

ARVADA URBAN RENEWAL AUTHORITY

AND

TC DENVER DEVELOPMENT, INC.

DISPOSITION AND DEVELOPMENT AGREEMENT

DATED AS OF

December 2, 2015

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EXHIBITS

DISPOSITION AND DEVELOPMENT AGREEMENT

This Agreement (the "Agreement") is made as of December __, 2015 (the "Effective Date") between the ARVADA URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the "Authority"), whose address is 5601 Olde Wadsworth Boulevard, Suite 210, Arvada, Colorado 80002, and TC DENVER DEVELOPMENT, INC, a Delaware Corporation, whose address is C/O Trammell Crow Company 1225 17th Street, Suite 3050, Denver, Colorado 80202 and its permitted assigns (the "Redeveloper").

SECTION 1. DEFINITIONS.

In this Agreement, unless a different meaning clearly appears from the context:

- (a) "Act" means the provisions of CRS 31-25-101 et. seq., referred to as the "Urban Renewal Law";
- (b) "Agreement" means this Agreement, as amended or supplemented in writing; references to Sections or exhibits are to this Agreement unless otherwise qualified;
- (c) "AURA Property" or "Property" means the three parcels of real property described in Exhibit A, referred to herein as the "One Acre Site", the "Gun Club Property" and the "RTD Park-n-Ride Property". As assembled, the parcels constitute the AURA Property and may also be referred to as the "TOD Site". Unless expressly included, the AURA Property shall not include mineral, oil and gas subsurface rights, or water, well, ditch or any other tributary or nontributary water rights;
- (d) "Authority" means the Arvada Urban Renewal Authority or any successor or assign;
- (e) "Certificate of Completion" means the certificate, in the form attached as Exhibit B and described in Section 8;
- (f) "City" means the City of Arvada, Colorado;
- (g) "Closing" means the happening of the event or events described in Section 4.05;
- (h) "Closing Date" means the date by which the Closing occurs as designated in the Schedule of Performance;
- (i) "Commencement of Construction" means the visible commencement by the Redeveloper of actual physical operations on the AURA Property for

the erection of the Improvements (or the first phase of the Improvements if the Improvements are to be constructed in phases) depicted in the Construction Documents pursuant to a foundation permit issued by the City with the intention to continue the work until the Improvements are completed pursuant to the Schedule of Performance, which physical operations may include the commencement of excavation of the respective properties for footings, foundations and caissons as shown in the approved Construction Documents;

- (j) "Commitment or Commitments" means the title insurance commitment or commitments for the Property, including updates of any commitment, as described in Section 4.07;
- (k) "Common Areas" means that portion of the real property included in the TOD Site which will be dedicated for the use of the tenants and invitees of the TOD development described in this Agreement. The Common Areas include the dedications for sidewalks, parking and pedestrian paths within the TOD Site.
- (l) "Completion of Construction" means the completion of construction of all of the Improvements in accordance with the Schedule of Performance, the Construction Documents or, for minor uncompleted items not exceeding 10% of the total construction cost of the Improvements, the posting of bonds or cash deposits in amounts satisfactory to the Authority for such purposes including reserves held by a Holder that are available to the Authority for such uncompleted work items;
- (m) "Construction Documents" means the final development plans, specifications and construction documents described in Section 6.03 and Exhibit C;
- (n) "Deeds" means the deeds for the AURA Property;
- (o) "Default" and "Event or Default" means any occurrence specified and defined in Section 16;
- (p) "Deposit" means the security delivered by the Redeveloper to the Authority as described in Section 3;
- (q) "Design Development Documents" mean the plans and related design documents for the TOD Site as described in Section 6.02 and Exhibit E;
- (r) "Development Plan" means the Redeveloper's concept for redevelopment of the TOD Site as described in Section 6.01 and in Exhibit D;

- (s) "Easements" mean those certain easements described in Section 5.04;
- (t) "FDP" means the Final Development Plan required by City codes and ordinances for construction of the Improvements on the Property and Common Areas;
- (u) "Holder" means the owner of a Mortgage;
- (v) "Improvements" mean the Improvements described generally in Exhibit F and as more particularly depicted in the Construction Documents and the FDP;
- (w) "Incremental Property Tax" shall have the meaning set forth in Section 6.1 of the Plan;
- (x) "Incremental Sales Tax" shall have the meaning set forth in Section 6.1 of the Plan;
- (y) "Increment Shortfall" shall be defined as occurring when AURA receives Plan Area Property Tax Increment the total of which is less than the TCDD Property Tax Increment plus other similar contractual obligations AURA has to reimburse Other AURA Projects in the Plan Area during a calendar year;
- (z) "Mortgage" means one or more mortgages or deeds of trust secured by the Property and obtained by the Redeveloper;
- (aa) "ODP" means the Outline Development Plan that encompasses the Old Town Station Urban Renewal Plan boundaries as originally approved by the City in 1981 and amended in 2014;
- (bb) "Other AURA Projects" shall mean other AURA projects with similar property tax increment financing agreements, development agreements, or contractual obligations with AURA regarding Plan Area Property Tax Increment received from AURA. The only two projects that currently have such agreements are Park Place Olde Town Inc. and MKS Residential LLC, but it is possible and anticipated that other such agreements will be reached for other projects in the Plan Area;
- (cc) "PDP" means the Preliminary Development Plan required by City codes and ordinances for construction of the Improvements;
- (dd) "Permitted Exceptions" mean those exceptions to title permitted under Section 4.03;

- (ee) "Plan" and "Urban Renewal Plan" mean the Old Town Station Urban Renewal Plan adopted and approved by the Arvada City Council on October 2009 and amended June, 2010;
- (ff) "Plan Area Property Tax Increment" means the real and personal property taxes produced by the mill levy at the rates fixed each year by the governing bodies for the various taxing jurisdictions in excess of the Plan Area Base and is equal and limited to the actual amount of the Plan Area Tax Increment funds received by AURA from the payment processed by the Jefferson County Treasurer;
- (gg) "Plan Base Area" shall mean the real and person property taxes paid on the assessed valuation, in aggregate of all of the real and personal property located within the boundary of the Plan Area as of the adoption of the Plan in 2009, as the same may be adjusted from time to time in accordance with the Act;
- (hh) "Project" shall have the meaning set forth in CRS 31-25-103(10) when capitalized. The redevelopment of the TOD Site shall be an undertaking and activity within the meaning of the term "Project" and shall not be deemed a "Project" for purposes of applicability of HB 15-1348;"
- (ii) "Purchase Price" means the consideration to be paid by the Redeveloper to the Authority at the Closing;
- (jj) "Redeveloper" means TC Denver Development, Inc., a Delaware Corporation and also includes any permitted successors and assigns as approved by the Authority or otherwise in accordance with this Agreement;
- (kk) "Redeveloper's Financing" means the financing required by Section 7.0;
- (ll) "Sales Tax" shall have the meaning set forth in the Plan and in Section 98-61 of the City Code, provided however that "use tax", or any portion of the Sales Tax collected for police services is excluded;
- (mm) "Schedule of Performance" means Exhibit G, the schedule that governs the times for performance by the parties to this Agreement;
- (nn) "Shortfall Reimbursement Ratio" means the ratio calculated by dividing the total Plan Area Property Tax Increment received from the County Treasurer by the Sum of Increments.
- (oo) "Sum of Increments" means the TCDD Project Area Increment added to the same increment calculated for Other AURA Projects;

- (pp) "Survey" means a survey, or any update thereof, described in Section 4.06;
- (qq) "TCDD Project Area Base" means the real and personal property taxes paid on the assessed value of the real and personal property located within the Redeveloper Project as of the TCDD Project Area Base Year. The same will be adjusted each year in an amount equal to the year over year percentage change in the assessed value of the Plan Area Base as determined and reported by the County Assessor;
- (rr) "TCDD Project Area Base Year" means one (1) calendar year prior to the first year that construction activity appears as an increase in the actual value of the Property as a result of the commencement of construction as determined by the County Assessor and reflected in a change in the actual value that begins to capture the partially or fully completed County Assessor's valuation of the Property;
- (ss) "TCDD Project Area Increment" means the real and personal property taxes produced by the mill levy at the rates fixed each year by the governing bodies for the various taxing jurisdictions within or overlapping the Property, in excess of the TCDD Project Area Base;
- (tt) "Title" means the title to the AURA Property subject only to the Permitted Exceptions;
- (uu) "Title Company" means First American Title Insurance Company National Commercial Services, Title Officer: Mej Ellsworth, 1125 17th Street, Suite 750, Denver, Colorado 80202, Phone: (303) 876-1112 or such other title company as the parties may mutually agree upon;
- (vv) "Trustee" shall mean a third party escrow agent selected by mutual agreement of the Authority and the Redeveloper who shall receive and distribute Incremental Property Tax and Incremental Sales Tax in accordance with the instruction of the parties, and as provided in this Agreement;
- (ww) "Zoning" means the approved zoning for the TOD Site as described in the City's Land Development Code and as denoted in the zoning maps of the City of Arvada, as such may from time to time be amended. The TOD Site is currently zoned PUD-BPR (Planned Unit Development - Business, Professional and Residential).

SECTION 2. PURPOSE

The purpose of this Agreement is to further the goals and objectives of the Act and the Plan. The Authority has determined that the undertakings and activities described or

provided for herein, and the redevelopment of the AURA Property in particular, as described in this Agreement is consistent with and conforms to the Plan and the public purposes and provisions of the Act. To plan for and facilitate the process by which the TOD Site will be developed, the Authority and the Redeveloper have previously entered into an Exclusive Negotiating Agreement dated July 26, 2013 (the "ENA") with the City and the Regional Transportation District (RTD). Among the matters described and agreed upon in the ENA are the following: (i) there should be redevelopment of the TOD Site; (ii) the parties to the ENA agreed upon a selection process whereby a "Master Developer" for the TOD site would be selected; and (iii) as a result of the Master Developer selection process, Redeveloper has been designated as the preferred developer for the TOD Site. As also provided in the ENA, the Redeveloper and AURA have negotiated terms whereby the parcels that comprise the TOD Site will be assembled and conveyed to Redeveloper. In addition, the Authority acknowledges that it believes the Master Developer selection process has met all applicable requirements for its agency and that Master Developer has been selected for development of the TOD Site and the Transit Elements as identified in the ENA. Accordingly, the Redeveloper and the Authority wish to enter into this Agreement.

SECTION 3. REDEVELOPER'S SECURITY

3.01 Deposit Required. As security for its performance under this Agreement, within five business days of execution hereof by the Redeveloper, the Redeveloper shall deliver to AURA in good and immediately available funds the amount of One Hundred Thousand and no one hundreds dollars (\$100,000.00) (the "Deposit"). The Deposit shall be placed in an interest bearing account by AURA. If the Deposit is returned to the Redeveloper under the terms of this Agreement, any interest earned thereon shall also be paid to the Redeveloper. If the Deposit is fully paid to the Authority under the terms of this Agreement, any interest earned thereon shall also be paid to the Authority. If any portion of the Deposit is retained by the Authority under Section 3.03(b), any interest earned on the Deposit shall be paid to Redeveloper.

3.02 Use of Deposit. The parties understand and agree that the Deposit is not a part of or otherwise related to the Purchase Price, but rather, the Deposit constitutes security for Redeveloper's performance under this Agreement. Accordingly, the Deposit shall become the property of the Authority to be used as the Authority deems fit in the event the Redeveloper shall have defaulted as provided in Section 16 and failed to cure such default.

3.03 Return of Deposit.

- (a) At Closing, the Deposit, together with any interest earned thereon, will be returned to Redeveloper.
- (b) Otherwise, upon termination of this Agreement under Section 15, the Deposit shall be returned to the Redeveloper except that the Authority may first draw upon the Deposit to pay or to hold as security for payment of such amounts as it may reasonably determine are required to protect the

Property from liens or threat of liens that may attach to the Property as a result of the actions of the Redeveloper in violation of Section 14.01. At such time as such liens or threat of liens have been paid, bonded against or otherwise discharged to the reasonable satisfaction of the Authority, any amount of the Deposit that is withheld for such purposes shall be returned to the Redeveloper within ten (10) business days thereafter. Upon the occurrence of an Event of Default under Section 16.01, the entire Deposit shall be collected and applied by the Authority to its damages in accordance with Section 16.

SECTION 4. SALE TO REDEVELOPER; PURCHASE PRICE; TITLE; CLOSING

4.01 Sale of AURA Property. In accordance with the terms and conditions of this Agreement, the Authority shall sell and convey the AURA Property to the Redeveloper and the Redeveloper shall take Title to the AURA Property. In consideration of the extraordinary costs of redevelopment of the TOD Site, including construction of the Improvements, AURA agrees that it shall convey the AURA Property to Redeveloper for nominal cost. For purposes of this Agreement, the Purchase Price shall be Thirty Dollars (\$30.00) to be divided equally among the One Acre Site, the Gun Club Property and the RTD Park-n-Ride Property, and other good and valuable consideration, such other good and valuable consideration being the enhancements to the Improvements and scope of the undertakings and activities necessary to redevelop a developed urban site into the desired transit oriented development agreed to by Redeveloper.

4.02 Condition of the Gun Club Property and the RTD Park-n-Ride. Redeveloper acknowledges that as of the date of execution of this Agreement, the Gun Club Property and the RTD Park-n-Ride Property are not owned by the Authority. The City owns the Gun Club Property and RTD owns the RTD Park-n-Ride Property. In accordance with the Schedule of Performance, the Authority shall use its best efforts to take title to and assemble the Gun Club Property and the RTD Park-n-Ride Property for subsequent conveyance to Redeveloper as provided herein. Redeveloper acknowledges and agrees that the Authority's obligations to convey the respective parcels and the Redeveloper's obligation to close the transaction contemplated hereunder is contingent upon the ability of the Authority to acquire the Gun Club Property and the RTD Park-n-Ride Property from the current owners, and that nothing in this Agreement is intended as, or is to be construed as a promise or guarantee by the Authority that the current owners shall convey the respective parcel to the Authority. In particular, Redeveloper acknowledges the terms and provision of the document titled, "Intergovernmental Agreement Between the City of Arvada and RTD Concerning the Redesignated Olde Town Station Transit Facilities" dated April 21, 2014 (hereafter, the "IGA"). Redeveloper expressly acknowledges and agrees to limitations, conditions, requirements, contingencies and time frames set forth in Section 13 of the IGA, which by this reference are incorporated herein. The Authority shall notify Redeveloper at such time that it takes title to the Gun Club Property and the RTD Park-n-Ride Property. In the event that title to either the Gun Club Property or the RTD Park-n-Ride Property cannot be acquired by the Authority for any reason by the time set

forth in the Schedule of Performance, then Redeveloper may terminate this Agreement as provided in Section 15.

4.03 Condition of Title. At the Closing, the Authority shall convey to the Redeveloper fee simple merchantable title to and possession of the AURA Property free and clear of all liens, defects, encumbrances and other matters of record, except the following, which shall constitute Permitted Exceptions: (1) the Urban Renewal Plan, (2) this Agreement to the extent of any obligations that survive Closing hereunder, (3) liens, defects or encumbrances approved in writing by the Redeveloper pursuant to Section 4.07; (4) taxes, if any for the year of the Closing not yet due and payable, and (5) any other item or items listed in any Commitment unless the Redeveloper notifies the Authority to the contrary as specified in Section 4.07. Such title, including the Permitted Exceptions, is sometimes called "Title" in this Agreement.

4.04 Types and Form of Deeds. Title to the AURA Property shall be conveyed by the Authority in three separate deeds, one for the One Acre Site, one for the Gun Club Property and one for the RTD Park-n-Ride Property. Title to the One Acre Site shall be conveyed by bargain and sale deed. Title to the Gun Club Property and the RTD Park-n-Ride Property shall be conveyed by the same type of deed by which the Authority takes title to the Gun Club Property and the RTD Park-n-Ride Property. The Permitted Exceptions for each deed shall be determined in accordance with Section 4.03 above and 4.07 below and the parties shall otherwise agree on the final forms of the Deeds.

4.05 Closing. Provided that the conditions precedent recited in Section 15 shall have first been satisfied or waived by the party benefiting therefrom, and if the Redeveloper is not in Default under Section 16.01, the Closing shall take place on or before the date for Closing specified in the Schedule of Performance at the office designated by the Authority, unless the parties agree otherwise in writing. At the Closing, the following shall occur, each being a condition precedent to the others and all being considered as occurring simultaneously:

- (a) The Authority shall deliver the following on or before the Closing Date to the Title Company to be held in escrow and delivered to the Redeveloper at Closing. The Authority shall deliver one (1) original, unless otherwise provided below:
 - (i) The Deeds, duly executed and acknowledged, conveying fee simple title to the Property to the Redeveloper;
 - (ii) An affidavit, in form reasonably acceptable to Redeveloper, stating (1) the Authority's United States taxpayer identification number for federal income tax purposes; and (ii) that the Authority is not a "foreign person" with the meaning of Section 1445, et seq., of the Internal Revenue code of 1986, as amended;
 - (iii) A Colorado Form DR-1083, duly executed; and

- (iv) An approved settlement sheet and all such other documents as may be reasonably necessary or desirable to consummate the transaction contemplated herein.
- (b) The Redeveloper shall deliver the following on or before the Closing Date to the Title Company to be held in escrow and delivered to the Authority at Closing. The Redeveloper shall deliver three (3) original, unless otherwise provided below:
 - (i) The Purchase Price;
 - (ii) The Deeds for the Property, duly executed and acknowledged;
 - (iii) An approved settlement sheet and all such other documents as may be reasonably necessary or desirable to consummate the transaction contemplated herein.
- (c) Following the Closing, the Title Company shall record the Deeds in the real property records of Jefferson County, Colorado against the appropriate real property. Upon recording, the Title Company shall deliver a conformed copy of the recorded documents to each party. The Redeveloper shall pay the costs of such recording, including the documentary fee. The Title Company shall deliver the original recorded documents to the appropriate party once they are available.

4.06 Survey. The Redeveloper, in accordance with the Schedule of Performance, shall obtain and pay for an ALTA survey of the AURA Property (the "Survey") for the use by the Title Company in connection with the issuance of the Title Policy in accordance with Section 4.07. Copies of the Survey or any material revisions thereof shall be provided to the Authority and the City as soon as they become available to the Redeveloper.

4.07 Title Insurance. At the time specified in the Schedule of Performance, the Authority shall obtain an ALTA commitment for title insurance issued by the Title Company and covering the AURA Property together with copies of all documents affecting title referenced therein (collectively, the "Commitment").

- (a) Redeveloper shall, on or before the Title Review Deadline as specified in the Schedule of Performance, and subject to those matters deemed Permitted Exceptions pursuant to Section 4.03, notify the Authority in writing of Redeveloper's disapproval of the State of Title to the AURA Property and of the Survey identifying the specific matters set forth therein (the State of Title"). Failure to timely disapprove of the State of Title shall be deemed a waiver of any such condition. All matters related to the State of Title not otherwise disapproved by Redeveloper in writing

shall constitute Permitted Exceptions, in addition to those matters set forth in Section 4.03.

- (b) In the event any additional title exceptions (the “Additional Exceptions”) are reported or discovered by the Title Company or Redeveloper after the date of the Commitment, Redeveloper shall give the Authority written notice of Redeveloper’s objection, if any, to such Additional Exceptions on or prior to the Title Review Deadline or ten (10) business days after report or discovery of any Additional Exceptions after the Title Review Deadline. The failure of Redeveloper to give notice of objection to any Additional Exceptions within the aforesaid time period shall be deemed approval by Redeveloper of the Additional Exceptions. Any Additional exceptions approved or deemed approved by Redeveloper shall constitute Permitted Exceptions.

- (c) In the event Redeveloper delivers written notice to the Authority disapproving the State of Title or objecting to an Additional Exceptions (each instance being a “Notice of Objection”), the Authority, within five (5) business days of receipt of Notice of Objection shall advise Redeveloper whether it will attempt cure and what, if any proposed cure of the objectionable matter it will undertake (the “Cure Notice”). The decision to attempt cure of any item contained in the Notice of Objection shall be made in the sole and exclusive discretion of the Authority. Failure to provide Cure Notice shall be deemed a decision by the Authority not to attempt cure of the item stated in the Notice of Objection. In the event that Redeveloper shall object to the “Cure Notice”, or in the event the Authority elects not to cure the Objection, then Redeveloper shall have the option, in its sole and absolute discretion, to terminate this Agreement in accordance with Section 15, or to waive the uncured Objection within five (5) business days of Cure Notice, and proceed to Close in accordance with the Schedule of Performance. In lieu of termination of this Agreement, or waiver of the Objection, the parties may, by written mutual consent, extend the Date of Closing for a period of up to six months to permit the parties time to examine the alternatives or options concerning matters that are the subject of the Notice of Objection. In the event of termination by Redeveloper for failure of the Authority to cure a title defect, the Deposit, together with any interest earned thereon, shall be returned to Redeveloper, and the rights and obligation of the parties hereunder shall terminate. In the event Redeveloper delivers notice to the Authority of its waiver of the Objection, the Closing shall occur in accordance with the Schedule of Performance.

4.08 Title Policy. At Closing, the Title Company shall issue or be committed to issue to Redeveloper in form acceptable to Redeveloper an ALTA Extended Coverage Owner’s Policy of Title Insurance with the liability in the amount to be determined by Developer subject only to the Permitted Exceptions. The Authority shall be responsible for

the cost of such policy up to the appraised price of the Property. Any additional coverage and any additional endorsements requested by Redeveloper beyond the usual and customary endorsements shall be at the cost of Redeveloper.

4.09 Apportionment of Current Taxes. Property taxes, if any, on the respective properties, shall be prorated to the date of Closing. If the amount of the current taxes is not available from the Jefferson County Assessor, the apportionment between the Authority and the Redeveloper shall be based upon the reasonable estimate of the Title Company, and shall be finally pro-rated as soon as practicable after Closing.

SECTION 5. CONDITION OF PROPERTY

5.01 Condition. Except as provided herein, the Authority has completed its work on the One Acre Site and shall have no further responsibility or duty in connection with the condition of the One Acre Site. Except as expressly provided herein, the Redeveloper shall accept the AURA Property in its "as is" condition. Except for acquiring title to the Gun Club Property and the RTD Park-n-Ride Property, the Authority does not have any other responsibilities for the condition of either property.

- (a) In accordance with the Schedule of Performance, and as provided in this Section 5.01, Redeveloper may inspect the One Acre Site and shall notify the Authority of any condition of the respective properties to which Redeveloper objects, including the presence of Hazardous Material in, on under or emanating from the One Acre Site. The term "Hazardous Material" means chemicals, pollutants, chlorinated solvents, contaminants, wastes, toxic substances, petroleum and petroleum products, mold, mycotoxin, fungus, or any other chemical, material, or substance that, because of its quantity, concentration, or physical or chemical characteristics, exposure to which is limited or regulated for health and safety reasons by any governmental authority, or which poses a significant present or potential hazard to human health and safety or to the environment if released into the workplace or the environment and any substance otherwise defined as a hazardous substance, material or waste under federal or Colorado law. Provided however, the pavement or blacktopping of the current parking lot or right of way shall not be deemed a "Hazardous Material" for purposes of this Agreement. The Authority shall have the right, but not the obligation, to perform remediation of any condition of Hazardous Material of which Redeveloper has notified the Authority. In the event that the Authority has been so notified, the Authority shall, within 30 days of receipt of such notice, advise Redeveloper in writing what, if any steps the Authority shall undertake to effect remediation of the unsatisfactory environmental condition, ("Notice of Remediation"). In the event that the Authority does not agree to undertake remediation, or in the event that the Authority does not send Notice of Remediation, then Redeveloper may terminate this Agreement in accordance with Section 15. In the event that the Authority

undertakes remediation of any condition of Hazardous Material, upon completion of the Authority's remediation activities in accordance with its remediation plan, the Authority shall have no further obligation to Redeveloper with respect to any condition of the One Acre Site, including any condition of existence of Hazardous Material. The Property shall be conveyed in its "as is" condition at Closing. Nothing herein shall be construed as, or deemed to be, and indemnification of Redeveloper by the Authority for any condition of contamination of either property by Hazardous Material.

5.02 Access to One Acre Site and Information. The Authority hereby grants Redeveloper access to the One Acre Site for the purposes of inspecting and investigating the physical and environmental condition of the One Acre Site and the suitability thereof for Redeveloper's intended purpose (the "Inspections"). The Authority also shall permit Redeveloper to enter onto the Gun Club Property and the RTD Park-n-Ride Property at such time as the Authority takes title to such properties. The Authority shall cooperate and provide access to personnel with knowledge of and documents (including those specified in Section 5.05 below) pertinent to the past use and environmental condition of the One Acre Site. The Inspections may include, without limitation, obtaining data, collecting information, conducting soils and seismic tests, conducting engineering studies, undertaking environmental surveys and audits (including without limitation, surface and subsurface test, borings, samplings and measurements) and conducting other tests and surveys reasonably required for the construction of the Improvements or reasonably related to the proposed use of the One Acre Site, all at Redeveloper's expense. The Redeveloper shall commence and complete the Inspections as well as any inspections that it conducts on the Gun Club Property and the RTD Park-n-Ride Property in accordance with the Schedule of Performance and, if as a result of such Inspections, it reasonably determines that soil or environmental conditions are not adequate to carry out the Development Plan, or the AURA Property is not suitable for the intended development thereon, then Redeveloper, within the time specified in the Schedule of Performance, may terminate this Agreement in accordance with Section 15. The Redeveloper shall be the contracting party with any consultants retained pursuant to the Inspections, and shall deliver or have cause to be delivered, copies of all reports of any Inspections to the Authority promptly upon any Inspections report to or receipt by Redeveloper. Nothing in this Agreement shall preclude Redeveloper from negotiating with and obtaining, at Redeveloper's sole cost and expense, easements or licenses with the current owners of the Gun Club Property or RTD Park-n-Ride Property for the purposes described herein. The Authority makes no representations concerning such access prior to transfer of ownership to the Authority, but agrees to cooperate and assist Redeveloper in obtaining access from the current property owners.

5.03 Zoning, Permits and Approvals. Redeveloper shall be solely responsible for determining the adequacy of the current zoning for the proposed development. Any necessary zoning changes, or other approvals required under the City Land Development Code, or the associated regulations or interpretations shall be obtained by Redeveloper at its sole and cost and expense. Provided however, if the zoning, the Plan or other land use

and building provisions change prior to the Closing through no fault of the Redeveloper, and such change adversely impacts the AURA Property or Redeveloper's intended development thereof, then Redeveloper may terminate this Agreement pursuant to Section 15. The Redeveloper shall process and seek to obtain all building permits for the Improvements in accordance with the Schedule of Performance.

5.04 Easements. In accordance with the Schedule of Performance, it shall be the Redeveloper's obligation to obtain necessary construction and permanent easements, if any shall be required, permitting the Improvements to be constructed on the various properties. The locations and dimensions of such easements shall be shown in the Development Plan. The legal documents creating such easements shall be subject to review and approval by the Authority prior to execution. The Authority agrees to provide reasonable assistance to the Redeveloper in obtaining such easements, if any.

5.05 Property Information. The Authority shall deliver to Redeveloper in accordance with the Schedule of Performance copies of any studies, reports, surveys, assessments, utility maps, soils, groundwater, soil gas, engineering, environmental or geotechnical studies or reports pertaining to the One Acre Site or similar documents or materials relating to the One Acre Site or any contemplated development of the One Acre Site.

SECTION 6. DEVELOPMENT PLANS AND RELATED DOCUMENTS; REVIEW PROCEDURE

6.01 Development Plan. In accordance with the Schedule of Performance, the Redeveloper shall submit to the Authority an updated version of its Development Plan for the Property. The updated version of the Development Plan shall comply with the ODP. Unless material deviations are specifically approved in writing by the Authority, the Design Development Documents and the Construction Documents shall conform with and shall be a logical development of the ODP, the PDP, the FDP and the Development Plan. It shall be the Redeveloper's responsibility to obtain City approval of the PDP and the FDP. After the Authority approves the Development Plan, the Authority will provide such reasonable assistance as Redeveloper may request to obtain necessary City approvals.

6.02 Design Development Documents. In accordance with the Schedule of Performance, the Redeveloper shall prepare and submit to the Authority and the City the Design Development Documents.

6.03 Construction Documents. In accordance with the Schedule of Performance, the Redeveloper shall prepare and submit to the Authority and the City the Construction Documents.

6.04 Approval, Changes. Redeveloper shall submit to the Authority the Development Plan, the Design Development Documents and the Construction Documents in accordance with the Schedule of Performance. Review of the Development Plan, the Design Development Documents, and the Construction Documents shall generally occur

simultaneously with review of such document by the City, provided any document required by the Authority, but not by the City, shall be provided to the Authority separately. The Authority shall promptly approve or reject said plans or documents, as the case may be, in writing in accordance with the Schedule of Performance. If approved or deemed approved, no further approval by the Authority shall be required except for any material change in the Development Plan, the Design Development Documents or the Construction Documents, as the case may be. If the Authority timely rejects in writing the Development Plan, the Design Development Documents or the Construction Documents, the notice of rejection shall specify the reasons for such rejection. The schedule for review of the Design Development Documents and Construction Documents by the City and any additional reviews or submittals required by the City shall be governed by City Codes, ordinances and procedures. Approval by the Authority shall not be deemed to be approval by the City, nor shall the Authority's review be substituted for the City's. The construction of the Improvements shall conform with the Construction Documents and the FDP as approved by the Authority and the City. If the Redeveloper desires to make any material change in the Development Plan, the Design Development Documents or the Construction Documents after the approval of each in accordance with this Agreement, the Redeveloper shall submit the proposed changes to the Authority and the City for approval. Approvals or rejections of proposed changes shall be made by the Authority in accordance with the Schedule of Performance and shall not be unreasonably withheld or delayed.

6.05 Ancillary Documents. If any CC&Rs or Reciprocal Easement Agreements or similar documents are required to be approved prior to Closing, or which must be agreed to as a condition of approval of any plan by the City, the parties covenant and agree to use their commercially reasonable best efforts to negotiate and agree to the form of such documents. In the event Closing does not occur, or this Agreement is terminated, the parties agree to execute estoppel or release documents terminating the provisions of any such documents that burden or otherwise encumber any of the respective properties.

SECTION 7. FINANCING AND CONSTRUCTION OF IMPROVEMENTS

7.01 Redeveloper's Financing. At the time specified in the Schedule of Performance, the Redeveloper shall submit to the Authority evidence reasonably satisfactory to the Authority that the Redeveloper has obtained Redeveloper's Financing in an amount sufficient to construct the Improvements and complete the Project in accordance with the approved Development Plans and related documents.

7.02 Tax Increment Rebate. In determining the sufficiency of Redeveloper's Financing, the Authority understands and agrees that such financing will require a public investment in the form of rebated Sales Tax and property taxes. Subject to the terms and conditions set forth herein, the Authority agrees that it will rebate Incremental Property Tax and Incremental Sales Tax collected from or attributable to the Improvements physically located within the boundaries of the TOD Site. The Authority agrees that, subject to the terms of this Agreement and the Plan, 100% of the Incremental Property Tax and 100% of the Incremental Sales Tax are included in the Redeveloper's financing plan

