration or filing with, or notice to, any governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, or any third party, except such authorization, consent, approval, registration, declaration, filing or notice as has been obtained, accomplished or given prior to the date hereof; (ii) violate any provision of any Law (including without limitation, Regulation X of the Board of Governors of the Federal Reserve System) or of any order, writ, injunction or decree presently in effect having applicability to Borrower or of the Golden Urban Renewal Plan or other organizational document of Borrower; (iii) result in a breach of, or constitute a default under, any indenture or loan or credit agreement or any other material agreement, lease or instrument to which Borrower is a party or by which it or its properties may be bound or affected; or (iv) result in, or require, the creation or imposition of any mortgage, deed of trust, pledge, lien, security interest, or other charge or encumbrance of any nature (other than the liens and security interests belonging to Lender) upon or with respect to any of the Collateral now owned or hereafter acquired by Borrower.

(c) Legal Agreements. This Agreement constitutes and, upon due execution by Borrower, the other Loan Documents shall constitute the legal, valid, and binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms, except as the enforceability thereof may be subject to or limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the rights of creditors generally and general principles of equity, regardless of whether applied in a proceeding at law or in equity.

(d) Subsidiaries. There are no Affiliates or Subsidiaries of Borrower.

(e) Financial Condition; No Adverse Change. Borrower has heretofore furnished to Lender the consolidated audited financial statements of Borrower for its fiscal year ended December 31, 2004, and internally prepared consolidated financial statements for Borrower for certain interim periods during its fiscal year ending December 31, 2005, and those statements, to the knowledge of Borrower, fairly present the financial condition of Borrower on the dates thereof and the results of its operations and cash flows for those periods and were prepared in accordance with GASB. Since the date of the most recent audited financial statements of Borrower, there has been no material adverse change in the business, properties or condition (financial or otherwise) of Borrower.

(f) Litigation. Except as disclosed on Exhibit C attached hereto and incorporated herein by this reference, there are no actions, suits or proceedings pending or, to the knowledge of Borrower, threatened against or affecting Borrower or the properties of Borrower before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which, if determined adversely to Borrower would have a Material Adverse Effect on the financial condition, properties or operations of Borrower.

(g) Regulation U. Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and no part of the proceeds of any Advance under the Loan shall be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(h) Taxes. Borrower has paid or caused to be paid to the proper taxing authorities when due all federal, state, and local Taxes of every kind and character required to be paid and/or withheld by it, other than such Taxes as Borrower may be contesting as to amount, applicability, or validity of such Taxes in good faith by appropriate proceedings diligently pursued by Borrower. Borrower has filed all federal, state, and local Tax returns which to the knowledge of the officers of Borrower are required to be filed.

(i) Titles and Liens. Borrower will have good and absolute title to (A) all Collateral consisting of money or cash proceeds, when and as the same are paid to Borrower by the Jefferson County Treasurer; and (B) all other Collateral, immediately following Closing, in each case free and clear of all mortgages, security interests, liens, and encumbrances, except for those belonging to Lender, those permitted pursuant to this Agreement and the other Loan Documents or as specifically described on Exhibit C hereto. Except for financing statements in favor of Lender, no financing statement naming Borrower as debtor is or shall be on file in any office.

(j) Debt. Borrower has no Debt required to be paid from the Property Tax Revenues other than that belonging to Lender, the Debt permitted pursuant to this Agreement and the other Loan Documents or as specifically described on Exhibit C hereto.

(k) Plans. Borrower does not maintain nor has it maintained any Plan and Borrower has not received any notice nor does it have any knowledge to the effect that it is not in

full compliance with any of the requirements of ERISA or the Pension Benefit Guaranty Corporation.

(k) Default. Borrower is in compliance with all material provisions of all agreements, instruments, decrees and orders to which it is a party or by which it or its respective properties are bound or affected, the breach or default of which could have a Material Adverse Effect.

(m) Submissions to Lender. All historical financial and other information provided to Lender by or on behalf of Borrower in connection with Borrower's request for the Loan contemplated hereby is true and correct in all material respects and, as to projections, valuations or *pro forma* financial statements, present a good faith opinion based on current available facts as to such projections, valuations and *pro forma* condition and results.

(o) Rights to Payment. Except as otherwise previously and explicitly disclosed to Lender in writing prior to the date hereof, each right to payment and each instrument, document, chattel paper and other agreement constituting or evidencing Collateral is (or, in the case of all future Collateral, shall be when arising or issued) the valid, genuine and legally enforceable obligation of the Jefferson County Treasurer (and any other obligor named in Borrower's records as being obligated thereon) pursuant to the Act and the regulations implementing the tax increment provisions therein, subject to no defense, setoff or counterclaim.

(p) No Change in Golden Urban Renewal Plan; Qualification to Transact Business. The City of Golden, Colorado, has not amended, modified, repealed, or otherwise altered the Golden Urban Renewal Plan during the period between September 1, 2005, and the date of this Agreement, and Borrower remains qualified to transact business in all states where the failure to be so qualified could reasonably be expected to have a Material Adverse Effect.

(q) Owner Participation Agreements. Exhibit C contains a complete listing of all property tax increment participation agreements to which Borrower is currently a party (the "Owner Participation Agreements"), all of which are currently in full force and effect. None of the Owner Participation Agreements have been amended or modified and true, correct and complete copies of same have previously been delivered to Lender.

15. Affirmative Covenants of Borrower. So long as the Loan remains unpaid, or the Loan remains outstanding, Borrower shall comply with the following requirements, unless Lender shall otherwise consent in writing:

(a) Reporting Requirements. Borrower shall deliver, or cause to be delivered, to Lender each of the following, which shall be in form and detail acceptable to Lender:

(i) as soon as available, and in any event on or before July 31 of the following calendar year during each year of the term of this Agreement, annual audited financial statements of Borrower for its fiscal year ending December 31 (and each fiscal year thereafter) prepared by a national or regional public accounting firm with the unqualified opinion of independent certified public accountants selected by Borrower and reasonably acceptable to Lender, which annual audited financial statements shall include the balance sheet of Borrower as at the end of such fiscal year and the related statements

of income, retained earnings and cash flows of Borrower for the fiscal year then ended, prepared on a consolidated basis, all in reasonable detail and prepared in accordance with GASB, together with a certificate of the chief financial officer of Borrower stating that such financial statements have been prepared in accordance with GASB and whether or not such officer has knowledge of the occurrence of any Default or Event of Default hereunder and, if so, stating in reasonable detail the facts with respect thereto;

(ii) as soon as available and in any event within 45 days following the end of each fiscal quarter during the term of this Agreement, internally prepared balance sheets, statements of income, cash flow statements and statements of retained earnings of Borrower as at the end of and for such quarter and for the year to date period then ended, prepared on a consolidated basis, in reasonable detail and stating in comparative form the figures for the corresponding date and periods in the previous year, and including financial information relating to depreciation and tax accruals, all prepared in accordance with GASB, subject to year-end audit adjustments;

(iii) within 30 days following Borrower's receipt of same from the Jefferson County Assessor (receipt estimated to be on or about December 15 of each year) during each year of the term of this Agreement, a copy of the annual property tax incremental value established by such Assessor for the Urban Renewal Area;

(iv) no later than December 15 of each fiscal year during the term of the Loan, its standard form of operating budget itemizing in reasonable detail all anticipated revenue and expenses for the coming fiscal year, including an itemization, on a project by project basis, of anticipated incremental property tax revenue for the coming fiscal year and otherwise in form and content reasonably acceptable to Lender;

(v) immediately after the commencement thereof, notice in writing of all litigation and of all proceedings before any governmental or regulatory agency affecting Borrower or the Collateral;

(vi) as promptly as practicable (but in any event not later than five Business Days) after executive management of Borrower obtains knowledge of the occurrence of any breach, default or event of default under any Loan Document or any event which constitutes a Default or Event of Default hereunder, a notice of such occurrence, together with a detailed statement by a responsible officer of Borrower of the steps being taken by Borrower to cure the effect of such breach, default or event;

(vii) promptly upon knowledge thereof, notice of (A) any determination by the Internal Revenue Service revoking the tax-exempt status of the Loan, and/or (B) any pending or threatened action, suit, litigation or other proceeding that may adversely affect the tax-exempt status of the Loan or Borrower's rights to receive the Property Tax Revenues or amounts thereof;

(viii) as soon as possible, and in any event within five (5) Business Days upon its receipt thereof, copies of any notices or demands received by Borrower from any owner under a Future Owner Participation Agreement with respect to such Agreement;

(ix) promptly upon its knowledge thereof, notice of the violation by Borrower of any Law, the non-compliance with which, in Borrower's reasonable judgment, could have a Material Adverse Effect;

(x) promptly upon its knowledge thereof, notice of any material adverse change in the Borrower's business, assets, operations or conditions (financial or otherwise) including, but not limited to, notice of any tax deficiency, bankruptcy petition or other event that, in Borrower's reasonable judgment, could have a Material Adverse Effect; and

(xi) from time to time, in response to a reasonable request by Lender and with reasonable promptness, copies of all documents and instruments related to the Collateral including, without limitation, any and all promissory notes and related loan documents, loan schedules, tax increment participation agreements, and such other material financial and/or non-financial materials, reports, records or information as Lender may reasonably request; provided, however, that Borrower shall not be required to provide the Lender with any information regarding third parties that is not permitted to be disclosed pursuant to the Colorado Revised Statutes, as amended, or is subject to a confidentiality agreement.

(b) Books and Records; Inspection and Examination. Borrower shall keep accurate books of record and account for itself pertaining to the Collateral in which true and complete entries shall be made in accordance with GASB and, upon the request of Lender, and in the absence of any Event of Default with at least 5 Business Days' prior notice, Borrower shall permit any officer, employee, attorney, or accountant for Lender to audit, review, make extracts from, or copy (at its own cost) any and all corporate and financial books and records of Borrower related to the Collateral during Borrower's ordinary business hours, and to discuss the affairs of Borrower with any of their directors, officers, employees or agents. Upon the occurrence and continuation of any Event of Default, Lender shall be entitled to immediate access to Borrower's books and records, and its offices, employees, directors and agents. Borrower shall permit Lender, or its employees, accountants, attorneys or agents, to examine and inspect any Collateral, at any time during ordinary business hours upon reasonable notice provided by Lender in the absence of an Event of Default, and at any time during the occurrence and continuation of any Event of Default, immediately upon demand by Lender; provided, however, that Borrower shall not be required to provide the Lender with any information regarding third parties that is not permitted to be disclosed pursuant to the Colorado Revised Statutes, as amended, or is subject to a confidentiality agreement.

(c) Account Verification. Borrower shall, upon the request of Lender, and Lender may, upon the occurrence of any Default or Event of Default, send requests for verification of Property Tax Revenues to the Jefferson County Assessor and the Jefferson County Treasurer.

(d) Compliance with Laws. Borrower shall (i) comply with the requirements of applicable laws and regulations, the non-compliance with which would have a Material Adverse Effect; (ii) comply in all material respects with all applicable Environmental Laws, obtain any permits, licenses, or similar approvals required by any such Environmental Laws,

provided, that Borrower shall be given a reasonable period of time consistent with recognized remediation industry practices to complete the remediation of any property in violation of any Environmental Laws; and (iii) use the Collateral only for lawful purposes, without violation of any Law. To the extent permitted by law, Borrower shall indemnify, defend, and hold Lender harmless from and against any claim, loss, or damage to which Lender may be subjected as a result of entering into the transactions contemplated by this Agreement (except to the extent any claim, loss or damage is directly and proximately caused by Lender's gross negligence or willful misconduct or other actions taken by Lender related thereto) including, without limitation, the existence, use, handling, storage, transportation, or disposal of any Hazardous Materials (as hereinafter defined) by Borrower or on property owned, leased, or controlled by Borrower. This indemnification shall survive the termination of this Agreement and payment and performance of the Obligations.

For purposes of this Agreement, "Hazardous Materials" means any substance, whether solid, liquid or gaseous, that is listed, defined, or regulated as a "hazardous substance," "hazardous waste," "solid waste," or otherwise classified as hazardous or toxic, in or pursuant to any Environmental Law, agreement or restriction (including but not limited to any condition or requirement imposed by any insurance or surety company) as the same now exists or may be changed or amended or come into effect in the future, that pertains to health, safety or the environment including, but not limited to, ground or air or water or noise pollution or contamination, and underground or above ground storage tanks; or that is or contains asbestos, radon, any polychlorinated biphenyl, urea formaldehyde foam insulation, explosive or radioactive material, or motor fuel or other petroleum hydrocarbons; or that causes or poses a threat to cause a contamination or nuisance or a hazard to the environment or to the health or safety of persons.

(e) Payment of Taxes and Other Claims. Borrower shall pay or discharge, when due, (i) all Taxes, if any, levied or imposed upon it or upon its income or profits, upon any properties belonging to it (including without limitation, the Collateral) or upon or against the creation, perfection or continuance of the liens and security interests granted to Lender, prior to the date on which penalties attach thereto; and (ii) all Taxes required by Law to be withheld by it; provided, that Borrower shall not be required to pay any such Tax if Borrower is contesting the amount, applicability, or validity thereof in good faith by appropriate proceedings diligently pursued by Borrower and has established reserves for the payment of the foregoing Tax in an amount acceptable to Lender in its discretion.

(f) Protection of Collateral. Borrower shall defend the Collateral against all material claims or demands of all persons (other than Lender and any persons having prior rights in the Collateral pursuant to Owner Participation Agreements described in Section 4 of **Exhibit C** hereto and, to the extent of any Additional OPA Property Tax Revenues, any Future Owner Participation Agreements) claiming the Collateral or any interest therein which is not subordinated to the Lien of this Agreement. Borrower shall keep all Collateral covered by the Loan Documents free and clear of all liens, security interests, and encumbrances except for those belonging to Lender or otherwise permitted by this Agreement.

(g) Insurance. Borrower shall obtain and at all times maintain insurance (including theft insurance if available) with insurers chosen by Borrower and reasonably

acceptable to Lender, including, without limitation: (A) general public liability insurance, including, without limitation, commercial general liability insurance and umbrella liability coverage for personal injury, bodily injury, death, accident and property damage; and (B) worker's compensation and disability insurance as required by Law for all employees. The Lender hereby approves the Colorado Intergovernmental Risk Sharing Agency as an acceptable insurer.

(h) Preservation of Corporate Existence. Borrower shall preserve and maintain its existence as an urban renewal authority organized pursuant to the Act, and all of its rights, privileges, and franchises necessary or desirable in the normal conduct of its business.

(i) Delivery of Instruments. Upon request by Lender, Borrower shall promptly deliver to Lender in pledge all chattel papers, documents, instruments, and investment property constituting Collateral, duly endorsed or assigned by Borrower.

(j) Debt Service Reserve Account. At Closing, Borrower shall establish with Lender, and thereafter maintain with Lender throughout the term of this Agreement, the Debt Service Reserve Account defined and described in Section 13(b) hereof. Such Account shall remain subject at all times to Lender's statutory and common law rights of offset and Borrower shall make such deposits from time to time to the Debt Service Reserve Account as required by the terms of Section 13(b) hereof.

(k) Minimum Senior Debt Service Coverage Ratio. As measured on an annual basis, Borrower shall maintain a minimum Senior Debt Service Coverage Ratio of at least 1.25 to 1.0 for all fiscal years of Borrower occurring during the term of the Loan, commencing with the fiscal year ending December 31, 2005, and continuing through and including the fiscal year ending December 31, 2015. Such Senior Debt Service Coverage Ratio shall be calculated each year by Lender following its receipt from the Jefferson County, Colorado Assessor of the projected annual property tax incremental value of the Urban Renewal Area and the financial and budgetary information required of Borrower pursuant to Section 15(a)(iv) hereof.

(l) Deposit Accounts. Commencing not more than 30 calendar days following the Closing, Borrower shall maintain all operating deposit accounts with Lender.

(m) Business Purpose. Borrower shall conduct no business that would cause the Loan to cease being treated as a "qualified tax exempt obligation" within the meaning of Section 265(b)(3) of the Code or that would otherwise cause any Default or Event of Default.

16. Negative Covenants. So long as the Promissory Note shall remain unpaid or the Loan shall be outstanding, Borrower agrees that, without the prior written consent of Lender:

(a) Liens. Borrower shall not create, incur or suffer to exist any mortgage, deed of trust, pledge, lien, security interest, hypothecation, assignment for security purposes or other encumbrances (collectively "Liens") against any of the Collateral, whether now owned or hereafter acquired; excluding, however, from the operation of the foregoing:

(i) Liens belonging to Lender or any of its affiliates;

- (ii) Liens, if any, for Taxes not yet due and payable;
- (iii) Liens for worker's compensation premiums, unemployment insurance, and other types of social security and the like that are not yet due and payable;
- (iv) Liens in existence on the date hereof and listed in **Exhibit C** attached hereto and incorporated herein by this reference;
- (v) Liens securing payments on Future Owner Participation Agreements which are payable from the Additional OPA Property Tax Revenues; and
- (vi) Liens for other Debt permitted pursuant to Section 16(b)(iii), provided (A) no Default or Event of Default then exists and is continuing (either immediately prior to or immediately following the granting of such Liens); and (B) such Liens are made subject and subordinate in all respects to repayment of the Obligations and to Lender's Liens securing same pursuant to the Subordination Provisions.

(b) **Debt**. Borrower shall not incur, create, assume, or permit to exist any Debt payable from the Collateral except:

- (i) Debt arising hereunder or otherwise owing to Lender or its affiliates;
- (ii) Debt of Borrower in existence on the date hereof and listed in **Exhibit C** attached hereto;
- (iii) Debt incurred by Borrower for projects undertaken by Borrower in the Urban Renewal Area, provided (A) no Default or Event of Default then exists and is continuing (either immediately prior to or immediately following the incurrence of such Debt); (B) Borrower has satisfied the Total Debt Service Coverage Ratio test requirements of Sections 13(b)(i) and 13(b)(ii) hereof; and (C) such Debt and any Liens on the Collateral securing same remain at all times subject and subordinate to the Obligations and Lender's Liens securing the same pursuant to the Subordination Provisions;
- (iv) Any Debt Represented by a Future Owner Participation Agreement; and
- (v) Any Debt paid solely from: (A) any amounts on deposit in Borrower's general operating account established and maintained by Borrower with Lender, but only if at the time any such amounts were transferred from the Property Tax Revenue Account to Borrower's general operating account, there then existed no Default or Event of Default and such transfer was not otherwise in violation of the provisions of Section 12(d) hereof; and (B) amounts on deposit in any account (wherever located) established by Borrower and maintained to hold and collect any incremental sales tax revenues.

Notwithstanding anything to the contrary contained in this Section:

(X) Borrower shall be entitled to: (i) make (and the subordinated lender shall be entitled to accept) pre-payments of any of the subordinated Debt described in Subsection 16(b)(iii) hereof; and (ii) to issue (and such subordinated lender shall be entitled to accept) additional subordinated Debt pursuant to Subsection 16(b)(iii) hereof, in each case without Lender's prior written consent, so long as: (A) in the case of: (1) prepayment of any permitted subordinated Debt, Borrower gives Lender at least 5 days' prior written notice of its intent to prepay such subordinated Debt, which notice shall contain a description of the original and outstanding principal amount of such subordinated Debt, the payee thereof and the amount to be prepaid; and (2) in the case of issuance of additional subordinated Debt, Borrower gives Lender at least 5 days' prior written notice of its intent to borrow additional subordinated Debt from such subordinated lender, which notice shall contain a description of the additional subordinated Debt, including the amount thereof, interest rate thereon and repayment terms thereof; (B) no Default or Event of Default then exists and is continuing under this Agreement or any of the other Loan Documents or would be created as a result of such pre-payment or issuance of such additional subordinated Debt, as applicable; (C) Borrower has made all payments required under Section 13(b) of this Agreement in order maintain compliance, both before and following the making of such pre-payment or issuance of such additional subordinated Debt, as applicable, with the Senior Debt Service Coverage Ratio and Debt Service Reserve Account requirements, respectively, of Sections 15(k) and 13(b) hereof; and (D) in the case of issuance of additional subordinated Debt: (1) Borrower has satisfied the Total Debt Service Coverage Ratio test requirements of Sections 13(b)(i) and 13(b)(ii) hereof; and (2) such Debt and any liens and security interests granted by Borrower in favor of such subordinated lender as security therefor are fully subordinated to the Obligations and to Lender's Liens in the Collateral pursuant to the Subordination Provisions; and

(Y) Upon the occurrence of: (A) any Event of Default; and/or (B) any failure of Borrower to satisfy the Total Debt Service Coverage Ratio test requirements of Sections 13(b)(i) or 13(b)(ii) hereof for any year during the term thereof, Borrower shall not be entitled to incur any subordinate Debt otherwise permitted pursuant to this Section 16(b) nor shall Borrower be entitled to make or issue, nor shall the holder of any subordinate Debt permitted under this Section 16(b) be entitled to accept, any payment or pre-payment of such Debt or any additional subordinated Debt permitted hereunder, in each case unless and until: (x) with regard to any Event of Default, such Event of Default has been fully cured to Lender's satisfaction; and (y) with regard to any failure of Borrower to satisfy the Total Debt Service Coverage Ratio requirements of Sections 13(b)(i) and 13(b)(ii) hereof, the earlier of such time as: (I) there exists sufficient proceeds in the Property Tax Revenue Account to make all required payments on the Loan for the particular year in question (it being agreed that during any time period in which Borrower is not in compliance with the Total Debt Service Coverage Ratio test, Borrower may make payments or pre-payments on such Debt from other sources not constituting a portion of the Collateral, including sale tax revenues and any amount on deposit in Borrower's general operating account); or (II) Lender has received all required payments on the Loan for the relevant time period.

(c) No Withdrawals from Debt Service Reserve Account. Except for Lender's offset rights or to make scheduled principal or interest payments on the Loan, Borrower shall not cause or permit any funds to be withdrawn from the Debt Service Reserve Account.

(d) Investments and Subsidiaries. Borrower shall not purchase or hold beneficially any stock or other securities or evidences of indebtedness of, make or permit to exist any loans or advances to, nor make any investment or acquire any interest whatsoever in, any other Person, including without limitation any partnership, joint venture, or limited liability company with proceeds of the Collateral. Notwithstanding the foregoing: (i) Borrower may make investments with proceeds of the Collateral in direct obligations of the United States of America or any agency or instrumentality thereof whose obligations constitute full faith and credit obligations of the United States of America having a maturity of one year or less, commercial paper issued by U.S. corporations rated AA 1 or AA 2 by Standard & Poor's Corporation or AP 1 or AP 2 by Moody's Investors Service or certificates of deposit or bankers' acceptances having a maturity of one year or less issued by members of the Federal Reserve System having deposits in excess of One Hundred Million and No/100 Dollars (\$100,000,000.00), which certificates of deposit or bankers' acceptances are fully insured by the Federal Deposit Insurance Corporation, or such other investments permitted by Lender; (ii) so long as no Default or Event of Default then exists and is continuing or would be caused thereby, Borrower may invest in real estate companies, including joint ventures, partnerships and limited liability companies, in each case without Lender's prior written consent, provided such investments are consistent, in Borrower's reasonable good faith judgment, with the Act and the Golden Urban Renewal Plan.

(e) Accounting. Borrower shall not adopt any material change in accounting principles other than as permitted by GASB. Borrower shall not adopt, permit or consent to any change in its fiscal year.

(f) Property Tax Revenues. Borrower shall not amend, cancel, extend, modify, release, subordinate, substitute or terminate the Property Tax Revenues of the Jefferson County Treasurer.

(g) Other Defaults. Borrower shall use its commercially reasonable efforts to not permit any third party to exercise any post-default remedy under any material note, loan agreement, indenture, lease, mortgage, contract for deed, security agreement or other material contractual obligation binding upon Borrower that would reasonably be expected to have a Material Adverse Effect on the Borrower or Collateral.

(h) Golden Urban Renewal Plan; New or Additional Urban Renewal Plans. Borrower shall not take any affirmative action to amend, modify, alter or repeal the Golden Urban Renewal Plan nor allow or permit the creation or formation of any new or additional urban renewal plan for Borrower (each a "New Plan") if such amendment, modification, alternation or repeal of the Golden Urban Renewal Plan or the creation or formation of a New Plan for Borrower would cause or result in a breach or default under Sections 15(k) or 15(m) hereof without first obtaining Lender's prior written consent, which consent may be withheld in Lender's sole discretion.

(i) Tax Exempt Status. Borrower shall not allow or permit the occurrence of any act or omission that may (i) result in a termination of the tax-exempt status of the Loan; or (ii) otherwise cause the Loan to no longer be classified as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code.

(j) Change in Executive Management. Borrower shall promptly notify Lender of any change in its executive management.

(k) No Future Owner Participation Agreements for Proposed Redevelopment Projects. Borrower shall not enter into any Future Owner Participation Agreements involving any of the Proposed Redevelopment Projects without first obtaining Lender's prior written consent, which consent may be withheld in its sole discretion.

(l) Deposits to Borrower's General Operating Account. Borrower shall not transfer any funds or proceeds from the Property Tax Revenue Account to Borrower's general operating account established and maintained by Borrower with Lender except in compliance with the requirements of Section 12(d) hereof.

17. Events of Default, Rights and Remedies.

(a) Events of Default. The occurrence of any of the following events shall constitute an event of default hereunder (individually an "Event of Default" and collectively "Events of Default"):

(i) If Borrower fails to pay any principal, interest, fee or other amount on or before the due date thereof under this Agreement or any other Loan Document;

(ii) If any representation or warranty made herein by Borrower or in any written statement, certificate, report, or financial statement at any time furnished by, or on behalf of, Borrower in connection herewith, is incorrect or misleading in any material respect when made;

(iii) If Borrower fails to perform or observe any covenant or agreement contained in this Agreement or any other Loan Document, other than the covenants and agreements specifically described in this Section 17 (and each subsection hereof), and such failure remains un-remedied for a period of 60 days after the date Lender has given written notice thereof to Borrower; provided, however, that if such cure is not capable of being cured within such 60-day period and Borrower has commenced to cure such default within such 60-day period and is diligently proceeding with the same, Borrower shall be allowed an additional period of time not to exceed 30 days (for a total of 90 days) within which to cure such default;

(iv) The occurrence of any event of default (however defined) under any other material indebtedness or liabilities (defined for purposes of this subsection as any indebtedness or liabilities with an outstanding principal balance of greater than One Hundred Thousand and No/100 Dollars (\$100,000.00) to any other Person (including, but

not limited to, those contained in loan agreements, notes, indentures, leases, security agreements, mortgages, deeds of trust, and other contracts or agreements) and such event of default is not cured by Borrower within any applicable cure period;

(v) If Borrower: (A) discontinues its business, is adjudicated as a bankrupt or insolvent entity under any Law of any existing jurisdiction, domestic or foreign, ceases, is unable, or admits in writing its inability, to pay its debts generally as they mature, or makes a general assignment for the benefit of creditors; (B) applies for, or consents to, the appointment of any receiver, trustee, or similar officer for it or for any substantial part of its property, or any such receiver, trustee, or similar officer is appointed without the application or consent of Borrower, and such appointment continues thereafter un-discharged for a period of 60 days; (C) institutes or consents to the institution of any bankruptcy, insolvency, reorganization, arrangement, readjustment or debt, dissolution, liquidation, or similar proceeding relating to it under the laws of any jurisdiction; (D) shall have any such proceeding instituted against it without the consent of Borrower, and such proceeding continues thereafter un-discharged for a period of 60 days; (E) seeks to assert any claim, defense, setoff, or counterclaim against Lender without merit; or (F) permits any judgment, writ, warrant of attachment or execution, or similar process to be issued or levied against the Collateral and such judgment, writ, or similar process is not effectively stayed within 60 days after its issue or levy.

(vi) Borrower breaches its obligations under Subsections 15 (b), (j), (k), (l), or (m) under Subsections 16 (a), (b), (c), (f), (h), (i), (k) or (l) hereof;

(vii) The entry of any uninsured judgment against Borrower in excess of \$50,000, subject to reserves and which judgment is not contested in good faith; or

(viii) The occurrence of any default or event of default (however defined) under any of the other Loan Documents not cured within any applicable grace or cure period, regardless of whether such default or event of default would otherwise constitute an Event of Default hereunder.

(b) Rights and Remedies. Upon the occurrence of an Event of Default or at any time thereafter, Lender may exercise any or all of the following rights and remedies:

(i) Lender may, declare the Loan to be terminated, whereupon the same shall forthwith terminate and Lender shall have no further obligation to make Advances;

(ii) Lender may declare to be immediately due and payable the entire unpaid principal amount of the Loan then outstanding, all interest accrued and unpaid thereon, all other amounts payable under this Agreement and the other Loan Documents, and all other Obligations, whereupon the Promissory Note, all such accrued interest and all such amounts and Obligations shall become and be forthwith due and payable, without presentment, demand, notice of dishonor, protest or further notice of any kind, all of which are hereby expressly waived by Borrower;

(iii) Lender may, without further action, apply any and all money owing by Lender to Borrower, including without limitation any funds on deposit with Lender (including, without limitation, any funds then on deposit in the Debt Service Reserve Account and/or Property Tax Revenue Account), whether or not matured, to the payment of the Loan, including interest accrued thereon, and to all other sums then owing by Borrower hereunder;

(iv) Lender may exercise and enforce any and all rights and remedies available upon default to a secured party under Part 2 of Title 11, Article 57, and Part 1, Article 25, Title 31, Colorado Revised Statutes, including, without limitation, the right to take possession of Collateral, or any evidence thereof, proceeding without judicial process or by judicial process (without a prior hearing or notice thereof, which Borrower hereby expressly waives) and the right to apply any of the Collateral to any of the Obligations in any order it so chooses; and

(c) Lender may hold, maintain and preserve the Collateral.

18. Miscellaneous.

(a) Amendments, Etc. No amendment, modification, termination, or waiver of any provision of any Loan Document or consent to any departure by Borrower therefrom or any release of a Lien belonging to Lender shall be effective unless the same shall be in writing and signed by Lender, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on Borrower in any case shall entitle Borrower to any other or further notice or demand in similar or other circumstances.

(b) Financing Statement. A photographic or other reproduction of this Agreement or of any financing statements signed by Borrower is sufficient as a financing statement and may be filed as a financing statement. For this purpose, the following information is set forth:

Names and address of Debtor:

Golden Urban Renewal Authority
922 Washington Avenue, Suite 100
Golden, CO 80401

Name and address of Secured Party:

Colorado Business Bank
101 West Mineral Avenue
Littleton, CO 80120
Attention: Darrell Schulte, President

(c) Collateral. Borrower is entitled to any surplus and shall remain liable, to the extent of the recourse liability carve-outs provided in Section 18(s) hereof, for any deficiency

in the Collateral. Lender's duty of care with respect to Collateral in its possession (as imposed by Law) shall be deemed fulfilled if it exercises reasonable care in physically keeping such Collateral, or in the case of Collateral in the custody or possession of a bailee or other third person, exercises reasonable care in the selection of the bailee or other third person, and Lender need not otherwise preserve, protect, insure, or care for any Collateral. Lender shall not be obligated to preserve any rights Borrower may have against prior parties, to realize on the Collateral at all or in any particular manner or order or to apply any cash proceeds of the Collateral in any particular order of application.

(d) Indemnity. In addition to the other amounts described in this Agreement, to the extent permitted by law, Borrower agrees to indemnify, defend, and hold harmless Lender and its successors and assignees and all present and future officers, directors, employees, and agents of the foregoing (the "Indemnitees") from and against (i) any and all Taxes (other than income taxes) or charges made by any governmental authority by reason of the execution and delivery of this Agreement and the other Loan Documents or the making of the Loan; and (ii) any and all liabilities, losses, damages, penalties, judgments, suits, claims, costs, and expenses of any kind or nature whatsoever (except for those arising from the gross negligence or willful misconduct of any Indemnitee) including, without limitation, the reasonable fees and disbursements of counsel in connection with any investigative, administrative, or judicial proceedings, whether or not such Indemnitee shall be designated a party thereto, that may be imposed on, incurred by, or asserted against such Indemnitee, in any manner relating to, or arising out of or in connection with, making of the Loan, this Agreement, and all other Loan Documents or the use or intended use of the proceeds of the Loan (the "Indemnified Liabilities"). If any investigative, judicial, or administrative proceeding arising from any of the foregoing is brought against any Indemnitee, upon request of such Indemnitee, Borrower or counsel designated by Borrower and satisfactory to the Indemnitee shall resist and defend such action, suit, or proceeding to the extent and in the manner directed by the Indemnitee, at Borrower's sole cost and expense. Each Indemnitee shall use its reasonable efforts to cooperate in the defense of any such action, suit, or proceeding. If the foregoing undertaking to indemnify, defend, and hold harmless may be held to be unenforceable, because it violates any Law or public policy, Borrower shall nevertheless make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities that is permissible under applicable Law. The obligation of Borrower under this Subsection shall survive the termination of this Agreement and the discharge of Borrower's other Obligations.

(e) Execution in Counterparts. This Agreement and other Loan Documents may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same instrument.

(f) Headings. Section 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.

(g) Further Assurances and Substituted Performance. Borrower shall take any actions and execute any additional documents deemed reasonably necessary by Lender acting in good faith to carry out the intent or purposes of this Agreement. Lender shall be entitled, but not

required, to take any action that was required to be, but not, taken by Borrower under this Agreement. Such power of attorney is coupled with an interest and is irrevocable. Borrower shall reimburse Lender upon demand for any amounts, attorneys' fees, expenses and costs paid by Lender in connection with such actions together with interest thereon at the lower of the Default Rate or the highest rate permitted by Law from the date of payment until the date of reimbursement. No action taken by Lender shall be deemed to relieve Borrower' obligation to take such action or cure any default under this Agreement.

(h) Survival. This Agreement shall remain in full force and effect, until Lender no longer has any obligation to provide Borrower with any loans or other financial accommodations of any kind hereunder, and all of the Obligations have been indefeasibly paid and satisfied in a full and complete manner.

(i) Essence of Time. Time is of the essence with respect to the payment and performance of Borrower's indebtedness, liabilities and obligations under this Agreement and the other Loan Documents.

(j) Assignment and Participations. Lender, with notice to the Borrower, shall be freely entitled to assign or grant a lien or security interest in its obligations, rights, and remedies under this Agreement and/or sell participations in the Loan to any third party financial institution in its sole discretion. Unless this Agreement is assigned in whole by the Lender, such assignees or participants shall correspond with the Borrower only through the Lender, and the Borrower shall not be required to deal directly with any such assignees or participants. Borrower shall not be entitled to assign or grant a lien or security interest in any of its obligations, rights, and remedies under this Agreement to any third party without the prior written consent of Lender.

(k) Waiver. Lender shall not be deemed to have waived any of the Obligations or any indebtedness, liability, obligation, right, or remedy described in this Agreement unless Lender has executed and delivered to Borrower a written waiver thereof. A waiver of a right or remedy on one occasion shall not act as a waiver of that or any other right or remedy on a future occasion. Without limiting the foregoing, Lender's delay in exercising any right or remedy shall not constitute a waiver of that or any other right or remedy described in this Agreement.

(l) Successors and Assignees. This Agreement shall inure to the benefit of and be binding upon the successors, assignees, trustees, receivers, heirs, and personal representatives of the parties hereto.

(m) Severability. The invalidity of one or more provisions shall not affect the validity of the remaining provisions of this Agreement.

(n) Notice. Any notice or other communication to be provided under this Agreement shall be in writing and shall be deemed given when sent via fax (with a confirmation copy sent by Federal Express or similar overnight courier) or overnight, certified, registered, or regular mail to the parties thereto at the following addresses or such other address as a party may provide the other parties with written notice of from time to time:

If to Borrower:

Golden Urban Renewal Authority
922 Washington avenue, Suite 100
Golden, CO 80401
Attention: Mark Heller, Executive Director
Fax: 303-279-4690

with a copy to :

James Windholz, Esq.
City Attorney
City of Golden, Colorado
911 10th street
Golden, CO 80401
Fax: 303-384-8001

If to Lender:

Colorado Business Bank
101 W. Mineral Avenue
Littleton, Colorado 80120
Attention: Darrell Schulte
Fax: 303/730-8430

with a copy to:

Paul V. Franke, Esq.
Isaacson Rosenbaum P.C.
633 Seventeenth Street, Suite 2200
Denver, Colorado 80202
Fax: 303/292-3152

(o) Governing Law, Defined Terms, and Consent to Jurisdiction and Venue.

This Agreement shall be governed by the laws of the State of Colorado. Borrower consents to the jurisdiction and venue of the United States District Court for the District of Colorado and the District Court for the City and County of Denver, Colorado, in the event of any litigation pertaining to the negotiation, execution, and delivery of this Agreement or the other Loan Documents, the enforcement of any indebtedness, liability, obligation, right, or remedy described therein or any claim, defense, setoff, or counterclaim in connection therewith.

(p) Attorneys' Fees and Expenses. If any action, at law or equity, including an action for declaratory relief, is brought to enforce or interpret this Agreement, then the prevailing party shall be entitled to recover its reasonable costs and expenses, including attorneys' fees, from the other party, including those in administrative, bankruptcy, and appellate proceedings, in addition to any other relief that may be awarded.

(q) Entire Agreement. This Agreement and the other Loan Documents represent the complete and integrated understanding between the parties pertaining to the subject matter thereof. All other prior and contemporaneous discussions, negotiations and agreements, written or oral, express or implied, are of no further force and effect to the extent inconsistent therewith.

(r) No Construction Against Drafting Party. Neither this Agreement nor any of the other Loan Documents executed in connection herewith shall be subject to any rule of contract construction or interpretation requiring that the same be construed against the party drafting the same and Borrower and Lender hereby waive the benefit of any such rule.

(s) Limited Recourse. Notwithstanding anything to the contrary contained in this Agreement, the Note or any of the other Loan Documents, the liability of Borrower, its officers, commissioners, employees and agents under this Agreement, the Note and any of the other Loan Documents (including any indemnification obligations thereunder) shall be limited solely to the Collateral given to secure the Borrower's Obligations and all of Lender's statutory and common law rights of offset with respect to the Property Tax Revenue Account and Debt Service Reserve Account; provided, however, that Borrower shall remain fully liable for any damages, losses, or expenditures suffered or incurred by Lender and relating directly to any of the foregoing (but in no event in an amount to exceed the aggregate amount of all unpaid principal, accrued but unpaid interest thereon and other amounts owing on the Loan, including, without limitation, attorneys fees and costs incurred by Lender as a result of any of the foregoing acts or omissions): (i) the misapplication of any Property Tax Revenues received by Borrower; (ii) Borrower's bad faith, waste, fraud or material misrepresentation under the Loan Documents or Borrower's loan application; and (iii) the retention by Borrower or any Person acting on behalf of Borrower of any Property Tax Revenue or other cash collateral arising with respect thereto that was collected by Borrower or such Person following the occurrence and continuation of any Event of Default under the Loan Documents.

(t) Operating Account. Lender disclaims and relinquishes any statutory or common law right of offset with regard to Borrower's operating account no. _____. The foregoing disclaimer and waiver shall not apply with regard to any other account established by Borrower with Lender, including, without limitation, the Property Tax Revenue Account and Debt Service Reserve Account.

(u) WAIVER OF JURY TRIAL. BORROWER AND LENDER WAIVE THEIR RESPECTIVE RIGHTS TO DEMAND A JURY TRIAL IN THE EVENT OF ANY LITIGATION PERTAINING TO THE NEGOTIATION, EXECUTION, AND DELIVERY OF THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, THE ENFORCEMENT OF ANY OBLIGATION, RIGHT, OR REMEDY DESCRIBED THEREIN, OR ANY CLAIM, DEFENSE, SETOFF, OR COUNTERCLAIM IN CONNECTION THEREWITH.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF the parties have executed and delivered this Loan and Security Agreement as of the date first set forth above.

BORROWER:

GOLDEN URBAN RENEWAL AUTHORITY,
a body corporate and politic of State of Colorado

By: _____
Its: _____

LENDER:

COLORADO BUSINESS BANK

By: _____
Darrell Schulte, President

EXHIBIT A

Chief Executive Office of Borrower

922 Washington Avenue, Suite 100
Golden, CO 80401

Commissioners' Meetings and Notice Postings

911 Tenth Street
Golden, CO 80401

EXHIBIT B

Request for Advance

Colorado Business Bank
101 W. Mineral Avenue
Littleton, CO 80120
Attention: Darrell Schulte, President

Re: Loan and Security Agreement dated October __, 2005 ("Loan Agreement"), by and among Colorado Business Bank ("Lender") and Golden Urban Renewal Authority ("Borrower")

Ladies and Gentlemen:

The undersigned, on behalf of Borrower, hereby requests an advance ("Advance") of proceeds of the Loan as described below:

1. Advance under Loan:

a. Advance Amount: \$_____

b. Complete and check whichever is applicable (if all, complete all):

(i) The undersigned hereby certifies, represents and warrants to Lender that the requested Advance will be used to fund the following costs of construction:

(ii) The undersigned hereby certifies, represents and warrants to Lender that the immediately preceding advance of Loan proceeds in the amount of \$_____ made by Lender in favor of Borrower on or about _____, 20__, in accordance with the provisions of the Loan Agreement was used by Borrower to fund the following construction costs:

(iii) No portion of the current or any prior Advance will or has been used to fund Borrower's administrative overhead or general operations.

Date: _____

GOLDEN URBAN RENEWAL AUTHORITY,
a body corporate and politic of State of Colorado

By: _____

Name: _____

Title: _____

EXHIBIT C

Existing Liens and Debt and Material Litigation and Related Matters

1. Existing Liens:

Ownership participation rights granted pursuant to the Ownership Participation Agreements described in Section 4 below.

2. Existing Debt:

Ownership Participation Agreements described in Section 4 below.

3. Pending Litigation and Threatened Claims:

None.

4. Owner Participation Agreements:

A. Owner Participation Agreement dated September 26, 2001, between Borrower and Clear Creek Commons, LLC.

B. Owner Participation Agreement dated September 26, 2001, between Borrower and Golden GEM, LLC.

C. Owner Participation Agreement dated June 28, 2004, between Borrower and Mesa Meadows Land Co.

D. Owner Participation Agreement dated October 28, 2004, between Borrower and Floyd Real Estate Ventures, Inc.

EXHIBIT D

SUBORDINATION PROVISIONS

The following provisions shall be included in all documents or instruments evidencing or securing any Liens permitted pursuant to Sections 16(a)(iv) and 16(a)(v) and any Debt permitted pursuant to Sections 16(b)(iii) and 16(b)(v) of the Agreement with all blanks completed as appropriate. For purposes of these Subordination Provisions, Borrower is the "Borrower" under the subordinated Debt or Lien documents and the subordinated lender therein is referred to as the "Lender" below.

Section. ____ Subordination

(a) The rights of **[Lender]** under this **[Agreement]/[Note]** are hereby subordinated and shall remain in all respects and for all purposes subject, subordinate and junior to the rights and interests of Colorado Business Bank ("Bank") in, and to the payment of all of Borrower's Obligations (as defined in the Senior Loan Agreement defined below) to Bank and performance of all of Borrower's other obligations, under:

(i) the Loan and Security Agreement, dated as of November __, 2005 (as amended, modified, extended, replaced or substituted from time to time, the "Senior Loan Agreement"), between the Borrower and Bank;

(ii) the related Tax Increment Revenue Note payable by Borrower to Bank evidencing the loan described in the Senior Loan Agreement (together with all amendments, modifications, extensions, replacements and substitutions thereto (the "Senior Note"); and

(iii) all other documents or instruments evidencing or securing the loan evidenced by the Senior Note (the Senior Loan Agreement, Senior Note and all such other documents and instruments, together with all amendments, modifications, extensions, replacements and substitutions to any of the foregoing documents and instruments, are hereinafter collectively referred to as the "Senior Loan Documents") (all of the Obligations, together with any and all other advances, indebtedness and sums now or hereafter owing by Borrower to Bank from time to time, whether fixed, contingent, liquidated or unliquidated any whether arising pursuant to the Senior Loan Documents or any other loan or financial accommodation transaction between Bank and Borrower, all of which may be amended, modified, extended or increased from time to time without the prior consent of or notice to **[Lender]**, is hereinafter collectively referred to as the "Senior Debt").

(b) Any and all liens and security interests granted to **[Lender]** pursuant to this **[Agreement]/[Note]** in the Collateral (as defined below), are hereby subordinated and shall remain in all respects and for all purposes subject, subordinate and junior to the liens and security interests granted to Bank pursuant to the Senior Loan Agreement and other Senior Loan Documents.

(c) Except as otherwise provided in the Senior Loan Agreement, prior to the occurrence and continuation of any Event of Default (as defined in the Senior Loan Agreement)

under the Senior Debt, the Borrower shall be entitled to pay and **[Lender]** shall have the right to retain any regularly scheduled payments; provided, however, that **[Lender]** shall have a duty to hold in trust as trustee and promptly turn over to Bank any payments made from the Collateral following the occurrence of an Event of Default or in any other event or circumstance under the Senior Loan Agreement (including, without limitation, Borrower's failure to satisfy the Total Debt Service Coverage Ratio requirements of Sections 13(b)(i) and 13(b)(ii) of the Senior Loan Agreement) in which payment (or pre-payment) of the debt evidenced by this **[Agreement]/[Note]** is limited or prohibited. The debt evidenced by this **[Agreement]/[Note]** may be prepaid only to the extent permitted by the Senior Loan Agreement. Without the prior written consent of Bank, upon the occurrence and continuation of an Event of Default under the Senior Debt or in any other event or circumstance under the Senior Loan Agreement in which payment (or pre-payment) of the debt evidenced by this **[Agreement]/[Note]** is limited or prohibited, Borrower shall not pay and **[Lender]** shall not accept any payments made from the Collateral until the Senior Debt has been paid in full.

(d) Upon the occurrence and continuation of any Event of Default under the Senior Debt, **[Lender]** will not proceed to enforce any of its rights and remedies under this **[Agreement]/[Note]** against the Collateral nor interfere with (i) Bank's commencement or pursuit of any action, suit or other legal proceeding to collect any of the Senior Debt; or (ii) any action taken by Bank to foreclose upon or exercise any other right with respect to the Collateral, in each case until all of the Senior Debt has been satisfied. **[Lender]** shall not join in any action seeking the appointment of a receiver or trustee for all or any portion of the Collateral nor commence or join in any bankruptcy, insolvency or liquidation proceeding against Borrower or the Collateral, and **[Lender]** hereby irrevocably appoints Senior Lender as its attorney-in-fact (and Senior Lender shall be entitled but not obligated) to file all proofs of claim, exercise such voting rights, or take such other actions with respect to the debt evidenced by this **[Agreement]/[Note]** in any dissolution, insolvency, reorganization, liquidation, bankruptcy or similar proceeding. Such power of attorney is coupled with an interest and is irrevocable.

(e) **[Lender]** shall provide Bank with notice of any event of default under this **[Agreement]/[Note]** at the following address:

Colorado Business Bank
101 West Mineral Avenue
Littleton, Colorado 80120
Attn: President

(f) The "Collateral" is defined in the Senior Loan Agreement as (i) all future ad valorem property tax revenues (and all rights to payment thereof, any increases thereto and all additional incremental ad valorem property tax revenues) payable by any ad valorem property taxing authority from time to time after the date of the Senior Loan Agreement in accordance with the Golden Urban Renewal Plan and the Urban Renewal Law, C.R.S. §31-25-101, et. seq., as amended, and specifically including, without limitation, all ad valorem property tax revenues due in 2014 and payable to the Borrower in 2015 pursuant to the Golden Urban Renewal Plan; (ii) the Property Tax Revenues Account held by Bank pursuant to the Senior Loan Agreement; and (iii) all replacements and substitutions to the Property Tax Revenue Account and all

earnings, income and cash proceeds on deposit from time to time in the Property Tax Revenue Account.

(g) This Section shall not be amended or modified and Bank's rights hereunder shall not be waived except pursuant to a written agreement executed by Bank. Bank is an express third party beneficiary of all of the terms, conditions and provisions of this Section. In the event of any conflict between the terms and provisions of this **[Agreement][Note]** and the terms and provisions of the Senior Loan Documents, the terms and provisions of the Senior Loan Documents shall govern and control the respective rights, duties and obligations of Borrower, **[Lender]** and Senior Lender. Capitalized terms used in this Section but not defined in this Section shall have the meanings given them in the Senior Loan Agreement. **THE BORROWER AND THE [LENDER] HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO DEMAND A JURY TRIAL IN THE EVENT OF ANY LITIGATION PERTAINING TO THIS SECTION.**