



**AGENDA for a Regular Meeting
of the Board of Trustees of the Town of Fairplay, CO
Monday, August 4, 2025, at 6:00 P.M. in the
Fairplay Town Hall, 901 Main St, Fairplay, CO**

[CLICK TO JOIN MEETING BY TEAMS](#) (ID: 262 789 419 865 / Passcode: pk2cD697)

- I. **CALL TO ORDER**
- II. **PLEDGE OF ALLEGIANCE**
- III. **ROLL CALL**
- IV. **APPROVAL OF AGENDA**
- V. **CONSENT AGENDA** *(This item is intended to streamline the Board Meeting grouping routine, non-controversial business. The public or the Board Members may ask that an item be removed from the Consent Agenda for individual consideration.)*
 - A. **APPROVAL OF CHECK EXPENDITURES** – Paid bills for all Town funds from July 17, 2025, through July 31, 2025, in the amount of **\$67,988.38.**
- VI. **CITIZEN COMMENTS** *(This item allows the public to sign up to address the Board on matters that are not already on the agenda. Comments are limited to 5 minutes per person. On advice of counsel, neither the Board nor Staff members will directly respond to comments; instead, the Board will direct Staff to respond and, when necessary, provide a status update to the Board.)*
- VII. **NEW BUSINESS**
 - A. **FIRST READING** – Should the Board of Trustees for the Town of Fairplay approve the adoption of Resolution No. 25, Series of 2025, entitled “**A RESOLUTION OF THE BOARD OF TRUSTEES FOR THE TOWN OF FAIRPLAY, COLORADO, APPROVING THE EXECUTION OF A PROPERTY IMPROVEMENT INCENTIVE PROGRAM (PIIP) AGREEMENT BETWEEN THE TOWN AND MARK KELLY FOR THE 690 CASTELLO AVE PAINTING PROJECT.**”?
 - B. **FIRST READING** – Should the Board of Trustees for the Town of Fairplay approve the adoption of Resolution No. 26, Series of 2025, entitled “**A RESOLUTION OF THE BOARD OF TRUSTEES FOR THE TOWN OF FAIRPLAY, COLORADO, APPROVING A CONSTRUCTION AGREEMENT WITH JR & CO FOR RE-ROOFING OF THE 501 MAIN VISITOR CENTER BUILDING.**”?
- VIII. **PUBLIC HEARINGS**
 - A. **TO BE CONTINUED TO AUGUST 18, 2026: SPECIAL USE PERMIT – SUP 2025-001:** Should the Board of Trustees for the Town of Fairplay approve an application from Buck Finley for a Special Use Permit (SUP) to allow for Personal Storage (Mini-Storage) Units within the Commercial (C) Zone District on the property located at 1171 Bullet Road, Fairplay, CO?
 - B. Should the Board of Trustees for the Town of Fairplay, sitting as the Local Licensing Authority, approve an application from Elevation Hospitality, LLC for a Hotel & Restaurant Liquor License (City) for the Colorado Cantina to be located at 456 Front Street, Fairplay, CO”?
- IX. **OTHER BUSINESS**
 - A. Update on the CHFA Land Banking application submitted by the Town and FP Land, LLC and discussion of next steps.
 - B. 2026 Colorado Municipal League Policy Committee Representative Appointment for Town of Fairplay.
- X. **STAFF AND BOARD OF TRUSTEE REPORTS**
 - A. Presentation of 2026 Budget Schedule.
 - B. Update on Status of Town’s 2024 Audit.
- XI. **ADJOURNMENT.**

Upcoming Meetings / Events

National Night Out At Fairgrounds
Fairplay Board of Trustees Regular Meeting
TGIFairplay Final FREE Concert Friday with Hazel Miller and FREE Ice Cream & Peaches
Fairplay Board of Trustees Regular Meeting – Cancelled (LABOR DAY)
Fairplay Fall Festival
Fairplay Board of Trustees Regular Meeting

August 5, 2025
August 18, 2025
August 22, 2025
September 1, 2025
September 20, 2025
September 21, 2025

Report Criteria:

Detail report type printed
Check.Type = "Calculated","Void"

Check Issue Date	Check Number	Name	Description	Seq	Invoice Date	Check Amount	GL Account
07/23/2025	30163	Caselle, Inc	Monthly Software Support	1	07/01/2025	2,102.00	517206
Total 334:						2,102.00	
07/23/2025	30164	Cash	Petty Cash - BURRO BOT	1	07/22/2025	3,050.00	101002
07/23/2025	30164		Petty Cash for Prize money	1	07/22/2025	6,225.00	105162
07/23/2025	30164		Petty Cash - TGIFairplay C	2	07/22/2025	1,050.00	101002
Total 340:						10,325.00	
07/23/2025	30185	Mountain View Waste	Town Clean Up Roll Offs	1	07/01/2025	8,106.00	105135
Total 1414:						8,106.00	
07/23/2025	30190	Pugliese, Louis	Burro Days Musician Sat 1	1	07/22/2025	50.00	105162
Total 1740:						50.00	
07/23/2025	30194	Salida Fire Extinguisher, LL	fire ext service	1	07/03/2025	1,117.50	105625
Total 1858:						1,117.50	
07/23/2025	30202	USABlueBook	Waste Water Plant Supplie	1	07/17/2025	242.77	517670
Total 2176:						242.77	
07/23/2025	30203	Utility Notification Center	RTL Transmissions	1	04/30/2025	47.88	517455
Total 2194:						47.88	
07/23/2025	30206	Xcel Energy	945 Qarry Rd	1	07/15/2025	17.12	517490
Total 2296:						17.12	
07/23/2025	30198	South Park Ace & Lumber	PW Tools for Shop	1	06/25/2025	31.99	105630
07/23/2025	30198		PW Pressure Washer parts	2	06/25/2025	8.99	105625
07/23/2025	30198		PW Parts for Grader	3	06/25/2025	25.77	105625
07/23/2025	30198		Water - Paint for Marking	4	06/25/2025	39.96	517480
07/23/2025	30198		Events Trailer Door Parts	5	06/25/2025	36.51	105170
07/23/2025	30198		501 Misc. Paint, Ladder	6	06/25/2025	305.92	105120
07/23/2025	30198		PD Oil for Vehicle	7	06/25/2025	8.99	105420
07/23/2025	30198		PW TRASH BAGS FOR B	8	06/25/2025	50.97	105880
07/23/2025	30198		PW Trash Bags For Cohen	9	06/25/2025	16.99	105883
07/23/2025	30198		VC Flower Hangers	10	06/25/2025	39.98	105196
Total 2405:						566.07	
07/23/2025	30184	Laser Graphics	Signage for Petting Zoo - B	1	07/14/2025	144.75	105162
07/23/2025	30184		Transit Business Cards	1	07/22/2025	85.00	105240
Total 2437:						229.75	
07/23/2025	30172	Family Support Registry	15890460 - 7/25/2025	1	07/22/2025	285.69	102265

Check Issue Date	Check Number	Name	Description	Seq	Invoice Date	Check Amount	GL Account
Total 2456:						285.69	
07/23/2025	30187	NAPA Auto Parts	PW Backhoe Repair Parts	1	07/10/2025	114.67	105625
07/23/2025	30187		PW Backhoe Repair Parts	2	07/10/2025	18.85	105625
07/23/2025	30187		PW Backhoe Repair Parts	3	07/10/2025	64.99	105625
07/23/2025	30187		PW Fire Truck Service	4	07/10/2025	33.03	105625
07/23/2025	30187		PD Oil Change	5	07/10/2025	102.09	105420
07/23/2025	30187		PW Fire Truck Battery, Bra	6	07/10/2025	129.79	105625
07/23/2025	30187		PD Vehicle maint	7	07/10/2025	7.20	105420
07/23/2025	30187		PD Vehicle maint	8	07/10/2025	32.93	105420
07/23/2025	30187		PD Vehicle maintmaint	9	07/10/2025	11.60	105420
Total 2608:						515.15	
07/23/2025	30165	CHAFFEE COUNTY APEX	6yrd PW Dumpster	1	07/15/2025	298.84	105650
07/23/2025	30165		Garbage Service 2ys	2	07/15/2025	98.90	517675
Total 2801:						397.74	
07/23/2025	30179	Jodi Messa	Burro Days Musician Sat 4	1	07/22/2025	1,500.00	105162
Total 2805:						1,500.00	
07/23/2025	30205	William Lee	Burro Days Storyteller & B	1	07/22/2025	800.00	105162
Total 2819:						800.00	
07/23/2025	30166	Colorado Analytical Lab	Drinking Water Required T	1	05/14/2025	24.00	517475
07/23/2025	30166		Waste Water Testing	1	07/18/2025	403.00	517665
Total 2864:						427.00	
07/23/2025	30201	Tolin Mechanical	Waste Water Service Plan	1	07/14/2025	828.00	517665
Total 2867:						828.00	
07/23/2025	30175	Huber Technology, Inc.	Waste Water Valve	1	07/09/2025	377.58	517655
Total 2874:						377.58	
07/23/2025	30177	Jack Blease	Burro Days Musician Sat 1	1	07/22/2025	100.00	105162
Total 2911:						100.00	
07/23/2025	30200	Summit Concert Band	Burro Days Musician Sat 1	1	07/22/2025	200.00	105162
Total 2913:						200.00	
07/23/2025	30178	Jackson Bullock	Burro Days Musician Sat 1	1	07/22/2025	100.00	105162
Total 3026:						100.00	
07/23/2025	30167	Continental Divide Producti	TGIF July Concert	1	07/22/2025	675.00	105150
07/23/2025	30167		Burro Days Sound - 2 Stag	1	07/22/2025	1,000.00	105162

Check Issue Date	Check Number	Name	Description	Seq	Invoice Date	Check Amount	GL Account
Total 3123:						1,675.00	
07/23/2025	30191	Randall McKinnon	Burro Days Musician Sun 1	1	07/22/2025	100.00	105162
Total 3217:						100.00	
07/23/2025	30169	Donna Alcorn	Burro Days Supplies Reim	1	07/22/2025	26.99	105162
Total 3240:						26.99	
07/23/2025	30196	SGM	Bill Back - Marvel	1	05/27/2025	272.50	105107
Total 3272:						272.50	
07/23/2025	30176	Infinity Certified Welding	Beer Gas TGIF	1	07/10/2025	321.52	105150
07/23/2025	30176		Beer Gas 4th of July	2	07/10/2025	107.17	105171
07/23/2025	30176		Beer Gas Burro Days	3	07/10/2025	214.34	105162
Total 3297:						643.03	
07/23/2025	30192	Rene Fisher	Award Mugs for the Burro	1	07/21/2025	594.00	105162
Total 3334:						594.00	
07/23/2025	30174	Hayes Poznanovic Korver	legal fees Property/Stocks	1	06/04/2025	72.00	517360
Total 3518:						72.00	
07/24/2025	30207	Carle Schlaff	Special Duty Pay Pass Thr	1	07/24/2025	1,500.00	104546
Total 3528:						1,500.00	
07/23/2025	30189	Phoenix Technology Group	SCADA Project Server	1	07/22/2025	5,140.00	517206
07/23/2025	30189		Admin Managed IT Service	1	07/22/2025	1,501.50	105060
07/23/2025	30189		PD Managed IT Service	2	07/22/2025	1,501.50	105465
07/23/2025	30189		PW Managed IT Service	3	07/22/2025	776.50	105645
07/23/2025	30189		UTILITIES MANAGED IT S	4	07/22/2025	775.50	517206
Total 3580:						9,695.00	
07/23/2025	30160	AT&T	Transit Phone	1	07/07/2025	12.30	105250
07/23/2025	30160		PD Phones	2	07/07/2025	212.09	105455
07/23/2025	30160		Admin Phones	3	07/07/2025	27.66	105065
07/23/2025	30160		Utility Phones	4	07/07/2025	39.96	517226
07/23/2025	30160		PW Phones	5	07/07/2025	15.37	105645
Total 3690:						307.38	
07/23/2025	30183	Konica Minolta Premier Fin	town hall copier c360i	1	07/08/2025	188.42	105032
07/23/2025	30183		PW copier	2	07/08/2025	101.14	105630
07/23/2025	30183		events copier	3	07/08/2025	101.13	105170
07/23/2025	30183		PD copier	4	07/08/2025	58.73	105465
07/23/2025	30183		PW copier	1	06/01/2025	101.13	105630
07/23/2025	30183		events copier	2	06/01/2025	101.14	105170
07/23/2025	30183		town hall copier c360i	3	06/01/2025	188.42	105032
07/23/2025	30183		PD copier	4	06/01/2025	58.73	105465

Check Issue Date	Check Number	Name	Description	Seq	Invoice Date	Check Amount	GL Account
Total 3700:						898.84	
07/23/2025	30173	Gail Smith	Burro Days Musician Sun 1	1	07/22/2025	100.00	105162
Total 3732:						100.00	
07/23/2025	30182	Kevin Russo	Burro Days Musician Sat 1	1	07/22/2025	50.00	105162
Total 3733:						50.00	
07/23/2025	30161	Brad Curry	Burro Days Musician Sat 2:	1	07/22/2025	100.00	105162
Total 3734:						100.00	
07/23/2025	30195	Salt Licking Goat Clothing	Burro Days T Shirts	1	07/16/2025	13,132.60	105162
07/23/2025	30195		Outhouse Race T Shirts - B	1	07/16/2025	396.32	105162
Total 3801:						13,528.92	
07/23/2025	30181	Johnny Johnston	Burro Days Musician Sun	1	07/22/2025	100.00	105162
Total 3849:						100.00	
07/23/2025	30193	RONALD LAUB	Burro Days Musician Sat 1	1	07/22/2025	300.00	105162
Total 3859:						300.00	
07/23/2025	30188	PATRIOT PORTABLES AN	6-8 thru 7-6 Town Hall & 40	1	07/10/2025	990.00	105195
07/23/2025	30188		6-8 thru 7-6 Ball Field	2	07/10/2025	165.00	105842
07/23/2025	30188		6-8 thru 7-6 Cohen Park	3	07/10/2025	165.00	105883
07/23/2025	30188		6-8 thru 7-6 Fairplay Beach	4	07/10/2025	760.00	105880
07/23/2025	30188		7-7 thru 8-4 Town Hall & 40	5	07/10/2025	990.00	105195
07/23/2025	30188		7-7 thru 8-4 Ball Field	6	07/10/2025	165.00	105842
07/23/2025	30188		7- thru 8-4 Cohen Park	7	07/10/2025	165.00	105883
07/23/2025	30188		7-7 thru 8-4 Beach	8	07/10/2025	660.00	105880
07/23/2025	30188		Silverheels 100 Race	1	07/15/2025	660.00	105170
Total 3860:						4,720.00	
07/23/2025	30170	Elevated Cleaning Co	Town Hall Annual Window	1	07/18/2025	684.50	105025
Total 3903:						684.50	
07/23/2025	30162	Brian Rogers	Reimbursement for work p	1	06/02/2025	74.97	105680
Total 3925:						74.97	
07/24/2025	30208	High Rockies Community S	Llama Rama/High Rockies	1	07/23/2025	3,000.00	105175
Total 3949:						3,000.00	
07/23/2025	30186	Naomi Tegybelu	Burro Booth Refund	1	07/16/2025	80.00	104756
Total 3958:						80.00	
07/23/2025	30204	Wild Connections Conserv	Burro Booth Refund	1	07/09/2025	80.00	104756

Town of Fairplay

Paid Invoice Report - Paid Bills - Board
Check issue dates: 7/17/2025 - 7/31/2025Page: 5
Jul 31, 2025 05:09PM

Check Issue Date	Check Number	Name	Description	Seq	Invoice Date	Check Amount	GL Account
Total 3959:						80.00	
07/23/2025	30168	Dave Arnesen	Burro Days Musician Sat.	1	07/22/2025	50.00	105162
Total 3960:						50.00	
07/23/2025	30199	Steve Beitscher	Burro Days Musician Sun 1	1	07/22/2025	50.00	105162
Total 3961:						50.00	
07/23/2025	30197	Shane Bumgarner	Burro Days Musician Sun 1	1	07/22/2025	300.00	105162
Total 3962:						300.00	
07/23/2025	30171	Equitarian Initiative	Veterinarian for Burros - Bu	1	07/22/2025	500.00	105162
Total 3963:						500.00	
07/23/2025	30180	John Berning	Burro Days Musician Sat 2	1	07/22/2025	150.00	105162
Total 3964:						150.00	
Grand Totals:						67,988.38	

Report Criteria:

Detail report type printed
Check.Type = "Calculated", "Void"



MEMORANDUM

TO: Mayor and Board of Trustees

FROM: Alex Wagner, Special Projects Coordinator

RE: Resolution 2025-25 Approving a PIIP Agreement with Mark Kelly

DATE: August 4, 2025

Agenda Item: Resolution for PIIP Agreement

This resolution approves an agreement with Mark Kelly for the 690 Castello Ave Painting Project. Staff has reviewed this application and found it in compliance with the PIIP rules and regulations.

This application is for \$1,142 to go towards painting the new siding and trim which will improve the street view of the property, and better weatherproof the structure. The property taxes paid for this property over the last five years is \$1,142. The estimate for the work is \$3,769. There is \$10,803 remaining in the PIIP line item for 2025. Staff recommends approval of this application.

Approval of this resolution will require a motion, second and a roll call vote.

TOWN OF FAIRPLAY, COLORADO**RESOLUTION NO. 25
(Series of 2025)**

A RESOLUTION OF THE BOARD OF TRUSTEES FOR THE TOWN OF FAIRPLAY, COLORADO, AUTHORIZING THE EXECUTION OF A PROPERTY IMPROVEMENT INCENTIVE PROGRAM (PIIP) AGREEMENT BETWEEN THE TOWN AND MARK KELLY FOR THE 690 CASTELLO AVE PAINTING PROJECT.

WHEREAS, the Town Board of the Town of Fairplay specifically finds that entering into this PIIP Agreement will enhance the appearance of the property thereby enhancing the appearance of the Town as a whole; and

WHEREAS, the Town Board finds that enhancing the appearance of the property and the Town promotes the public welfare including the expansion of retail sales tax and/or property tax generating business and expanded employment opportunities; and

WHEREAS, the Board of Trustees has reviewed the PIIP Agreement and finds it to be in compliance with the provisions of Section 4-9-80 of the Fairplay Municipal Code.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES FOR THE TOWN OF FAIRPLAY, COLORADO, that the Mayor is authorized to enter into this agreement between the Town of Fairplay and Mark Kelly as described in the agreement, attached hereto as "Exhibit A", and to execute the same on behalf of the Town.

RESOLVED, APPROVED, and ADOPTED this 4th day of August 2025.

TOWN OF FAIRPLAY, COLORADO

Frank Just, Mayor

ATTEST:

Janell Sciacca, Town Clerk

**PROPERTY IMPROVEMENT INCENTIVE PROGRAM AGREEMENT
(690 CASTELLO AVE PAINTING PROJECT)**

THIS PROPERTY IMPROVEMENT INCENTIVE PROGRAM AGREEMENT (690 CASTELLO AVE PAINTING PROJECT) (hereafter referred to as the "690 Castello Ave Painting Project PIIP Agreement") is made and executed this 4th day of August, 2025, by and between the TOWN OF FAIRPLAY, COLORADO, a Colorado statutory municipal corporation, (hereafter referred to as the "Town"), and Mark Kelly (hereafter referred to as the "Owner").

W I T N E S S E T H

WHEREAS, the Owner is the owner of certain real property in the Town commonly described as 690 Castello, (the "Property"); and

WHEREAS, the Owner proposes to improve the Property by Painting the New Exterior Siding and Trim of the House, in which said improvements will enhance the appearance of the Property and of the Town; and

WHEREAS, in entering into this PIIP Agreement, the Town Board of the Town specifically finds that the criteria for approval of a PIIP Agreement set forth in Section 4-9-80 of the Fairplay Municipal Code are met; and

WHEREAS, the parties hereto wish to set forth in full their agreement as to the nature and extent of the improvements which shall be constructed and installed by the Owner within and upon the Property, and the manner for and extent of the reimbursement to the Owner for a portion of the cost of such construction materials; and

WHEREAS, the parties wish to memorialize all aspects of their agreement as to the terms and conditions of such reimbursement in this PIIP Agreement.

NOW THEREFORE, the parties hereto, for themselves, their successors and assigns (to the extent this PIIP Agreement is assignable, as specified hereinafter), in and for the consideration of the performance of the mutual covenants and promises set forth herein, the receipt and adequacy of which are hereby acknowledged, do hereby covenant and agree as follows:

1. **Authority.** This PIIP Agreement is entered into in compliance with the provisions of Article 9, Chapter 4 of the Fairplay Municipal Code.

2. **Scope of Work.** The parties hereby mutually agree that Owner shall construct, or cause to be constructed, the improvements to the Property set forth in **Exhibit A** hereto (the "Work" or the "Project"). Such work shall be completed to the reasonable satisfaction of the Town prior to any reimbursement pursuant to this PIIP Agreement. Any change in the Scope of Work shall require the prior written approval of the Town and may result in a decrease in the amount of the reimbursement should the Town reasonably determine that the change diminishes the cost or value of the improvements. The construction or installation of the improvements shall commence no later than November 1, 2025, and shall be completed no later than December 31, 2025. Should the work not commence or not be completed by the dates specified above, this PIIP Agreement shall terminate and be of no further force or effect and the Town shall have no further obligations hereunder.

3. **Cost of Project.** The estimated cost of the Project is Three Thousand Seven Hundred and Ninety Six Dollars (\$3,796.00).

4. **Contractor.** Jesse Tanksley

5. **Property tax rebate and matching funds.** The parties hereby mutually agree that the maximum amount of real property taxes to be rebated to Owner by the Town shall be One Thousand One Hundred and Forty Two Dollars (\$1,142) and that such amount does not exceed the amount of real property taxes paid on the Property to the Town during the preceding five years. The owner shall pay not less than an amount equal to fifty percent (50%) of the total cost of the Project. Should the cost of the Project decrease during the work the property tax rebate provided by the Town shall be reduced to assure that the Owner contributes at least fifty percent (50%) of the total cost of the Project.

6. **Maintenance of improvements.** The Owner shall maintain the improvements in good condition and repair for a period of five years from and after the date of completion. Should the Owner not perform this maintenance obligation Owner shall, upon written demand from the Town, refund to the Town all monies rebated to the Owner by the Town pursuant to this PIIP Agreement.

7. **Completion of work and payment of rebate.** Upon completion of the Work, Owner shall notify the Town of such completion and the Town shall perform an inspection of the improvements. If the improvements are completed in a satisfactory and workmanlike manner the Town shall accept same and shall, within thirty (30) day following such acceptance, rebate to the Owner the amount required by Paragraph 5 above.

8. **Annual appropriation.** The parties specifically acknowledge and agree that no undertaking on the part of the Town to rebate property taxes as specified herein constitutes a debt or obligation of the Town within any constitutional or statutory provision. The Town's obligations hereunder shall be subject to annual appropriation by the Town Board unless and until approved by the Town's electors.

9. **Assignment/Third party beneficiaries.** None of the obligations, benefits, and provisions of this PIIP Agreement shall be assigned in whole or in any part without the express written authorization of the Fairplay Town Board. In addition, no third party may rely upon or enforce any provision of this PIIP Agreement, the same being an agreement solely between the Town and the Owner, and which agreement is made for the benefit of no other person or entity.

10. **Successors and assigns.** This PIIP Agreement may be recorded and shall be binding on Owner's successors and assigns.

11. **Amendments.** This PIIP Agreement shall be subject to amendment only by a written instrument and executed by each party. Any such amendment shall require the approval by the Town Board of the Town of Fairplay at a regular or special meeting of the Town Board, and execution thereof by the Mayor and attestation by the Town Clerk.

Notices. Any written notices provided for or required in this PIIP Agreement shall be deemed delivered when either personally delivered or mailed, postage fully prepaid, certified or registered mail, return-receipt requested, to the parties at the following addresses:

To the Town:	Town Administrator
	Town of Fairplay

P.O. Box 267
Fairplay, CO 80440

To the Owner: Mark Kelly
P.O. Box 1684
Fairplay, CO 80440

EXECUTED the day and year first above written.

THE TOWN OF FAIRPLAY, COLORADO

Frank Just, Mayor

Janell Sciacca, Town Clerk

OWNER:

Mark Kelly



TOWN OF FAIRPLAY
P.O. BOX 267
FAIRPLAY, CO 80440
(719) 836-2622
www.fairplayco.us

TOWN OF FAIRPLAY

Property Improvement Incentive Program (PIIP)

Application for Consideration

Applicant Must Be Property Owner

PROPERTY INFORMATION

Property Address:

Residential ☒ Commercial ☐

OWNER INFORMATION

First Name:

Last Name:

Mailing Address:

Phone Number:

Email Address:

CONTRACTOR INFORMATION

Name:

Contractor Lic. #

Mailing Address:

License County

Phone Number:

Email Address:

PROJECT INFORMATION

Description of Work:
Please attach Photos
or drawings of project
area, Contractor bids/
quotes, and/or cost
quote of all materials.

Project Valuation (\$):
(Total Cost of Project)

(OFFICE USE ONLY) Will this Project

Require A Building permit? YES ☐ NO ☒

Amount of PIIP Funds from the

Town:

By signing this application I understand that this is not a building permit application. If a building permit is required a separate application must be submitted.
I have read and understand the rules and regulations of the PIIP Program - Ordinance No. 1, 2014.

7/19/25

SUBMIT THIS COMPLETED FORM TO:
Alex Wagner: awagner@fairplayco.us
or submit at Town Hall – 901 Main St

Applicant

Date

Property Address:

690 castello Mark Kelly

Tax Schedule #:

HOW MUCH PIIP MONEY CAN I APPLY FOR IN 2025?

A - Total Tax Paid	Tax Year	B - Total Mill Levy	C - Fairplay Mill Levy	A / B X C - Total Tax Paid to Fairplay
1885.02	2024	72.5847	11.7999	306.44263
1816.06	2023	69.929	11.7999	306.44405
1202.36	2022	75.9982	11.7999	186.67572
1185.54	2021	72.8218	11.7999	192.10254
956.42	2020	74.603	11.7999	151.27621

5 Year Total of Taxes Paid to Fairplay

\$ 1142.00

After you have determined total taxes paid to the Town of Fairplay over the past five years, make adjustment for any prior year's PIIP funds received from the Town.

Additional Notes:

2024 Taxes Have Not Been Paid.
Check w/ Park County

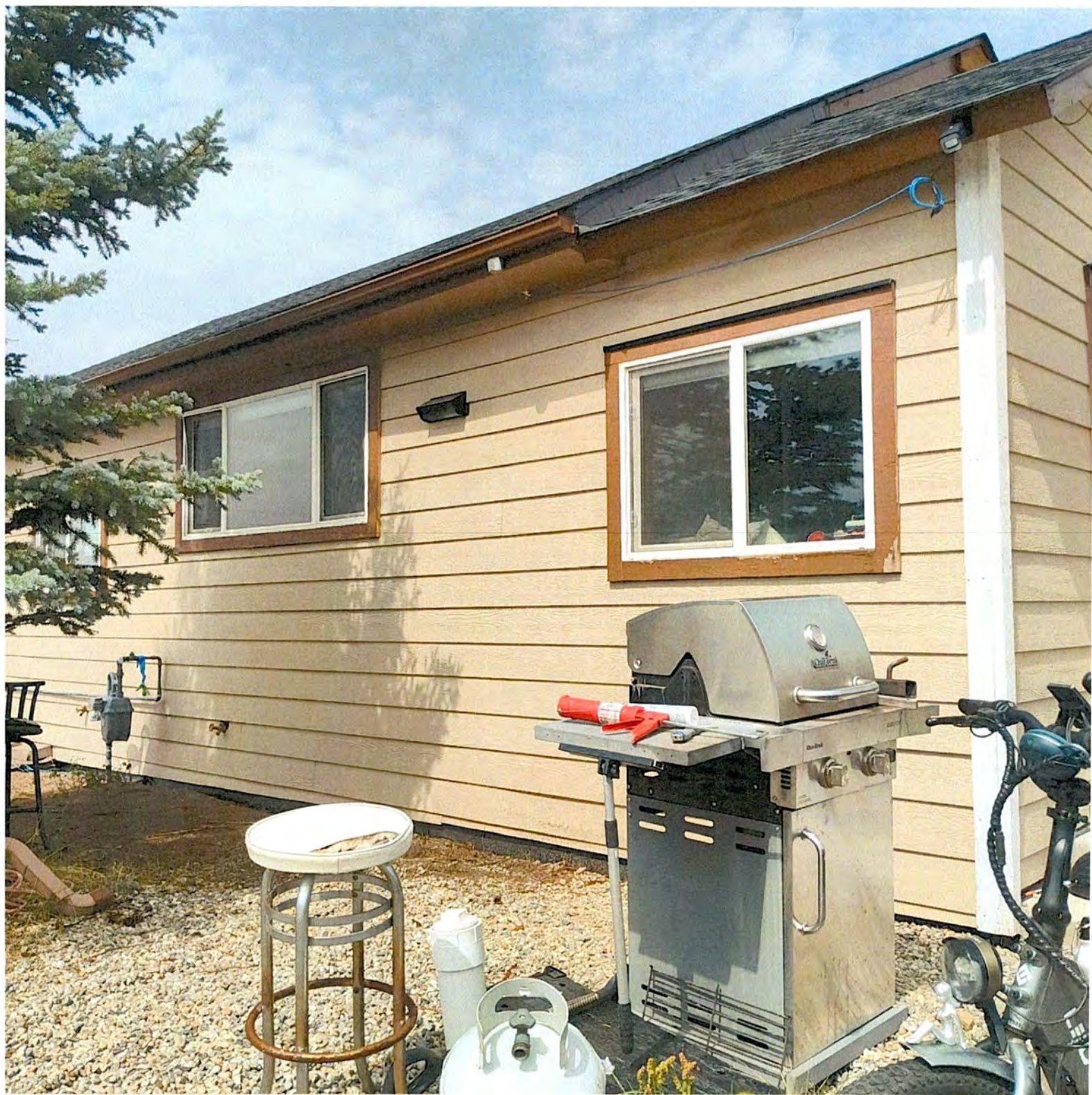
Materials \$ 1,069

Labor — \$ 2,700

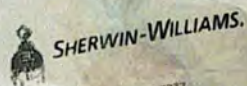
\$ 3,769











FRISCO Store 707277

PO BOX 290
FRISCO, TX 75045-0290
(817) 668-3131
Fax (972) 668-8076
www.sherwin-williams.com

SALE 4:15pm
Tran # 2212-7 06/30/25
E57/14183 10
Diane PO# MARK

ALL AMERICAN PAINTING
ACCOUNT XXXX-5909-1
Job: 1 ALL AMERICAN PAINTING

6503-70117 K48100054 GALLON K48154
EMERALD EXSA UDEEP 77.95 155.90
2.00 @
Color: SW9100 UNDER MUST
CCE*Color Cost 02 32 64 128
W1 Black 60 1
R2 Maroon 46 1
V3 Deep Gold 6 21 1
Sher-Color Formula

TO GOVT IMPOSED PAINT FEE 0.75 1.50
2.00 @
6503-70133 K48100054 5 GAL K48154
EMERALD EXSA UDEEP
10.00 @ 74.95 749.50
Color: SW6797 JAY BLUE
CCE*Color Cost 02 32 64 128
W1 White 6 11 1 1
L1 Blue 38 31 1
R3 Magenta 2 48 1
V3 Deep Gold 36 1
Sher-Color Formula

TO GOVT IMPOSED PAINT FEE 1.60 3.20
2.00 @
461-3667 PG29-.23R EACH
PG29 PREMIUM 36MM 7.89 47.34
6.00 @
Discount (% 15.00) -7.10
1021-52550 SWBM25H12 EACH
12" X60YD MASK PAPER 2.79 5.58
*Sale Price 2.00 @
568-0632 AMF48 EACH
AMF MASKING FILM 48" 15.39 30.78
*Sale Price 2.00 @

Order # 0E0509076Q707277
SUBTOTAL BEFORE TAX 986.70
8.375% SALES TAX: 1-068044300 82.64
TOTAL \$1069.34

VISA (CHASE VISA) -1069.34
C/C# XXXXXXXXXXXX6342
Auth # 04413G
Contactless
ATD:A0000000031010

STORE HOURS
SUNDAY CLOSED
MONDAY - FRIDAY 7:00 AM - 5:00 PM
SATURDAY 8:00 AM - 12:00 PM

Purchases are subject to Sherwin-Williams
Terms and Conditions of Sale located at

Proposal

TANKSLEY ENTERPRISE
1318 Maxwell Street.
Colorado Springs, CO 80906
(970) 644-1177
jesse.tanksley98@gmail.com

July 15, 2025

PROPOSAL SUBMITTED TO:

WORK TO BE PERFORMED AT:

NAME: Mark Kelly	ADDRESS: 690 Costello Ave Fairplay, Colorado
ADDRESS: 690 Costello Ave. Fairplay, Colorado	Exterior paint
PHONE NO. [REDACTED]	

We hereby propose to perform the labor necessary for the completion of the following:

RE: Calk in shophet where meets new siding and seal up any other cracks as needed.

Cover all windows with plastic and prep anything else needed to spray.

Spray the entire body of the house the color of the homeowner's choice.

Paint all the trim and fascia a different color chosen by the homeowner.

All materials are not included if more is needed it will be added on to the final cost

All material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work and completed in a substantial workmanlike manner for the sum Two Thousand Seven Hundred Dollars (\$2,700.00) with payments to be made as follows. This proposal will be valid for 30 days from the date which it is dated.

\$ 1,300.00— Deposit per unit (\$2,700.00 total per unit)
 Balance due upon completion

Please make checks payable to: Tanksley Enterprise

Any alternation of deviation from above specification involving extra cost
 Will be executed only upon written order, and will become an extra charge
 over and above the estimate. All agreements contingent upon strikes,
 Accidents, or delays beyond our control.

Respectfully
 submitted Jesse A. Tanksley

ACCEPTANCE OF PROPOSAL

The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Signature _____
 Date _____
 Signature _____



*Town of
Fairplay
Colorado*

Town of Fairplay

901 Main Street • P.O. Box 267

Fairplay, Colorado 80440

(719) 836-2622

www.fairplayco.us

STAFF MEMORANDUM

TO: Mayor and Board of Trustees

FROM: Janell Sciacca, Town Administrator

RE: New Business Item B – 501 Main Street Roof Repair/Replacement

DATE: August 4, 2025

BACKGROUND/ANALYSIS:

The Town of Fairplay acquired the building at 501 Main Street in 2019 with plans to renovate the space as a Community Center for the Town's residents. The only use in that building from 2019 to 2024 was the South Park Food Bank operations.

In December 2022, a vehicle drove through the building at the corner of 5th and Main. In 2023, the Town leaders approved a contract with JOC Construction to repair the vehicle damage and subsequently approved another contract with JOC for design and construction of the Fairplay Visitor Center which was completed in 2024. This year, JOC completed another renovation of a portion of the building for the Burro Race Museum. During the renovations, JOC advised the Town that the roof had hail damage and was also leaking in multiple places. Town Staff submitted an insurance claim with its carrier CIRSA for the hail damage and initial indication was that CIRSA was going to deny the claim due to the fact that a forensic roofer determined the damage was pre-existing back to 2017 and prior to the Town's ownership. Staff submitted a CORA request to Park County for records on the history of the building and following email exchanges and discussions with multiple County employees, Public Works Project Manager Jared McQueer provided an email stating that he had been unable to locate anyone or any documentation indicating that the building suffered hail damage in 2017 under the County's ownership. This email was shared with CIRSA and on July 23rd CIRSA Claims Specialist Craig Stevens contacted me advising that CIRSA had made the decision to cover the Town's claim up to \$147,000. The Town's current deductible is \$1,000.

Quotes were collected and 3 different companies submitted proposals. Those companies are JOC Construction, Lozano Roofing, and JR&CO. Each has been reviewed by Staff, CIRSA and Building Official Kyle Parag. The 3 quotes are quite dissimilar, and while highly detailed and providing multiple options, the highest quote from JOC Construction was eliminated. Following review of the remaining two, both CIRSA and Staff felt the lowest quote submitted by JR&CO contained more

detail and also specific materials that Building Official Kyle Parag indicated would be required in the project. Therefore, Staff is recommending awarding the contract to JR&CO.

CIRSA advised that any contract contain a “hard bid / no supplements” clause which the Town Attorney has added. CIRSA also advised that they will not cover gutters and downspouts, and those expenses must be borne by the Town. Another important factor to consider is that CIRSA excludes wear and tear and rust, corrosion, rot, etc. Therefore, if the contractor finds rusted metal, rotted wood, and decking or framing that requires replacement, those expenses will also have to be borne by the Town.

RECOMMENDATION

To approve Resolution No. 26, Series of 2025, approving a Construction Agreement with JR&CO for reroofing of the 501 Main Visitor Center Building by motion, second and roll call vote.

ATTACHMENTS

- Resolution No. 26, Series of 2025
- Exhibit A – Construction Agreement
- 3 Quotes from JR, JOC and Lozano

EXHIBIT A

CONSTRUCTION AGREEMENT

This **CONSTRUCTION AGREEMENT** (this “Agreement”) is entered into this 4th day of August 2025 by and between the Town of Fairplay, Colorado (hereinafter referred to as the “Owner”) and JR & CO (hereinafter referred to as the “Contractor”).

Owner and Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 WORK

- 1.01 Contractor shall complete all work as specified or indicated in the Contract Documents (defined below). The work is generally described as follows: Reroofing of 501 Main Street Building; and further detailed in the July 25, 2025 Proposal document.

ARTICLE 2 THE PROJECT

- 2.01 The project for which the work under the Contract Documents may be the whole or only a part is generally described as follows: 501 Main Street Building Reroofing (the “Project”).

ARTICLE 3 ENGINEER/BUILDING OFFICIAL

- 3.01 Town contract Engineer Deron Dirksen of SGM shall serve as construction manager who is hereinafter called Engineer and who is to act as Owner’s representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the work in accordance with the Contract Documents.

ARTICLE 5 CONTRACT TIMES

5.01 Time is of the Essence

- A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

5.02 Days to Achieve Substantial Completion and Final Payment

- A. Contractor shall achieve Substantial Completion within 60 calendar days of the issuance by the Owner of a Notice to Proceed and shall finally complete the Work so that it is ready for final payment within 90 calendar days of the issuance by the Owner of a Notice to Proceed.

5.03 Liquidated Damages

- A. Contractor understands and agrees that time is an essential condition of this Agreement. Contractor further understands and agrees that delay in completion of the project will cause Owner to suffer substantial losses and damages which cannot be measured, including without limitation the loss of revenues for services, loss of other revenue incidental to the operation

of the facility, additional engineering, legal, accounting and administrative costs, reduced public confidence and adverse public relations which would reduce future revenues, and additional interest and financing costs and charges if the Work is not completed within the times specified above, plus any extensions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or mediation proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring proof of such losses and damages, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay two hundred fifty dollars (\$250.00) for each day that expires after the time specified above for Substantial Completion until the Work is substantially complete.

- B. After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the contract time or any proper extension thereof granted by Owner, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty) Contractor shall pay two hundred fifty dollars (\$250.00) for each day that expires after the time specified above for final completion and readiness for final payment until the Work is finally complete and ready for final payment.
- C. Owner shall have the right to deduct the liquidated damages from any money in its hands, otherwise due, or to become due, to Contractor, or to sue for and recover compensation for damages for nonperformance of this Contract.
- D. Any liquidated damages payable by Contractor may, at Owner's election be deducted from any amounts owed to Contractor. In the event no funds are due Contractor at a time when Contractor becomes liable to Owner for liquidated damages, then Contractor agrees to pay all accrued liquidated damages to Owner on the first (1st) day and on the fifteenth (15th) day of each month when Contractor is liable to Owner for liquidated damages. Permitting Contractor to continue and finish the Work or any part thereof after the deadline for completion of the Work shall not act as a waiver of these liquidated damages provisions.
- E. The aggregate liability of Contractor to pay liquidated damages pursuant to this Article shall not exceed an amount equal to fifty percent (50%) of the Contract Price. This Article shall not be construed to limit Contractor's other obligations or liabilities arising under or in connection with this Contract.
- F. In the event that this section conflicts with any other provisions regarding liquidated damages within the Contract Documents, this section shall control.

ARTICLE 6 CONTRACT PRICE

- 6.01 Owner shall pay Contractor One Hundred Thirteen Thousand Five Hundred dollars (\$113,500.00) for completion of the Work as full compensation for everything furnished and done by Contractor under this Agreement, including all loss or damage arising out of the work or from the action of the elements; for any unforeseen obstruction or difficulty encountered in the prosecution of the work, including increased prices for or shortages of materials for any reason, including natural disasters; for all risks of every description associated with the work; for all expenses incurred due to the suspension or discontinuation of the work; and for well and faithfully completing the work as provided in this Agreement.

ARTICLE 7 PAYMENT PROCEDURES

7.01 Submittal and Processing of Payments

- A. Contractor shall submit Applications for Payment to the Owner on a monthly basis, which shall be processed by the Town Administrator.

7.02 Progress Payments; Retainage

- A. Owner shall make progress payments towards the Contract Price, less five percent (5%) for retainage, on the basis of Contractor's Applications for Payment, as verified and recommended by Engineer and Building Official, on or about the twenty-fifth (25th) day of each month during performance of the Work. In the Engineer's discretion, the Owner may withhold some or all of a progress payment where the Contractor's Application for Payment does not reflect the actual amount of the Work completed.

7.03 Final Payment

- A. Upon final completion and acceptance of the Work as recommended by the Engineer, Owner shall pay the remainder of the Contract Price, including any retainage previously withheld.

ARTICLE 8 PROJECT WARRANTIES

- 8.01 Contractor's warranties in respect of the Work (the "Project Warranties") are as follows: Contractor warrants to Owner that the Work shall be fit for its intended purposes, that materials and equipment furnished under this Agreement shall be of good quality and new, that all Work shall be free from defects and that all Work shall meet all of the requirements of this Agreement. Contractor shall furnish satisfactory evidence that it has met the Project Warranties. The Project Warranties shall commence on the date Contractor achieves final completion of the Work satisfactorily to Owner. If at any time within two (2) years after the date on which the Project Warranties commenced, any portion of the Work is found to be not in accordance with the Project Warranties, Contractor shall correct it promptly after receipt of notice from Owner to do so unless Owner has previously given Contractor a written acceptance of such condition.

ARTICLE 9 INSURANCE

- 9.01 Insurance Requirements. Contractor shall not commence work under this Agreement until Contractor has obtained all insurance required under this Article and the insurance has been approved by the Town Administrator or his designee. The Town of Fairplay shall be named as an additional insured. Certificates of insurance shall be issued prior to execution of the Notice to Proceed. Additionally, Contractor shall not allow any approved subcontractor to commence work on his or her subcontract until all similar insurance required of subcontractor has been so obtained and approved. The following insurance shall be required:

- A. Commercial General Liability Insurance: At a minimum, combined single limits of \$1,000,000 per occurrence and \$1,000,000 for general aggregate for bodily injury and property damage, which coverage shall include products/completed operations, independent contractors, and contractual liability each at \$1,000,000 per occurrence.

- B. Workers' Compensation and Employer's Liability: Workers' compensation insurance for all of Contractor's employees engaged in work at the site of the project including occupational disease coverage in accordance with scope and limits as required by the State of Colorado.
- C. Comprehensive Automobile Liability Insurance: Including coverage for all owned, non-owned, and rented vehicles with \$1,000,000 combined single limit for each occurrence.

ARTICLE 10 CONTRACTOR'S REPRESENTATIONS

10.01 In order to induce Owner to enter into this Agreement, Contractor makes the following representations:

- A. Contractor has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.
- B. Contractor has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Contractor is familiar with and is satisfied as to all federal, state, and local laws and regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has obtained and carefully studied (or assumes responsibility for having done so) any examinations, investigations, explorations, tests, studies, and data concerning conditions at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, including applying the specific means, methods, techniques, sequences, and procedures of construction, if any, expressly required by the Contract Documents to be employed by Contractor, and safety precautions and programs incident thereto.
- E. Contractor does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- F. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- G. Contractor has correlated the information known to Contractor, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- J. Contractor warrants and guarantees to Owner and Engineer that all Work will be in

accordance with the Contract Documents and will not be defective within two (2) years of Substantial Completion.

- K. Contractor is organized, validly existing and in good standing under the laws of the State of Colorado and has all requisite power to own its properties and assets and carry on its business as now conducted or proposed to be conducted.

ARTICLE 11 CONTRACT DOCUMENTS

11.01 Contents

- A. The Contract Documents consist of the following if applicable:
 - 1. This Agreement;
 - 2. Bidding Documents;
 - 3. General Conditions;
 - 4. Supplementary Conditions;
 - 5. Technical Specifications;
 - 6. Measurement and Payment Provisions;
 - 7. Construction Plans;
 - 8. Labor & Materials Payment Bond;
 - 9. Performance Bond;
 - 10. CIRSA Insurance Documents;
 - 11. _____; and
 - 12. Any written amendments or work change orders which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto.
- B. There are no Contract Documents other than those listed above in this Article.
- C. The Contract Documents may only be amended, modified, or supplemented by written agreement signed by both parties.

ARTICLE 12 PERFORMANCE BOND

- A. To secure performance of Contractor's obligations under this Agreement, the Contractor shall provide the Owner with a Performance Bond in the amount of the full contract price. Prior to execution of this Agreement, the Contractor shall provide the form of the Performance Bond to the Town for its review and approval. The Town shall be authorized to draw upon the Performance Bond to correct any default by Builder under this Agreement, which default shall be determined and substantiated by an Affidavit of Default signed by the Engineer. The Performance Bond shall be held by the Town through the two (2) year Project Warranties period specified in this Agreement.

ARTICLE 13 MISCELLANEOUS

13.01 Indemnification

- A. The Contractor agrees to indemnify, save, and hold harmless the Owner, its officers, employees, and agents from any and all liability, loss, costs, charges, obligations, expenses, attorney's fees, litigation, judgments, damages, claims, and demands of any kind arising from or out of any negligent act, error, omission or other tortious conduct of the Contractor, its officers,

subcontractors, employees, or agents in the performance or non-performance of its obligations under this Agreement.

13.02 Assignment of Contract

- A. No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

13.03 Successors and Assigns

- A. Owner and Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

13.04 Severability

- A. Any provision or part of the Contract Documents held to be void or unenforceable by any court of competent jurisdiction shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

13.05 Independent Contractor

CONTRACTOR IS AN INDEPENDENT CONTRACTOR AND NOTHING HEREIN CONTAINED SHALL CONSTITUTE OR DESIGNATE THE CONTRACTOR OR ANY OF ITS EMPLOYEES OR AGENTS AS EMPLOYEES OR AGENTS OF THE OWNER.

13.06 No Waiver of Governmental Immunity

Nothing herein is intended as nor shall it be construed as a waiver of the protections and immunities afforded the Owner pursuant to the Colorado Governmental Immunity Act, Sections 24-10-101, et seq., Colorado Revised Statutes, or pursuant to any other applicable laws.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Owner and Contractor have signed and executed this Agreement in duplicate on the date first written above. One counterpart each has been delivered to Owner and Contractor. All portions of the Contract Documents have been signed or identified by Owner and Contractor or on their behalf.

TOWN OF FAIRPLAY

Name: Frank Just

Title: Mayor

ATTEST:

Janell Sciacca, Town Clerk

JR & CO

Name: _____

Title: _____

ATTEST:

(Name/Title)

EXHIBIT A TO CONSTRUCTION CONTRACT

**Visitor Center Building**

Friday, July 25, 2025

PROPOSAL VALID FOR 30 DAYS

Brian Burke
(719) 244-9636, (561) 662-7413
brian.burke@jrcousa.com

JR & CO., Inc.
8045 Iron Tower Ct, Colorado
Springs, CO 80939



Project Name	Visitor Center building		
Project Address	501 Main St., Fairplay, CO 80440		
Client	Town of Fairplay	Client Contact	Janell Sciacca
Contact Phone	719-839-6150	Contact Email	jsciacca@fairplayco.us
Client Address	901 Main Street/ PO Box 267, Fairplay, CO 80440		

Summary: Per the roof report and our inspection of the existing roofing system we have found the need to provide the following scope of work to protect the interior envelope of the building from water intrusion.

Scope of Work:

Adhered TPO Roofing System

1. Set-up staging area for roofing as agreed upon between client and JR & Co.
2. Provide all necessary protection needed to guard structures from the execution of our work.
3. Set up all required safety as required by OSHA.
4. Provide a fastener pull test to determine the mechanical attachment of the ISO prior to the construction.
5. Remove and reinstall the metal cap between the metal roof and existing PVC roof system.
6. Remove and dispose of existing roofing system down to steel decking as required to allow the application of the proposed roofing system.
7. Inspect existing steel decking, any damage identified will be replaced at an additional cost of \$10.85 per square foot (100 SF Minimum, Insulation replacement not included), additional cost shall be borne by the owner.
8. Remove and dispose of the existing gutters and downspouts.
9. Furnish and install one layer of 1/2" EPS Insulation, loosely laid between the ribs of the metal decking, per manufacturer's specifications over the entire roof area.
10. Furnish and install one layer of 1" (R-5.7) ISO Insulation mechanically fastened to decking per manufacturer's specifications over the entire roof area.
11. Furnish and install one layer of 1/2" Densdeck Prime cover board adhered per manufacturer's specifications over entire roof area.
12. Furnish and install a new **Adhered 60 mil Reinforced TPO (Thermoplastic Polyolefin)** roof membrane, **white** in color, as needed to complete the roofing system. Adhered as per manufacturer's specifications.
13. Seams to be heat welded with a min 1-1/2" weld.
14. Furnish and install new TPO membrane flashing for the roof penetrations and curbs.
15. Provide daily cleanup of work area.

20 Year Manufacturer's Labor and Materials Warranty

**This warranty includes a Hail Rider that covers damage from up to and including 2" Hail
2 Year Workmanship Warranty**

Sheet Metal Flashing & Trim

1. Set-up staging area for roofing as agreed upon between client and JR & Co.
2. Provide all necessary protection needed to guard structures from the execution of our work.
3. Set up all required safety as required by OSHA.
4. Furnish and install 24GA Steel shop fabricated sheet metal gravel stop along the sloped edges. installed per SMACNA details. (Standard Colors)
5. Furnish and install 24GA Steel shop fabricated sheet metal drip edge along the back flat roof section, installed per SMACNA details. (Standard Colors)
6. Furnish and install 24GA Steel shop fabricated sheet metal 6" Box gutters, installed per SMACNA details. (Standard Colors)
7. Furnish and install 24GA Steel shop fabricated sheet metal 4"x4" downspouts, installed per SMACNA details. (Standard Colors)
8. Furnish and install Aluminum-pre-fabricated termination bar along the back sloped roof section, installed per SMACNA details. (Standard Colors)
9. Provide daily cleanup of work area.

25 Year Manufacturer's Paint Finish Warranty 2 Year Workmanship Warranty

Exclusions: Permit fees, state remodel tax, prevailing wage, bonding, third party billing, MBE, WBE, SDVE, NIST SP 800-171, handling of unclassified controlled technical information, walk pads, substrate board, vapor barrier, tapered insulation, decking repair/replacement, wood nailer, rough carpentry, wood repair or replacement not specified above, existing structural defects on structure, structural supports, engineering for load capacities and structural integrity, structural upgrades due to code or deficiencies, glazing, any sheet metal flashings not specified above, masonry/stone, electrical, mechanical, roof hatch, roof hatch safety railing, ladder up post, roof access ladder, asbestos abatement, mold remediation, interior insulation, fascia, soffit, siding/stucco repair or replacement, painting of any surface not part of the roofing system, tree trimming, glass replacement, grass repair or reseeding, shrub or flower replacement, compensation in any way for loss of any part of the property or individual due to construction traffic, noise, or storage of materials and equipment or loss or impairment of view because of same, and anything not specifically mentioned above.

COMBINED PRICE: \$113,500.00

This is based on the project being tax exempt.

Additional Cost Not Included:

Will need to contact the power company to cover the electrical wires or turn off power to the wires that are just above the roof. This cost will be in addition to the above proposal.

Terms of Payment: Payment due upon completion of the job with 30 days of receipt of the invoice.

Material Increase/Decrease Cost & Availability Addendum

This Material Increase/Decrease Cost & Availability Addendum (this "Addendum") is made and entered into by and between _____ ("Customer") and JR & Co., Inc. ("Contractor") in accordance with that certain Contract between the parties (the "Contract") and is incorporated therein by this reference. Capitalized terms used herein but not defined shall have the meaning ascribed to such terms in the Contract.

The Contract Sum for the Scope of Work contained in the Contract has been calculated based on the current prices (the "Baseline Price") for the component building materials (the "Subject Materials"). However, during the course of the project, certain markets providing the Subject Materials may experience fluctuation or volatility due to various factors, including, but not limited to, supply chain disruptions, pandemics, war, energy prices, potential changes in taxes, tariffs, and/or duties associated with such materials, that may impact price, availability, and delivery time frames.

To the extent feasible, purchases of the Subject Materials will be made as soon as possible to expedite material orders for the Project. Once the material orders are placed, the confirmations from the manufacturer/distributor will be used for any schedule adjustments or changes. Customer and Contractor shall then agree on the location where the materials are to be stored (if not on the project site) and how the materials are to be secured. A bailment, such as insurance certificate can be provided. Contractor will then bill Customer for such materials.

If, prior to ordering, a Subject Material experiences an increase or decrease in its Baseline Price in excess of __%, Contractor shall promptly notify Customer in writing for an equitable adjustment to the Contract Sum from the Baseline Price to the price at time of procurement and shall provide appropriate documentation substantiating such adjustment. A meeting will be scheduled to present a full and transparent disclosure of the price as of the date of the Contract and a comparison of the price at the time of procurement. Customer acknowledges and agrees that the adjustment to the Contract Sum will also include percentages for Contractor's overhead and profit, subject to the provisions of the Contract for percentage amounts and limits for charges in order to maintain Contractor's gross profit margin and avoid any erosion thereof. Customer and Contractor will enter into a change order with regard to any adjustment to the Contract Sum contemplated by the foregoing. If Customer and Contractor are unable agree to on the adjustment to the Contract Sum, Contractor may stop work under the Contract (including any purchase of Subject Materials) and may exercise such other remedies under the Contract.

If Contractor is delayed at any time in the commencement or progress of the work due to a delay in the delivery of, or unavailability of, a Subject Material, which is beyond the reasonable control of and without the fault of Contractor, its subcontractors, and material suppliers, Contractor's date of performance shall be equitable adjusted. Customer and Contractor shall undertake reasonable steps to mitigate the effect of such delays. Notwithstanding any other provisions of the Contract to the contrary, Customer agrees that Contractor shall not be liable to the Customer for any expenses, losses or damages arising from a delay in the delivery of a potential time and price impacted material item which is not the fault of Contractor, its subcontractors and material suppliers.

In connection with this Addendum, each of Customer and Contractor agrees, at the request of the other, to execute and deliver such additional documents, instruments, conveyances, and assurances and to take such further actions as may be required to carry out the provisions hereof.

ACKNOWLEDGED AND AGREED this _____, 20__.

CUSTOMER:

CONTRACTOR:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

STANDARD TERMS AND CONDITIONS:

1. Contractual Conditions - These terms and conditions are not binding upon JR & Co., Inc. (hereinafter "Contractor") until Customer has authorized Contractor to commence work by execution of the Contract and said Contract has been ratified by Contractor's management.

2. Terms of Payment – Full payment is due upon completion of the scope of work or in accordance with the established payment schedule. Payment not received upon the completion may be deemed in default. In the event of a default, interest shall accrue from the date of default at the lesser rate of 1.5% per month (18% per annum) or the maximum rate allowed by law with a minimum charge of \$5.00 per month. In the event that Contractor employs attorneys or other experts in connection with the enforcement of this contract, then to the extent not prohibited by law, customer agrees to pay, promptly upon demand by Contractor all the attorneys' fees, expert fees, costs, and expenses incurred by Contractor with respect to said services, whether or not suit is brought.

3. Financial Assurance - Customer shall, at the written request of Contractor and before the commencement of the Work (or any time thereafter), furnish to Contractor reasonable evidence that financial arrangements have been made to fulfill the Customer's obligations to pay Contractor. Furnishing of such evidence shall be a condition precedent to commencement or continuation of the Work. After such evidence has been furnished, the Customer shall not materially vary such financial arrangements without prior written notice to Contractor.

4. Warranty -

Workmanship: In addition to any manufacturer's warranty, Contractor warrants that its work will be free from defects caused by faulty workmanship for a period of 24 months after substantial completion of the Work. Upon substantial completion Contractor will issue a warranty certificate for the specified timeframe. The owner shall possess the certificate and shall produce upon making a request for repair or for warranty transfer.

Entire Warranty: THE WARRANTIES OF THIS PARAGRAPH ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING (BUT NOT LIMITED TO) THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Warranty Transfer: Manufacturer warranties are subject to manufacturer warranty transfer obligations and fees. Contractor's limited workmanship warranty may only be reassigned one-time and must be reassigned within 60 days of ownership transfer or if done in advance of reporting a claim, whichever comes first. All warranty transfers are subject to inspection and the written consent of Contractor for a fee of \$500; this fee is non-negotiable.

Contractor's Obligation: Contractor shall correct any defects due to faulty workmanship, which appear within 24 months after substantial completion of Contractor's Work. Contractor's obligation and liability under this warranty are limited to the repair or replacement of any defective workmanship, at Customer's site, and shall not in any case extend to any loss of anticipated profits, rents, shutdown or non-operation of the facility, or other consequential loss suffered by Customer from any cause, including defects covered by this paragraph.

Exclusions: This warranty does not cover any failure or defect resulting from:

- a. Harmful chemicals, fumes, or vapors;
- b. Vandalism or physical abuse;
- c. Lack of proper maintenance and repair;
- d. Unauthorized penetrations or repairs;
- e. Customer purchase materials or equipment;
- f. Acts beyond the reasonable control of Contractor, including without limitation, sovereign acts, legislation, fire, flood, earthquake, tornado, explosions, acts of God, or other catastrophic events.

Notice: Any warranty claim must be presented in writing to Contractor within 24 months after the substantial completion of Contractor's Work, or the claim shall be waived.

5. Permits - Unless otherwise provided in this Contract, all building, construction, and other permits required for the Work shall be obtained by Contractor. Any approval of the Project that may be required by a Homeowner's Association or similar body shall be obtained by Customer. Contractor shall not be responsible for delays in the permitting process. In addition, the Contractor shall be responsible for any and all inspections or tests required by regulatory agencies or code enforcement agencies.

6. Other Charges - Customer shall pay all taxes, excises, licenses or permit fees, or other governmental charges upon the sale, use, transportation, production or installation of the material, structures, or real property additions and improvements covered by this Contract. If Contractor is required to pay any such charges, Customer shall promptly reimburse Contractor.

7. Performance Dates - The performance schedule, if stated in the Proposal, is approximate and is not guaranteed by Contractor. Contractor shall not be liable for delays in delivery, fabrication or installation when such delays result from acts of government, acts of God, adverse weather, war, riot, labor disputes, civil insurrection or any other causes beyond Contractor's reasonable control, and the date of performance shall be adjusted for any such delays. Further, Contractor shall not be responsible for delays in the project caused by the failure of material/equipment suppliers to deliver material, equipment or services in the time and manner agreed upon or in the time and manner anticipated.

8. Scope Limitations - Any material, equipment, structure or service item that is not explicitly a part of this Contract is specifically excluded from Contractor's Work. Any item which is not specifically made a responsibility of Contractor in this Contract is specifically excluded.

9. Contract Amendments - Either Contractor or Customer may propose changes to the Work, and such changes shall be incorporated into the final design as long as proper adjustments in price and schedule are made. The following contract amendment procedure is to be used for work performed for the Customer by Contractor, which is beyond the Scope of the signed Proposal.

- a. As change order items are identified and before any work is done, Contractor and the Customer will review and agree on the work to be performed.
- b. A contract amendment or change order will be completed with regard to scope and price and any schedule impact. All parties involved will sign the contract amendment or change order.
- c. Contractor will perform the work and bill the Customer. For time and material work, documentation will be provided.

10. Facility/Site Conditions - Customer shall provide adequate working and storage areas, utilities, and reasonable access to the job site. Customer shall pay any additional costs incurred by Contractor as a result of variations in the conditions of the project or site (including but not limited to conditions that were not anticipated by Contractor).

11. Drawings - Any drawings and specifications attached or incorporated into the Proposal have been approved by Customer. No changes shall be made in these drawings or specifications without the express written consent of Contractor. Contractor shall be entitled to full compensation inclusive of profit and overhead for all changes in the drawings and specifications and the work depicted therein, and for any schedule delays, caused in whole or in part by any changes. Customer shall take full responsibility for the completeness and accuracy of any and all drawings and data for the Project. Should this information be incomplete or inaccurate, then Customer shall pay all additional costs (including overhead and profit) incurred by Contractor as a result.

12. Use of Specifications and Drawings - Contractor shall make no use of the specifications, drawings, or other documents except in connection with this Contract.

13. Indemnification - Customer agrees to defend and indemnify Contractor against any loss or expense from any claim or suit against Contractor as a result of any personal injury or property damage caused by the negligence of Customer or its agents, employees, or suppliers.

Contractor agrees to indemnify Customer for any loss or expense from any claim or suit against Customer as a result of any personal injury or property damage caused by the negligence of Contractor or its agents or employees. Neither party shall be required to indemnify the other party for the other party's negligence.

14. Customer's Insurance - Customer will procure and maintain the insurance described below: (1) Construction All Risk, (2) Commercial General Liability, and (3) Property/Casualty Insurance.

Construction All Risk Insurance: Construction All Risk Insurance or Customer's risk insurance having a "replacement value" basis, and including flood and collapse coverage, on all equipment and activities included in the Contract and all materials and equipment intended for permanent use or incidental to the construction of the Project, the cost of which is included in the cost of the Contract, while in transit to the site of construction, while at temporary storage locations and while in or about the premises awaiting and during construction until the project is accepted in its entirety by the Customer. The policy will:

- a. Provide that all losses shall be adjusted with, and made payable to, the Customer or Contractor as their interest may appear.
- b. Contain no co-insurance clause.
- c. Contain 30-day cancellation notice.
- d. All deductibles shall be paid by Customer.

Commercial General Liability Insurance: On commercial construction, Customer shall maintain commercial general liability insurance from commencement of the Work until twenty-four (24) months after the Project is finally completed. The limit of liability under such insurance shall be at least \$1,000,000 for any one occurrence.

Property/Casualty Insurance: Customer shall purchase and maintain the usual property/casualty insurance on the property and facility in the full replacement value of the property.

Other: All monies received under any such policy shall be applied in or towards the replacement and repair of the Work that is lost, damaged or destroyed. Customer and Contractor waive all rights against each other and any of their subcontractors, agents, and employees for any damages or liability covered by Customer's insurance, including any right of subrogation.

15. Contractor's Insurance - Contractor will provide and maintain, until completion of the Work, automobile liability insurance, general liability insurance, and workers' compensation insurance. Proof of insurance will be provided if requested.

16. Limitation of Liability - IN NO EVENT SHALL CONTRACTOR BE LIABLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL LOSS OR DAMAGE ARISING OUT OF ANY WORK PERFORMED FOR CUSTOMER, INCLUDING, BUT NOT LIMITED TO, LOSS OF USE, LOSS OF PROFIT, BUSINESS INTERRUPTION, INTEREST, LOSS BY REASON OF SHUTDOWN OR NON-OPERATION OF THE CUSTOMER'S FACILITIES, INCREASED EXPENSES OF OPERATION OF THE PROJECT, THE FACILITY OR OTHER FACILITIES, OR SPECIAL CONSEQUENTIAL LOSS OR DAMAGE, ARISING FROM ANY CAUSE WHATSOEVER, INCLUDING WITHOUT LIMITATION, FIRE. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL LIABILITY, IN THE AGGREGATE, OF CONTRACTOR TO CUSTOMER

OR ANYONE CLAIMING BY OR THROUGH CUSTOMER, FOR ANY AND ALL LIABILITIES, CLAIMS, LOSSES, EXPENSES, OR DAMAGES WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATED TO CONTRACTOR'S SERVICES, THE PROJECT, OR THE CONTRACT, FROM ANY CAUSE OR CAUSES WHATSOEVER, INCLUDING WITHOUT LIMITATION, NEGLIGENCE, STRICT LIABILITY, INDEMNITY, WARRANTY, OR BREACH OF CONTRACT, SHALL NOT EXCEED THE CONTRACT AMOUNT.

17. Cancellation - Upon cancellation of this Contract, Customer shall be responsible to Contractor for all costs of cancellation, including (1) the proportionate contract price for all Work completed, whether shipped or not, prior to Contractor's receipt of notice or cancellation; (2) all costs incurred by Contractor in connection with Work not completed at the time notice of cancellation is received; (3) Contractor's full anticipated fee for this Contract; (4) all expenses incurred by Contractor by reason of such cancellation, including costs arising from termination of subcontractors and vendors; and (5) Contractor's reasonable attorney's fees incurred to enforce or defend this provision. This clause shall not limit nor apply to Customer's remedies in the event Contractor shall breach or fail to perform any of the terms of this Contract; provided, however, that Contractor's liability shall not exceed the limitation of liability set forth in these Terms and Conditions.

18. Termination - By Contractor: If the Customer fails to make payment for a period of 10 days after the date the payment is due, if Customer repeatedly fails to make product selection or any decision necessary for the advancement of the Contractor's work, or if Customer repeatedly interferes in the work, Contractor may, upon 3 days' written notice to Customer, terminate this Contract. Contractor will be entitled to recover, from the Customer, payment for Work executed and for loss with respect to materials, equipment, tools, and construction equipment and machinery, including overhead and profit at the rate of 20% and any other damages incurred by Contractor. After termination of this Contract, Contractor is relieved from any other contractual obligations, including all punch-list and/or warranty work.

By Customer: Customer shall have the right to terminate this Contract if Contractor defaults, persistently fails, neglects to carry out the Work in accordance with this Contract or fails to perform a provision of the Contract. Prior to termination, Customer shall give Contractor 7 days' written notice of the failures and deficiencies and Contractor shall have 7 days from receipt of said notice to cure any such failure or deficiency. If the unpaid balance of the Contract Amount exceeds costs of finishing the Work, such excess shall be paid to Contractor, but if such costs exceed such unpaid balance, Contractor shall pay the difference to Customer, subject to the limitation of liability set forth in these Terms and Conditions.

19. Waiver - Any term or provision of this Contract may be waived, or the time for its performance may be extended, by the party entitled to the benefit thereof. The failure of any party to enforce any provision of this Contract shall not be construed to be a waiver of such provision.

20. Dispute Resolution - The parties will attempt in good faith to resolve through negotiation any dispute, claim, or controversy arising out of or relating to this agreement. Any party may initiate negotiations by providing written notice in letter form to the other party, setting forth the subject of the dispute and the relief requested. The recipients of such notice will respond in writing within five business days with a statement of their position on and recommended solution to the dispute.

21. Choice of Law - This Contract is to be construed under the laws of Missouri. Any action arising out of or in connection with this Contract shall be brought in any Court of competent jurisdiction in Jackson County, Missouri or in the United States District Court of Western Missouri.

22. Assigns - This Contract shall be binding upon the heirs, executors, administrators, successors, survivors, and assigns of the respective parties. Neither party shall assign this Contract without written consent of the other party.

23. Complete Agreement - This Contract sets forth the entire and integrated agreement between Customer and Contractor and supersedes any and all prior agreements, representations, and negotiations. No verbal agreement or conversation with any representative or employee of Contractor, either before or after execution of the Contract, shall affect or modify any of the terms or obligations of this Contract. Any future modification of this Contract shall be made in writing and executed by Contractor and Customer.

**Lozano CG Roofing**

PO Box 24544
 Silverthorne , Colorado 80498
 Phone: (970) 485-5616
 Email: lozanocgroofing.llc@gmail.com

Estimate # 784

Date 06/13/2025

Description**Total**

Epdm	\$147,000.00
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Flat Roofs (Decks)

Demo

Remove epdm

Remove insulation

Remove insulation plates

Remove screws

-Install EPDM OR TPO Roofing Membrane (Optional)

-Apply weathered membrane cleaner

-Install White peel & stick accessories

-Install necessary flashings 6x6

-Install pipe seals (With clamp)

-Install drains

-Install water cut off mastic

-Install black/white sealants

-Install cover strips

-Install seam tapes

-Install russ strips (6 inches)

-Install uncure for T joints (T patches for each 90° corners)

-Install Termination Bar (Where necessary)

-Install flashing caps (All around Deck)

-Install flashing escapes

-Includes EPDM / TPO roofing membrane on the sidewalls

Note- Installation of flat roof drains where necessary.

(Any damages made to the roof by someone else will be charged extra)

Snow Removal Charged at an hourly rate of \$55 per hour

Includes labor & material.

Warranty of 2 years

Payment to be made as follows :

50% at work start

50% due at work completion

37

Gutters / Downspouts

\$3,000.00

Gutter /DownSpouts

Install Gutter and Downspout

Install gutters

Install gutter end caps

Install clips

Install wedges

Install screws

Install gutter silicone

Install downspouts

Install outlets

Install downspout elbows

Install straps

Install small screws designed for downspouts

Metal

\$7,000.00

Install - Metal

-Install Drip Edge 2x2 (D Style)

-Install J Channels

-Install pipe jacks

-Install metal starters

-Install Metal Transaction

Install metal ridges

-Install flashing 6x6

-Install valley Ws

-Install Standing Seam panels 16 wide by 1 1/2 height

-Install screw, clips, etc.

*24 GA. STANDING SEAM PANELS

(All colors TBD by owner)

(Any damages made to the roof by someone else will be charged extra)

Remove Siding From Chimney to make wall waterproof and install Flashing .

Snow Removal charged at a rate of \$55 per hour per worker

Includes labor & material.

Warranty of 2 years.

Payment to be made as follows :

50% at work start

50% due at work completion

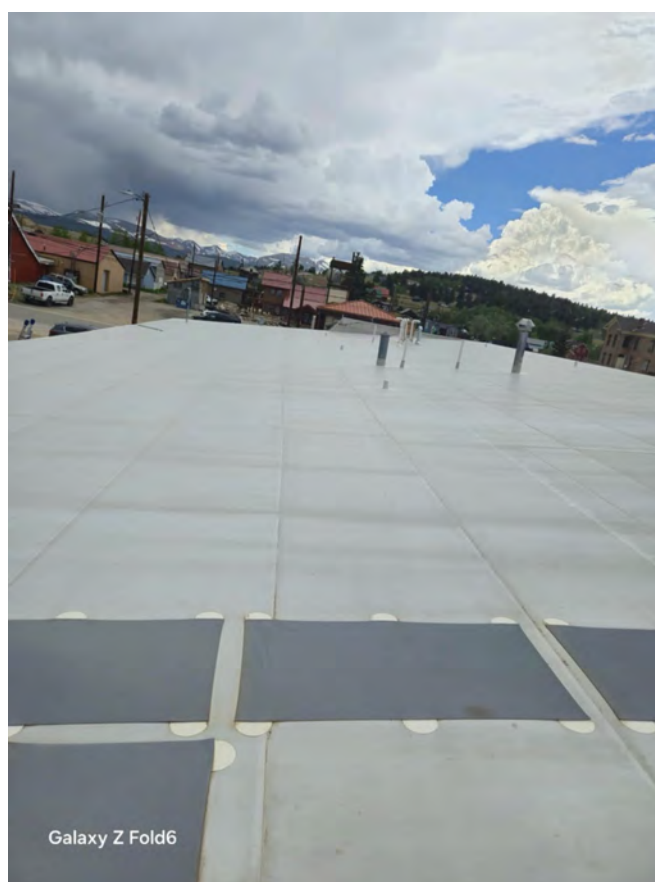
Note

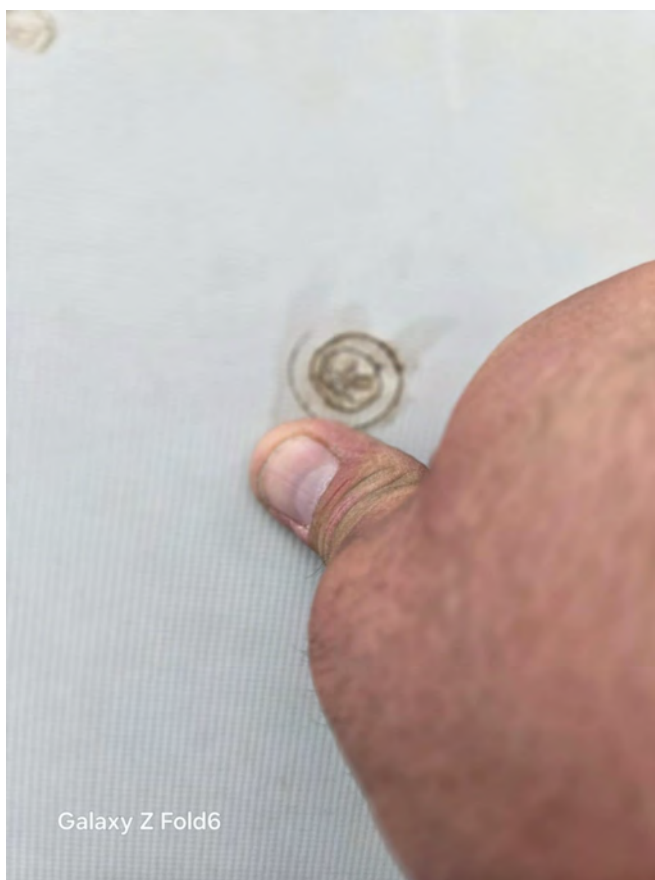
Due to hail damage on the roof , the insulation on the roof is really wet and need to be replaced before any further damages

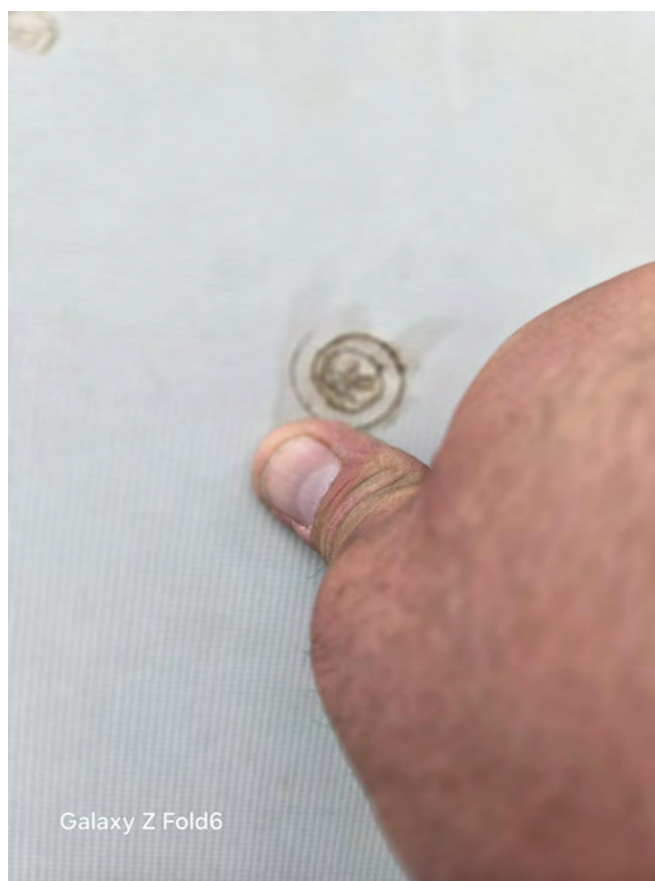
Subtotal	\$157,000.00
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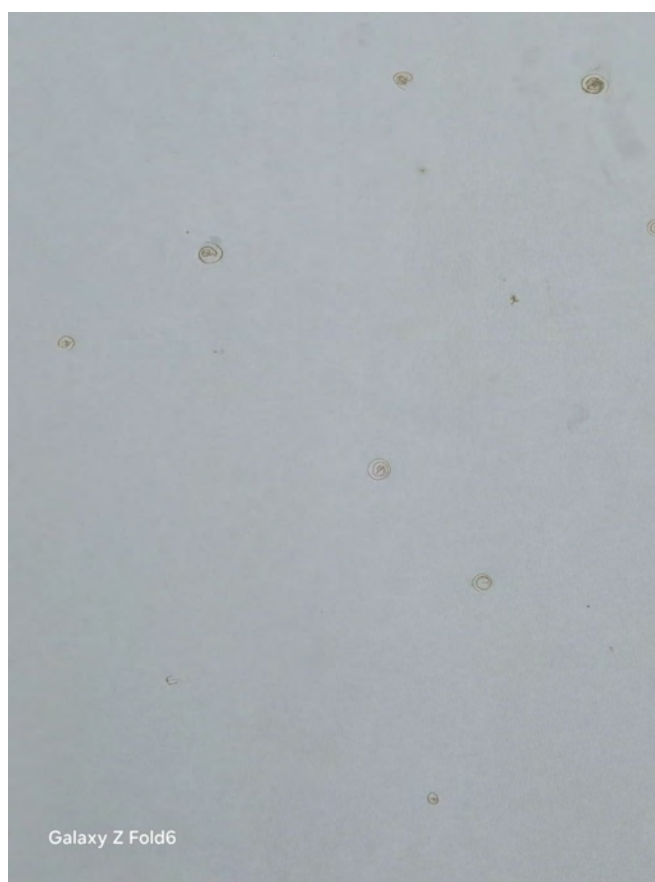
Total	\$157,000.00
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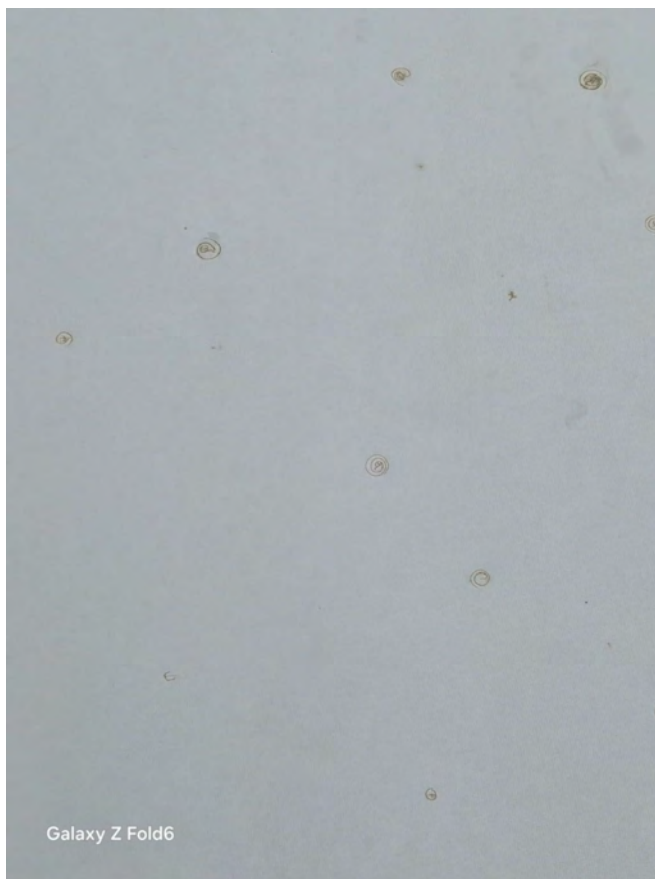












By signing this document, the customer agrees to the services and conditions outlined in this document.

45

Client Signature



Rough Order of Magnitude

Fairplay – Visitor Center Roof Replacement
501 Main Street, Fairplay, CO 80440

Proposal Submitted to:

June 9, 2025

Janell Sciacca
Fairplay Town Administrator
jsciacca@fairplayco.us

We understand the scope of work and we have done our preliminary pricing within the CTC (Construction Task Catalog) which has brought up a cost estimate as follows.

Summary Scope

The scope of work includes replacing the existing roof, with site observations made by the contractor and core samples taken on 5/15/2025. Input was given by Kyle, representing the Fairplay Building Department. There are several options that can be selected, depending on the requirements of the roofing system, and the potential impact of other projects associated with this building.

Detailed Scope of Work

The Contractor shall perform all work as described below:

1. Existing Conditions and Qualifications:

- a. Roof System Age, Composition, and Condition:
 - i. Installed in 1997.
 - ii. Consists of mechanically attached PVC membrane over 1” polyiso insulation, installed on 24-gauge PBR metal panels (functioning now as the roof decking material).
 - iii. The membrane is failed, showing hail damage and water infiltration throughout the roof and interior.
 - iv. The PBR metal panel decking is not structurally rated for deck applications.
- b. Manufacturer and Warranty Considerations:
 - i. No 20-year warranty will be provided for a new membrane if installed over the existing PBR panels.
 - ii. For warranty eligibility and structural integrity, replacement of PBR panels with proper decking is recommended.



- c. Proposed Deck Replacement:
 - i. 23/32" tongue and groove OSB sheathing is approved by the membrane manufacturer.
 - ii. NOTE: No structural engineering analysis has confirmed the adequacy of OSB sheathing or underlying structure; such an evaluation is advised.
- d. Related Considerations:
 - i. Street-facing siding and parapet work may be planned by the client at a future time.
 - ii. Cost savings could be achieved by coordinating the siding/parapet work with the roof replacement.
 - iii. If the client budget restricts combined work at the time of the roof replacement, separate estimates are provided for deferred siding/parapet improvements.

2. Base Product Option – Roof Replacement

- a. Remove and dispose of all existing roofing and “decking” down to the roof joists
 - i. Metal “decking” to be replaced for roof warranty purposes
- b. Install new 23/32" T&G OSB sheathing fastened to the existing roof joists
- c. Install new 1" polyiso insulation mechanically fastened to wood decking
- d. Install new ¼" primed DensDeck coverboard mechanically fastened to wood decking (recommended by the Fairplay Building Department)
- e. Install a new 60mil black EPDM membrane adhered to coverboard
 - i. Includes all necessary flashings at edge, penetration, and wall locations.
- f. Install new coping metal at existing parapet wall location at building's NW corner
- g. Install new 6" k-style steel gutters along entire southern (back) side of the building
 - i. Includes new 3" x 4" steel downspouts to match existing locations
 - ii. Includes new wood lumber nailer installation along entire edge of building
 - iii. NOTE: Per conversations with a city inspector (Kyle), reinstalling a minimum of 1" insulation above the roof is adequate for this project as there is R-30 batt insulation beneath the deck. Should additional insulation be required, that will come at an additional cost. Warranty: 20-year manufacturer; 2-year workmanship. Product: Genflex; 60mil EPDM.

h. **Total Base Option: \$259,350 - \$262,350**

3. Alternate #1 (Additional Cost) – Vapor Barrier

- a. Install new ~30 mil vapor barrier atop the new OSB decking for additional protection from leaks and condensate build-up. This is not required but does provide extra protection from water due to condensation and leaks from future potential damaged roofing.

b. **Total Alternate #1: \$43,360 - \$44,500**

4. Alternate #2 (Additional Cost) – Hail Rider Warranty



- a. Obtain a 2” hail rider warranty. Includes installing coverboard with low-rise foam in lieu of mechanical fasteners as per the base bid. This is not required, but does provide extra protection from larger hail and the associated damage.
 - b. **Total Alternate #2: \$53,100 - \$54,800**
- 5. **Alternate #3 (Deductive/Savings) – Delete New OSB Sheathing**
 - a. Reuse the existing metal “decking” in lieu of installing the new 23/32 OSB sheathing.
 - i. The manufacturer will not warrant this property if reusing the existing decking.
 - ii. **Total Alternate #3: \$37,300 - \$38,200 (cost savings from Base Option)**
- 6. **Alternate #4 (Deductive/Savings) – Salvage Existing 1” Insulation**
 - a. Salvage and reinstall the existing 1” polyiso insulation in lieu of providing new insulation.
 - i. The Manufacturer may not warrant this property if reusing the existing insulation. This will need to be confirmed.
 - ii. **Total Alternate #4: \$18,200 - \$18,800 (cost savings from Base Option)**
- 7. **Alternate #5 (Additional Cost) – New Parapet Wall Flashing and Coping Metal**
 - a. Install new wall flashings and coping metal at the newly planned parapet wall detail along entire NE & NW edges of the building
 - i. Per “Exterior Remodel Plans” dated 5/1/2022
 - ii. No details were given regarding the thickness of parapet wall, so assumptions had to be made at this time about the parapet construction
 - iii. Pricing assumes work will be conducted at same time as the roof replacement.
 - 1. Include additional cost if the roof is installed separately from this parapet wall flashing and coping metal effort (\$6,320 - \$6,750)
 - iv. **Total Alternate #5: \$13,000 - \$13,700**
- 8. **Budgetary Price #1 – Demo of Building Addition at Back of Building**
 - a. General Notes:
 - i. It is understood the building addition at the back of the building may be demolished at some point, which would also include the section of roofing encapsulating that section of building. If demolished, the existing remaining roofing will need to be properly terminated along with reworking that section of gutters/downspouts.
 - ii. If this section is to be demolished at a separate time of the roof replacement scope of work, there will be additional cost involved as shown below.
 - iii. **Total of Budgetary Price #1: \$15,800 - \$16,800**

**Benefits to the City:**

The new roof will protect from further leaks and damage, maintain structural integrity, mitigate mold growth, comply with current building codes, enhance comfort and focus, improve air quality, and help with cost savings.

Exclusions:

- Permit fees



MEMORANDUM

TO: Mayor and Board of Trustees

FROM: Janell Sciacca, Town Administrator/Clerk

RE: Public Hearing Item A – New Hotel & Restaurant Liquor License Application for Elevation Hospitality, LLC dba Colorado Cantina, 456 Front Street, Fairplay

DATE: August 4, 2025

REQUEST:

Elevation Hospitality, LLC, has submitted an application for approval of a new Hotel & Restaurant Liquor License for Colorado Cantina to be located at 456 Front Street.

OVERVIEW & ANALYSIS:

On June 24, 2025, the Town received a Colorado Liquor Retail License Application for a new Hotel & Restaurant License for the Colorado Cantina Restaurant to be located at 456 Front Street. The property was previously licensed as Salado's.

In accordance with C.R.S. § 44-3-311, the Public Hearing for this new license was properly noticed in the Flume and posted on the site no less than 10 days prior to this hearing.

Staff has reviewed the submittal and found it to be in order. Because the applicant is requesting concurrent review, the application was scanned and uploaded to the Colorado Department of Revenue Liquor Enforcement Division on June 24, 2025. Concurrent review is a process whereby the State of Colorado receives the packet immediately upon receipt by the Town and then reviews it simultaneously with the Town thereby reducing the timeframe for obtaining a license by 45-60 days. The Town has received preliminary indication of approval already from the State.

The parties forming the LLC have submitted to fingerprinting for background investigations. At this time those histories have not been returned, but Staff does not anticipate any negative findings.

When a new license is applied for, the applicant must also submit proof of the needs and desires of the neighborhood and general support for the granting of the license. In small communities such as Fairplay, the neighborhood is the entire Town including residents, business owners and managers which are the parties eligible to sign the petition. Neither State law nor the Town code sets a minimum number of signatures that must be obtained. It is left up to the Board to decide if

the signatures presented represent a sufficient number to support the approval of the application and granting of the license. For this application, the applicant submitted 100 signatures with 97 in favor of granting the license, 2 that were not in favor and 1 that did not indicate for or against. Some parties did not identify their location or whether they were a resident, owner or manager so it was difficult to determine the actual number of signatures that qualified. However, a cursory review was 21 and that was giving credit for addresses in Whispering Aspen or the Fairplay Mobile Home Park.

FINDING AND RECOMMENDED ACTION:

Staff finds that the application is in order and the required fees have been paid. Staff further finds that the applicants are eligible to receive a license at the requested location and they have provided evidence in the form of signed petitions supporting granting of the license. Therefore, Staff recommends that following public hearing and questions from the Board and the public, that the application from Elevation Hospitality, LLC, for a new Hotel & Restaurant Liquor License be approved by motion, second and a roll call vote and that Staff be directed to bring back a Findings of Fact, Conclusion and Order at the August 18 hearing formalizing the Board's action.

Attachments:

- Retail License Application and Supporting Documents
- Signed Petition Pages

DR 8404 (03/26/24)
 COLORADO DEPARTMENT OF REVENUE
 Liquor Enforcement Division
 PO BOX 17087
 Denver CO 80217-0087
 (303) 205-2300

Colorado Liquor Retail License Application

* Note that the Division will not accept cash

☐ Paid by Check

Date Uploaded to MoveIt

☒ Paid Online

6/24/25

☐ New License ☒ New-Concurrent ☐ Transfer of Ownership ☐ State Property Only ☐ Master file

- All answers must be printed in black ink or typewritten
- Applicant must check the appropriate box(es)
- Applicant should obtain a copy of the Colorado Liquor and Beer Code: SBG.Colorado.gov/Liquor

Applicant is applying as a/an

☐ Individual

☒ Limited Liability Company

☐ Association or Other

☐ Corporation

☐ Partnership (includes Limited Liability and Husband and Wife Partnerships)

Applicant Name If an LLC, name of LLC; if partnership, at least 2 partner's names; if corporation, name of corporation

Elevation Hospitality LLC d.b.a Colorado Cantina

FEIN Number

39-2431786

State Sales Tax Number

96793639

Trade Name of Establishment (DBA)

Colorado Cantina

Business Telephone

(719) 559-0440

Address of Premises (specify exact location of premises, include suite/unit numbers)

456 Front St

City

Fairplay

County

Park

State

CO

ZIP Code

80440

Mailing Address (Number and Street)

2012 W Uintah St

City or Town

Colorado Springs

State

CO

ZIP Code

80904

Email Address

info@coloradocantina.com

If the premises currently has a liquor or beer license, you **must** answer the following questions.

Present Trade Name of Establishment (DBA)

Present State License Number

Present Class of License

Present Expiration Date

Section A Nonrefundable application fees*

- ☐ Application Fee for New License\$1,100.00
- ☒ Application Fee for New License with Concurrent Review\$1,200.00
- ☐ Application Fee for Transfer.....\$1,100.00

Section B Liquor License Fees*

- ☐ Add Optional Premises to H & R\$100.00 X Total
- ☐ Add Sidewalk Service Area.....\$75.00
- ☐ Arts License (City).....\$308.75
- ☐ Arts License (County)\$308.75
- ☐ Beer and Wine License (City).....\$351.25
- ☐ Beer and Wine License (County).....\$436.25
- ☐ Brew Pub License (City).....\$750.00
- ☐ Brew Pub License (County).....\$750.00
- ☐ Campus Liquor Complex (City)\$500.00
- ☐ Campus Liquor Complex (County)\$500.00
- ☐ Campus Liquor Complex (State)\$500.00
- ☐ Club License (City)\$308.75
- ☐ Club License (County)\$308.75
- ☐ Distillery Pub License (City).....\$750.00
- ☐ Distillery Pub License (County)\$750.00
- ☒ Hotel and Restaurant License (City).....\$500.00
- ☐ Hotel and Restaurant License (County)\$500.00
- ☐ Hotel and Restaurant License with one optional premises (City).....\$600.00
- ☐ Hotel and Restaurant License with one optional premises (County).....\$600.00

Section B Liquor License Fees* (Continued)

☐ Liquor-Licensed Drugstore (City).....	\$227.50
☐ Liquor-Licensed Drugstore (County).....	\$312.50
☐ Lodging & Entertainment - L&E (City)	\$500.00
☐ Lodging & Entertainment - L&E (County)	\$500.00
☐ Manager Registration - H & R	\$30.00
☐ Manager Registration - Tavern	\$30.00
☐ Manager Registration - Lodging & Entertainment	\$30.00
☐ Manager Registration - Campus Liquor Complex	\$30.00
☐ Optional Premises License (City)	\$500.00
☐ Optional Premises License (County)	\$500.00
☐ Racetrack License (City)	\$500.00
☐ Racetrack License (County)	\$500.00
☐ Resort Complex License (City).....	\$500.00
☐ Resort Complex License (County).....	\$500.00
☐ Related Facility - Campus Liquor Complex (City).....	\$160.00
☐ Related Facility - Campus Liquor Complex (County)	\$160.00
☐ Related Facility - Campus Liquor Complex (State)	\$160.00
☐ Retail Gaming Tavern License (City).....	\$500.00
☐ Retail Gaming Tavern License (County).....	\$500.00
☐ Retail Liquor Store License - Additional (City).....	\$227.50
☐ Retail Liquor Store License - Additional (County).....	\$312.50
☐ Retail Liquor Store (City)	\$227.50

Section B Liquor License Fees* (Continued)

☐ Retail Liquor Store (County).....	\$312.50
☐ Tavern License (City).....	\$500.00
☐ Tavern License (County).....	\$500.00
☐ Vintners Restaurant License (City).....	\$750.00
☐ Vintners Restaurant License (County).....	\$750.00

Questions? Visit: SBG.Colorado.gov/Liquor for more information

Do not write in this space - For Department of Revenue use only

Liability Information

License Account Number

Liability Date

License Issued Through (Expiration Date)

Total

\$

Application Documents Checklist and Worksheet

Instructions: This checklist should be utilized to assist applicants with filing all required documents for licensure. **All** documents must be properly signed and correspond with the name of the applicant exactly. **All** documents must be typed or legibly printed. Upon final State approval the license will be mailed to the local licensing authority. Application fees are nonrefundable.

Questions? Visit: SBG.Colorado.gov/Liquor **for more information**

Items submitted, please check all appropriate boxes completed or documents submitted

I. Applicant information

- ☒ Applicant/Licensee identified
- ☒ State sales tax license number listed or applied for at time of application
- ☒ License type or other transaction identified
- ☐ Return originals to local authority (additional items may be required by the local licensing authority)
- ☒ All sections of the application need to be completed
- ☐ Master file applicants must include the Application for Master File form DR 8415 and applicable fees to this Retail License Application

II. Diagram of the premises

- ☒ No larger than 8½" X 11"
- ☒ Dimensions included (does not have to be to scale). Exterior areas should show type of control (fences, walls, entry/exit points, etc.)
- ☐ Separate diagram for each floor (if multiple levels)
- ☐ Return originals to local authority (additional items may be required by the local licensing authority)
- ☒ Kitchen - identified if Hotel and Restaurant
- ☒ Bold/Outlined Licensed Premises

III. Proof of property possession (One Year Needed)

- ☐ Deed in name of the applicant (or) (matching Applicant Name provided on page 1) date stamped / filed with County Clerk
- ☒ Lease in the name of the applicant (or) (matching Applicant Name provided on page 1)
- ☐ Lease assignment in the name of the applicant with proper consent from the landlord and acceptance by the applicant
- ☐ Other agreement if not deed or lease. (matching Applicant Name provided on page 1)

IV. Background information (DR 8404-I) and financial documents

- ☒ Complete DR 8404-I for each principal (individuals with more than 10% ownership, officers, directors, partners, members)
- ☒ Fingerprints taken and submitted to the appropriate Local Licensing Authority through an approved State Vendor. Master File applicants submit results to the State

Do not complete fingerprint cards prior to submitting your application.

The Vendors are as follows:

IdentoGO

Appointment Scheduling Website: <https://uenroll.identogo.com/workflows/25YQHT>

Phone: 844-539-5539 (toll-free)

IdentoGO FAQs: <https://www.colorado.gov/pacific/cbi/identification-faqs>

State Liquor Code for IdentoGO: 25YQHT

Colorado Fingerprinting

Appointment Scheduling Website: <http://www.coloradofingerprinting.com/cabs/>

Phone: 720-292-2722 833-224-2227 (toll free)

State Liquor Code for Colorado Fingerprinting: C030LIQI

- ☐ Purchase agreement, stock transfer agreement, and/or authorization to transfer license
- ☐ List of all notes and loans (Copies to also be attached)

V. Sole proprietor/husband and wife partnership (if applicable)

- ☐ Form DR 4679 Lawful Presence Affidavit
- ☐ Copy of State issued Driver's License or Colorado Identification Card for each applicant

VI. Corporate applicant information (if applicable)

- ☐ Certificate of Incorporation
- ☐ Certificate of Good Standing
- ☐ Certificate of Authorization if foreign corporation (out of state applicants only)

VII. Partnership applicant information (if applicable)

- ☐ Partnership Agreement (general or limited).
- ☐ Certificate of Good Standing

VIII. Limited Liability Company applicant information (if applicable)

- ☒ Copy of articles of organization
- ☒ Certificate of Good Standing
- ☐ Copy of Operating Agreement (if applicable)
- ☐ Certificate of Authority if foreign LLC (out of state applicants only)

IX. Manager registration for Hotel and Restaurant, Tavern, Lodging & Entertainment, and Campus Liquor Complex licenses when included with this application

- ☐ \$30.00 fee
- ☒ If owner is managing, no fee required

1. Is the applicant (including any of the partners if a partnership; members or managers if a limited liability company; or officers, stockholders or directors if a corporation) or managers under the age of twenty-one years?..... ☐ Yes ☒ No
2. Has the applicant (including any of the partners if a partnership; members or managers if a limited liability company; or officers, stockholders or directors if a corporation) or managers ever (in Colorado or any other state):
- a. Been denied an alcohol beverage license?..... ☐ Yes ☒ No
- b. Had an alcohol beverage license suspended or revoked?..... ☐ Yes ☒ No
- c. Had interest in another entity that had an alcohol beverage license suspended or revoked?..... ☐ Yes ☒ No

If you answered yes to a, b or c above, explain in detail on a separate sheet.

3. Has a liquor license application (same license class), that was located within 500 feet of the proposed premises, been denied within the preceding two years?..... ☐ Yes ☒ No

If "yes", explain in detail.

4. Are the premises to be licensed within 500 feet, of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?..... ☐ Yes ☒ No

or

Waiver by local ordinance? ☐ Yes ☐ No

Other

5. Is your Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 1500 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of greater than (>) 10,000? **NOTE:** The distance shall be determined by a radius measurement that begins at the principal doorway of the LLDS/RLS premises for which the application is being made and ends at the principal doorway of the Licensed LLDS/RLS..... ☐ Yes ☒ No

6. Is your Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 3000 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of less than (<) 10,000? **NOTE:** The distance shall be determined by a radius measurement that begins at the principal doorway of the LLDS/RLS premises for which the application is being made and ends at the principal doorway of the Licensed LLDS/RLS..... ☐ Yes ☒ No

For additional Retail Liquor Store only.

- a. Was your Retail Liquor Store License issued on or before January 1, 2016?.... ☐ Yes ☐ No
- b. Are you a Colorado resident?..... ☐ Yes ☐ No
7. Has a liquor or beer license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a Limited Liability Company; or officers, stockholders or directors if a corporation)? If yes, identify the name of the business and list any **current** financial interest in said business including any loans to or from a licensee..... ☐ Yes ☒ No
8. Does the applicant, as listed on line 2 of this application, **have legal possession of the premises by ownership, lease or other arrangement?**..... ☒ Yes ☐ No

☐ Ownership ☒ Lease ☐ Other (Explain in detail)

- a. If leased, list name of landlord and tenant, and date of expiration, **exactly** as they appear on the lease:

Landlord	Tenant	Expires
Red Barn RE, LLC	Elevation Hospitality LLC	31 Dec 2030

- b. Is a percentage of alcohol sales included as compensation to the landlord?
If yes, complete question on page 9..... ☒ Yes ☐ No
- c. Attach a diagram that designates the area to be licensed in black bold outline (including dimensions) which shows the bars, brewery, walls, partitions, entrances, exits and what each room shall be utilized for in this business. This diagram should be no larger than 8½" X 11".

9. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies) will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money from this business? Attach a separate sheet if necessary.

Last Name Skalsky		First Name Sviatoslav "Shy"	
Date of Birth (MM/DD/YY) [REDACTED]	FEIN or SSN Number [REDACTED]	Interest/Percentage 50%	
Last Name Abbott		First Name Amy	
Date of Birth (MM/DD/YY) [REDACTED]	FEIN or SSN Number [REDACTED]	Interest/Percentage 50%	
Last Name [REDACTED]		First Name [REDACTED]	
Date of Birth (MM/DD/YY) [REDACTED]	FEIN or SSN Number [REDACTED]	Interest/Percentage [REDACTED]	

Attach copies of all notes and security instruments and any written agreement or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.

10. Optional Premises or Hotel and Restaurant Licenses with Optional Premises:

Has a local ordinance or resolution authorizing optional premises been adopted?... ☐ Yes ☒ No

Number of additional Optional Premise areas requested. (See license fee chart)

For the addition of a Sidewalk Service Area per Regulation 47-302(A)(4), include a diagram of the service area and documentation received from the local governing body authorizing use of the sidewalk. Documentation may include but is not limited to a statement of use, permit, easement, or other legal permissions.

11. Liquor Licensed Drugstore (LLDS) applicants, answer the following:

- a. Is there a pharmacy, licensed by the Colorado Board of Pharmacy, located within the applicant's LLDS premise?..... ☐ Yes ☐ No

If "yes" a copy of license must be attached.

12. Club Liquor License applicants answer the following: Attach a copy of applicable documentation

- a. Is the applicant organization operated solely for a national, social, fraternal, patriotic, political or athletic purpose and not for pecuniary gain?..... ☐ Yes ☐ No
- b. Is the applicant organization a regularly chartered branch, lodge or chapter of a national organization which is operated solely for the object of a patriotic or fraternal organization or society, but not for pecuniary gain?..... ☐ Yes ☐ No

c. How long has the club been incorporated?.....

- d. Has applicant occupied an establishment for three years (three years required) that was operated solely for the reasons stated above?..... ☐ Yes ☐ No

13. Brew-Pub, Distillery Pub or Vintner's Restaurant applicants answer the following:

- a. Has the applicant received or applied for a Federal Permit? (Copy of permit or application must be attached)..... ☐ Yes ☐ No

14. Campus Liquor Complex applicants answer the following:

- a. Is the applicant an institution of higher education?..... ☐ Yes ☐ No
- b. Is the applicant a person who contracts with the institution of higher education to provide food services?..... ☐ Yes ☐ No

If "yes" please provide a copy of the contract with the institution of higher education to provide food services.

15. For all on-premises applicants.

- a. For all Liquor Licensed Drugstores (LLDS) the Permitted Manager must also submit an Manager Permit Application - DR 8000 and fingerprints.

Last Name of Manager

Skalsky

First Name of Manager

Sviatoslav "Shy"

- 16. Does this manager act as the manager of, or have a financial interest in, any other liquor licensed establishment in the State of Colorado? If yes, provide name, type of license and account number.....**

☐ Yes ☒ No

Name

Type of License

Account Number

17. Related Facility - Campus Liquor Complex applicants answer the following:

- a.** Is the related facility located within the boundaries of the Campus Liquor Complex?..... ☐ Yes ☐ No

If yes, please provide a map of the geographical location within the Campus Liquor Complex.

If no, this license type is not available for issues outside the geographical location of the Campus Liquor Complex.

- b.** Designated Manager for Related Facility - Campus Liquor Complex

Last Name of Manager

First Name of Manager

18. Tax Information.

- a.** Has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant, been found in final order of a tax agency to be delinquent in the payment of any state or local taxes, penalties, or interest related to a business?..... ☐ Yes ☒ No

- b.** Has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant failed to pay any fees or surcharges imposed pursuant to section 44-3-503, C.R.S.?..... ☐ Yes ☒ No

If applicant is a corporation, partnership, association or limited liability company, applicant must list all **Officers, Directors, General Partners, and Managing Members**. In addition, applicant must list any stockholders, partners, or members with **ownership of 10% or more in the applicant**. All persons listed below must also attach form DR 8404-I (Individual History Record), and make an appointment with an approved State Vendor through their website. See application checklist, Section IV, for details.

Name	Date of Birth (MM/DD/YY)
Sviatoslav "Shy" Skalsky	

Street Address
7920 County Road 92

City	State	ZIP Code	Position	%Owned
Lake George	CO	80827	Managing Partner	50

Name	Date of Birth (MM/DD/YY)
Amy Abbott	

Street Address
2012 W Uintah St

City	State	ZIP Code	Position	%Owned
Colorado Springs	CO	80904	Managing Partner	50

Name	Date of Birth (MM/DD/YY)

Street Address

City	State	ZIP Code	Position	%Owned

Name	Date of Birth (MM/DD/YY)

Street Address

City	State	ZIP Code	Position	%Owned

Name	Date of Birth (MM/DD/YY)

Street Address

City	State	ZIP Code	Position	%Owned

** If applicant is owned 100% by a parent company, please list the designated principal officer on above.

** Corporations - the President, Vice-President, Secretary and Treasurer must be accounted for above (Include ownership percentage if applicable)

** If total ownership percentage disclosed here does not total 100%, applicant must check this box:

- ☐ Applicant affirms that no individual other than these disclosed herein owns 10% or more of the applicant and does not have financial interest in a prohibited liquor license pursuant to Article 3 or 5, C.R.S.

Oath Of Applicant

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge. I also acknowledge that it is my responsibility and the responsibility of my agents and employees to comply with the provisions of the Colorado Liquor or Beer and Wine Code which affect my license.

Printed Name

Amy Abbott

Title

Managing Partner

Authorized Signature

Amy Abbott

Date (MM/DD/YY)

06/20/2025

Report and Approval of Local Licensing Authority (City/County)

Date application filed with local authority

June 24, 2025

Date of local authority hearing (for new license applicants; cannot be less than 30 days from date of application)

Aug 4, 2025

For Transfer Applications Only - Is the license being transferred valid?..... ☐ Yes ☐ No

The Local Licensing Authority Hereby Affirms that each person required to file DR 8404-I (Individual History Record) or a DR 8000 (Manager Permit) has been:

☐ Fingerprinted

☐ Subject to background investigation, including NCIC/CCIC check for outstanding warrants

That the local authority has conducted, or intends to conduct, an inspection of the proposed premises to ensure that the applicant is in compliance with and aware of, liquor code provisions affecting their class of license

(Check One)

☐ Date of inspection or anticipated date

☒ Will conduct inspection upon approval of state licensing authority

☐ Is the Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 1,500 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of > 10,0000? ☐ Yes ☐ No

☐ Is the Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 3,000 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of < 10,0000? ☐ Yes ☐ No

NOTE: The distance shall be determined by a radius measurement that begins at the principal doorway of the LLDS/RLS premises for which the application is being made and ends at the principal doorway of the Licensed LLDS/RLS.

☐ Does the Liquor-Licensed Drugstore (LLDS) have at least twenty percent (20%) of the applicant's gross annual income derived from the sale of food, during the prior twelve (12) month period? ☐ Yes ☐ No

The foregoing application has been examined; and the premises, business to be conducted, and character of the applicant are satisfactory. We do report that such license, if granted, will meet the reasonable requirements of the neighborhood and the desires of the adult inhabitants, and will comply with the provisions of Title 44, Article 4 or 3, C.R.S., and Liquor Rules. **Therefore, this application is approved.**

Local Licensing Authority for

Telephone Number

☐ Town, City

☐ County

Printed Name

Title

Signature

Date (MM/DD/YY)

Printed Name

Title

Signature

Date (MM/DD/YY)

DR 8495 (02/16/24)
COLORADO DEPARTMENT OF REVENUE
 Liquor Enforcement Division
 PO BOX 17087
 Denver CO 80217-0087
 (303) 205-2300

Tax Check Authorization, Waiver, and Request to Release Information

I, Amy Abbott

am signing this Tax Check Authorization, Waiver and Request to Release Information (hereinafter
 "Waiver") on behalf of

(the "Applicant/Licensee")

Elevation Hospitality LLC d.b.a Colorado Cantina

to permit the Colorado Department of Revenue and any other state or local taxing authority to release information and documentation that may otherwise be confidential, as provided below. If I am signing this Waiver for someone other than myself, including on behalf of a business entity, I certify that I have the authority to execute this Waiver on behalf of the Applicant/Licensee.

The Executive Director of the Colorado Department of Revenue is the State Licensing Authority, and oversees the Colorado Liquor Enforcement Division as his or her agents, clerks, and employees. The information and documentation obtained pursuant to this Waiver may be used in connection with the Applicant/Licensee's liquor license application and ongoing licensure by the state and local licensing authorities. The Colorado Liquor Code, section 44-3-101. et seq. ("Liquor Code"), and the Colorado Liquor Rules, 1 CCR 203-2 ("Liquor Rules"), require compliance with certain tax obligations, and set forth the investigative, disciplinary and licensure actions the state and local licensing authorities may take for violations of the Liquor Code and Liquor Rules, including failure to meet tax reporting and payment obligations.

The Waiver is made pursuant to section 39-21-113(4), C.R.S., and any other law, regulation, resolution or ordinance concerning the confidentiality of tax information, or any document, report or return filed in connection with state or local taxes. This Waiver shall be valid until the expiration or revocation of a license, or until both the state and local licensing authorities take final action to approve or deny any application(s) for the renewal of the license, whichever is later. Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license, if requested.

By signing below, Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority or agency in the possession of tax documents or information, release information and documentation to the Colorado Liquor Enforcement Division, and is duly authorized employees, to act as the Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to allow the state and local licensing authorities, and their duly authorized employees, to investigate compliance with the Liquor Code and Liquor Rules. Applicant/Licensee authorizes the state and local licensing authorities, their duly authorized employees, and their legal representatives, to use the information and documentation obtained using this Waiver in any administrative or judicial action regarding the application or license.

Name (Individual/Business)

Elevation Hospitality LLC d.b.a Colorado Cantina

Social Security Number/Tax Identification Number

[REDACTED]

Home Phone Number

[REDACTED]

Business/Work Phone Number

(719) 559-0440

Street Address

2012 W Uintah St

City

Colorado Springs

State

CO

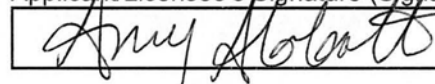
ZIP Code

80904

Printed name of person signing on behalf of the Applicant/Licensee

Amy Abbott

Applicant/Licensee's Signature (Signature authorizing the disclosure of confidential tax information)



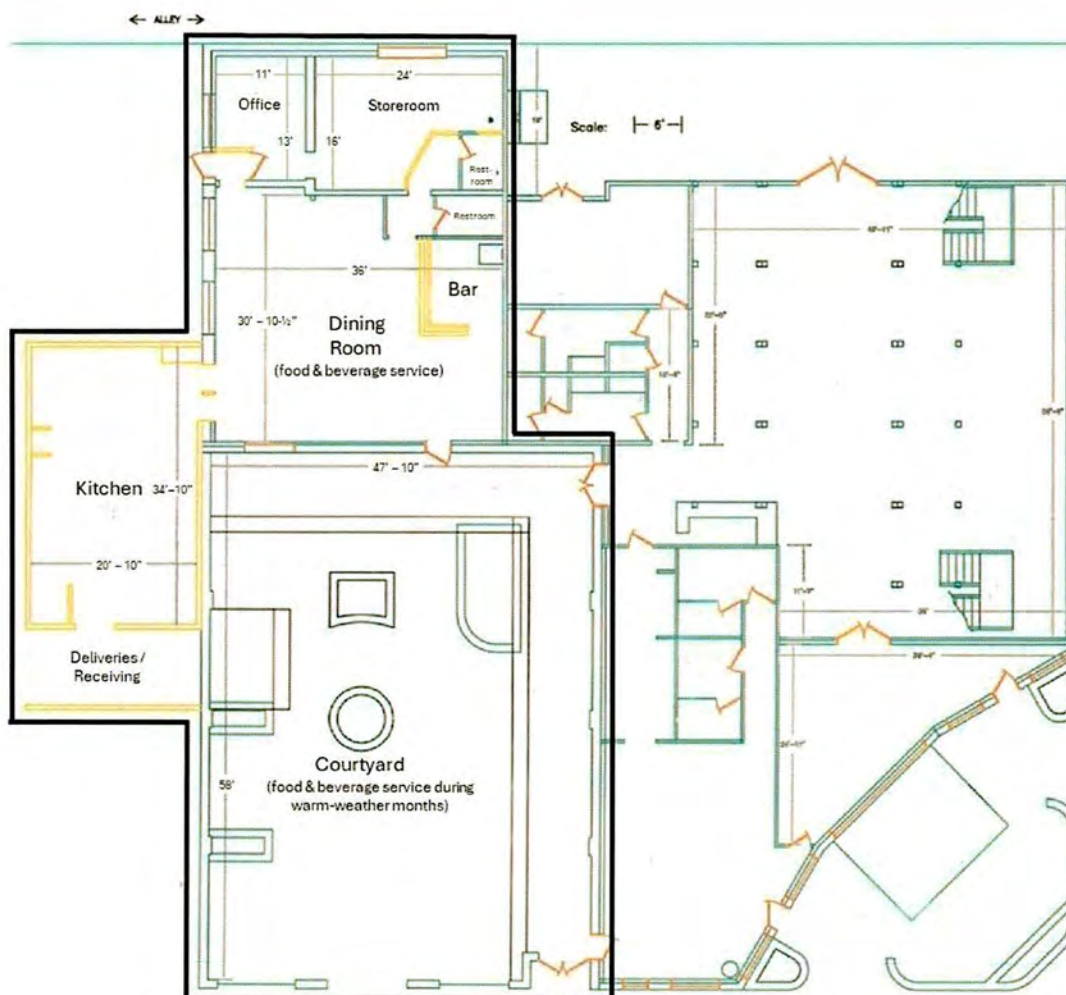
Date Signed

06/20/2025

Privacy Act Statement

Providing your Social Security Number is voluntary and no right, benefit or privilege provided by law will be denied as a result of refusal to disclose it. § 7 of Privacy Act, 5 USCS § 552a (note).

Elevation Hospitality LLC – Liquor License Application Diagram of Premises



LEASE

This Lease is made and entered into as of the Lease Date by and between Landlord and Tenant, as such terms are hereafter defined.

1. Summary and Definitions. The following terms shall have the following definitions:

Lease Date:	June 22, 2025
Landlord:	Red Barn RE LLC, a Colorado limited liability company
Landlord's Address:	PO Box 1943, Eagle, CO 81631 Attn: Brian Wagner [REDACTED]
Tenant:	Elevation Hospitality LLC, a Colorado limited liability company
Tenant's Address:	Attn: Amy Abbot & Sviatoslav Skalsky 2012 W Uintah St Colorado Springs, CO 80904 Email: amy.abbott@coloradocantina.com
Guarantor:	N/A
Permitted Use:	Operation of a restaurant
Building:	The commercial building located at 456 Front Street, Fairplay, Colorado 80440
Premises:	Approximately 3,100 square feet of rentable area in the Building, as identified on <u>Exhibit A</u> attached to and made a part of this Lease.
Tenant's Share:	32%%
Term:	A period of approximately sixty (60) months, beginning on the Commencement Date and ending on the Expiration Date.
Commencement Date:	Estimated to be Aug 1, 2025
Expiration Date:	December 31, 2030
Percentage Rent:	Six Percent (6.0)% of Gross Receipts, as defined in Section 3 below.
Security Deposit:	\$0.00
Broker(s):	None
Renewal Option(s):	None

2. Lease of Premises.

(a) Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, for the Term, upon the terms and conditions set forth in this Lease.

(b) Landlord shall be deemed to have delivered the Premises to Tenant in its "AS IS, WHERE IS" condition as of the Commencement Date or the actual date of delivery, whichever comes first. If Landlord delivers possession of the Premises to Tenant prior to the Commencement Date, Tenant shall be subject to all the terms and conditions of this Lease (other than the obligation to pay Rent) during the period between delivery of possession and the Commencement Date. If Landlord is delayed in delivering the Premises to Tenant for any reason, then the Commencement Date and the obligation for the payment of Rent shall be postponed until Landlord delivers the Premises to Tenant whereupon all of the covenants, conditions, and agreements contained herein shall be in full force and effect. The postponement of Tenant's obligation to pay Rent and Additional Rent hereunder shall be Tenant's sole remedy for any such delay, and Landlord shall have no other liability to Tenant, and Tenant shall have no right to terminate this Lease, by reason of such delay of delivery.

3. **Rent.** Tenant agrees to pay to Landlord, in advance, without prior notice, demand, deduction or offset, in lawful currency of the United States of America, on the first day of each month throughout the Term (unless otherwise specified), Percentage Rent, Operating Expenses, and any other amounts due hereunder (collectively, the "Rent"). The Rent for the first full month of the Term shall be paid to Landlord in advance and submitted by Tenant upon execution of this Lease by DocuSign or any other electronic or physical process designated by Landlord.

(a) Percentage Rent shall be payable beginning on the Commencement Date in accordance with the applicable provisions of Exhibit "B" to this Lease.

(b) Operating Expenses shall be payable beginning on the Commencement Date. For purposes hereof, "Operating Expenses" means Tenant's Share of all charges and expenses paid or incurred in good faith by Landlord in operating, supervising, managing, administering, maintaining, repairing, replacing, insuring, and paying taxes on, the Building, including such reasonable reserves against future such expenses as Landlord deems necessary or advisable. Operating Expenses do not, however, include expenses for which Landlord is otherwise reimbursed or indemnified (for example, losses covered by insurance); principal or interest on any encumbrance; tenant improvements or leasing commissions; or overhead and administrative costs of Landlord not directly incurred in the operation and maintenance of the Building. Operating Expenses will be estimated by Landlord on an annual basis and charged to Tenant monthly. Provided that Tenant is not then in default under this Lease, Landlord shall prepare an annual reconciliation (including a reconciliation following lease termination) showing the difference (if any) between Tenant's monthly payments and actual Operating Expenses for the same period. Any overpayment by Tenant shall be applied against the Rent next coming due under the Lease or refunded to Tenant, at Landlord's option, and any underpayment by Tenant shall be due and payable by Tenant to Landlord within 30 days after Landlord's written demand. The annual reconciliation is deemed conclusive thirty (30) days after receipt. All or any services or management performed in connection with the Building may be provided by independent contractor(s). Landlord may allocate to the Premises a disproportionate share of the costs of trash collection, water and sewer, and any other utility service on any reasonable basis established by Landlord from time to time, in the event that Landlord determines in its reasonable judgment that Tenant's use in the Premises is excessive compared to other tenants of the Building.

(c) Operating Expenses include all real estate taxes and assessments (and any tax levied in whole or in part in lieu of real estate taxes) levied on the Building, and all excise, sales, use, rental, transaction privilege or like taxes now or hereafter legally levied or imposed against or on account of amounts payable by Tenant under this Lease or the receipt thereof by Landlord, except Landlord's income, estate or inheritance taxes.

(d) All Operating Expenses and other sums due or required to be paid under this Lease by Tenant to Landlord in addition to Percentage Rent are referred to herein as "Additional Rent".

Additional Rent for any partial calendar month at the beginning or end of the Term shall be pro-rated. Checks for Rent shall be made payable to Landlord at Landlord's Address, or as Landlord otherwise directs by written notice to Tenant. If any payment of Rent is not received within five (5) days after the due date, Tenant shall pay to Landlord a late charge equal to the greater of (i) five percent (5%) of the unpaid amount or (ii) \$250. There shall be a charge of \$50 imposed in the event that any check for payment of Rent is returned by Tenant's bank. Interest at 12% per annum will accrue on any payment of Rent (including late charges) not received within ten (10) days of the due date. Landlord's acceptance of a partial payment does not constitute an accord and satisfaction or prejudice Landlord's right to recover the balance of any amount due. Late charges, the returned check fee and interest are in addition to all other rights and remedies for late payment set forth in this Lease.

4. Security Deposit. At execution of this Lease, Tenant agrees to deposit the Security Deposit with Landlord, the unapplied balance of which will be returned to Tenant (or at Landlord's option, Tenant's assignee, if this Lease has been assigned), without interest, at the end of the Term if Tenant is not then in default. If an Event of Default occurs, Landlord may apply all or part of the Security Deposit toward the cure of the Event of Default or for any reason permitted by applicable law, in which event Tenant must restore the Security Deposit to its original amount by depositing additional funds with Landlord within ten (10) days after demand. The Security Deposit is not an advance rental deposit or a measure of Landlord's damages in case of Tenant's default. So long as Tenant is not in default, Landlord shall return the unapplied balance of the Security Deposit, without interest, within sixty (60) days following the later of (i) the expiration or earlier termination of this Lease, or, (ii) the surrender and acceptance of the Premises.

5. Use.

(a) After the Commencement Date and throughout the Term, Tenant agrees to continuously use and operate its business in the Premises, fully fixtured, stocked and staffed, only for the Permitted Use. Tenant's use of the Premises for any purpose other than the Permitted Use (or such other use as has been approved by Landlord in writing in advance) shall, at Landlord's option, be an Event of Default without further notice or opportunity to cure. Tenant agrees to conduct its business in the Premises so as not to unreasonably interfere with the operation of the Building or the business of other tenants or invitees, and so as not to cause the cancellation, reduction or nonrenewal of any insurance policy of Landlord. No business may be conducted by Tenant outside the interior walls of the Premises.

(b) Tenant and its employees and customers have a nonexclusive license to reasonably use exterior areas of the Building that are not leased to or intended for the exclusive use of Landlord or others ("Common Areas") for their designed purposes. Landlord retains exclusive management and control of all Common Areas and of all portions of the Premises outside interior walls (excluding storefront), and may change, reconfigure, add to, or eliminate any part of the Common Areas, including without limitation, the number and configuration of parking spaces, the number and placement of buildings, and the other physical elements of the Building, at any time and from time to time. Landlord reserves the right, in its absolute discretion, to determine whether the parking areas appurtenant to the Building are becoming crowded and, in such event, to allocate parking spaces among Tenant and other tenants in the Building, to designate and restrict portions of the parking areas as Landlord deems appropriate, including restrictions for short-term parking, handicapped parking, and parking for customers of specific tenant(s), and or to restrict parking of employees of tenants to designated areas of the Building. Landlord shall not be responsible for enforcing Tenant's parking rights against any third parties. Tenant acknowledges that Landlord will not provide any security, and in no event will Landlord be liable to Tenant, and Tenant hereby waives any claim against Landlord, for (i) any entry of third parties into the Premises or the Building; (ii) any damage or injury to persons or property; or (iii) any loss of property in or about the Premises or the Shopping, if the subject event described in the foregoing clause (i), (ii) or (iii) occurs as a result of any

unauthorized or criminal acts of third parties, regardless of any action or inaction by Landlord, including declining to provide security services at the Building. All vehicles parked in the parking area are at the sole risk of Tenant or such other party using the space and Landlord shall have no liability for loss or damage related thereto.

(c) All Tenant's signs, displays and advertising of any kind visible from the exterior of the Premises must be approved in advance by Landlord and comply with governmental requirements and Landlord's sign criteria for the Building, if any. Tenant is responsible for all costs of sign permits, design, fabrication, installation, maintenance, removal and replacement of Tenant's signs. Tenant shall install a permanent exterior wall sign approved by Landlord upon the building in which the Premises is located within thirty (30) days after opening for business, and thereafter such signs must be illuminated from dusk to dawn (or such fewer hours as Landlord authorizes in its discretion) throughout the Term. Tenant shall remove all exterior signs and related equipment then in place in, on or about the Premises before the end of the Term. Tenant shall repair any holes or openings in the building exterior caused by removal of Tenant's signs and paint the affected areas all to Landlord's reasonable satisfaction. If Tenant fails to remove any such signs within the time allowed, Landlord may remove and dispose of such signs and deduct any and all expenses incurred by Landlord in connection with removal, repair and disposal of Tenant's signs from Tenant's Security Deposit and Tenant shall pay any remaining balance of such expenses to Landlord upon demand.

(d) Tenant agrees to comply with all applicable laws, including environmental laws, in its use and occupancy of the Premises, and with all covenants of record affecting the Building. Tenant agrees not to store, generate, treat, transport or release Hazardous Substances (as defined in Section 14(l) below) in, on or about the Premises or the Building. Landlord may adopt and modify from time to time rules and regulations of general application to the operation of the Building, including the Common Areas and the Premises (the "Rules and Regulations"). In any event, Tenant will not: (i) do or permit to be done in or about the Premises, nor bring to, keep or permit to be brought or kept in the Premises, anything which is prohibited by or will in any way conflict with any law, statute, ordinance (including zoning ordinances), or governmental rule or regulation which is now in force or which may be enacted or promulgated after the date of this Lease; (ii) permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or invitees of the Building, or injure or annoy them; (iii) use or allow the Premises to be used for any unlawful purpose; (iv) cause, maintain or permit any nuisance in, on or about the Premises or commit or allow to be committed any waste in, on or about the Premises; (v) keep or allow any animal in the Premises (other than service animals, with proof of service credentials to be provided immediately upon request by Landlord or its property manager); (vi) allow the Premises to be used for any purpose that might invalidate or increase the rate of insurance thereof, (vii) use the Premises for the growth, display, and or sale of medical or recreational marijuana and or related products; or (viii) impair or interfere with any work or services performed by Landlord for the Building, all as determined in the sole judgment of Landlord. Tenant shall be entitled to notice and a cure period pursuant to Section 11 below with respect to the first violation of any particular clause of this Section 5(d); however, the second occurrence of any violation of the same nature, or any criminal charges against any person associated with Tenant arising from any such violation, shall at Landlord's election constitute an immediate Event of Default under this Lease without notice or an opportunity to cure.

(e) Tenant (including any affiliated entity) may not directly or indirectly engage in a similar or competing business within a radius of five (5) miles from the Building.

(f) If Tenant uses the Premises for any purpose that may generate odors or fumes that may be deemed objectionable by Landlord or other persons or otherwise constitutes a public or private nuisance, then upon taking possession of the Premises Tenant shall at its expense use best efforts to seal the space so that the fumes and odors do not migrate into adjoining spaces and shall provide appropriate directed ventilation of the fumes and odors from its space. In addition, if Landlord receives any complaints about fumes or odors, Landlord shall provide notice thereof to Tenant and Tenant, at Tenant's sole cost and expense, shall immediately take such corrective actions as are necessary to remedy the odor/fume problem and resolve such complaints. Such

corrective actions shall include, but not be limited to, adding additional ventilation and filter systems to prevent such odors and fumes from migrating into adjoining spaces. Tenant shall indemnify, defend and hold Landlord harmless from and against any and all claims, actions, suits, costs, damages and expenses (including reasonable attorney's fees) arising directly or indirectly from the operation of Tenant's business and/or any odor/fume problem arising therefrom.

(g) If Tenant uses the Premises for any purpose that may generate sounds or noises audible outside the Premises or otherwise deemed objectionable by Landlord or other persons or otherwise constitutes a public or private nuisance, then Tenant shall at its expense use best efforts to soundproof the space so that sounds generated within the Premises are not audible outside the Premises (including without limitation, in any adjoining spaces). In addition, if Landlord receives any complaints about sounds or noises emanating from the Premises, Landlord shall provide notice thereof to Tenant and Tenant, at Tenant's sole cost and expense, shall immediately take such corrective actions as are necessary to remedy the noise problem and resolve such complaints. Such corrective actions shall include, but not be limited to, decreasing the decibel level of such noises and, if necessary, adding soundproofing, to prevent such sounds and noises from being audible outside the Premises (including without limitation, in any adjoining spaces). Tenant shall indemnify, defend and hold Landlord harmless from and against any and all claims, actions, suits, costs, damages and expenses (including reasonable attorney's fees) arising directly or indirectly from the operation of Tenant's business and/or any noise/sound problem arising therefrom.

6. Condition of Premises; Alterations; Maintenance.

(a) The taking of possession of the Premises by Tenant conclusively establishes that the Premises are satisfactory to Tenant in all respects.

(b) Tenant may not make any alterations, additions, replacements, decorations or improvements to any part of the Premises, or perform any work or activity, without first obtaining Landlord's written consent and complying with such reasonable conditions as Landlord may impose. At Landlord's option, all or any alterations, additions, replacements, decorations or improvements to any part of the Premises made by Tenant must be removed by Tenant at its expense at the expiration or sooner termination of this Lease and the Premises restored to their condition as of the date of this Lease. If Tenant makes any alterations to the Premises which require reconfiguration of any fire sprinkler components, Tenant shall be responsible for paying for any necessary alterations to the fire sprinkler system. Tenant must obtain Landlord's prior consent to any roof penetrations, which must be made by Landlord's roofing contractor at Tenant's expense. If Tenant makes any roof penetrations without complying with this requirement, Landlord's roofing contractor will make any alterations, repairs or replacements to such work as Landlord's roofing contractor may consider necessary or appropriate, and Tenant shall pay billed costs of such alterations, repairs or replacement plus fifty percent (50%).

(c) Tenant agrees at its expense to maintain and repair the Premises (including storefront, glass, plate glass, windows and doors, surrounding sidewalks, all interior walls, floors, floor coverings and ceilings, all interior and exterior signs of Tenant, all other improvements, fixtures, furnishings and appurtenances, all lighting, wiring, plumbing, electrical fixtures, HVAC and other facilities and equipment serving the Premises, regardless of whether located within the Premises or whether originally installed by Landlord or Tenant) in good, clean, and operating condition. Tenant shall engage a professional pest control company to perform extermination services in the Premises as necessary or as often as may be reasonably requested by Landlord. Landlord shall, as an Operating Expense, contract with a service company for regular maintenance of the heating and air-conditioning equipment which exclusively serves the Premises. If any such items jointly serve the Premises and other space, or affect structural elements or systems of the Premises or the building housing the Premises, or as to HVAC and evaporative coolers, Landlord may, at its option, maintain, repair and/or replace such items and charge Tenant an equitable portion of the cost thereof, as reasonably determined by Landlord. Tenant will

periodically deposit all trash and refuse in receptacles provided by Landlord, and will break down all boxes and larger items that are placed in the trash dumpster. No other trash receptacles are permitted outside the Premises.

(d) This Section 6(d) shall apply only if Section 5(a) of this Lease allows Tenant to use the Premises as a restaurant or for any other purpose that includes on-site preparation of food or beverages for on- or off-premises consumption. In that event, Tenant shall (i) install and maintain a waterproof membrane approved by Landlord in the kitchen of the Premises to contain any water within the kitchen area and prevent flowing water from reaching the interior of the walls to the extent practical, (ii) install and maintain automatic extinguishing equipment in accordance with the National Fire Protection Association Standard latest edition and with all code requirements, using a mechanical (not electrical) means of manual activation which is clearly identified, and (iii) install grease-extracting hoods with water wash down cycle or conventional range hood with washable grease filters in accordance with applicable code. Tenant shall remove grease from all exposed surfaces of the Premises daily. In addition, Tenant shall employ a dependable bonded degreasing service for the Premises on a minimum monthly basis throughout the term of this Lease to clean and degrease the entire kitchen area, ranges, cooking equipment, broilers, stoves, hoods, vents, exhaust and blower systems, filters and all associated ductwork to prevent grease accumulation. Landlord shall maintain and service the grease trap serving the Premises as an Operating Expense, and for the avoidance of doubt, Tenant's Share of such costs and expenses shall be based on the rentable area of only those units using such grease trap, rather than the rentable area of the entire Building. Tenant is responsible for properly disposing of grease, and shall not in any event place any grease into the trash compactor, normal garbage containers, floor & sink drains or toilets.

(e) Subject to Landlord's right of reimbursement as Operating Expenses, Landlord agrees to cause the exterior of the Premises, the foundations, footings, and structural portions of the Premises (but not storefront, glass, windows, doors, etc. that are Tenant's obligation above), and the Common Areas to be reasonably maintained and repaired, but Tenant is responsible for any damage directly caused by Tenant, Tenant's invitees, or any other persons for whom Tenant is legally responsible. Tenant agrees to promptly notify Landlord of the need for any repairs for which Landlord is responsible, and Tenant waives any right to make repairs, maintenance or replacements at the expense of Landlord.

(f) Tenant agrees to keep the Premises and the Building free from mechanics', materialmen's, and other liens arising out of work performed, material furnished or obligations incurred by Tenant or persons for whom Tenant is legally responsible. Tenant must cause the release and discharge of any such lien or claim of lien by payment or by giving security to Landlord in an amount equal to one and one-half times the amount of the lien, or taking such other action as may be required by Landlord or applicable law, within thirty (30) days after the lien is filed or recorded.

(g) Tenant agrees to pay before delinquency all deposits, fees and charges for utilities used by Tenant in the Premises. If water, sanitary sewer, trash or any other service or utility is not separately provided to the Premises, Tenant shall pay a reasonable proportion of the charges for such services, as determined by Landlord in its reasonable discretion, as part of Operating Expenses.

(h) Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility service being furnished to the Premises. In no event shall any interruption in utility services entitle Tenant to terminate this Lease or withhold any Rent or any other sums due pursuant to the terms of this Lease.

(i) Tenant shall, at Tenant's sole cost and expense, be solely responsible for any alterations, modifications or improvements to the Premises, and the acquisition of any auxiliary aids, required under Title III of the Americans With Disabilities Act ("ADA"), including all alterations, modifications or improvements required: (i) as a result of Tenant (or any subtenant, assignee or concessionaire) being a Public Accommodation (as defined in the ADA); (ii) as a result of the Premises being a Commercial Facility (as defined in the ADA); (iii) as a result of any leasehold improvements made to the Premises by, or on behalf of, Tenant or any subtenant,

assignee or concessionaire (whether or not Landlord's consent to the leasehold improvements was obtained); or (iv) as a result of the employment by Tenant (or any subtenant, assignee or concessionaire) of any individual with a disability. With respect to the use restrictions set forth in Section 5 of this Lease, and the restrictions on assignments and subletting set forth in Section 9 of this Lease, it is hereby specifically understood and agreed that Tenant (including any permitted assignee or sublessee) shall not make any use of the Premises which would require any alterations, modification or improvements to the Building or the Common Areas, or require the acquisition of any auxiliary aids, required under the ADA, unless Tenant performs all those requirements at its own expense and satisfies Landlord's requirements for financial responsibility for the costs of compliance which may include, by way of example, posting of a completion bond, or establishment of an escrow account.

7. Casualty or Condemnation. If any material part of the Premises is taken by condemnation or the power of eminent domain (including voluntary sale or conveyance in lieu or under threat thereof), either Landlord or Tenant may terminate this Lease by written notice to the other. If portions of the Building other than the Premises are materially damaged, destroyed, taken, or voluntarily sold under threat of condemnation, rendering the continued operation of the Building uneconomical in Landlord's reasonable business judgment, or if the Building no longer complies with the requirements of governmental authority, Landlord may terminate this Lease by written notice to Tenant. Tenant must provide notice of termination, if at all, prior to receiving notice from Landlord that Landlord intends to restore the Premises, and in any event, not later than thirty (30) days after Tenant's receipt of written notice of such casualty or taking. Landlord's notice of intent to restore extinguishes Tenant's termination right. Termination of this Lease under this Section 7 is effective thirty (30) days after the giving of notice of termination. In the absence of termination of this Lease under this Section 7, Landlord will diligently restore the Premises to as near as possible their condition existing as of the date of this Lease (with such additional improvements, if any, as Landlord agreed to make prior to Tenant's occupancy), after which Tenant will diligently further restore the Premises to as near as possible their condition existing prior to the damage, destruction or taking. However, Landlord's restoration obligations are conditioned upon Landlord's full recovery of insurance proceeds (less deductible) from its insurers, or the condemnation award from the condemning authority, as applicable, and upon Landlord obtaining all necessary permits and regulatory approvals. Tenant waives any compensation or damages from Landlord, any insurance proceeds from policies maintained by Landlord, and any award in condemnation or settlement in lieu thereof, arising from the Premises being damaged, destroyed or taken. Tenant waives any statutory or other right of Tenant to terminate this Lease if the Premises are damaged, destroyed, taken, or otherwise rendered untenable.

8. Insurance. Tenant agrees at its expense to procure and maintain in full force and effect throughout the Term the following insurance in the amounts specified, or in such higher amounts as may be requested by Landlord from time to time:

(a) Liability Insurance. A policy of commercial general liability insurance which shall include Contractual Liability (to specifically include coverage for the indemnification clauses of this Lease relating to personal injury or property damage), Products & Completed Operations Liability and cover personal injuries, bodily injury (including wrongful death) and property damage insurance arising out of the maintenance, use or occupancy of the Premises, the sidewalks in front of the Premises, and the business operated by Tenant and subtenants of Tenant in the Premises with coverage limits of not less than One Million and No/100 Dollars (\$1,000,000.00) per occurrence and Two Million and No/100 Dollars (\$2,000,000.00) aggregate per policy;

(b) Property Insurance. "Causes of Loss-Special Form" property insurance, including coverage for sprinkler leakage, roof leakage, vandalism and malicious mischief covering all alterations, additions or improvements leasehold improvements in the Premises (including without limitation leasehold improvements already located in the Premises upon execution of this Lease) and Tenant's personal property located in or on the Premises, in an amount not less than one hundred percent (100%)

of their full replacement cost without depreciation, which shall be used for the repair or replacement of the property damaged or destroyed;

(c) Boiler and Machinery Insurance. Boiler and machinery insurance on all boilers, air-conditioning equipment, and other pressure vessels and systems located in, on, or about the Premises, with limits of not less than One Hundred Thousand Dollars (\$100,000) per occurrence, if any of these items and the damage that may be caused by them are not covered by the insurance policy described in Section 8(b); .

(d) Liquor Liability Insurance. If the use of the Premises includes the sale or distribution of alcoholic beverages, the policy of commercial general liability insurance required pursuant to this Section shall include coverage for employer's liability, host liquor liability, liquor liability and so called "Dram Shop" liability coverage and a combined single limit of not less than Three Million and No/100 Dollars (\$3,000,000.00), per occurrence, which may be obtained through a separate policy; and

(e) Worker's Compensation Insurance. A policy or policies of workers' compensation insurance insuring against and satisfying Tenant's obligations and liabilities under the worker's compensation laws of the state in which the Building is located (including the requirements of the Industrial Commission of the state in which the Building is located, if any) and a policy of employer's liability insurance with limits of liability of not less than One Million and No/100 Dollars (\$1,000,000.00).

(f) Business Interruption Insurance. Business interruption or loss of income insurance in amounts satisfactory to Landlord, with a rental interruption rider assuring Landlord that the Rent due under this Lease will be paid for a period of not less than 12 months or the remaining term of this Lease, whichever is shorter, in the event the Premises are destroyed or rendered inaccessible by a risk insured against by a policy of all-risk insurance.

(g) Plate Glass Insurance. Plate glass insurance for all plate glass windows within the Premises or comprising a part of the Premises.

Landlord and such other persons as Landlord may designate shall be named as additional insureds in all Tenant's policies of liability insurance. Tenant's insurance policies must contain a full waiver of subrogation in favor of Landlord and include contractual liability. Tenant's insurance is primary and Landlord's insurance is secondary and non-contributing. Tenant agrees to deliver to Landlord upon request reasonable evidence that Tenant's insurance premiums are fully paid and any required coverages are fully in force. All Tenant's insurance policies shall also contain a provision that the insurance company will not cancel or refuse to renew the policy, or change in any material way the nature or extent of the coverage provided by such policy, without first giving Landlord at least thirty (30) days' written notice by certified mail, return receipt requested, which notice shall contain the policy number and the names of the insureds and policy holder. Any failure of Tenant to provide any insurance coverage herein, or to provide to Landlord upon request copies of all applicable insurance policies (or other proof of such insurance coverage acceptable to Landlord in its sole discretion) shall be a default under this Lease.

Tenant agrees to indemnify, hold harmless and defend Landlord against all claims, demands, actions, loss or liability, including actual attorneys' fees and costs, arising from acts, omissions or events occurring on or about the Premises or from the negligent acts or omissions of Tenant, its agents, employees, licensees, invitees and contractors. Tenant and all those claiming by, through, or under Tenant shall store their property in and shall occupy and use the Premises and any improvements therein and appurtenances thereto and all portions of the Building solely at their own risk and Tenant and all those claiming by, through, or under Tenant hereby release Landlord to the full extent permitted by law, from all claims of every kind, including loss of life, personal or bodily injury, damage to merchandise, equipment, fixtures or other property, or damage to business or from or on

account of such occupancy and use or resulting from their present or future condition or state of repair. Landlord shall not be responsible or liable for damages at any time to Tenant, or to those claiming by, through, or under Tenant for any loss of life, bodily or personal injury, or damage to property or business, or for business interruption, that may be occasioned by or through the acts, omissions, or negligence of any other persons, or any other tenants or occupants of any portion of the Building. Landlord shall not be responsible or liable for damages at any time for any defects, latent or otherwise, in any buildings or improvements, in the Building or any of the equipment, machinery, utilities, appliances, or apparatus therein, nor shall Landlord be responsible or liable for damages at any time for loss of life, or injury or damage to any person or to any property or business of Tenant, or those claiming by, through, or under Tenant, caused by or resulting from the bursting, breaking, leaking, running, seeping, overflowing, or backing up of water, steam, gas, sewage, snow, or ice in any part of the Premises or caused by or resulting from acts of God or the elements, or resulting from any defect or negligence in the occupancy, construction, operation, or use of any buildings or improvements in the Building, including the Premises, or any of the equipment, fixtures machinery, appliances, or apparatus therein. Tenant expressly acknowledges that all of the foregoing provisions of this section shall apply and become effective from and after the date Landlord shall deliver possession of the Premises to Tenant. Landlord, as used in this section, includes Landlord and its officers, directors, shareholders, partners, agents, management companies, attorneys, employees and successors or assigns.

9. Assignment. Tenant may not assign this Lease or sublet all or any portion of the Premises without Landlord's prior written consent. Tenant specifically acknowledges and agrees that in addition to other reasons, Landlord may withhold its consent to an assignment or sublease if, in Landlord's judgment, (i) the business experience and quality of the merchandising operation of the proposed assignee or subtenant is not at least equal to that of Tenant for the type of business proposed to be operated by the assignee, (ii) the use of the Premises would change to any use unacceptable to Landlord or in conflict with any existing private covenants affecting the Building or with any exclusive use rights previously granted by Landlord to any other tenant or third party, (iii) such assignee or subtenant may adversely affect the business of other tenants in the Building or the customer traffic or tenant mix in the Building, (iv) the proposed assignee is an existing tenant of the Building or a person controlling any existing tenant of the Building, (v) the net worth or credit standing of such assignee or subtenant is less than that of Tenant at the time of execution of this Lease, or (vi) the proposed assignee or subtenant lacks sufficient working capital to operate the business in the Premises. The Security Deposit shall be transferred to the assignee in conjunction with any approved assignment of this Lease. If Tenant is a legal entity, any consolidation, liquidation, or material change in the effective ownership, voting or operating control of such entity constitutes an assignment requiring Landlord's consent. The consent by Landlord to any assignment or subletting does not release Tenant from the obligation to obtain the consent of Landlord to any further assignment or subletting. No assignment or subletting relieves Tenant or any guarantor of this Lease of liability under this Lease, and both the assignee and any principal of the assignee whose financial condition was considered in Landlord's determination of the assignee's creditworthiness shall assume the Lease in writing. At the time of any request by Tenant, Tenant shall pay to Landlord a review fee in the amount of \$1,000 (or Landlord's total actual costs of review, if greater) and shall provide such information regarding the proposed transaction and the transferee as Landlord may require. Landlord may, at its election exercised by written notice to Tenant within thirty (30) days after receipt of any request for approval of any assignment or subletting by Tenant, terminate this Lease, and Landlord may upon any such termination enter into a lease of the Premises with the proposed assignee or subtenant.

If Tenant requests Landlord's consent to an assignment of this Lease or subletting of all or part of the Premises, Landlord shall have the option (without limiting Landlord's other rights hereunder) of terminating this Lease upon thirty (30) days' notice. Landlord may then, at Landlord's option, lease space to the prospective assignee or subtenant. If Landlord should fail to notify Tenant in writing of its decision within a thirty (30) day period after Landlord is notified in writing of the proposed assignment or sublease, Landlord shall be deemed to have elected to keep this Lease in full force and effect.

10. Subordination. This Lease is subject and subordinate to any ground lease or other underlying leasehold interest, to any mortgage, deed of trust or other encumbrance, to all renewals, replacements and extensions thereof, and to any easements, covenants, conditions, restrictions, and other matters of record, now or in the future imposed by Landlord upon all or any portion of the Building. Tenant agrees not to violate any such superior instrument. Upon Landlord's request, Tenant will execute a written instrument evidencing the subordination described herein. Tenant agrees to attorn to the purchaser of the Premises at any foreclosure or sale and recognize such purchaser as landlord under this Lease.

11. Default. The occurrence of any of the following events shall constitute an "Event of Default" by Tenant: (i) Tenant fails to pay any Percentage Rent or Additional Rent payable under this Lease within five (5) days after the date payment is due; (ii) the abandonment or vacation of the Premises or the failure to conduct business in the Premises for seven (7) consecutive days without prior written consent of Landlord; (iii) the making by Tenant of any assignment for the benefit of creditors or the attachment, execution or other seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease; (iv) if Tenant fails to move into or take possession of the Premises within ten (10) days of the Commencement Date; (v) Tenant, or any guarantor of Tenant's obligations under this Lease, falsifies any report or misrepresents other information required to be furnished to Landlord pursuant to this Lease; or (vi) if within any twelve (12) month period during the Term hereof, Tenant shall have failed to perform or been in default under the same provision of this Lease more than two (2) times and Landlord, because of such failures or defaults, shall have served upon Tenant within such twelve (12) month period two (2) or more notices of any such failure or default, then any third or subsequent default under such section within such twelve (12) month period shall be deemed a noncurable default and Landlord, in addition to all other rights and remedies it may have hereunder, shall be entitled to immediate possession of the Premises at Landlord's election; or (vii) immediately, without notice or opportunity to cure, upon any violation of Section 6(f), Section 9, Section 10, or Section 14(d); or (viii) Tenant fails to cure any other breach in Tenant's performance of any other provision, covenant or requirement of this Lease within ten (10) days after written notice from Landlord (or such greater or lesser period as may be stated in such provision). After an Event of Default, Landlord may exercise on a cumulative basis all rights and remedies available under this Lease, at law or in equity, including, without limitation, retaking possession, locking the doors and excluding Tenant from the Premises, treating as abandoned any property remaining in the Premises, suing for rent from time to time as it becomes due, attempting to relet the Premises, and if the rents received are insufficient to reimburse Landlord for the costs of reletting and rent due from Tenant, suing Tenant for shortfalls as they arise or in one action, and/or exercising self-help to cure Tenant's default and charging Tenant the cost thereof plus 10%. Additionally, if any one or more Events of Default set forth in Section 11 occurs, then Landlord has the right, at its election, to terminate this Lease and recover possession of the Premises by giving written notice to Tenant of Landlord's election to terminate this Lease, in which event Landlord shall be entitled to receive from Tenant: (a) the worth at the time of award of any unpaid Rent which had been earned at the time of such termination; plus (b) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus (c) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; (d) the cost of recovering the Premises, including Landlord's attorneys' fees; (e) the value of any unused allowances or inducements provided in this Lease including, but not limited to, tenant finish allowances and brokers' commissions not previously paid on the Premises and amortized over all or a portion of the term of the lease for the remainder of the stated term; (f) damages for the wrongful withholding of the Premises by Tenant; plus (g) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom; and at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable laws. As used in Subsections (a) and (b) above, "worth at the time of award" shall be computed by allowing interest at the then highest lawful contract rate of interest. As used in Subsection (c) above, the "worth at the time of award" shall be computed by allowing interest at the lesser of the eighteen percent per annum or the maximum legal rate permitted by law. As used in subsection (iii) above, the

“worth at the time of award” shall be computed by discounting the amount at the discount rate of the Federal Reserve Bank of Kansas City at the time of award plus one percent (1%). Tenant shall be responsible for payment of all Landlord’s costs and expenses of enforcing any term, condition or covenant contained in this Lease, including without limitation, Landlord’s reasonable attorney fees from the date any such matter is turned over to Landlord’s attorney, and regardless of whether suit is commenced. Tenant has no claim against Landlord for loss or damage resulting from any action taken by Landlord in good faith while Tenant is in default. Any acceptance of surrender, election to terminate this Lease, or waiver of Tenant’s default by Landlord must be in writing and signed by Landlord to be effective. No delay or failure of Landlord to exercise any right or remedy arising from Tenant’s default impairs such right or remedy, or constitutes a waiver of or acquiescence in Tenant’s default. Termination of this Lease prior to expiration of the Term either terminates all or any subtenancies, or operates as an assignment to Landlord of all or any subtenancies, at Landlord’s option.

12. Bankruptcy. Landlord and Tenant understand that a trustee or debtor in possession under the Bankruptcy Code of the United States (the “Bankruptcy Code”) may have certain rights to assume or assign this Lease. Tenant agrees not to seek or require any more time than the minimum period allowed by the Bankruptcy Code for acceptance or rejection of this Lease. Landlord and Tenant further understand that in any event Landlord is entitled under the Bankruptcy Code to adequate assurances of future performance of the terms, covenants and conditions of this Lease. For purposes of any such assumption or assignment, the parties hereto agree that the term “Adequate Assurance” shall include at least the following:

(a) In order to assure Landlord that the proposed assignee will have the resources with which to pay the Rent, any proposed assignee must have demonstrated to Landlord’s satisfaction a net worth (as defined in accordance with generally accepted accounting principles) at least equal to the net worth of Tenant on the Commencement Date increased by seven percent (7%) per year through the date of the proposed assignment. The financial condition and resources of Tenant were a material inducement to Landlord in entering into this Lease.

(b) Any proposed assignee must have been engaged in the Permitted Use at least five (5) years prior to any such proposed assignment.

(c) In entering into this Lease, Landlord considered extensively the Permitted Use and determined that the Permitted Use would add substantially to Landlord’s tenant balance and that if it were not for Tenant’s agreement to the Permitted Use of the Premises, Landlord would not have entered into this Lease. Landlord’s overall operation will be substantially impaired if the trustee in bankruptcy or any assignee of this Lease makes any use of the Premises other than the Permitted Use.

(d) Any proposed assignee of this Lease (and its principals, if applicable) must assume and agree to be personally bound by the terms, covenants and provisions of this Lease as required by Section 9 of this Lease.

13. Surrender. At expiration or earlier termination of this Lease, Tenant agrees to surrender the Premises, “broom clean,” in good condition and repair (reasonable wear and tear excepted). Tenant must at its cost remove Tenant’s exterior building signage, including Tenant’s fascia sign, and repair, repaint and restore the affected area to its original condition with all mechanical systems in good working order. If Tenant holds over without Landlord’s prior written consent, Tenant becomes a tenant-at-will and Minimum Monthly Rent and Operating Expenses shall automatically increase by 50%. If Tenant holds over with Landlord’s prior written consent, the holdover tenancy shall be on a month-to-month basis and Percentage Rent and Operating Expenses shall automatically increase by 25%. Tenant’s trade fixtures, equipment and furnishings that do not become affixed to the Premises, remain the property of Tenant (excluding any equipment that is part of any mechanical, HVAC, plumbing, kitchen vent hood, electrical, walk-in cooler or other utility system) and may be removed by

Tenant at its expense prior to expiration or earlier termination of this Lease, provided that Tenant is not then in default and Tenant concurrently repairs any damage to the Premises arising from such removal.

14. General.

(a) All notices under this Lease must be in writing and shall be deemed sufficiently given by Landlord or Tenant to the other, as the case may be, at the time of mailing by certified mail, postage prepaid (or upon deposit with a nationally recognized overnight courier service). Notices to Tenant shall be sent to the Premises. Notices to Landlord shall be sent to Landlord's Address; provided, however, that Landlord shall have the right to change Landlord's Address from time to time upon written notice to Tenant.

(b) Tenant has not dealt with any broker or other person who might claim a brokerage commission or finder's fee in connection with this Lease except Tenant's Broker, if any, identified in Section 1 of this Lease, who represents only Tenant, and Landlord's Broker, if any, identified in Section 1 of this Lease, who represents only Landlord and whose commission is Landlord's responsibility. Tenant is advised that Landlord or an affiliate may be a licensed real estate broker or salesperson, and that real estate brokers or salespersons may have ownership interests in Landlord or an affiliate.

(c) Landlord reserves the right to enter the Premises to perform its obligations under this Lease, to inspect the Premises, or for any other reasonable purpose. In making such entry, Landlord agrees to use reasonable efforts to minimize interference with Tenant's business in the Premises. During the last 270 days of the Term, Landlord shall have the right to reasonable access to the Premises for the purpose of showing the space to prospective tenants, and may make a key to the Premises in the event that Tenant does not cooperate to provide such access. In addition, Landlord may post leasing signs in the windows of the Premises and a banner on the exterior front of the Premises during the last ninety (90) days of the Term.

(d) Tenant agrees to execute and deliver to Landlord within ten (10) days after such request (i) an estoppel certificate regarding this Lease in form reasonably required by Landlord, and (ii) such financial statements of Tenant (including any guarantor of this Lease) as are reasonably required by Landlord for the purpose of evaluating Tenant's financial condition. The failure of Tenant to comply with this provision shall be an Event of Default.

(e) Landlord's liability under this Lease is limited to Landlord's estate and interest in the land and buildings constituting the Building, subject to the prior rights of lienholders. If Landlord sells or assigns this Lease, the Premises or the Building, Landlord is relieved of, and Landlord's successor-in-interest is deemed to have assumed, all obligations and liability on the part of the "Landlord" thereafter accruing under this Lease. In no event shall Landlord be responsible for consequential damages or lost profit incurred by Tenant as a result of any default by Landlord.

(f) Landlord reserves the right to relocate Tenant to other space in the Building which is reasonably comparable in size, utility and condition to the Premises upon 30 days' prior written notice. Landlord will pay Tenant's reasonable moving expenses. Tenant agrees to relocate to the substitute space within such 30-day period, whereupon the substitute space will be deemed the Premises for all purposes of this Lease. In the event of such relocation, this Lease shall continue in full force and effect without any change in terms or other conditions, but with the new location, square footage, Percentage Rent, and Tenant's Share substituted for that set forth in this Lease.

(g) Time is of the essence. This Lease (including attached Exhibits, which are made a part hereof) contains the entire agreement of the parties and may be modified only by a written instrument signed by the parties. Subject to Section 9, this Lease benefits and binds the parties and their successors and assigns. Tenant's obligations are both covenants and conditions. This is a net lease to Landlord except as otherwise

expressly provided herein. Tenant may not record this Lease or any memorandum thereof. Any party prevailing in a legal action to enforce this Lease is entitled to attorneys' fees and court costs. The invalidity or unenforceability of any provision of this Lease does not affect the remainder of this Lease. The parties agree to execute such further documentation as may reasonably be required to carry out the purposes of this Lease.

(h) The laws of the state where the Building is located shall govern the validity, construction, performance and enforcement of this Lease. Should either party institute legal action to enforce any obligation contained herein, it is agreed that the venue of such suit or action shall be in the County where the Building is located. EACH PARTY WAIVES THE RIGHT TO A JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THEM AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING UNDER THIS LEASE. All provisions of this Lease have been negotiated by both parties at arm's length and neither party shall be deemed the scrivener of this Lease. In addition, if either party has made a scrivener's error with regard to division, multiplication, addition, or subtraction of any numbers or arithmetic calculation in this Lease, this Lease shall not be construed for or against either party by reason of the authorship or alleged authorship of any provision hereof.

(i) In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section shall not operate to excuse Tenant from the prompt payment of Rent, Additional Rent or any other payments required under the terms of this Lease.

(j) No representations, inducements, understanding or anything of any nature whatsoever, made, stated or represented by Landlord or anyone acting for or on Landlord's behalf, either orally or in writing, have induced Tenant to enter into this Lease, and Tenant acknowledges, represents and warrants that Tenant has entered into this Lease under and by virtue of Tenant's own independent investigation. Tenant hereby accepts the Premises in an "as is" and "where is" condition without warranty of any kind, express or implied, including, without limitation, any warranty as to title, physical condition, size, or the presence or absence of Hazardous Substances, and if the Premises are not in all respects entirely suitable for the use or uses to which the Premises or any part thereof will be put, then it is the sole responsibility and obligation of Tenant (subject only to the obligations of Landlord set forth herein) to take such action as may be necessary to place the Premises in a condition entirely suitable for such use or uses. IN CONNECTION WITH THE ABOVE, TENANT HEREBY ACKNOWLEDGES AND REPRESENTS TO LANDLORD, THAT TENANT HAS HAD AMPLE OPPORTUNITY TO INSPECT AND EVALUATE THE PREMISES AND THE FEASIBILITY OF THE USES AND ACTIVITIES TENANT IS INTENDING TO CONDUCT THEREON; THAT TENANT IS EXPERIENCED; THAT TENANT WILL RELY ENTIRELY ON TENANT'S EXPERIENCE, EXPERTISE AND ITS OWN INSPECTION OF THE PREMISES IN ITS CURRENT STATE IN PROCEEDING WITH THIS LEASE; THAT, EXCEPT AS EXPRESSLY PROVIDED HEREIN, TENANT ACCEPTS THE PREMISES IN ITS PRESENT CONDITION, AND THAT, TO THE EXTENT THAT TENANT'S OWN EXPERIENCE WITH RESPECT TO ANY OF THE FOREGOING IS INSUFFICIENT TO ENABLE TENANT TO REACH AND FORM A CONCLUSION, TENANT HAS ENGAGED THE SERVICES OF PERSONS QUALIFIED TO ADVISE TENANT WITH RESPECT TO SUCH MATTERS. TENANT IS NOT RELYING ON ANY EXPRESS OR IMPLIED, ORAL OR WRITTEN REPRESENTATIONS, OR WARRANTIES MADE BY LANDLORD OR ITS REPRESENTATIVES, OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS LEASE.

(k) This Lease may be executed in counterparts, and each counterpart shall be deemed an original, and all of which taken together shall constitute one Lease. This Lease is not binding and effective until

it is executed by all of the parties herein. An electronic, DocuSign and/or facsimile signature shall be considered as valid as an original for all purposes.

(l) As used in this Lease, the term "Hazardous Substances" means any pollutants, flammable explosives, radioactive materials, hazardous, toxic or dangerous wastes, substances or related materials or hazardous, toxic or dangerous wastes, substances, exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so regulated, may or could pose a hazard to the health and safety of the occupants of the Premises or of property adjacent to the Premises, including, but not limited to, asbestos, PCBs, petroleum products and by products (including, but not limited to crude oil or any fraction thereof, new or used automotive anti-freeze, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel, or any mixture thereof), substances defined or listed as "hazardous substances," "hazardous materials," "hazardous wastes," "pollutants," or "toxic substances," "asbestos-containing materials," or similarly identified in, pursuant to, or for purposes of, the Comprehensive Environmental Response, Compensation, and Liability Act, as now or hereafter amended (42 U.S.C. § 9601, et seq.); the Hazardous Materials Transportation Act, as now or hereafter amended (49 U.S.C. § 1801, et seq.); any so-called "Superfund" or "Superlien" law; or any other federal, state, or local statute, law, ordinance, code, rule, regulations, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material; or any substances or mixture regulated under the Toxic Substance control Act of 1976, as now or hereafter amended (15 U.S.C. § 2601, et seq.); and any hazardous air pollutant under the Clean Air Act, as now or hereafter amended (42 U.S.C. § 7901, et seq.).

(m) In determining Tenant's Share of Operating Expenses or any other costs which are similarly apportioned, Tenant's Share of certain costs may be adjusted, from time to time, by Landlord to reflect the fact (i) that certain tenants of the Building may be directly responsible for the payment of certain costs, (ii) the relative benefit to the tenants may vary based upon factors other than square footage, or (iii) the square-foot area of the Building has changed or been modified to reflect prior error

15. Exhibits. The following exhibits are attached to this Lease and incorporated herein by this reference:

Exhibit A – Identification of Premises

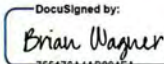
Exhibit B – Additional Provisions

[Signature Page Follows]

IN WITNESS WHEREOF, Landlord and Tenant have signed this Lease as of the Lease Date.

LANDLORD:

RED BARN RE LLC,
a Colorado limited liability company

By: 
Name: Brian Wagner
Title: Manager

TENANT:

ELEVATION HOSPITALITY LLC,
a Colorado limited liability company

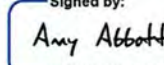
By: 
Name: Amy Abbott
Title: Managing Partner

EXHIBIT "A"

Identification of Premises

Premises are shown in solid blue area below.

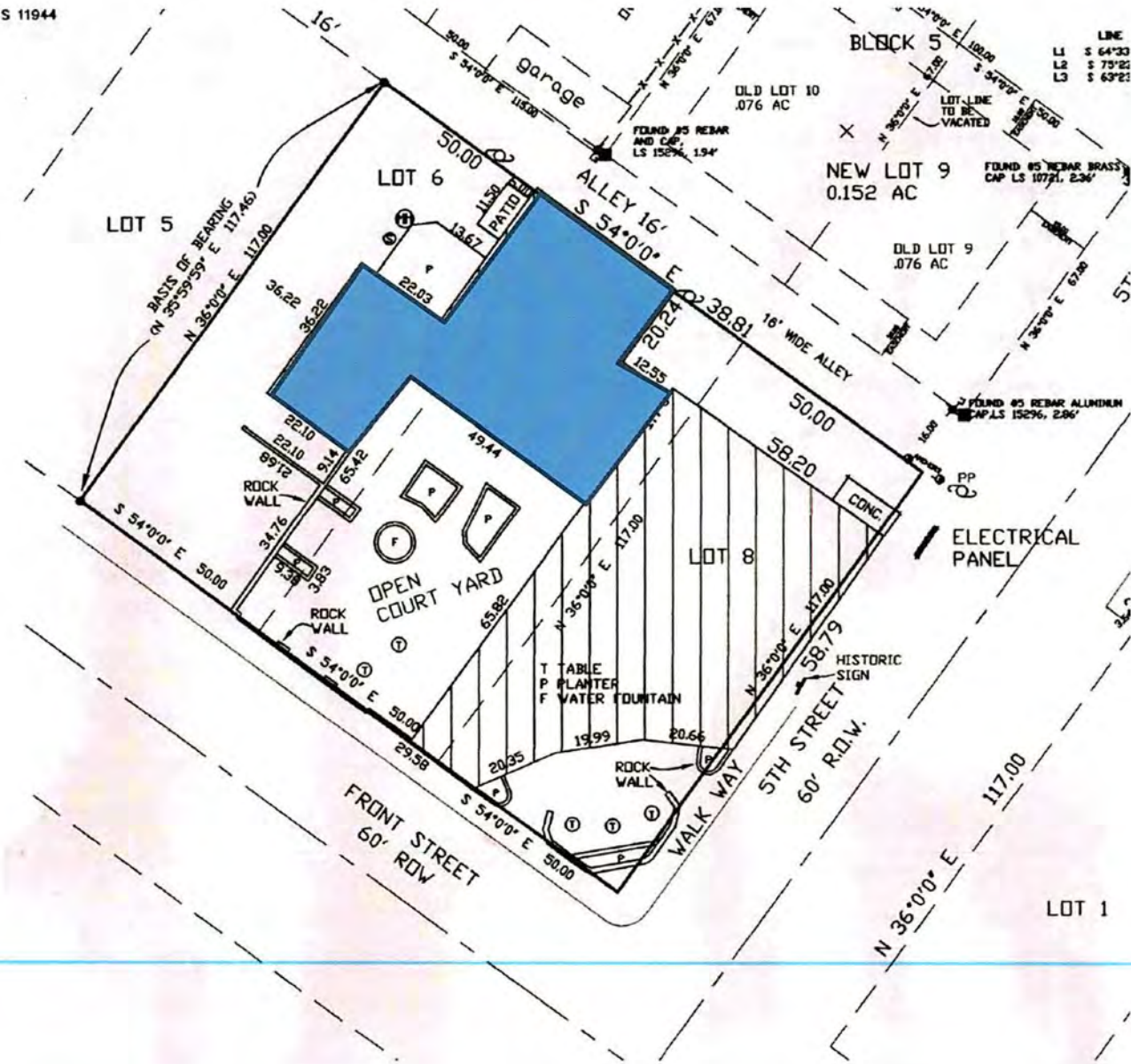


EXHIBIT "B"**Additional Provisions**

This Exhibit B is attached to and forms a part of the Lease dated June 22, 2025 (this "Lease") between Red Barn RE LLC, a Colorado limited liability company ("Landlord") and Elevation Hospitality LLC, a Colorado limited liability company ("Tenant"). In the event of any conflict between the main text of this Lease and this Exhibit B, the provisions of this Exhibit B shall control. Unless otherwise indicated, capitalized terms used in this Exhibit B shall have the meanings set forth in the main text of this Lease.

1. **Early Termination.** Notwithstanding any provision of this Lease to the contrary, either Landlord or Tenant may terminate this Lease prior to the expiration of the Term upon written notice delivered to the other party delivered not later than November 1 of a particular calendar year, in which event this Lease shall terminate effective at 11:59 p.m. (Mountain Time) on December 31 of such calendar year.

2. **Intentionally Deleted**

3. **Percentage Rent.**

(a) **Monthly Percentage Rent.** Tenant shall pay as "**Percentage Rent**" an amount equal to the product of (i) six percent [REDACTED] multiplied by (ii) the amount of Gross Sales (as defined in Paragraph 3(b) below) for the immediately preceding calendar quarter. Percentage Rent shall be due and payable on the fifteenth (15th) day of each month following the end of the quarter beginning with the first full quarter of this Lease, and with a final payment due and payable on the fifteenth (15th) day after the expiration or earlier termination of this Lease.

(b) **"Gross Sales" Defined.**

(i) **"Gross Sales"** means the actual sales price of all goods, wares, and merchandise sold, leased, licensed, or delivered, and the actual charges for all services performed by Tenant or by any person, firm or corporation on its behalf, or by any subtenant, licensee, or concessionaire in, at, from, or arising out of the use of the Premises, whether for wholesale or retail, and whether for cash or credit, including the value of all consideration other than money received, without reserve or deduction for inability or failure to collect. Gross Sales shall include, without limitation, sales and services: (i) where the orders therefor originate in, at, from, or arising out of the use of the Premises, whether delivery or performance is made from the Premises or from some other place; (ii) made or performed by internet, mail, telephone, or telegraph orders; (iii) made or performed by means of mechanical or other vending devices in the Premises; and (iv) which Tenant or any subtenant, licensee, concessionaire, or other person in the normal and customary course of its business would credit or attribute to its operations at the Leased premises or any part thereof. Any deposit not refunded shall be included in Gross Sales. Each installment or credit sale shall be treated as a sale for the full price in the month during which such sale is made, regardless of the time, if ever, that Tenant receives payment therefor. No franchise or capital stock tax and no income or similar tax based on income or profits shall be deducted from Gross Sales. Nothing contained herein shall imply any consent by Landlord to any sublease, license or concession in violation of any other term of this Lease.

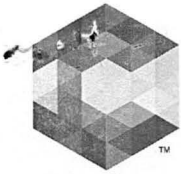
(ii) The following shall not be included in Gross Sales: (i) any exchange of

merchandise between stores of Tenant where such exchange is made solely for the convenient operation of Tenant's business and not for the purpose of consummating a sale made in, at, or from the leased premises, or for the purpose of depriving Landlord of the benefit of a sale which would otherwise be made in or at the Premises; (ii) returns to shippers or manufacturers; (iii) cash or credit refunds to customers on transactions (not to exceed the actual selling price of the item returned) previously included in Gross Sales; (iv) sales of trade fixtures, machinery and equipment after use thereof in the conduct of Tenant's business; (v) amounts collected and paid by Tenant to any governmental authority for any sales or excise tax; (vi) amounts collected from vending machines and pool tables; and (vii) bad debts not exceeding five percent (5.0%) of Gross Sales written off by Tenant for income tax purposes may be deducted from Gross Sales in the Lease Year in which they are written off; however, if any account receivable previously written off as a bad debt is later collected, that amount shall be included in the amount of Gross Sales in the month in which collected.

(c) Statement of Gross Sales. Tenant shall deliver to Landlord within ten (10) days after the end of each calendar month of the Term a written report signed by Tenant's accountant or by an authorized executive officer or authorized agent of Tenant and certified by such person to be complete and accurate, setting forth the Gross Sales made in the preceding calendar month; and (b) within sixty (60) days after the end of each calendar year and within sixty (60) days after the expiration or earlier termination of this Lease, a statement of Gross Sales for the preceding calendar year or other period preceding the termination of this Lease. The annual statement shall be accompanied by the signed certificate of Tenant's certified public accountant stating specifically that: (i) they have examined the report of Gross Sales for the preceding calendar year; (ii) such examination included such tests of Tenant's books and records as such certified public accountant considered necessary or appropriate under the circumstances; (iii) such report presents fairly the Gross Sales of the preceding calendar year; and (iv) such Gross Sales conform with and are computed in compliance with the definition of Gross Sales contained in Paragraph 3(b) above. If Tenant shall fail to deliver the monthly report or the annual statement and certificate to Landlord within the time required, then, in addition to any other rights of Landlord, Landlord shall have the right thereafter to employ, at Tenant's expense, an independent certified public accountant to examine such books and records as may be necessary to determine the amount of Tenant's Gross Sales for such month or calendar year, as the case may be. Both the monthly report and the annual statement shall be in the form and style and contain such detail as Landlord shall reasonably require.

(d) Tenant's Records. For the purpose of permitting verification by Landlord of any amounts due as Percentage Rent, Tenant will keep and preserve for at least four (4) years, and during the Term shall keep at the Tenant Notice Address, original or duplicate books and records which shall disclose all information required to determine Gross Sales, including: (i) federal, state, and local gross income, sales, and occupation tax returns; (ii) daily, dated cash register tapes, including tapes from temporary registers; (iii) settlement report sheets of transactions with subtenants, concessionaires, and licensees; (iv) daily and / or weekly transaction reports; and (v) such other records, if any, which would normally be examined by an independent accountant pursuant to generally accepted auditing standards in performing an audit of Tenant's sales. At any time or from time to time after at least ten (10) business days' advance notice to Tenant, Landlord and any mortgagee and/or their respective agents and accountants, shall have the right to make any examination or audit of Tenant's books and records which Landlord or such mortgagee may desire to verify or ascertain Gross Sales. If such audit shall disclose a liability in any period for Percentage Rent in excess of the Percentage Rent therefore paid by Tenant for such period, then Tenant shall promptly pay such excess. Should any such liability for Percentage Rent equal or exceed two

percent (2%) of the Percentage Rent previously paid for such period, Tenant shall, in addition promptly pay the cost of the audit and interest at the Default Rate on all additional Percentage Rent then payable, from the date such additional Percentage Rent should have been paid. Should any such liability for Percentage Rent equal or exceed three percent (3%) of the Percentage Rent previously paid for such period, Landlord may, in addition to any right or remedy available to Landlord, terminate this Lease by notifying Tenant in writing within ninety (90) days after Landlord discovers such liability, and the Term of this Lease shall expire on the last day of the second full calendar month after the date of such notice.



Colorado Secretary of State

Colorado Secretary of State **88**

ID#: 20251614699

Document #: 20251614699

Filed on: 05/30/2025 12:02:12 PM

Paid: \$50.00

Articles of Organization for a Limited Liability Company

filed pursuant to § 7-90-301 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

The domestic entity name of the limited liability company is Elevation Hospitality LLC

The principal office street address is

456 Front St
Fairplay CO 80440
US

The principal office mailing address is

2012 W Uintah St
Colorado Springs CO 80904
US

The name of the registered agent is Amy Abbott

The registered agent's street address is

2012 W Uintah St
Colorado Springs CO 80904
US

The registered agent's mailing address is

2012 W Uintah St
Colorado Springs CO 80904
US

The person above has agreed to be appointed as the registered agent for this entity.

The management of the limited liability company is vested in Members

There is at least one member of the limited liability company.

Person(s) forming the limited liability company

Amy Abbott
2012 W Uintah St
Colorado Springs CO 80904
US

Sviatoslav Skalsky
7920 County Road 92
Lake George CO 80827
US

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the

document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., and, if applicable, the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

Name(s) and address(es) of the individual(s) causing the document to be delivered for filing

Amy Abbott
2012 W Uintah St
Colorado Springs CO 80904
US

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Elevation Hospitality LLC

is a

Limited Liability Company

formed or registered on 05/30/2025 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20251614699 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 06/12/2025 that have been posted, and by documents delivered to this office electronically through 06/14/2025 @ 06:26:16 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 06/14/2025 @ 06:26:16 in accordance with applicable law. This certificate is assigned Confirmation Number 17401163 .



Jena Griswold

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."



COLORADO
Department of Revenue
 Specialized Business Group—
 Liquor & Tobacco

Mailing Address:
 Colorado Department of Revenue,
 Attention Liquor Enforcement Division
 P.O. Box 17087
 Denver, CO 80217-0087

Physical Address:
 1707 Cole Boulevard, Suite 300
 Lakewood, CO 80401
 Office: 303-205-2300

RECEIPT OF APPLICATION

Date: June 25, 2025

Colorado Cantina
 2012 West Uintah Street
 Colorado Springs, CO 80904

Dear Applicant: Colorado Cantina #03-24179

The Liquor Enforcement Division received your **Hotel & Restaurant (city)** application.

Please provide the following items:

- ✓ \$1700.00 new application fee
 - To pay by credit card/electronic check:
 - Please select the Online Payment Portal link under our signature on the email that provided this letter. Please reference your account number **03-24179** when submitting payment.
 - Please email the full receipt of payment to dor_liqlicensing@state.co.us and to your local licensing authority (if applicable).
 - To pay by check/money order:
 - Mail to: 1707 Cole Boulevard Suite 300, Lakewood, CO 80401.
Attention: Liquor Licensing Department
 - Please make the check payable to: Colorado Department of Revenue or DOR
 - Memo Reference: License Number **03-24179**

*Please note: this Notification Letter is a receipt of the application received from the **City of Fairplay** on **(06/25/2025)** and includes **ONLY** the application fees due. Once the payment has been successfully received and allocated to your account, a Licensing Specialist will be assigned to review your application. If additional documentation is required, correspondence with an updated Notification Letter will be emailed to **(info@coloradocantina.com)** and your local licensing authority.*

If you have any questions regarding this letter, please contact:

*Colorado Liquor & Tobacco Enforcement Division
 Liquor Licensing Department
 303-205-2300
dor_liqlicensing@state.co.us*

**COLORADO**Department of Public
Health & Environment**2025 License to Operate: Retail Food Establishment****License must be posted at the following location in a conspicuous place:**

License #RFE28169

Colorado Cantina
456 Front St
Fairplay CO 80440-5006**Non-Transferable License valid until: 12/31/2025**

License Type: Restaurant (0-100 seats)

Issued by: Colorado Department of Public Health and Environment

A large, faint circular seal of the State of Colorado is visible in the background. It features the state motto "EUREKA" at the top, "1876" at the bottom, and "SINE INIMICO" in the center. The seal is surrounded by the words "STATE OF COLORADO".

This certifies that licensee shown hereon is authorized and licensed to engage in business in accordance with the provisions of the laws and regulations of the Colorado Department of Public Health and Environment. Any alterations to this license will automatically make it null and void.

Instructions/Qualifications

1. Signers must be at least 21 years of age AND:
 - a resident of the defined neighborhood
- OR
- Must be Owner or Manager of business located within the corporate limits of the Town of Fairplay, CO
2. Must sign and include address and other information in the presence of the petition circulator and may only sign the petition once.

* If you favor and support this application for a:
Restaurant and Bar (Colorado Cantina)

it is because you feel:
the reasonable requirements of the adult Inhabitants of the defined neighborhood are NOT now being adequately served by exiting businesses that hold the same or similar type of liquor license in the defined neighborhood, AND it is your desire this license be issued.

**If you oppose and do not support this application for a:
Restaurant and Bar (Colorado Cantina)

please write your reason why you oppose this license application.

This petition/opinion survey is being conducted to determine the reasonable requirements, needs and desires of the adult inhabitants of the defined neighborhood per the Colorado Liquor Code, Article 47, Title 12 C.R.S. and per the Local Licensing Authority rules/procedures. If you think you have been unduly influenced by the petition circulator or have questions or comments concerning the proposed application or survey method, please call: the Town Clerk's Office at (719) 836-2622.

Application/DBA Name: **Colorado Cantina**

General Site Location: **456 Front Street**

Type of License applied: **Hotel and Restaurant Liquor**

Public Hearing Date before the Board of Trustees: **4 August 2025**

Defined Neighborhood: **CORPORATE LIMITS OF TOWN OF FAIRPLAY, CO**

Sig#	Instructions: Please SIGN your name on line A, and print your name on line B. Provide residential or business address on Line C.	BO-Bsns Ownr BM-Bsns Mngr R-Resident	Age	Today's Date	* Favor of App	**Oppose App	Reason:
1	M. Jamie Morrow M. JAMIE MORROW PO BOX 1807 Fairplay CO 80440	R	60	7/3	✓		
2	Beth Wooster 50 Willet Lane Camp, CO 80432	R	56	7/3	✓		A
3	Gail Hunt 1610 Redhill Rd Fairplay, CO	R	67	7/4	✓		
4	Michael Hunt 1610 Redhill Fairplay CO 80440	r		7/4	✓		
5	Shannon Leonard Cell Kerry Rd Fairplay CO 80440	R	29	7/4	✓		More local biz!!
6	Tracy & Mike Colliver 208 Sunshine Loop Fairplay CO	R	43+ 44	7/4	✓		"
7	Evan Landry 454 Canthook Ln Fairplay CO	R	36	7/4	✓		well tested and successful business persons.
8	GREG KIRBY 191 QUARRY RD FAIRPLAY	R	68	7/4	✓		

Instructions/Qualifications

1. Signers must be at least 21 years of age AND:

- a resident of the defined neighborhood

OR

- Must be Owner or Manager of business located within the corporate limits of the Town of Fairplay, CO

2. Must sign and include address and other information in the presence of the petition circulator and may only sign the petition once.

* If you favor and support this application for a:

Restaurant and Bar (Colorado Cantina)

it is because you feel:

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General Site Location: **456 Front Street**

Type of License applied: **Hotel and Restaurant Liquor**

Public Hearing Date before the Board of Trustees: **4 August 2025**

Defined Neighborhood: **CORPORATE LIMITS OF TOWN OF FAIRPLAY, CO**

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1	Barbara Vogel Barbara Vogel 3185 County Road 14 Fairplay	R	65	7/4/25	✓		need more places to eat
2	Matt Pellant 3185 County Road 14 Fairplay	R	44	7/4/25	✓		"
3	Erin Pellant 3185 County Rd 14 Fairplay, CO 80440	R	44	7/4/25	✓		Need great restaurants in Fairplay
4	Laurel Lowen 303 Wheat Way Fairplay	R	31	7/4/25	✓		Need good places to eat
5	Nivea Esparza Lowen 303 Wheat Way Fairplay	R	41	7/4	✓		Need more for locals
6	Brian Lowen 303 Wheat Way Fairplay	R	48	7/4	✓		Need more for locals
7	Kyle Bibb 1002 Paines Place Fairplay	R	65	7/4	✓		"
8	Diana Martin 344 Red Hill Rd Fairplay CO	R	43	7/4	✓		Need more restaurants

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95

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1	Bo Haney Lyraeics 5488 Lanthier Court Denver, CO 80238		39	7/4	X		Sounds amazing A
2	Dennie Clark 780 Looney Lane Fairplay CO 80440	R	73	7/4			Yes! Please!
3	Nick Robinson 4411 Ox Yoke Lane Bailey, CO 80421		42	7/4	X		More revenue & fun A
4	John T. Phillips 1217 Telen Trail Como CO 80432		64	7-4	X		A
5	John T. Phillips 34841 Hwy 9 Fairplay	R	45	7-4	X		MORE!!
6	Andrew Williams 796A Crown Road Lane Fairplay CO 80440	R	24	7/4	X		Make it good food
7	Edgar 9281 Weeping Willow CT H.R. CO 80130		46	7/4	X		FOOD!! A
8	Jeremy Pfeffel 7265 Reynolds Dr SEDALIA, CO 80222		42	7/4	X		HECK YEAH A SMALL BUSINESSES!!

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1	Doug Winter Doug Winter 78 Donna Dr. Fairplay	R	49	7/4/25	✓		
2	Robert Luff Robert Luff 2337 Stagestop, Jefferson, CO	R	64	7/4/25	✓		*
3	Veronica 114 Round Hill Rd Fairplay, CO 80440	R	45	7/4/25	✓		
4	Cory A. Gault Cory A. Gault 2842 Red Hill Road	R	51	7/4/25	✓		
5	Josiah Renz Josiah Renz 668, CR4, Fairplay, 80440	BO	30	7/4/25	✓		
6	Josiah Gordon Josiah Gordon 2286 Middle fork vista FAIRPLAY, CO, 80440	IZ	32	7/6	✓		
7	Allison Woodward Allison Woodward 5030 B. Minuteman Dr. Greyhounds	R	29	7/6			*
8	Mary Lou Leving Mary Lou Leving 715B CLARK ST	BM	62	7/6	✓		

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1	<i>Laura Battz</i> Laura Battz 650 Tristan Loop	R	54	7/16/25	✓		Tequila Bar!
2	<i>Susan Guthrie</i> Susan Guthrie 153 Fen Ct	R	62	7/16/25	✓		Tequila Bar
3	<i>ELLEN BATTIS</i> 17379 Hwy 9 HARTSEL	R	50	7/16	✓		BEER *
4	<i>Callie Edwards</i> Callie Edwards Fairplay	R	31	7/16	✓		Food
5	<i>Camille</i> Camille 2 Moore		70	7/18	✓		
6	<i>Kristina Roberts</i> Kristina Roberts 525 Timberline Trl Fairplay	R	46	7/17	✓		Local businesses
7	<i>Joe Scher</i> PO Box 99 / 943 Vine Rd Fairplay 80440	BO	67	7/18	✓		Diversity
8	<i>Lulin Wang</i> Kevin Willis 321 Piate Way, Camo	R	36	7/20	✓		Local business *
	<i>Michelle Habermehl</i> 21980 US 285 unit 43	R	38	7/20	✓		Local business

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1	Jeff Bonstorf / Jeff Bonstorf 498 Fuller Dr. Fairplay, CO 80440	R	48	7/8/25	X		
2	Jeff Bonstorf Dakota Moore 498 Fuller Dr. Fairplay, CO 80440	R	26	7/8/25	X		
3	ANN WARDEN 657 Rockwell Renshaw Rd	R	68	7/20/25	X		
4	KIRK WARDEN 657 ROCKWELL RENSHAW	R	67	7/20/25	X		
5	William B 39 Sleep Ridge Fairplay, CO 80440	12	63	7/20/25	X		
6	Richard Charnice 195 CALVERT LN Fairplay	R	57	7/21/25	X		
7	Ramon Castro 277 Goldenburg Canyon Rd Hartse, CO	R	80+	7/21	✓		*
8	Kim Green 274 Carthook Lane Fairplay, CO 80440	R	60	7/22	✓		

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1	<i>[Signature]</i> Kris Ball 1137 Persim WY, Camo	R	42	7-22-25	✓		*
2	<i>[Signature]</i> Cierra Miller 92 Sunshine loop	R	21	7-23	✓		
3	<i>[Signature]</i> H. BARTOW 18 CHAPIN AV N. HERRICK NY 14466	R	69	7/23	✓		A
4	<i>[Signature]</i> DAVID TOMKINS 490 US HWY 285 FAIRPLAY	R	69	7/23	✓		
5	<i>[Signature]</i> Dominick Bernadette 1072 GOULD PARKER, FAIRPLAY	R	61	7-24	✓		
6	<i>[Signature]</i> Kimberly Naville 705 warrior Cir Camo	R	61	7-25	✓		*
7	<i>[Signature]</i> Bernadette Hunt 837 Swiggler Rd. Camo	R	67	7/25	✓		*
8	<i>[Signature]</i> Alden Hunt 837 Swiggler Rd	R	67	7/25	✓		

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1	<i>Lisa Shane</i> Lisa Shane	R	49	7/26/25	X		
2	<i>Stroginnis</i>			7-26-25	X		★
3	<i>Robert C. Peterson</i> Robert C. Peterson 250 Thompson Park Rd, Fairplay, CO 80742	R	71	7-26-2025	X		
4	<i>GENE + CAROLY PICKER</i> 91 RIDGE WAY FP CO	R	40+	7/26	X		
5	<i>Ciella Smith</i> Ciella Santistevan 784 Mockingbird Tr, Bailey, 80421	R	33	7/26	X		★
6	<i>J. Poles</i> San Robins Rd 18 7006 Timberline Dr, Fairplay, CO	R	43	7/27	X		
7	<i>Gina Sawyer</i> 324 S. 1200 RD, FP CO	R	46	7/27	X		
8	<i>Janica Pawlert</i> 17343 Windsor Dr Omaha NE 68148		46	7/27	X		Family Cabin in town would love new Restroom ★

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1	<i>Rose Kahler</i> <i>Rose Kahler</i> <i>3613 S. Henders St. Aurora CO 80013</i>		48	7/25	X		*
2	<i>Kennedy Zuber</i> <i>487 Boisch Run</i> <i>1092 Sheep Ridge Rd</i> <i>Fairplay 80440</i>	<i>R</i>	23	7/27	X		
3	<i>Junfer Vintle</i> <i>1092 Sheep Ridge Rd</i> <i>Fairplay 80440</i>	<i>R</i>	31	7/28	X		
4				<i>R 7/28</i>			
5							
6							
7							
8							

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1	Darrel Leavina Darrel Leavina 715B CLARK ST	R	63	7/6/25	✓		
2	Corrine Stewart 711 Antler Ridge Rd Como	R	74	7-6-25	✓		A
3	Paul Punzo Paul Punzo 1463 Center Rd, Como	Beni Mayy	52	7-6-25	✓		A
4	Amy Jackson Amy Jackson 33100 Hwy 21, Fairplay 40000	R	37	7/6/25	✓		
5	Eliza Glene Eliza Glene 701 Clark St. Fairplay 80440	R	21	7/6/25	✓		
6	Morgan Batts Morgan Batts 650 Platte Dr. Fairplay 80440	R	27	7/7	✓		
7	Kyle March Kyle March 572 Lamb Mountain Rd 80440	R	37	7/7	✓		
8	Don Tucker 3265 High Cr. Rd, P.O. Box 1297 Fairplay, CO 80440	R	76	7/7	✓		

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1	<i>Celia Quintana</i> Celia Quintana 104 Wells Fargo Cir.	R	27	7/8/25	✓		Fairplay needs more food options!
2	<i>Jose A. Vital Jr.</i> Jose A. Vital Jr 104 Wells Fargo circle (B)	R	28	7/8/25	✓		Better choices
3	<i>Michael P. Davis</i> MICHAEL P. DAVIS 303 Wheat Way 1	BO	49	7/8/25	✓		
4	<i>Ega Szwientek</i> Ega Szwientek Box 189 80440	R	31	7/9/25 date		✓	More ☺ Mexican Food?
5	<i>Will Morrow</i> Will Morrow Box 1867 FAIRPLAY	R	61	7/10/25	✓		MORE RESTAURANTS
6	<i>Madison Kupfermann</i> Madison Crawford Ln	R	23	7-11-25	✓		More food.
7	<i>Ethan Crawford</i> Ethan Crawford	R	25	7-16-25		✓	Can we get non mexican food once
8	<i>Greg Dumas</i> GREG DUMAS 505 WARM SPRINGS RD.	R	49	7/12/25	✓		BETTER MEXICAN FOOD!

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1	<i>[Signature]</i> Stephen L. Burke 1948 Quetzville Rd Apt 111		63	7/10/25	✓		A
2	<i>[Signature]</i> BETH A BURKE 1948 Quetzville Rd Apt		65	7/12/25	—		
3	<i>[Signature]</i> Andrea Skinner 799 Crawford Ln	R	51	7/12/25	✓		
4	<i>[Signature]</i> Michael E Klepper 799 Crawford Ln	R	53	7/12/25	✓		
5	<i>[Signature]</i> Morgan and Walter 719 308818	Mark	31	7/12/25	✓		
6	<i>[Signature]</i> Giffin Bishop 719-832-1860	R	44	7/13/25	✓		Alcoholic
7	<i>[Signature]</i> Tom Ford 719-322-4635	R	44	7/13			
8	<i>[Signature]</i> Ainsley G. Ainsley 108 Sheep Ridge Rd	R	34	7/13	✓		

Instructions/Qualifications

1. Signers must be at least 21 years of age AND:

- a resident of the defined neighborhood

OR

- Must be Owner or Manager of business located within the corporate limits of the Town of Fairplay, CO

2. Must sign and include address and other information in the presence of the petition circulator and may only sign the petition once.

* If you favor and support this application for a:

Restaurant and Bar (Colorado Cantina)

it is because you feel:

the reasonable requirements of the adult Inhabitants of the defined neighborhood are NOT now being adequately served by existing businesses that hold the same or similar type of liquor license in the defined neighborhood, AND it is your desire this license be issued.

**If you oppose and do not support this application for a:

Restaurant and Bar (Colorado Cantina)

please write your reason why you oppose this license application.

This petition/opinion survey is being conducted to determine the reasonable requirements, needs and desires of the adult inhabitants of the defined neighborhood per the Colorado Liquor Code, Article 47, Title 12 C.R.S. and per the Local Licensing Authority rules/procedures. If you think you have been unduly influenced by the petition circulator or have questions or comments concerning the proposed application or survey, please call: the Town Clerk's Office at (719) 836-2622.

Application/DBA Name: **Colorado Cantina**

General Site Location: **456 Front Street**

Type of License applied: **Hotel and Restaurant Liquor**

Public Hearing Date before the Board of Trustees: **4 August 2025**

Defined Neighborhood: **CORPORATE LIMITS OF TOWN OF FAIRPLAY, CO**

Sig#	Instructions: Please SIGN your name on line A, and print your name on line B. Provide residential or business address on Line C.	BO-Bsns Ownr BM-Bsns Mngr R-Resident	Age	Today's Date	* Favor of App	**Oppose App	Reason:
1	VERONICA FRANKLIN 4192 BRIDLE PATH HARTSEL CO 80449		56	7/13/25	YES		NEED MORE Food & Drink UP HERE! *
2	Carrie Fabel 1190 Bullet Rd, FP (Rec Center)	BM	39	7/11/25	yes		great location & much needed!
3	Joni Weir 326 Bumer FP CO 80440	R	51	7/14/25	NO		More BIZ:
4	Sharon Harvey 23 Willow Way Jefferson	R	63	7/14/25	yes		Love to Drink *
5	Molly Batts Molly Batts Four Mile Creek	R	24	7/15	yes		Need more food
6	Don Compton 71 Krueger Canon CO	R	60	7/15	yes		*
7	Jordan Sanchez 827 Trout Creek Fairplay	R	35	7/15	Yes		need more food options + drink.
8	Nancy Berning 108 Carlsbad Way Hartsel, CO 80449	R	72	7/15	Yes		*

PURCHASE AND SALE AGREEMENT
([PROPERTY ADDRESS])

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) is made effective as of the [] day of [], 2025 (the “**Effective Date**”), by and between **SELLER NAME**, a Colorado Limited liability company (“**Seller**”), and **BUYER NAME**, a Colorado limited liability company and/or assigns (“**Buyer**”). In consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

Commented [TC1]: Update with Property Address

Commented [TC2]: If nonprofit or other structure please replace

Commented [TC3]: If nonprofit or other structure, please replace

RECITALS

A. Seller is the owner of real property described as **LEGAL DESCRIPTION** (the “Land”).

B. Buyer is **BUYER NAME** who wishes to purchase the Land by utilizing Land Banking Funds provided by the Colorado Housing and Finance Authority (CHFA).

C. Seller desires to sell the Property to Purchaser, and Purchaser desires to purchase the Property from Seller, upon and subject to the terms and conditions set forth herein.

1. Certain Defined Terms.

(a) “**Property**” – The Real Property, Fixtures, Personal Property and Intangible Property, collectively.

(b) “**Real Estate**” – The land described on **Exhibit A** attached hereto, together with all buildings and other improvements located thereon. The term “**Real Property**”, as used in this Agreement, means the Real Estate, together with all rights and appurtenances thereto.

(c) “**Fixtures**” – All fixtures attached to the Real Estate, including window coverings, screens, screen doors, storm windows and doors, awnings, shutters, furnaces, heaters, oil and gas burners, hot water heaters, hot water boilers, and fixtures appurtenant thereto, plumbing and bathroom fixtures, electric and other lighting fixtures, wall-to-wall carpeting, mantels, , fences, gates, trees, shrubs, plants, air conditioning equipment and ventilators.

(d) “**Personal Property**” – All personal property presently located in or on, or used in connection with, the Real Estate that is owned by Seller.

(e) “**Intangible Property**” - All of Seller’s right, title and interest in and to any and all intangible property used in connection with the Property, including all licenses, permits, and warranties, surveys, environmental studies, appraisals, designs, or other similar documents to the extent the same can be conveyed or assigned by Seller.

(f) **“Purchase Price”** – X million and X thousand dollars and 0/100 Dollars (\$X,XXX,XXX).

(g) **“Deposit”** – [Five Hundred and 0/100 Dollars (\$500.00)], together with all interest earned thereon.

(h) **“Notice Address”** –

If to Seller:

 Attn: _____
 Phone: _____
 Fax: _____
 Email: _____

With a copy to:

[_____] _____

 Attn: _____
 Phone: _____
 Fax: _____
 Email: _____

Commented [TC4]: Update with notice address

If to Buyer:

 Attn: _____
 Telephone: _____
 Email: _____

Commented [TC5]: Update with Notice Address

With a copy to:

Trellis Housing Partners
 Attn: Tanner Crawley
 1415 West Park Avenue
 Denver, CO 80205
 Email: tanner@trellishousingpartners.com

(i) **“Title Company”** – Land Title Guarantee Company
 Attn: Charles Ottinger
 3033 E. 1st Ave. Suite 600
 Denver, CO 80206

Commented [TC6]: This is my preferred title rep, CHFA and Charles have done many transactions together.

(j) **“Inspection Deadline”** – The Inspection Deadline is 11:59 p.m. mountain time on October 31st, 2025.

Commented [TC7]: Required timing before CHFA award and final DD

(k) **“Closing Deadline”** 11:59 p.m. mountain time on November 30th, 2025.

(l) **“Closing Date”** – The date of Closing, as defined below. The Closing Date will occur on the Closing Deadline or an earlier date determined by the parties’ mutual agreement.

2. **Purchase and Sale.**

(a) **Agreement.** Seller agrees to sell and Buyer agrees to purchase the Property on the terms and conditions set forth in this Agreement.

(b) **Deposit.** The Deposit shall be paid on or before the date that is three (3) business days after the Effective Date by wire transfer to the Title Company. The Deposit shall be held until the Closing by the Title Company in an interest-bearing account using Buyer’s taxpayer identification number set forth on the signature page of this Agreement. All interest earned on the Deposit shall be deemed part of the Deposit for purposes of this Agreement. At Closing, Buyer shall receive a credit against the Purchase Price in the amount of the Deposit. Notwithstanding the foregoing, if the Inspection Deadline has expired without the Buyer terminating the Agreement, the Deposit shall become non-refundable but applicable to the Purchase Price.

(c) **Operation and Possession.** Seller shall deliver full possession of the Property to Buyer at the Closing, and the Property shall be in the same condition as it is as of the Effective Date, reasonable use and wear thereof excepted, and excepting damage by fire or other casualty as provided in Section 12. Except as otherwise expressly provided in this Agreement, Seller shall continue to manage, maintain and repair, rent and operate the Property in its usual course of business that existed prior to the Effective Date until the Closing.

3. **Title Commitment.** Within twenty (20) business days following the Effective Date, Buyer shall obtain a commitment for an ALTA Extended Coverage Owner’s Policy to be issued by the Title Company in the amount of the Purchase Price covering the Real Property (“**Title Commitment**”). All standard pre-printed exceptions shall be deleted from the Owner’s Policy (as hereinafter defined). Legible copies of all documents identified as exceptions to coverage shall be delivered to Buyer along with the Title Commitment. The cost of the Title Commitment and Owner’s Policy shall be paid for by Seller. Seller and Buyer agree to comply with all reasonable requirements imposed by the Title Company as a condition to issuance of the Owner’s Policy and the Closing. The term “**Owner’s Policy**” means an ALTA Extended Coverage Owner’s Policy of Title Insurance for the Real Property in accordance with the Title Commitment, in the amount of the Purchase Price, naming Buyer as the insured, insuring Buyer owns fee simple title to the Real Property, subject only to the Permitted Exceptions (as defined below), and to the extent available and at Buyer’s sole cost and expense any additional specific endorsement to the Owner’s Policy that is requested by Buyer and approved by the Title Company.

Commented [TC8]: We want to lump in closing costs to be paid by seller and Land Banking transaction

4. **Prorations and Credits.** At the Closing, the following are to be prorated based on each party's period of ownership of the Property as of 11:59 p.m. mountain time on the day immediately preceding the Closing Date, or credited (as appropriate):

(a) Collected rent (including prepaid rent); gas, electric, water and sewer use charges; trash collection; real estate taxes and assessments (as set forth below); and other similar items, shall be prorated as of the Closing.

(b) The parties acknowledge and agree that real estate and personal property taxes and assessments (collectively, "**Taxes**" or "**Tax**") are paid in arrears on a calendar year basis. For example, Taxes applicable to 2024 are due and payable in 2025. Taxes shall be prorated between Buyer and Seller so that Seller pays all Taxes, including penalties and interest, that become due and payable prior to the Closing (prior to delinquency) and a pro rata share of Taxes becoming due and payable after the Closing based on Taxes applicable to Seller's period of ownership of the Property, even if such Taxes have not yet been billed or are not yet due and payable.

(i) If the current Tax assessment cannot be determined at Closing, then Taxes shall be prorated on the basis of Taxes assessed for the preceding year; provided, however, and notwithstanding anything in this Agreement to the contrary, each party shall be responsible for its respective share of Taxes applicable to its period of ownership of the Property.

(c) Security deposit and advance rent, if any, and all interest which is required by law, if any, to be paid to the tenant, shall be accounted for by Seller and credited to Buyer on the Closing Statement at the Closing. Seller shall render an accounting thereof to Buyer at the Closing.

(d) The provisions of this Section 4 shall survive the Closing.

5. **Representations and Warranties.**

(a) **Seller.** In addition to the representations and warranties contained elsewhere in this Agreement, if any, Seller hereby makes the following representations and warranties, which shall be true and correct as of the Effective Date and as of the Closing Date and shall survive the Closing:

(i) **No Litigation.** There is no litigation or proceeding pending (and to Seller's knowledge, there is no litigation or proceeding threatened) against or relating to the Property or Seller.

(ii) **No Condemnation.** Seller has not received any notice of any pending or threatened condemnation or similar proceeding or pending public improvements to or adjoining the Property that will in any manner affect the Property.

(iii) No Violations. Seller has not received, within the twelve (12) month period prior to the Effective Date, any written notice from any governmental body having jurisdiction over the Property of violation of any applicable federal, state or municipal laws, regulations and ordinances, including but not limited to, building, subdivision, zoning, environmental, disability and access laws, ordinances and regulations, which remains outstanding. To Seller's knowledge, the Property is currently in compliance with all applicable federal, state and municipal laws, regulations and ordinances.

(iv) Environmental. Seller has not received written notice from any governmental entity that the Property is currently not in compliance with all Environmental, Health and Safety Requirements. "Environmental, Health and Safety Requirements" shall mean all federal, state, local and foreign statutes, regulations, ordinances and other provisions having the force or effect of law and all judicial and administrative orders and determinations, and all contractual obligations concerning public health and safety, worker health and safety, and pollution or protection of the environment.

(vi) Status. Seller _____ is a _____ duly organized, validly existing and in good standing under the laws of the State of Colorado, to the extent required, is duly qualified to transact business in the State of Colorado and has the requisite power and authority to carry on its business as now conducted.

Commented [TC9]: Replace with Seller info

(vii) Due Authorization. This Agreement has been duly authorized, executed, and delivered by Seller, is the legal, valid and binding obligation of Seller and does not violate any provision of Seller's organizational documents.

(viii) FIRPTA. Seller is not a "foreign person", as such term is defined in Internal Revenue Code Section 1445.

(ix) Leases and Documents. The Property is not subject to any agreement except _____ ("**Tenant Leases**") and recorded agreements and instruments referenced in the Title Commitment. Seller will deliver or make available to Buyer correct and complete copies of the Tenant Lease.

Commented [TC10]: List any relevant leases

(xii) Taxes. There are no delinquent taxes, assessments or bonds of any nature affecting the Property except as disclosed in the Title Commitment. All real and personal property taxes and assessments which are a lien on the Property prior to the Closing Date shall have been paid in full, except the taxes for the year in which the Closing occurs to the extent not yet due and payable, said taxes to be prorated as of the Closing Date.

(xiii) OFAC. Neither Seller nor any of its owners are: (A) listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury ("**OFAC**") pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 Sept. 25, 2001 (the "**Executive Order**") and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable orders (collectively, "**Lists**"); (B) has been determined by competent authority to be subject to the prohibitions contained in the Executive Order; or (C)

owned or controlled by, or acts for or on behalf of, any person or entity on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Executive Order.

(xiv) Insolvency. No insolvency proceeding of any character, including bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, is pending or, to Seller's knowledge, threatened against Seller or any of its principals. Seller has not taken any action in contemplation of, or that would constitute the basis for, the institution of any such insolvency proceedings.

(b) Buyer. In addition to the representations and warranties contained elsewhere in this Agreement, if any, Buyer hereby makes the following representations and warranties, which shall be true and correct as of the Effective Date and as of the Closing Date and shall survive the Closing:

(i) Status. Buyer is a [] duly organized, validly existing and in good standing under the laws of the State of Colorado.

Commented [TC11]: Replace with buyer information

(ii) Due Authorization. This Agreement has been duly authorized, executed, and delivered by Buyer, is (subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar federal or state laws affecting creditors' rights generally) the legal, valid and binding obligation of Buyer and does not violate any provision of Buyer's organizational documents or any agreement or judicial order to which Buyer is a party or to which Seller or the Property, or any portion thereof, are subject.

6. "As Is". Except as is expressly set forth in this Agreement and in any document executed in connection herewith, and subject to applicable representations and warranties, Seller and Buyer acknowledge and agree: (1) that all Property, real and personal, is to be conveyed by Seller "AS IS, WHERE IS" and in its present condition, (2) that Seller has not made, does not hereby make and shall not make, and specifically disclaims, any representations, warranties, promises, covenants, agreements or guaranties, whether express or implied, oral or written, past or present, concerning or with respect to (A) the nature, quality or condition, (B) the income to be derived there from, (C) suitability for any and all activities and uses which Buyer may conduct thereon, (D) habitability, merchantability or fitness for a particular purpose, (E) good and workmanlike construction, (F) design, (G) the nature or quality of the construction, structural design and/or engineering thereof, or (H) the quality thereof and the composition of the materials included therein. Buyer shall assume all risks relating in any manner to any defects, if any, in the Property (or any part thereof) of any type or nature whatsoever and shall be solely and completely responsible for the repair and/or removal of all such defects and the payment of all costs and expenses related thereto. It is expressly agreed that Buyer is being provided the opportunity to conduct any and all Investigations and inspections of the Property.

7. Inspection and Contingencies.

(a) Deliverables. During the Inspection Period, Seller shall deliver to Buyer all due diligence documents relating to the Property reasonably requested by Buyer to the extent such items are in Seller's or any of Seller's agents' possession or control.

(b) Inspection. Buyer (at its sole expense) shall be entitled to conduct any and all necessary inspections and investigations of the Property, including but not limited to verification of compliance of the Property with applicable zoning, building, health and safety laws, regulations and codes, inspection for hazardous waste, environmental testing (including a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards), all necessary surveys, structural examinations, soils examinations, engineering tests and any other inspections or investigations of the Property. Buyer and Buyer's agents shall be allowed access to the Property during the entire term of this Agreement for the purpose of inspecting the same. Seller agrees to cooperate with such inspections (and cooperate with making a representative available for such purposes) during normal business hours. In no event shall such inspections or tests unreasonably disrupt or disturb the rights of the tenants at the Property.

Buyer shall promptly restore any physical damage caused by such inspections, investigations or tests. Buyer shall be responsible for the conduct of its employees, contractors and agents and shall indemnify, defend and hold the Seller harmless from any losses, injuries, damages, claims or expenses, including reasonable attorney's fees and costs, caused by the conduct of Buyer or any of its employees, contractors, or agents on the Property; provided, however, Buyer will have no obligation to indemnify, defend, or hold Seller harmless from or against any loss, injury, damage, liability, claim, cost, or expense incurred or caused in connection with (X) Seller's negligence or misconduct; (Y) disclosure of any adverse matter required by law, regulation, court order or other judicial process; or (Z) any preexisting condition on the Property. Buyer's obligations under this paragraph shall survive the Closing, or if the Closing does not occur, the termination of this Agreement.

(c) Termination. At any time prior to the Inspection Deadline, Buyer may elect, by delivering notice(s) to Seller, to (i) terminate this Agreement which termination may be made for any reason whatsoever, or for no reason, or (ii) notify Seller of any defects in the Property ("**Defects**"), including, without limitation, objections to the condition of title, survey-related matters, zoning, and environmental matters, that Buyer requests Seller to cure. If Buyer timely notifies Seller of any such Defects as provided above, including its reasons in detail and copies of any reports with respect to such Defects, Seller shall have five (5) business days after receipt of such notice to give notice to Buyer of the actions, if any, that Seller proposes to take with respect to such Defects. In the event that Buyer shall not be satisfied with Seller's proposed actions or in the event that Seller does not elect to take any proposed actions, Buyer shall have the right, on or prior to the date which is five (5) days after receipt of such notice from Seller, to give Seller notice of Buyer's intention not to proceed with the consummation of the transaction contemplated by this Agreement. Upon receipt by Seller of Buyer's notice or the notice of termination referred to in clause (i) of this subparagraph (c), and provided such notice is timely given, this Agreement shall terminate, in which event, the Deposit shall be immediately refunded

to the Buyer, and the parties shall have no further liability or responsibility to each other, except for obligations of the parties that expressly survive the termination of this Agreement.

(d) Title and Survey Inspection.

(i) Buyer shall deliver to Seller notice of any title exceptions identified in the Title Commitment or matters disclosed on the Survey that Buyer reasonably disapproves (the “**Disapproved Title Exceptions**”) no later than the Inspection Deadline. Any exception or other matter not disapproved in writing by the Inspection Deadline shall be deemed approved by Buyer and shall constitute a “**Permitted Exception**”.

(ii) In the event the Title Company shall deliver one or more updates to the Title Commitment (each a “**Title Update**”) after the date that is four (4) business days prior to the Inspection Deadline, Buyer shall have until five (5) business days following Buyer’s receipt of such Title Update and all title documents newly referenced in the applicable Title Update to review the Title Update and to notify Seller of any new material title matters (i.e. new matters that were not previously, expressly disclosed in the Title Commitment) disclosed in such Title Update to which Buyer reasonably objects (each, an “**Update Objection**”). No later than the earlier of (A) the Closing Date or (B) five (5) business days after Seller’s receipt of the applicable Update Objection, Seller shall notify Buyer in writing of any matters described in such Update Objection which Seller is unable or unwilling to cause to be removed or insured against prior to or at Closing (an “**Update Cure Notice**”). If Buyer does not receive an Update Cure Notice from Seller within five (5) business days after Seller’s receipt of an Update Objection then Seller will be deemed to be unwilling or unable to remove any such new title objection. With respect to any matter described in an Update Objection that Seller is unwilling or unable to cure, Buyer then may elect, by giving notice to Seller no later than three (3) business days after the expiration of the five (5) business day period described above, (X) to terminate this Agreement, or (Y) to waive such objections, in which case such new matters shall be deemed to be Permitted Exceptions; Buyer’s failure to give such notice shall be deemed an election to waive any title objection that Seller is unwilling or unable to cure. In the event Buyer elects to terminate this Agreement in accordance with clause (X) of this subparagraph (ii), the Deposit shall be immediately refunded to the Buyer, and the parties shall have no further liability or responsibility to each other, except for the obligations under this Agreement that expressly survive termination of this Agreement. At Buyer’s option, Closing will be extended as needed to comply with the contingency and timeline set forth in this Section 7(d)(ii).

(iii) Notwithstanding the foregoing to the contrary, Seller shall pay or release any and all monetary liens of a definite and ascertainable amount (such as, for example, judgments, mechanic’s liens, or mortgage liens) created or caused by Seller or on behalf of Seller (“**Monetary Liens**”) on or before the Closing Date, and in no event will any Monetary Lien be deemed a Permitted Exception.

8. Closing.

(a) The consummation of the purchase and sale of the Property (the "Closing") shall take place on the Closing Date. The Purchase Price, as adjusted pursuant to the terms and conditions of this Agreement, shall be paid at the Closing by immediately available funds wired to Seller's account pursuant to wiring instructions provided by Seller prior to the Closing. Seller shall be responsible for (i) all closing and escrow fees charged by the Title Company, (ii) the cost of all conveyance and transfer taxes, and (iii) the cost of recording the Deed, and Seller shall be responsible for (i) the cost of recording any instruments required to discharge any and all Monetary Liens. Additionally, Seller shall pay for any legal fees associated with the Land Banking program not to exceed \$40,000.

(b) At the Closing, Seller shall provide the following:

(i) A Special Warranty Deed prepared by Buyer or the Title Company and reasonably satisfactory to Buyer (the "Deed"), which shall convey good, record and marketable fee simple title to the Real Property, free from all encumbrances except the Permitted Exceptions.

(ii) A bill of sale conveying all of the Personal Property to Buyer, substantially in the form attached hereto as **Exhibit B**.

(iii) An assignment of the Tenant Leases (and related interests) in effect at the time of the Closing to Buyer, substantially in the form attached hereto as **Exhibit C** (the "Assignment of Tenant Leases"). The original Tenant Leases will be delivered to Buyer at Closing.

(iv) An assignment of all Intangible Property to Buyer, substantially in the form attached hereto as **Exhibit D** (the "General Assignment").

(v) An affidavit (or affidavits) to the Title Company sufficient for the Title Company to issue the Owner's Policy;

(vi) [At the request of the Title Company, Seller shall provide certified copies of its organizational documents and any resolutions reasonably necessary to authorize the transaction which is the subject of this Agreement.]

(vii) A signed copy of the settlement statement prepared by the Title Company and agreed upon by Seller and Buyer (the "Closing Statement"). If the parties fail to agree on the Closing Statement, the parties may elect to have separate Closing Statements.

(viii) Seller shall cause the Title Company to issue to Buyer the standard Owner's Policy.

(ix) A certificate or affidavit of Seller's non-foreign status, in accordance with Section 1445 of the Internal Revenue Code.

(x) IRS Form, 1099S or the equivalent.

Commented [TC12]: Intended to make the transaction impose as little costs on the buyer as possible in order to help attract an applicant

(xi) Electronic copies of Seller's tenant ledger associated with the Property.

(xii) Any other documents or statements reasonably requested by Buyer or the Title Company in order to issue the standard Owner's Policy or consummate the Closing.

(c) At the Closing, Buyer shall provide the following:

(i) The Purchase Price, minus the amount of the Deposit and as otherwise adjusted pursuant to the terms and conditions of this Agreement.

(ii) The General Assignment.

(iii) The Tenant Notice.

(iv) A signed copy of the Closing Statement. If the parties fail to agree on the Closing Statement, the parties may elect to have separate Closing Statements.

(v) Any other documents or statements reasonably requested by Seller or the Title Company in order to issue the Owner's Policy or consummate the Closing.

(d) Buyer's obligation to close on the purchase of the Property as contemplated under this Agreement is conditioned upon the following (each a "**Closing Condition**"):

(i) Buyer receives a pro forma of the Owner's Policy prior to Closing;

(ii) Seller delivers (or causes delivery of) all items under Section 9(b) above prior to Closing;

(iii) Seller is not then in material breach of this Agreement;

(iv) Seller has cured all objections to the Title Commitment or Survey that Seller committed to cure in any Cure Notice or Updated Cure Notice; and

(v) All Seller representations in this Agreement are true and correct in all material respects as of the Closing Date.

In the event any Closing Condition is not satisfied by the date the parties have agreed to consummate the Closing, Buyer may elect, by delivering notice to Seller no later than two (2) business days following such date, to terminate this Agreement, in which case, this Agreement will immediately terminate, the Deposit shall be immediately refunded to Buyer, and the parties shall have no further liability or responsibility to each other except for the obligations under this Agreement that expressly survive the termination of this Agreement.

9. Default and Remedies.

(a) **Seller's Remedies.** Buyer and Seller acknowledge that if Buyer materially breaches any representation or warranty set forth in this Agreement prior to the Closing or at any time fails to materially comply with or perform any of the conditions, agreements or obligations to be performed by Buyer under this Agreement, and if Buyer fails to cure such breach or failure within five (5) business days after notice thereof from Seller, then Buyer shall be in default under this Agreement, and Seller will incur damages and expenses that are difficult if not impossible to estimate and ascertain with certainty. Therefore, in the event of such default by Buyer, the sole right and remedy of Seller shall be to terminate this Agreement and to obtain from the Title Company and retain, as liquidated damages, the Deposit, and Seller waives all other rights and remedies. Seller and Buyer agree that the Deposit is a fair and reasonable amount and shall not constitute a penalty or a forfeiture.

(b) **Buyer's Remedies.** If, prior to Closing, Seller breaches any warranty or representation contained in this Agreement or fails to comply with or perform any of the conditions, agreements or obligations to be performed by Seller under this Agreement, and if Seller fails to cure such breach or failure within five (5) business days after notice thereof from Buyer, then Seller shall be in default under this Agreement, and at Buyer's option and election, Buyer shall have the right to (i) terminate this Agreement by notice to Seller and the Title Company, whereupon the entire Deposit shall be immediately returned to Buyer, and seek reasonable damages; or (ii) seek specific performance of Seller's obligations under this Agreement and damages. In the event any remedy of specific performance is not available to Buyer due to the sale of the Property to a third-party or other bad-faith breach by Seller of this Agreement, Buyer may seek any right or remedy available at law or equity. Nothing contained in this paragraph is intended to limit or proscribe the enforcement of any representation, warranty, indemnity, covenant or obligation under this Agreement that survives the Closing for the period of such survival of the right of enforcement or to limit or proscribe any indemnity contained in any assignment or other instrument conveying Seller's interest in the Property conveyed pursuant to this Agreement.

(c) **No Consequential Damages.** The parties hereby waive special, punitive, consequential, and exemplary damages.

10. Casualty, Eminent Domain, Insurance. Seller shall provide Buyer with prompt notice of any material damage to the Property or written notice of potential condemnation. If Buyer has not terminated this Agreement by the Inspection Deadline as provided in Section 7 above, then:

(a) At Buyer's option, by notice to Seller within five (5) business days after Buyer receives notice or otherwise becomes aware of any material damage to the Property, Buyer shall either elect (i) to terminate this Agreement, in which event the Deposit shall be immediately refunded to Buyer, this Agreement will terminate, and the parties shall have no further obligations to each other, except for obligations of the parties that expressly survive the termination of this Agreement, or (ii) to close the sale without reduction of the Purchase Price on account of such material damage.

(b) If, prior to the Closing, all or any material portion of the Real Estate shall be taken for any public use or access to or from the Real Estate shall be permanently taken or materially impaired, or any change to public way or the grade thereof shall be made which materially and adversely affects or is likely to materially and adversely affect the commercial value of the Property, or notice of any of the foregoing shall be made public, then and in any of said events, Seller shall provide Buyer with prompt notice of such event. By notice to Seller within five (5) business days after Buyer receives notice or becomes aware of the same, Buyer shall either (i) terminate this Agreement, in which event this Agreement shall terminate, the Deposit shall be immediately refunded to Buyer, and the parties shall have no further liability or responsibility to each other, except for obligations of the parties that expressly survive the termination of this Agreement, or (ii) elect to consummate the sale without reduction of the Purchase Price on account of same, in which event Seller shall assign to Buyer all claims and rights, if any, on account of or arising out of any of the foregoing.

(c) Until the Closing, Seller shall maintain insurance on the Property as presently insured.

11. Broker Commission. Seller and Buyer each warrant to the other that the only broker involved in this transaction is Tanner Crawley of Cowans Crawley and Walker LLC, as transaction broker. Seller and Buyer acknowledge and agree that Transaction Broker shall be entitled to a commission equal to 6% of the purchase price. Buyer and Seller each represent and warrant to the other that they have not dealt with any broker, agent or similar person in connection with this transaction, other than the Transaction Broker. Seller and Buyer shall each defend, indemnify, and hold harmless the other from any claim by any party other than the Brokers claiming by, through, or under Seller or Buyer, as the case may be, for any brokerage, commission, finder's, or other fees, or other costs or expenses arising therefrom, and alleged to be due by authorization of Buyer or Seller. The provisions of this Section 11 shall survive the Closing or the sooner termination of this Agreement.

Commented [TC13]: Revise if there is a listing agent

12. Miscellaneous.

(a) **Notices.** All notices required or permitted under this Agreement shall be in writing and shall be deemed to have been given by any of the following methods: (i) mailed, postage prepaid, by U.S. registered or certified mail (with return receipt requested) to the Notice Addresses set forth above, (ii) by recognized overnight air courier service (with proof of delivery) to the Notice Addresses set forth above; or (iii) by email to each and every email address for the other party set forth in the Notice Addresses above. Such Notice Addresses may be changed by delivery to the other party of any such change in the Notice Address.

(b) **Construction.** The headings of the various paragraphs of this Agreement are for convenience of reference only and are not a part hereof. No modification, alteration or amendment of this Agreement shall be binding unless in writing duly executed by both Buyer and Seller. Where the context requires or admits, the plural shall include the singular, and vice versa, and words of one gender shall include all genders. If Seller or Buyer shall consist of more than one individual and/or entity, liability of each shall be joint and several. All of the terms and

provisions of this Agreement have been negotiated by Seller and Buyer with the assistance of their respective attorneys. Therefore, it is the intent of Seller and Buyer that this Agreement not be construed for or against either of the parties hereto, and that neither of the parties hereto be deemed the drafter of this Agreement. When used in this Agreement, the term “including” means “including, without limitation” (i.e., the definition set forth in the Merriam-Webster Dictionary). The terms “will”, “shall” or “must”, when used in this Agreement to indicate a party’s duty to perform or a party’s obligation under this Agreement are deemed to be synonymous and that such performance or obligation is mandatory.

(c) Binding Effect. This Agreement shall be binding upon and inure (subject to subparagraph (d) below) to the benefit of the respective heirs, executors, administrators, successors and assigns of each party hereto.

(d) Assignment. Buyer may transfer its rights under this Agreement to an affiliate of Buyer. Buyer shall, however, remain jointly and severally liable with such transferee for all of Buyer’s obligations under this Agreement, and such transferee shall be required to assume joint and several liability for all such obligations. Buyer shall give Seller prompt notice of any such transfer.

(e) Confidentiality. The parties shall not disclose the terms, provisions and conditions of this Agreement to any person or entity, except to its proposed lenders, attorneys, accountants, or advisors, without the written consent of the other party. Neither the Buyer nor the Seller shall publicize the terms of this Agreement without the prior written consent of the other party. The parties hereto shall keep the terms of this Agreement confidential.

(f) Third Party Exchanges. Buyer and Seller agree to cooperate with each other in order for Seller and/or Buyer to accomplish a real estate exchange pursuant to Section 1031 of the Internal Revenue Code, provided such exchanges do not cause Buyer or Seller to incur any liability, do not require Buyer or Seller to take title to any other property, do not delay the Closing and do not cause Buyer or Seller to incur any additional cost or expense, other than nominal expense for their attorneys to review any applicable documents.

(g) No Recording. Buyer shall not cause or permit this Agreement, or any short form variation thereof or any notice of contract, to be filed of record in any office or place of public record (unless filed by Seller). Notwithstanding the foregoing to the contrary, Buyer may record a lis pendens against title to the Real Estate in the event Buyer seeks its remedy of specific performance under this Agreement, and such recording will not be deemed a breach of this Agreement.

(h) Time of the Essence. TIME IS OF THE ESSENCE as to each and every provision of this Agreement requiring performance within a specified time, and particularly with respect to any termination rights afforded to Buyer in this Agreement and with respect to the Closing. In the event that the date upon which any time period ends or any duty or obligation under this Agreement is to be performed shall occur upon a Saturday, Sunday or national banking holiday, then, in such event, the time period or the due date for such performance shall be automatically extended to the next succeeding day which is not a Saturday, Sunday or

national banking holiday. Except for express reference to “business” days, all time periods shall be deemed to be calendar days.

(i) Non-Offer. The submission of this Agreement for examination or for execution by Buyer, or the negotiation of the transaction described in this Agreement does not constitute an offer to sell by Seller, and this Agreement confers no rights upon Buyer nor imposes any obligations on Seller and shall not constitute a binding contract unless and until Buyer and Seller shall have executed this Agreement.

(j) Invalid Provision. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, and if such provision is not essential to the effectuation of the basic purposes of this Agreement, such provision shall be fully severable, this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never been a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect.

(k) No Waiver. The waiver by either party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be construed as a waiver of any other covenant, condition or promise in this Agreement. The waiver by either party of the time for performing any act shall not constitute a waiver of the time for performing any other act or any incidental act required to be performed at a later time. The delay or forbearance by either party in exercising any remedy or right, the time for the exercise of which is not specifically and expressly limited or specified in this Agreement, shall not be considered a waiver of or an estoppel against the latter exercise of such remedy or right.

(l) Counterparts. This Agreement may be executed in any number of identical counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all counterparts hereof taken together shall constitute but a single instrument. Executed copies hereof may be delivered by telecopy or email, and, upon receipt, will be deemed originals and binding upon the parties hereto.

(m) Modification of Agreement. No modification of this Agreement shall be deemed effective unless in writing and signed by the parties hereto.

(n) Further Instruments. Each party, promptly upon the request of the other or upon the request of the Title Company, shall execute and have acknowledged and delivered to the other or to the Title Company, as may be appropriate, any and all further instruments reasonably requested or appropriate to evidence or give effect to any of the provisions of this Agreement and which are consistent with the provisions hereof and which do not impose any material obligations on a party or parties which are not included in this Agreement.

(o) Entire Agreement. This Agreement constitutes the entire agreement, whether written or oral, between the Parties. Any written or oral understandings, terms or conditions between the parties regarding the Property not set forth in this Agreement shall be deemed to be superseded hereby.

(p) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, and the parties hereby submit themselves to the jurisdiction of such state and agree that venue is proper in such state, with service permitted by U.S. registered or certified mail, return receipt requested, addressed to the Notice Address set forth in this Agreement for the party being served. In the event of any such litigation, the parties hereby waive their rights to trial by jury.

(q) No Third-Party Beneficiaries. Buyer and Seller acknowledge and agree that the terms, provisions and conditions hereof are for the sole benefit of, and may be enforceable solely by, Buyer and Seller, and none of such terms, provisions and conditions are for the benefit of or may be enforceable by any third party.

(r) Attorneys' Fees. In the event either Buyer or Seller employs legal counsel to bring an action at law or other proceeding to enforce any of the terms, covenants, conditions or remedies of this Agreement, to terminate this Agreement, or to obtain an interpretation of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its costs and expenses incurred in such action from the other party, including the cost of reasonable attorneys' fees and expert witness fees.

(s) No Partnership or Joint Venture. The relationship of the parties hereto is that of Seller and Buyer, and this Agreement shall not be construed as creating a partnership, joint venture or other relationship by or between the Parties.

(t) No Marketing. For as long as this Agreement is in effect, Seller shall not entertain, solicit or accept offers or expressions of interest regarding the financing or purchase of all or any portion of the Property or the ownership interests in Seller.

(u) Force Majeure. Neither party shall be responsible for any delay in performance resulting from causes beyond such party's reasonable control, the non-occurrence of which is a basic assumption of the parties in agreeing to the terms of this Agreement, including acts of God, labor disturbances, business closures, and government action, or other contingencies.

<<Signatures on following page>>

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above mentioned.

SELLER: _____, a Colorado limited liability company

By: _____
Name: _____
Its: _____

BUYER:

[_____], a Colorado limited liability company

By: _____
Name: _____
Its: _____

- Exhibits incorporated into this Agreement:
- Exhibit A – Legal Description
 - Exhibit B – Form of Bill of Sale
 - Exhibit C – Form of General Assignment

Commented [TC14]: Revise with Seller and Buyer information

Acknowledgement of Escrow Holder:

Land Title Guarantee Company hereby executes this Agreement solely for the purpose of acknowledging receipt of the Deposit and acknowledging and agreeing to be bound by the provisions of this Agreement relating to the Deposit.

LAND TITLE GUARANTEE COMPANY

By: _____

Name: _____

Its: _____

EXHIBIT A
Legal Description

For informational purposes only:

LEGAL DESCRIPTION

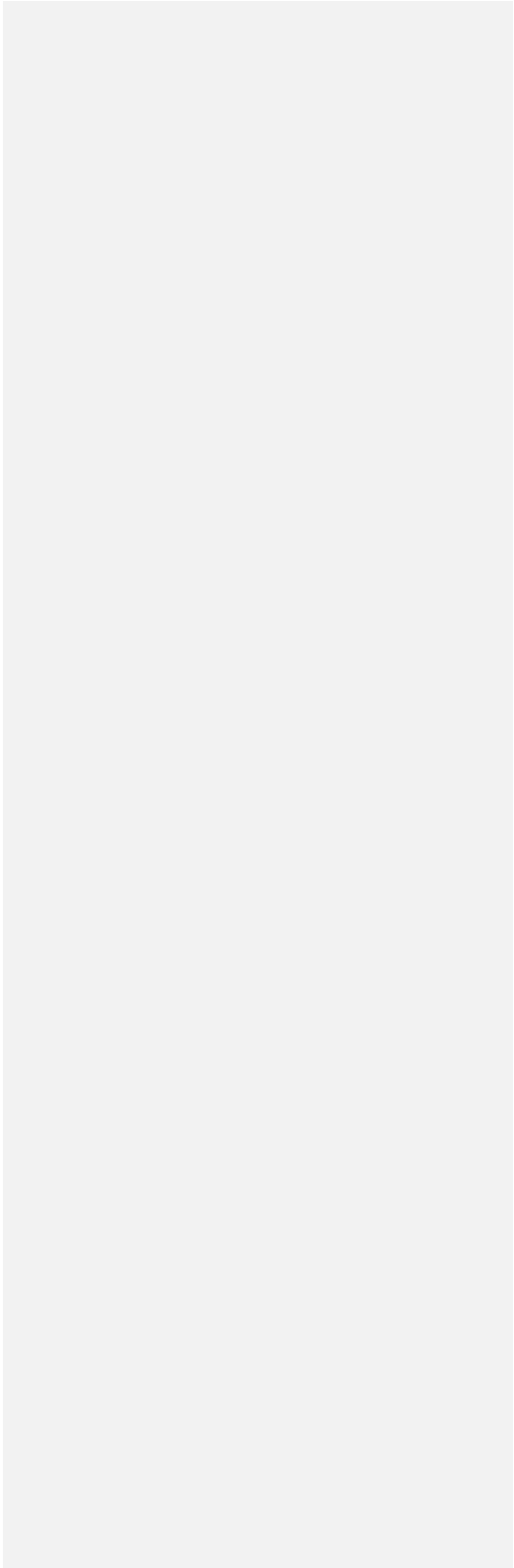


EXHIBIT BForm of Bill of Sale

Bill of Sale and Assignment

THIS BILL OF SALE AND ASSIGNMENT (this “**Bill of Sale**”) is made as of _____, by _____ (“**Seller**”), in favor of _____ (“**Buyer**”).

RECITALS

A. Pursuant to that certain Purchase and Sale Agreement, dated as of _____ (as amended and/or assigned from time to time, the “**Purchase Agreement**”), Seller has agreed to sell to Buyer, upon the terms, provisions and conditions set forth therein, that certain vacant and residential property commonly known as _____ (the “**Property**”), located at _____, all as more particularly described in the Purchase Agreement.

B. In connection with the sale and purchase of the Property, Seller desires to sell, assign and transfer to Buyer all of Seller’s right, title and interest in and to the Personal Property (as identified and defined in the Purchase Agreement), all upon the terms, covenants and conditions set forth in this instrument.

NOW THEREFORE, for and in consideration of Ten Dollars (\$10.00), the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Seller hereby agrees as follows:

1. Definitions. Capitalized terms used in this Bill of Sale and not otherwise defined in this Bill of Sale shall have the meanings ascribed to such terms in the Purchase Agreement.
2. Transfer and Assignment. Seller hereby sells, transfers, assigns, delivers and conveys to Buyer, its successors and assigns, all of Seller’s right, title and interest in, to and under the Personal Property.
3. Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer as follows:
 - (i) Seller is the sole owner and holder of the Personal Property;
 - (ii) Seller has the power, authority and right to execute and deliver this Bill of Sale and to sell, transfer, assign, deliver and convey the Personal Property; and
 - (iii) Seller has not made any prior sales or assignments of any of the Personal Property.

4. Absolute Transfer. It is the intention of Seller to transfer absolute title of the Personal Property to Buyer, its successors and assigns, free of any equity of redemption by Seller or its successors and assigns.
5. Binding Effect. This Bill of Sale shall be binding upon and inure to the benefit of Seller and Buyer and their respective heirs, personal representatives, successors and assigns.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, intending to be legally bound, Seller has caused this Bill of Sale to be executed by its duly authorized officer on the day and year first above written.

SELLER:

EXHIBIT CForm of General Assignment

Assignment and Assumption of Contracts and Intangible Property

THIS ASSIGNMENT AND ASSUMPTION OF CONTRACTS AND INTANGIBLE PROPERTY (the “**Assignment**”) is made as of the __ day of _____, by and between _____ (“**Assignor**”), and _____ (“**Assignee**”).

RECITALS

A. Pursuant to that certain Purchase and Sale Agreement, dated as of _____ (as amended and/or assigned from time to time, the “**Purchase Agreement**”), Assignor has agreed to sell to Assignee, upon the terms, provisions and conditions set forth therein, that certain vacant and residential property commonly known as _____ (the “**Property**”), located at _____, more particularly described in the Purchase Agreement.

B. In connection with the sale and purchase of the Property, Assignor desires to assign to Assignee certain guaranties, warranties and intangible property.

NOW, THEREFORE, in consideration of the purchase price paid by Assignee to Assignor for the Property, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee covenant and agree as follows:

1. Assignment. Assignor hereby assigns, transfers and sets over unto Assignee all of Assignor’s right, title and interest in and to (collectively, the “Assigned Interests”) (a) all warranties and guaranties relating to the Property or to any personal property conveyed to Assignee by Assignor in connection with the conveyance of the Property, (b) any and all licenses and permits owned or held by Assignor in any way related to or arising out of or used in connection with the ownership or operation of the Property, (c) any and all intangible property associated with the Property, to have and to hold the same unto Assignee, its successors and assigns.

2. Assumption. Assignee accepts said assignment and assumes all obligations of Assignor under the Assigned Interests first arising during Assignee’s ownership of the Property.

3. Indemnification by Assignor. Assignor agrees to indemnify, defend and hold Assignee harmless from and against any claim, demand, cause of action, charge, judgment, damage, liability, cost or expense (including reasonable attorney’s fees and legal costs) arising out of the Assigned Interests in connection with events occurring during Assignor’s ownership of the Property.

4. Indemnification by Assignee. Assignee agrees to indemnify, defend and hold Assignor harmless from and against any claim, demand, cause of action, charge, judgment, damage, liability, cost or expense (including reasonable attorneys' fees and legal costs) arising out of the Assigned Interests in connection with events occurring during Assignee's ownership of the Property.

5. Binding Effect. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, personal representatives, successors and assigns.

6. Attorneys' Fees. In the event either Assignor or Assignee employs legal counsel to bring an action at law or other proceeding to enforce or obtain an interpretation of this Assignment, the prevailing party in any such action or proceeding shall be entitled to recover its costs and expenses incurred in such action from the other party, including the cost of reasonable attorneys' fees and expert witness fees.

7. Counterparts. This Assignment may be executed in two or more counterpart copies, all of which shall have the same force and effect as if the parties hereto had executed a single copy of this Assignment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, intending to be legally bound, the parties have caused this Assignment to be executed by their duly authorized officers on the day and year first above written.

ASSIGNOR:

ASSIGNEE

**AFFORDABLE HOUSING FINANCING FUND
LAND BANKING PROGRAM**

LOAN AGREEMENT

BETWEEN

COLORADO HOUSING AND FINANCE AUTHORITY, a body corporate and political subdivision of the State of Colorado, solely in its capacity as the Program Administrator for the AFFORDABLE HOUSING FINANCING FUND, managed by the Colorado Office of Economic Development and International Trade, a Colorado state agency

AND

REDACTED

Dated as of August 30, 2024

LOAN AGREEMENT

This Loan Agreement (“**Agreement**”) is executed as of August 30, 2024, between **COLORADO HOUSING AND FINANCE AUTHORITY, a body corporate and political subdivision of the State of Colorado, solely in its capacity as the Program Administrator for the AFFORDABLE HOUSING FINANCING FUND, managed by the Colorado Office of Economic Development and International Trade, a Colorado state agency** (referred to herein as the “**Lender**”), and **REDACTED**, a Colorado limited liability company (the “**Borrower**”).

RECITALS

The following Recitals form the basis of and are a material part of this Agreement (terms not otherwise defined in the Recitals have the meanings set forth in Section 1.1).

A. Colorado Housing and Finance Authority (the “**Authority**”) has been retained by Lender as the administrator of The Affordable Housing Financing Fund (“**Fund**”). This Fund was created by a new statewide Affordable Housing Statute (CRS 29-32-101 et seq) (“**Statute**”) which was voted on and approved by Colorado voters in a November 2022 ballot measure commonly known as Proposition 123. The Loan (defined below) is provided under the Land Banking Program (the “**Program**”), as part of Proposition 123, which provides funding for the acquisition and preservation of land for the development of affordable rental housing, affordable homeownership, and/or mixed commercial use if the predominate use is affordable housing (the “**Project**”); and

B. Borrower has applied to Lender, for an unsecured loan in the maximum aggregate amount of REDACTED (the “**Loan**”) to help Borrower in financing the acquisition and preservation of land for the development of affordable rental housing, affordable homeownership, and/or mixed commercial use if the predominate use is affordable housing; and

C. Borrower’s obligations to repay the Loan are or will be evidenced by that certain promissory note (the “**Note**”), executed by Borrower, the amount of which shall not exceed the Loan amount of REDACTED; and

D. Pursuant to the Note and this Agreement, Lender requires that Borrower maintain certain covenants, make certain covenants and representations, provide Lender with certain financial information and agree to certain other conditions to obtaining the Loan as set forth in this Agreement; and

E. Borrower has agreed to accept the Loan subject to the terms and conditions set forth herein; and

F. Borrower and Lender acknowledge that the mutual promises and covenants contained herein, and other good and valuable consideration are sufficient and adequate to support this Agreement.

1. **Definitions and Interpretation.**

1.1 **Defined Terms.** The following terms when used in this Agreement shall, except where the context otherwise requires, have the following meanings.

“**Affiliate**” means, as to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such Person.

“Agreement” means this Loan Agreement, including amendments hereof and supplements hereto, executed by Borrower and Lender, or as otherwise required hereunder.

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

“Anti-Terrorism Law(s)” means any laws relating to terrorism or money laundering, including Executive Order No. 13224, the PATRIOT Act, the Laws comprising or implementing the Bank Secrecy Act, and the Law administered by the United States Treasury Department’s Office of Foreign Asset Control (as any of the foregoing Laws may from time to time be amended, renewed, extended, or replaced).

“Approved Accounting Method” shall mean the basis of accounting the Borrower uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Whenever any accounting term is used herein and is not otherwise defined, it shall be interpreted in accordance with the Approved Accounting Method.

“Borrower” has the meaning set forth in the Recitals.

“Borrower’s Operating Agreement” means the limited liability company operating agreement of Borrower, dated as of REDACTED, as amended.

“Borrower’s Organizational Documents” means the following, including any amendments and supplements: the Borrower’s Articles of Organization and Borrower’s Operating Agreement.

“Business Day” means a day other than a Saturday, a Sunday or a day on which lenders in Colorado are authorized or obligated by law or executive order to close.

“Closing Date” or **“Closing”** means REDACTED the date of the Closing of the Loan under this Agreement and the date on which all conditions precedent to closing set forth herein have been satisfied.

“Commitment” means that certain Third Amended and Restated Loan Commitment issued by Lender to Borrower, dated as of REDACTED, which contains the conditions and requirements for the funding of the Loan.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person whether through ownership of voting securities, beneficial interests, by contract or otherwise. The definition is to be construed to apply equally to variations of the word “Control” including “Controlled,” “Controlling” or “Controlled by.” A Person shall be deemed to Control another Person if the controlling Person owns ten percent (10%) or more of any class of voting securities (or other ownership interests) of the Controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the Controlled Person, whether through ownership of stock, by contract or otherwise.

“County” means City and County of REDACTED

“Default” means an event that, with giving of notice or passage of time or both (meaning, for avoidance of doubt, subject to any applicable notice and cure period), would constitute an Event of Default.

“Designated Representative” means the Person(s) authorized by Borrower to deliver certificates and other documents on behalf of Borrower to Lender in accordance with the Loan Documents.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the Department of Labor regulations promulgated thereunder.

“Event of Default” means an Event of Default as set forth or described in Section 8 of this Agreement.

“Extended Term” means the automatic extension of the Initial Maturity Date for an additional five (5) year term provided Borrower meets certain milestones as provided herein.

“Fees” means, collectively, Lender’s and/or the Authority’s legal fees (including outside legal counsel fees), fees for third-party reports, recording of the Loan Documents, and other customary fees and any other fees now or hereafter due and payable by Borrower in accordance with any or all of the Loan Documents.

“Funding Date” means the date on which Lender funds the Loan.

“GAAP” means generally accepted accounting principles consistently applied and maintained throughout the period indicated and consistent with the audited financial statements delivered to Lender pursuant to Section 6. Whenever any accounting term is used herein and is not otherwise defined, it shall be interpreted in accordance with GAAP.

“Governmental Agency” means any governmental or quasi-governmental agency, board, bureau, commission, department, court, administrative tribunal or other instrumentality or authority, local or tribal government, and any public utility authorized by federal, state or local laws or regulations as having jurisdiction over Borrower or any Project. The term “Governmental Agency” shall include the Colorado Housing and Finance Authority.

“Guidelines” means the Proposition 123 Land Banking program Guidelines attached hereto as **Exhibit B** and incorporated herein by this reference, which may be amended from time to time.

“Indebtedness” means, in all cases without duplication, all items of indebtedness or liability of Borrower other than the Obligations, at any time which in accordance with the Approved Accounting Method would be included in determining total liabilities as shown on the liability side of a consolidated balance sheet of Borrower as of the date of determination, including: (a) indebtedness for borrowed money; (b) obligations under direct or indirect guaranties of indebtedness or obligations of others referred to in clause (a) or (b) above; (c) liabilities in respect of unfunded vested benefits under any plan (including all employee benefits plans covered by Title IV of ERISA whether now in existence or hereafter instituted, of Borrower or any ERISA Affiliate) for which the minimum funding standards of Section 302 of ERISA have not been met; and (d) any contingent monetary liabilities.

“Initial Maturity Date” means the earlier to occur of (i) the date on which the Initial Milestones set forth in Section 2.6 of this Agreement are met, and (ii) August 30, 2029.

“Laws” means (i) all statutes, laws, ordinances, regulations, orders, writs, judgments, injunctions, decrees or awards of the United States or any state, county, municipality or other Governmental Agency, including, without limitation, all building, zoning, planning, subdivision, fire, traffic, safety, health, disability, labor, discrimination, environmental, air quality, wetlands, shoreline and flood plain laws, ordinances, regulations and rules, and (ii) all government and private covenants, conditions and restrictions

“Lender” has the meaning given to such term in the introductory paragraph and shall also include lenders pursuant to any participation or transfer of the Loan.

“Loan” means the Loan to be made by Lender to Borrower pursuant to this Agreement.

“Loan Documents” means this Loan Agreement, the Note, Borrower’s Certificate, Resolution of Borrower, Restrictive Covenant, Certification Regarding Environmental Conditions, Leasehold Certificate, settlement statement and all other documents or instruments executed by Borrower evidencing, securing or in connection with the Loan.

“Material Adverse Occurrence” means any occurrence of whatsoever nature (including, without limitation, any adverse determination in any litigation, arbitration or governmental investigation or proceeding) which Lender shall determine could materially adversely affect the then present or prospective (i) business, operations, assets or condition, financial or otherwise of Borrower, (ii) the value of the Project, or (iii) impair the ability of the Borrower to perform its obligations as and when required under any of the Loan Documents, as determined by Lender in its sole discretion.

“Maturity Date” means the end of the Initial Maturity Date or Extended Term, as applicable, unless a different date is set forth in the Note.

“Note” shall mean the promissory note evidencing the Loan.

“Obligations” means collectively: (i) Borrower’s obligations for the payment of the Loan, interest and other charges, and all Fees; (ii) the performance of all other obligations of Borrower contained herein; (iii) the payment and performance of each and every obligation of Borrower contained in any other Loan Document; and (iv) the performance of each and every obligation of Borrower contained in any renewal, extension, amendment, modification, consolidation, change of, or substitution or replacement for, all or any part hereof, the Note(s), or any other Loan Document.

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

“OFAC List” means the “Specially Designated Nationals and Blocked Persons List” that is maintained by OFAC and any other similar list maintained by OFAC, the Department of Treasury or included in any Executive Order of the President of the United States. The OFAC List is accessible through the internet website www.treas.gov/ofac/t11sdn.pdf.

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

“Person” means any individual or entity, whether a trustee, corporation, partnership, member, limited liability company, trust, unincorporated organization, governmental or quasi-governmental agency, board, bureau, commission, department, court, administrative tribunal or other instrumentality or authority, and public utility.

“Program” means The Affordable Housing Financing Fund that was created by Proposition 123, a ballot measure approved by Colorado voters in November 2022 which created a new Statewide Affordable Housing Statute at CRS 29-32-101 et seq. Land Banking Program, which provides funding for the acquisition and preservation of land for the development of affordable housing, homeownership, and mixed commercial use if the predominate use is affordable.

“Prohibited Person” means any Person identified on the OFAC List or with whom a US citizen or entity organized under the laws of a state in the United States may not engage in transactions or have

dealings with by any Requirements of Law, including, without limitation, embargo, sanctions or other prohibitions of United States law, regulation or Executive Order of the President of the United States.

“Prohibited Transfer” means any transfer, sale, or other disposition of the Project, or the sale, transfer, assignment or material change in control with respect to all or any portion of the Project unless Borrower shall have obtained the prior written consent of Lender for such transfer, sale, assignment, material change in control or other disposition of all or any portion of the Project.

“Project” has the meaning as set forth in Paragraph A of the recitals. The legal description of the property on which the Project is located is attached as **Exhibit A** (the **“Property”**).

“Rate” is the Loan interest rate of two percent (2%).

“Requirements of Law” means the requirements of: (a) the organizational documents of a Person, and (b) any law, rule, regulation, ordinance, code, decree, treaty, ruling or determination of an arbitrator, court or other Governmental Agency, or any Executive Order issued by the President of the United States, in each case applicable to or binding upon such Person or to which such Person, any of its properties or the conduct of its business is subject including, without limitation, laws, ordinances and regulations pertaining to the zoning, occupancy, and subdivision of real property.

“Restrictive Covenant” means the declaration of restrictive covenants containing use and affordability covenant to be recorded against the Project in a priority lien position at the Closing of the Loan.

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

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

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

“Sole Member” means REDACTED

“Statute” means the Affordable Housing Statute at CRS 29-32-101 *et seq.*

1.2 **Singular and Plural Terms.** Any defined term used in the plural in any Loan Document shall refer to all members of the relevant class and any defined term used in the singular shall refer to any number of the members of the relevant class.

1.3 **Accounting Principles.** Any accounting term used and not specifically defined in any Loan Document shall be construed in conformity with, and all financial data required to be submitted under any Loan Document shall be prepared in conformity with the Approved Accounting Method applied on a

consistent basis or in accordance with such other principles or methods as are reasonably acceptable to Lender.

1.4 References and Other Terms. Any reference to any Loan Document or other document shall include such document both as originally executed and as it may from time to time be modified. References herein to Articles, Sections and Exhibits shall be construed as references to this Agreement unless a different document is named. References to subparagraphs shall be construed as references to the same Section in which the reference appears. The term “document” is used in its broadest sense and encompasses agreements, certificates, opinions, consents, instruments and other written material of every kind. The terms “including” and “include” mean “including (include) without limitation”.

1.5 Exhibits Incorporated. All exhibits to this Agreement, as now existing and as the same may from time to time be modified, are incorporated in this Agreement by this reference.

1.6 Inconsistency. In the event of any inconsistency between the provisions of this Agreement and the provisions of any of the other Loan Documents, the provisions of this Agreement govern.

2. The Loan; Payments; Fees.

2.1 Loan and Purpose. Subject to the terms of this Agreement, Lender has agreed to make the Loan to Borrower. The proceeds of the Loan shall be used exclusively for the Project. The use of the Project shall comply with and be in accordance with the Statute and Guidelines. Notwithstanding anything contained herein and/or in the Loan Documents to the contrary, if the Borrower repays the Loan in full including, but not limited to, the accrued interest, prior to the Loan being forgiven in accordance with Section 2.8 of this Agreement, then the Program’s Restrictive Covenant recorded against the Property will terminate, and Lender shall execute a termination of the Restrictive Covenant in recordable form and otherwise in form and substance satisfactory to Lender in its sole discretion.

2.2 Interest.

(a) Borrower shall pay to Lender interest on the Note at the Rate.

(b) Interest at the Rate shall accrue on the principal amount of the Loan from and after the Closing and Funding Date until the Initial Maturity Date or the end of the Extended Term, as applicable. Interest accrued on the Loan computed at the Rate shall be payable as set forth in the Note.

(c) Notwithstanding anything to the contrary contained herein or in the Note to the contrary, interest on the Loan shall be deferred through the Initial Maturity Date or the end of the Extended Term, as applicable, and shall only be due and payable if Borrower does not achieve the Initial Milestones described in Section 2.6 below or the Final Milestones described in Section 2.7 below.

(d) If (i) an Event of Default occurs pursuant to this Agreement or any other Loan Document or (ii) if all amounts due under the Loan Documents otherwise become due and payable in accordance with the terms and conditions of the applicable Loan Documents, then the entire unpaid balance of the Loan and all other Obligations shall (without notice to or demand upon Borrower) at the sole option of Lender become payable in full, together with all unpaid, accrued interest thereon, due and payable on or before six (6) months from the date of the Event of Default, except as otherwise set forth herein or in the Note.

Payments.

(a) Borrower shall repay the Loan, with interest thereon, in accordance with the provisions of the Note and this Agreement. All amounts received by or on behalf of Lender (whether the result of payment transmitted by Borrower or otherwise) on account of payment of interest on or principal of the Note, or other payments due under this Agreement or any other Loan Documents, as the case may be, shall be applied by or on behalf of Lender pursuant to this Section 2.3. Borrower acknowledges that notwithstanding anything to the contrary set forth herein or in the other Loan Documents, a lump sum payment of disbursed and unpaid principal amounts and unpaid and outstanding interest shall be due and payable within ten (10) Business Days of any Prohibited Transfer.

(b) All payments made by the Borrower hereunder or under the other Loan Documents shall be made irrespective of, and without any deduction for, any set-offs or counterclaims, but such payment shall not constitute a waiver of any such set offs or counterclaims.

(c) After an Event of Default has occurred and is continuing, all amounts received by Lender shall be applied in the order determined by Lender in its absolute discretion.

2.4 Fees. All Fees are fully earned when paid and shall be non-refundable.

2.5 Recourse. The principal amount and interest accrued with respect to the Note shall be a full recourse obligation to the Borrower.

2.6 Initial Milestones. The Initial Maturity Date will automatically extend for an additional five (5) years (the “**Extended Term**”), *provided* Borrower is not in default under the Loan beyond all applicable notice and cure periods and has met the following milestones prior to the Initial Maturity Date: (a) the Project is properly zoned; and (b) a development plan for the Project has been submitted to and approved by the Authority (collectively, “**Initial Milestones**”). If Borrower fails to timely and properly meet the Initial Milestones by the end of the Initial Maturity Date, then Borrower must repay the Loan in full including, but not limited to accrued interest, within six (6) months of the Initial Maturity Date.

2.7 Final Milestones. If the Authority has determined that the Initial Milestones are met prior to the Initial Maturity Date, then Borrower must meet the following final milestones by the end of the Extended Term: (a) properly permit the Project, and (b) close and receive funding on one or more construction loans for the Project (collectively, the “**Final Milestones**”). If Borrower fails to timely and properly meet the Final Milestones by the end of the Extended Term, then Borrower must repay the Loan in full including, but not limited to, the deferred interest rate within six (6) months of the end of the Extended Term.

2.8 Loan Forgiveness. Notwithstanding anything contained herein and/or in the Loan Documents to the contrary, the Loan will be forgiven if the Authority determines that Borrower timely and properly satisfies the Initial Milestones prior to the Initial Maturity Date and the Final Milestones prior to the expiration of the Extended Term. Notwithstanding the foregoing, however, if the Initial Milestones and/or Final Milestones are not timely met, then, in lieu of the repayment of the Loan as herein provided, Borrower, with the prior written approval of the Authority on Lender’s behalf, may assign all of its interest in the Property to either a local or tribal government (as defined in the Statute) within Colorado or a non-profit entity for the development of affordable housing and, upon such conveyance of the Property, the outstanding Loan amount (including but not limited to accrued interest) will be converted to a recoverable grant under which the assignee of the Property will become the grantee. Such grant must be evidenced by grant documents having terms and conditions, as well as form and substance, acceptable to and approved by the Authority on Lender’s behalf.

3. **Conditions Precedent to Loan.** Prior to the advance of any Loan proceeds to the Borrower, all of the following conditions shall have been satisfied, which satisfaction shall be determined by the Authority in its sole discretion:

3.1 Execution of Note. Borrower shall have executed the Note.

3.2 Payment of Closing Costs. Borrower shall pay all Fees at the time of Closing.

3.4 Additional Closing Requirements. As a condition precedent to the Closing of the Loan, all conditions hereunder shall have been met, any and all required pre-closing documents shall be received, reviewed and approved by the Authority, and each of the Closing Documents listed in the Loan Commitment's Exhibit A, in form and substance satisfactory to the Authority, shall be executed and delivered to the Authority. The Borrower and the Loan must strictly conform to the requirements of this Loan Agreement, the Guidelines, any related requirements of OEDIT or the Authority and any and all other applicable legal and regulatory requirements relating to Proposition 123 or otherwise (the "Regulations"). Below are additional conditions of the Loan.

(a) The following uses and activities shall not be conducted in or on the Project: (i) activities which are illegal under federal, state or local laws; (ii) selling, producing, or displaying sexually oriented material (e.g., adult book stores, adult video stores, adult theaters, etc.); (iii) non-medical massage services; (iv) a business generating greater than twenty-five percent (25%) of its revenues from the sale of alcoholic beverages not manufactured on-site or from selling alcoholic beverages for consumption off premises; (v) a business or organization that discriminates in its membership or facility usage on the basis of race, color, national origin, religion, gender, age, disability, citizenship status, marital status, sexual orientation, or any other status protected by law; (vi) gambling activities (not including sale of state sanctioned lottery tickets); (vii) selling or dispensing products illegal under federal, state or local laws; (ix) religious services, instruction or overtly sectarian activities; (x) pawn brokering; (xi) making "payday" or short term loans by an entity that is not a bank, credit union, savings and loan or other banking institution; and (xii) escort services.

(b) All leases, if any, shall be in form and substance satisfactory to the Authority.

(c) A satisfactory appraisal of the real property securing the Loan (in accordance with the Authority's appraisal guidelines, to be ordered by the Borrower at Borrower's expense).

(d) Evidence satisfactory to the Authority that the Project will be in compliance with applicable zoning, planning, building and land use laws and regulations.

(e) Evidence satisfactory to the Authority that the Borrower and the Project are and will be in compliance with applicable environmental laws, regulations, permits, orders or other environmental requirements and that the real and personal property comprising the Project do not contain hazardous wastes or other adverse environmental conditions in violation of Laws. Such evidence shall include a Phase 1 ordered by the Borrower to assist Lender in making a determination of environmental risks in connection with this Project. The Phase 1 will combine information compiled internally by the Authority and information obtained from Borrower and other independent sources.

(f) All representations made by or on behalf of Borrower to the Authority in connection with its application for the Loan and in connection with the closing shall be true and correct in all material respects as of the date of funding of the Loan.

(g) No litigation shall be pending or threatened calling into question or which, if adversely determined, would affect (i) the creation, organization or existence of the Borrower or Sole Member; (ii) the validity of the Loan Documents; or (iii) the authority of the Borrower to enter into the Restrictive Covenant against the Property or to otherwise make or perform the Loan Documents. No proceedings shall be pending or threatened against or affecting the Borrower or Sole Member which involve the possibility of materially and adversely affecting the properties, business, prospects, profits or condition (financial or otherwise) of the Borrower or Sole Member, nor shall the Borrower or Sole Member be in default with respect to any order of any court, governmental authority or arbitration board or tribunal or any prior loan made to it by the Authority.

(h) Intentionally omitted.

(i) Such other conditions as the Authority may deem necessary or prudent to assure repayment of the Loan or compliance with the Regulations, Statute and the Guidelines.

3.5 Representations True and Correct. All representations and warranties of the Borrower in Sections 5 and 6 are true and correct in all material respects as of the date of the Closing and the Borrower is in compliance in all material respects with all affirmative covenants hereunder.

3.6 No Default. No Default or Event of Default has occurred and is continuing under this Agreement or under any of the Loan Documents.

3.7 No Bankruptcy; No Litigation. Neither Borrower nor Sole Member shall be the subject of any bankruptcy or insolvency proceeding nor shall Borrower or Sole Member make an assignment for the benefit of their respective creditors. No litigation shall be pending or threatened in violation of Section 6.6.

3.8 Borrower Authority to Execute Documents; Approval. All instruments and documents required hereby or relating to Borrower's capacity and authority to execute the Loan Documents to which it is a party and such other documents, instruments, opinions and assurances as Lender may request, and all procedures in connection herewith shall have been approved, as to form and substance, by Lender.

3.9 Valid Borrower Existence. Borrower shall have furnished Lender with evidence satisfactory to Lender that Borrower and Sole Member are validly formed and existing. Furthermore, the Borrower shall have submitted to Lender the documents governing and creating Borrower and Sole Member. Borrower shall have delivered to Lender a grant of authority executed by Sole Member, as the sole member and manager of Borrower satisfactory to Lender authorizing Borrower to enter into the Loan Documents and authorizing the proper officers of Borrower to execute the Loan Documents.

3.10 No Change in Financial Condition. As of the Closing Date of the Loan, no change shall have occurred in the financial condition of the Borrower or Sole Member or in any other aspect of the financing proposal of which the Loan is a part which, in the judgement of Lender, materially adversely affects the ability of the Borrower to repay the Loan, perform Borrower's obligations under the Loan Documents, or makes unreasonably or unreliable any of the financing assumptions upon which such repayment is predicated.

3.11 Additional Requirements. Borrower shall have complied with any and all other additional conditions required by Lender, at Lender's sole discretion.

4. Disbursement of the Loan. The Loan shall be disbursed in a single draw at the Closing of the Loan and full execution of all Loan Documents required by Lender.

5. **Restrictive Covenant; Environmental Sustainability Requirements.**

5.1 **Restrictive Covenant.** A Restrictive Covenant shall be filed by the Authority in a priority lien position in the County records and will be required to remain of record as set forth therein and per the terms of this Agreement.

(a) **Area Median Income.** If the Project includes rental units, then the annual income of households in the rental units may not exceed 60% area median income (“**AMI**”). If the Project includes homeowner properties, then the annual income of households in the homeowner properties may not exceed 100% AMI.

(b) **Project Eligibility.** If the Project is for commercial or mixed use, then the Predominate Use must be affordable housing, though market rate or non-restricted housing or rent restricted housing above 60% AMI may be included in the allowable mixed-use space. “**Predominate Use**” as used herein means at least seventy percent (70%) of the Project’s improved space or units, unless otherwise agreed to in writing by the Authority.

(c) **Affordability Term.** If the Project includes rental units, there must be a restrictive covenant maintaining the affordability of such rental housing units for at least 40 years after the final improvements are developed, unless otherwise agreed to in writing by the Authority. If the Project includes homeowner units, such units must remain affordable for at least 40 years through a ground lease or similar structure each as approved by the Authority, unless otherwise agreed to by the Authority.

5.2 **Environmental Sustainability Requirements.** Each of the following is required to meet the Environmental Sustainability Standards for the Project and the Project shall be designed to meet the requirements as follows:

(a) Certification from one of the following*:

- (i) 2020 Enterprise Green Communities (EGC)
- (ii) Leadership in Energy and Environmental Design LEED v.4.1 (LEED)
- (iii) National Green Building Standards NGBS ICC-700-2020 (NGBS)
- (iv) Zero Energy Ready Homes standard (US DOE)

(b) All-electric building using high efficiency electric appliances such as heat pumps and heat pump water heaters, or a mixed-fuel building that includes pre-wiring for efficient electric heating and appliances and includes pre-wiring to enable future installation of EV charging station(s) for at least 10% of parking spots or greater if required under local codes.

*Developments that achieve all-electric construction with high-efficiency electric appliances may opt-out of a formal green building certification.

(c) Utilize water-efficient design inside and outside. Full guidance can be found at coloradowaterwise.org.

(d) Developments should be located within a half-mile of existing or planned transit corridors.

6. **Borrower Representations, Warranties and Covenants.** As a material inducement to Lender's entry into this Agreement, Borrower represents and warrants to Lender as of the date hereof and during the term of this Agreement (except as otherwise disclosed to and consented to by Lender) that:

6.1 **Formation, Qualification and Compliance**

(a) Borrower is duly organized, validly exists and is in good standing under the laws of the State of Colorado as a limited liability company and has the necessary power, authority and licenses to operate its properties and transact business in Colorado. Sole Member is duly organized, validly existing and in good standing under the laws of the State of Colorado as a nonprofit corporation and has the necessary power, authority and licenses to operate its properties and transact business in Colorado.

(b) Borrower has full power and authority to borrow money and to undertake the other obligations as contemplated by the Commitment, to execute and deliver the Loan Documents, and to perform Borrower's obligations under the Commitment and Loan Documents. The execution and delivery of the Loan Documents will be duly authorized by all necessary corporate action on the part of Sole Member, Borrower, and their officers, and/or directors, as applicable, and the Loan Documents will be valid, binding and enforceable obligations of Borrower.

(c) To the best of Borrower's current knowledge, the transactions contemplated herein will not cause a default under any other agreement and will not conflict with or violate any organizational document or agreement to which Borrower or Sole Member is a party or by which Borrower or Sole Member is bound.

(d) To the best of Borrower's current knowledge, neither Borrower nor Sole Member has executed and neither Borrower nor Sole Member will execute any agreements with provisions contradictory or in opposition to, the provisions of the Commitment or Loan Documents.

(e) Borrower and Sole Member shall do all things necessary to preserve and keep in full force and effect their existence, franchises, rights, privileges and qualification to do business in Colorado and all other states where their activities and ownership of assets are such that qualification to transact business is necessary under the laws of such states, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court applicable to the Borrower or Sole Member.

(f) Neither Borrower nor Sole Member shall amend, modify, supplement or restate Borrower's Organizational Documents without the prior written consent of Lender, nor shall Borrower or Sole Member cancel or terminate its respective governing documents without the prior written consent of Lender.

(g) For so long as any portion of the Loan remains outstanding, (i) Sole Member will remain the sole member of Borrower, and (ii) Borrower will remain member managed.

6.2 **Execution and Performance of Loan Documents.** The Borrower has all requisite authority to execute, deliver, and perform their obligations under, the Loan Documents to which they are a party. The Borrower shall timely perform its obligations under the Loan Documents and shall not cause or permit the occurrence of any Default under the documents to which it is a party.

(a) The execution, delivery and performance by Borrower of its obligations under each Loan Document that it has executed have been authorized by all necessary action(s) on the part of the Borrower and do not and will not:

(i) require any consent or approval not heretofore obtained of any Person having any interest in Borrower;

(ii) violate any provision of, or require any consent or approval not previously obtained under, any applicable governing document applicable to Borrower;

(iii) violate any provision of any Law presently in effect; or

(iv) constitute a breach or default under, or permit the acceleration of obligations owed under, any contract, any lease or other agreement or document to which Borrower is a party or by which Borrower or any of its property is bound.

(b) To the best of Borrower's current knowledge, Borrower is not in default in any respect under the Loan Documents or any Law, contract, loan agreement, lease or other agreement or document to which Borrower is a party or by which Borrower or any of its property is bound.

(c) No approval, license, exemption or other authorization from, or filing, registration or qualification with, any Governmental Agency is required in connection with the execution and delivery by Borrower of, and the performance by Borrower of its respective obligations under the Loan Documents

6.3 Financial and Other Information. All financial and other information furnished to Lender with respect to the Borrower in connection with the Loan: (a) is complete and correct in all material respects, (b) accurately presents the financial condition of the applicable party in all material respects, and (c) has been prepared in accordance with the Approved Accounting Method or in accordance with such other principles or methods as are reasonably acceptable to Lender. To the best of Borrower's current knowledge, all other documents and information furnished to Lender in connection with the Loan are true and correct in all material respects. Borrower does not have any material liability, contingent liability or disputed liability, or unrealized or anticipated losses which in the aggregate are material, or any material commitments of an unusual or burdensome character, not disclosed to Lender in writing and there is no material lien, claim, charge or other right of others of any kind (including liens or retained security titles of conditional vendors) on any property of any Person not disclosed in the financial statements or otherwise disclosed to Lender in writing.

6.4 No Material Adverse Occurrence. There has been no Material Adverse Occurrence since the dates of the latest financial statements furnished to Lender prior to the date of this Agreement. Since those dates, neither Borrower nor Sole Member has entered into any material transaction not disclosed in the financial statements or otherwise disclosed to Lender in writing prior to the date of this Agreement.

6.5 Liability. Borrower has filed, and all times during the term of this Agreement shall file, all required federal, state and local tax returns that are required to be filed and have paid, and at all times during the term of this Agreement shall pay, all taxes and assessments due (including interest and penalties, but subject to lawful extensions disclosed to Lender in writing) other than taxes being promptly and actively contested in good faith and by appropriate proceedings. Borrower is maintaining adequate reserves for tax liabilities and impositions (including contested liabilities) in accordance with the Approved Accounting Method or in accordance with such other principles or methods as are reasonably acceptable to Lender.

6.6 No Litigation. No litigation shall be pending or threatened calling into question or which, if adversely determined, would affect (i) the creation, organization or existence of the Borrower or Sole Member; (ii) the validity of the Loan Documents; or (iii) Borrower's ability to make or perform the Loan Documents. No proceedings shall be pending or threatened against or affecting the Borrower or Sole Member which involve the possibility of materially and adversely affecting the properties, business,

prospects, profits or condition (financial or otherwise) of the Borrower, nor shall the Borrower or Sole Member be in default with respect to any order of any court, governmental authority or arbitration board or tribunal or any prior loan made to it by the Lender.

6.7 No Default. To the best of Borrower's current knowledge, Borrower is not in default with respect to any order of any court, arbitrator or Governmental Agency, and to the best of Borrower's current knowledge, Borrower is not subject or a party to any order of any court or Governmental Agency arising out of any action, suit or proceeding under any statute or other law respecting antitrust, monopoly, restraint of trade, unfair competition or similar matters. For the purposes of this section, the term "order" includes any order, writ, injunction, decree, judgment, award, determination, direction or demand.

6.8 Documents. Borrower will deliver to Lender true and complete copies of all required documents related to the Project. Except as otherwise disclosed to Lender in writing, all such agreements are in full force and effect and no party is in default under any agreement.

6.9 Name and Principal Place of Business. Borrower presently uses no trade name other than its actual name. Borrower's principal place of business is REDACTED

6.10 Business Loan; Regulation U. The Loan, including interest rates, fees and charges as contemplated hereby, collectively constitutes a business loan and is being used by Borrower for business and commercial purposes and not for personal, family or household purposes. The proceeds of the Loan shall be used for proper business purposes and consistently with all Requirements of Law. Borrower is not in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no proceeds of 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. Without limitation of the above provisions, Borrower shall not use the Loan (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or (ii) in any manner that would result in the violation of any applicable Sanctions.

6.11 Investment Company Act; ERISA. Borrower does not currently maintain, and never has maintained, any employee benefit plan described in Section 3(3) of ERISA that is subject to ERISA or that would be subject to ERISA if it covered more than one employee of Borrower and if the exclusions contained in Section 4 of ERISA did not apply. Borrower is not currently, and never has been, part of a group of companies that is required to be aggregated and treated as one employer under Section 414 of the Code.

6.12 Non-Foreign Status. Borrower is not a "foreign person" within the meaning of Internal Revenue Code Sections 1445 and 7701 (i.e., it is not a nonresident alien, foreign corporation, foreign partnership, foreign trust or foreign estate as those terms are defined in the Internal Revenue Code and the regulations promulgated thereunder). Borrower understands that the foregoing information may be disclosed to the Internal Revenue Service by Lender, its agents, successors and assigns, and that any false statement could be punished by fine, imprisonment or both.

6.13 Continuing Nature of Representations and Warranties. All representations and warranties of Borrower in the Loan Documents shall survive the making of the Loan and have been or will be relied on by Lender notwithstanding any investigation made by Lender. This Agreement and all covenants, agreements, representations and warranties made herein and in the other Loan Documents shall survive the execution of this Agreement and the other Loan Documents and shall continue in full force and effect so long as the Loan is outstanding and unpaid. Notwithstanding anything herein to the contrary, provisions of this Agreement requiring continued performance, compliance, or effect after termination hereof, shall

survive such termination and shall be enforceable by the Lender if Borrower fails to perform or comply as required.

6.14 No Reliance on Lender for Advice. Borrower represents that it understands the nature and structure of the Loan; that it is familiar with the provisions of all of the Loan Documents; that it understands the risks inherent in these transactions; and that it has not relied on Lender for any guidance or expertise in analyzing the financial or other consequences of the transactions contemplated by the Loan Documents, or otherwise relied on Lender for any advice.

6.15 Anti-Corruption Laws; Sanctions; Anti-Terrorism Laws.

(a) Borrower and, to the best of Borrower's current knowledge, its respective officers and employees are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. Neither Borrower nor, to the best of Borrower's current knowledge, any of its respective directors, officers or employees is a Sanctioned Person. The use of the proceeds of this Loan will not violate Anti-Corruption Laws or applicable Sanctions.

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

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

6.17 Compliance with Laws. Borrower has complied and will continue to comply in all material respects with all laws, rules, regulations, orders, writs, judgments, injunctions, decrees or awards to which it may be subject including, without limitation, all Environmental Laws, Anti-Corruption Laws and applicable Sanctions, and Borrower has all permits, licenses and approvals required by such laws, copies of which have been provided to Lender.

6.18 Additional Representations, Warranties and Covenants.

(a) Borrower will duly and promptly pay each and every installment of the principal of and interest and premium, if any, on the Note, and all other indebtedness, as the same become due, and will duly and punctually perform and observe all of the obligations contained in the Loan Documents.

(b) Borrower shall pay promptly all taxes, levies, assessments, judgments and charges of any kind upon or relating to the Project, to Borrower's business, and to Borrower's ownership or use of any of its assets, income, or gross receipts and shall provide Lender with evidence of such payment upon request.

(c) Borrower will assist and cooperate with the Lender in locating and/or providing any information necessary to provide evidence of compliance with any of the Loan Documents.

(d) All representations made by or on behalf of Borrower to the Lender in connection with its application for the Loan in connection with the Closing Date shall be true and correct

in all material respects as of the date of funding of the Loan and all information given to Lender is accurate in all material respects and Borrower has not intentionally omitted any material facts.

(e) Borrower will comply with the provisions of any federal, state, or local law prohibiting discrimination on the grounds of race, color, religion or creed, sex, marital status, national origin, familial status or disability, sexual or gender preference, political opinion or affiliation, in all Borrower operations and shall provide prompt written notice to Lender of the filing of any complaints of discrimination with respect to any Borrower operations.

(f) The Project is located in a jurisdiction that has filed a commitment to increase affordable housing and opted into Proposition 123 funding.

6.19 Further Assurances. Borrower shall execute and acknowledge (or cause to be executed and acknowledged) and deliver to Lender all documents, and take all actions, as required in the sole judgment of Lender within fifteen (15) Business Days of Lender's request from time to time, to confirm the rights created or now or hereafter intended to be created under the Loan Documents, or otherwise to carry out the purposes of, or comply with, the Loan Documents and the transactions contemplated under the Loan Documents and Loan Commitment.

6.20 Use. Borrower shall not use, occupy or permit the use or occupancy of any portion of any Project by Borrower or any lessee, tenant, licensee, permittee, agent or any other person in any manner that would be in violation of any applicable federal, state or local law or regulation, regardless of whether such use or occupancy is lawful under any conflicting law.

6.21 Negative Covenants of Borrower. Until payment and performance in full of all of the Obligations under this Agreement, the Note and the Loan Documents, Borrower shall not, without the prior written consent of the Lender:

(a) Create, incur, permit, assume or suffer to exist any indebtedness secured by the Project, except the obligations created or permitted hereby, the Loan, indebtedness created or incurred in furtherance of meeting the Initial Milestones and/or the Final Milestones, or indebtedness created or incurred in the ordinary course of business.

(b) Permit the transfer of any interest in Borrower from the ownership as it exists on the date hereof, other than by devise or operation of law.

(c) Subject to the provisions of Section 9 below, permit any Prohibited Transfer or lease of the Project without the prior written consent of Lender, whether voluntary or involuntary or by action of law; except such lease as may be within the ordinary course of business and within the original scope of the Project as presented to Lender.

(d) Assume, guarantee, endorse or otherwise become liable in an accommodation capacity in connection with the obligations or stock of any person, firm or corporation, except endorsements of negotiable instruments for deposit or collection and similar transactions in the ordinary course of business and or as otherwise disclosed to Lender in writing.

(e) Merge or consolidate into or with any other entity, or permit any other entity to merge into the Borrower.

(f) Make loans or advances to its officers, shareholders, directors, partners or employees or to the officers, shareholders, directors, partners or employees of any Affiliate or subsidiary of the Borrower.

(g) Change its name or the nature or scope of its business without the express written approval of the Lender, which approval shall not be unreasonably withheld.

(h) Use the proceeds of the Loan to pay the operating expenses of Borrower or for any purpose other than that described in Section 2.1 above.

(i) Lend or advance money, credit or property.

6.22 Prohibited Transactions. Borrower shall not, without the prior written consent of Lender, engage directly or indirectly in any off-balance sheet, hedge or derivative transactions, including without limitations, interest rate swaps and interest rate caps. In addition to the foregoing, Borrower shall not cause or allow the proceeds of the Loan to be invested except in a federally insured account without the prior written consent of Lender.

6.23 Prohibited Uses. The following uses and activities shall not be conducted in or on the Project or with funds related to or provided for the Project: (a) activities which are illegal under federal, state or local laws; (b) selling, producing, or displaying sexually oriented material (e.g., adult book stores, adult video stores, adult theaters, etc.); (c) non-medical massage services; (d) a business generating greater than twenty-five percent (25%) of its revenues from the sale of alcoholic beverages not manufactured on-site or from selling alcoholic beverages for consumption off premises; (e) a business or organization that discriminates in its membership or facility usage on the basis of race, color, national origin, religion, gender, age, disability, citizenship status, marital status, sexual orientation, or any other status protected by law; (f) gambling activities (not including sale of state sanctioned lottery tickets); (g) selling or dispensing products illegal under federal, state or local laws; (h) religious services, instruction or overtly sectarian activities; (i) pawn brokering; (j) making “payday” or short term loans by an entity that is not a bank, credit union, savings and loan or other banking institution; and (k) escort services.

7. Financial Covenants.

7.1 Financial Statements.

(a) In addition to any required financial statements or other financial-related documentation required at the time of the Project application, Borrower shall promptly provide to the Authority such additional financial information and operating data in Borrower’s possession as deemed desirable by the Authority, in its sole discretion, in connection with the Project and the Loan.

(b) All financial statements heretofore or hereinafter furnished to Lender have been or shall be prepared in accordance with the Approved Accounting Method, consistently applied, shall fairly represent the financial conditions of the subjects thereof as of the respective dates of such financial statements and shall be certified to be correct by Borrower.

7.2 Books and Records. The Borrower agrees to keep complete books and records of account in accordance with the Approved Accounting Method applied on a consistent basis and will permit the Lender and its agents, accountants and attorneys, to examine its books and records of account and to discuss its affairs, finances and accounts with the Borrower, at such reasonable times as Lender may request. Further, Borrower shall deliver to Lender, in form and substance reasonably satisfactory to Lender and within ten (10) Business Days of the Authority’s or Lender’s written request therefore from time to time,

copies of all reports which are available for public inspection or which Borrower is required to file with any Governmental Agency.

8. **Reporting Requirements.**

8.1 **Notice of Certain Matters.** Borrower shall give notice to Lender, within ten (10) Business Days after Borrower obtains actual knowledge thereof, of each of the following:

(a) Any action, suit or proceeding instituted by or against Borrower in any federal or state court or before any commission or other regulatory body (federal, state or local, domestic or foreign) or any such act or proceeding threatened against Borrower which, if adversely determined, would constitute a Material Adverse Occurrence, in a writing that contains the details thereof;

(b) any dispute between Borrower and any Governmental Agency relating to the Project, the adverse determination of which would constitute a Material Adverse Occurrence;

(c) any trade name hereafter used by Borrower and any change in the principal place of business of Borrower;

(d) any change in President or CEO of Sole Member or any change in the Sole Member of Borrower;

(e) any aspect of any Project that is not in substantial conformity with the Statute or the Guidelines;

(f) any Event of Default or event which, with the giving of notice or the passage of time or both of which Borrower is aware or has received written notice, would constitute an Event of Default;

(g) the commencement of any material arbitration or governmental investigation or proceeding not previously disclosed by Borrower to Lender, which has been instituted or, to the knowledge of Borrower, is threatened against Borrower which if determined adversely to Borrower would constitute a Material Adverse Occurrence;

(h) any default or event of default by Borrower, or receipt by Borrower of a notice of default, under any loan made by Borrower or an Affiliate of Borrower;

(i) any Material Adverse Occurrence;

(j) any changes to Borrower's Organizational Documents;

(k) the occurrence of any fire, explosion, accident, strike, lockout or other labor dispute, drought, storm, hail, earthquake, embargo, act of God, act of terrorism or civil unrest, or other casualty (whether or not covered by insurance) that could reasonably be expected to have a Material Adverse Occurrence;

(l) any other action, event or condition of any nature which may lead to or result in a Material Adverse Occurrence or which, with or without notice or lapse of time or both, would constitute a default under any other contract, instrument or agreement to which Borrower is a party or by which Borrower or their properties or assets may be bound or subject; and

(o) any transfer, sale, or other disposition of the Project or the sale, transfer, assignment or material change in control with respect to of all or any portion of the Project.

8.2. Program Reporting. Borrower shall provide the Authority the information as detailed on **Exhibit C** in form and substance acceptable to the Authority and within specified timeframes specified thereon.

9. Defaults and Remedies.

9.1 Events of Default. The occurrence of any of the following, whatever the reason therefore, shall constitute an Event of Default:

(a) Borrower fails to make any payment of principal and/or interest under the Note when the payments first become due and payable; or

(b) Borrower fails to perform any other obligation for the payment of money under any Loan Document executed by Borrower within ten (10) days after Lender gives Borrower written notice that the obligation was not performed; or

(c) Borrower is dissolved, liquidated or terminated, or all or substantially all of the assets of Borrower are sold or otherwise transferred without Lender's prior written consent, or there is any transfer of the ownership interests of Borrower; or any order, judgment or decrees shall be entered against Borrower decreeing the dissolution or split up of Borrower; or

(d) Borrower is the subject of an order for relief by a bankruptcy court, files a voluntary petition for bankruptcy or is unable or admits its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors; or Borrower applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or any part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of Borrower, and the appointment continues undischarged or unstayed for forty-five (45) days; or Borrower institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship, liquidation, rehabilitation or similar proceeding relating to it or any part of its property; or any similar proceeding is instituted without the consent of Borrower, and continues undismissed or unstayed for forty-five (45) days; or Borrower shall suffer a material adverse change in financial condition; or any judgment, writ, warrant of attachment or execution, or similar process is issued or levied against Borrower or Borrower's assets and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or any judgment for the payment of money is rendered against the Borrower; or

(e) Borrower fails to achieve the Initial Milestones by the end of the Initial Term or, if extended, fails to achieve the Final Milestones by the end of the Extended Term, and Borrower fails to cure such default within ten (10) days after Lender gives Borrower written notice that such obligation was not performed; or

(f) The withdrawal, removal or substitution of Sole Member as the sole member or Borrower and Borrower's failure to provide a substitute or replacement member acceptable to Lender within thirty (30) days after the occurrence of any such withdrawal, removal or substitution; or

(g) Any transfer, sale, or other disposition of all or any portion of the Project, without the prior written consent of Lender; or

(h) Failure of the Project to be located at Closing in a committed area that has opted into Proposition 123.

If an Event of Default occurs pursuant to this Agreement for which Lender is required to give notice, Lender shall give Borrower written notice of the Event of Default.

9.2 Rights and Remedies. Upon the occurrence of and during the continuation of an Event of Default, unless the Event of Default is subsequently waived in writing by Lender, Lender may exercise any or all of the following rights and remedies, consecutively or simultaneously, and in any order:

(a) Declare the entire unpaid and outstanding principal balance of the Loan and the Note evidencing disbursed funds thereunder, with all accrued interest and other amounts payable thereunder, due and payable on or before six (6) months from the date of the Event of Default (or in the case of a Prohibited Transfer, within ten (10) Business Days of such Prohibited Transfer), without presentment, demand, protest or other notice of any kind, all of which are expressly waived by Borrower;

(b) If Borrower fails to pay the entire unpaid and outstanding principal balance of the Loan, with all accrued interest and other amounts due and payable hereunder, on or before six (6) months from the date of the Event of Default (or in the case of a Prohibited Transfer, within ten (10) Business Days of such Prohibited Transfer), exercise any or all remedies specified herein and in the other Loan Documents, including any remedies which it may have therefore at law, in equity or under statute;

(c) If Borrower fails to pay the entire unpaid and outstanding principal balance of the Loan, with all accrued interest and other amounts due and payable hereunder, on or before six (6) months from the date of the Event of Default (or in the case of a Prohibited Transfer, within ten (10) Business Days of such Prohibited Transfer), Lender may declare an Event of Default under any agreement to which Lender and Borrower are parties, whether or not the agreement concerns the transactions contemplated by this Agreement, and may effectuate any remedies provided for in the agreement.

In addition to the other remedies set forth herein and in the other Loan Documents, Borrower hereby irrevocably authorizes Lender, at any time while an Event of Default continues, to set off any sum due to or incurred by Lender against all accounts, deposits and credits (including, without limitation, agency, custody, safekeeping, trust accounts and any of Borrower's other property in Lender's possession) of Borrower with, and any and all claims of Borrower against, Lender. Such right shall exist whether or not Lender shall have made any demand hereunder or under any other Loan Document, whether or not said sums, or any part thereof, or deposits and credits held for the account of Borrower is or are matured or unmatured, and regardless of the existence or adequacy of any collateral, guaranty or any other security, right or remedy available to Lender. Lender agrees that, as promptly as is reasonably possible after the exercise of any setoff right, it shall notify Borrower of its exercise of such setoff right; provided, however, that the failure of any Lender to provide such notice shall not affect the validity of the exercise of such setoff rights. Nothing in this Agreement shall be deemed a waiver or prohibition of or restriction on any Lender to all rights of banker's lien, setoff and counterclaim available pursuant to law.

9.3 Cumulative Remedies; No Waiver. If Borrower fails to pay the entire unpaid and outstanding principal balance of the Loan, with all accrued interest and other amounts due and payable hereunder, on or before six (6) months from the date of the Event of Default (or in the case of a Prohibited Transfer, within ten (10) Business Days of such Prohibited Transfer), Lender's rights and remedies under the Loan Documents are cumulative and in addition to all rights and remedies provided by Law from time to time. The exercise by Lender of any right or remedy shall not constitute a cure or waiver of any Default or Event of Default, nor invalidate any notice of default or any act done pursuant to any such notice, nor prejudice Lender in the exercise of any other right or remedy. No waiver of any Default or Event of Default

shall be implied from any omission by Lender to take action on account of such Default or Event of Default if such Default or Event of Default persists or is repeated. No waiver of any Default or Event of Default shall affect any Default or Event of Default other than the Default or Event of Default expressly waived, and any such waiver shall be operative only for the time and to the extent stated. No waiver of any provision of any Loan Document shall be construed as a waiver of any subsequent breach of the same provision. Lender's consent to or approval of any act by Borrower requiring further consent or approval shall not be deemed to waive or render unnecessary Lender's consent to or approval of any subsequent act. Lender's acceptance of the late performance of any obligation shall not constitute a waiver by Lender of the right to require prompt performance of all further obligations; Lender's acceptance of any performance following the sending or filing of any notice of default shall not constitute a waiver of Lender's right to proceed with the exercise of its remedies for any unfulfilled obligations; and Lender's acceptance of any partial performance shall not constitute a waiver by Lender of any rights relating to the unfulfilled portion of the applicable obligation.

9.4 Lender Fees and Costs. In the event of a breach by Borrower of any provision contained herein or in the Note secured hereby or if an Event of Default occurs and is continuing hereunder, Borrower will pay to Lender, in addition to all obligations due in connection with the Loan, reasonable attorneys' fees incurred in obtaining or enforcing payment of said Loan, or in the prosecution against Borrower or in the defense by Lender of any action or proceeding concerning any matter arising out of or connected with this Agreement or said Loan.

10. Reserved.

11. Reserved.

12. Miscellaneous.

12.1 Nonliability of Lender. Borrower acknowledges and agrees that:

(a) the relationship between Borrower and Lender is and shall remain solely that of borrower and lender, and Lender neither undertakes nor assumes any responsibility to review, inspect, supervise, approve or inform Borrower of any matter in connection with any Project. Borrower shall rely entirely on its own judgment with respect to such matters and acknowledges that any review, inspection, supervision, approval or information supplied to Borrower by Lender in connection with such matters is solely for the protection of Lender and that no third party is entitled to rely on it;

(b) notwithstanding any other provision of any Loan Document the Parties acknowledge and agree that: (i) Lender is not a partner, joint venturer, alter-ego, manager, controlling Person or other business associate or participant of any kind of Borrower, and Lender does not intend to ever assume any such status; and (ii) Lender shall not be deemed responsible for or a participant in any acts, omissions or decisions of Borrower;

(c) Lender shall not be directly or indirectly liable or responsible for any loss or injury of any kind to any Person or property resulting from any construction on, or occupancy or use of, any Project, whether arising from: (i) any defect in any building, grading, landscaping or other onsite or offsite improvement; (ii) any act or omission of Borrower or its respective agents, employees, independent contractors, licensees or invitees; or (iii) any accident on the Project or any fire or other casualty or hazard thereon; and

(d) By accepting or approving anything required to be performed or given to Lender under the Loan Documents, including any certificate, financial statement, or appraisal, Lender shall not be

deemed to have warranted or represented the sufficiency or legal effect of the same, and no such acceptance or approval shall constitute a warranty or representation by Lender to anyone.

12.2 Indemnity. Borrower shall defend (by counsel satisfactory to Lender), indemnify and save and hold harmless Lender and its directors, officers, agents and employees from and against all claims, demands, actions, losses, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and court costs) to the extent arising from or relating to (a) the making of the Loan, except for violation of banking laws or regulations by Lender; (b) a claim, demand or cause of action that any Person has or asserts against Borrower; (c) Lender's enforcement, defense or establishment of any rights, remedies or obligations hereunder or under the other Loan documents; (d) the performance or non-performance of Borrower's obligations thereunder; (e) the review of any consent requests of Borrower; (f) the making, collection or administration of the Indebtedness or any of the Loan Documents; or (g) the ownership, occupancy or use of any Project; whether or not a lawsuit or mediation or arbitration action is filed. Notwithstanding the foregoing, Borrower shall not be obligated to indemnify Lender with respect to any loss, liability, cost or expense which is determined by a final decision of a court of competent jurisdiction to have resulted primarily from the gross negligence or willful misconduct of Lender or any employee, contractor or agent of Lender. Borrower's obligations under this Section shall survive for a period of two (2) years after the later of repayment of the Loan, all Notes, the expiration or termination of the Commitment, and the termination of this Agreement or any provision hereof.

12.3 Reimbursement of Lender. Borrower shall reimburse Lender immediately upon written demand for all costs reasonably incurred by Lender (including the reasonable fees and expenses of attorneys, accountants, appraisers and other consultants, whether the same are independent contractors or employees of Lender) in connection with the negotiation, preparation, execution, delivery, administration, modification, performance and enforcement of the Loan Documents and all related matters, including the following: (a) Lender's commencement of, appearance in, or defense of any action or proceeding purporting to affect the rights or obligations of the parties to any Loan Document other than (i) Lender's defense of any action in which Borrower is awarded a judgment against Lender and (ii) Lender's prosecution of any action against Borrower in which Lender fails to obtain a judgment against Borrower; and (b) all claims, demands, causes of action, liabilities, losses, commissions and other costs against which Lender is indemnified under the Loan Documents; provided, that attorneys' fees payable hereunder shall be determined on the basis of rates then generally applicable to the attorneys (and all paralegals, accountants and other staff employed by such attorneys) employed by Lender, which may be higher than the rates such attorneys (and all paralegals, accountants and other staff employed by such attorneys) charge Lender in certain matters. Such reimbursement obligations shall bear interest following written demand at the Rate. Such reimbursement obligations shall survive the cancellation of the Note.

12.4 Obligations Unconditional and Independent. Notwithstanding the existence at any time of any obligation or liability of Lender to Borrower, or any other claim by Borrower against Lender, in connection with the Loan or otherwise, Borrower hereby waives any right it might otherwise have (a) to offset any such obligation, liability or claim against Borrower's obligations under the Loan Documents, or (b) to claim that the existence of any such outstanding obligation, liability or claim excuses the nonperformance by Borrower of any of its obligations under the Loan Documents.

12.5 Notices. Any notice required or permitted to be given by Borrower or Lender under this Agreement shall be in writing and will be deemed given (a) upon personal delivery, (b) on the first Business Day after receipted delivery to a courier service which guarantees next-business-day delivery and provides written confirmation of delivery, or (c) on the third Business Day after mailing, by certified United States mail, postage prepaid, in any case to the appropriate party at its address set forth below:

If to Lender at:

Affordable Housing Financing Fund
c/o Colorado Housing and Finance Authority
Program Administrator
1981 Blake Street
Denver, Colorado 80202
Attention: Legal Operations

If to Borrower at:

REDACTED

with a copy to:

REDACTED

And with a copy to:

REDACTED

Addresses for notice may be changed from time to time by written notice to all other parties. All communications shall be effective when actually received; provided, however, that nonreceipt of any communication as the result of a change of address of which the sending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication.

12.6 No Third Parties Benefited. This Agreement is made for the purpose of setting forth rights and obligations of Borrower and Lender, and no other Person shall have any rights under this Agreement or by reason of this Agreement.

12.7 Binding Effect; Assignment of Obligations. This Agreement shall bind, and shall inure to the benefit of, Borrower and Lender and their respective successors and assigns. Borrower shall not assign any of its rights or obligations under any Loan Document without the prior written consent of Lender, which consent may be withheld in Lender's absolute discretion. Any such assignment without such consent shall, at Lender's option, be void. Wherever herein Lender is referred to, such reference shall be deemed to include the holder from time to time of the Note, whether so expressed or not; and each such holder of the Note or Notes shall have and enjoy all of the rights, privileges, powers, options and benefits afforded Lender hereby and hereunder, and may enforce all of the terms and provisions hereof as fully and to the same extent and with the same effect as if such holder were herein by name specifically granted such rights, privileges, powers, options and benefits and was herein by name designated Lender.

12.8 Counterparts. Any Loan Document, other than the Note, may be executed in counterparts, all of which, taken together, shall be deemed to be one and the same document.

12.9 Prior Agreements; Amendments; Consents. This Agreement (together with the other Loan Documents) contains the entire agreement between Lender and Borrower with respect to the Loan, and all prior negotiations, understandings and agreements are superseded by this Agreement. No provision or term of this Agreement may be amended, modified, revoked, supplemented, waived or otherwise changed except by a written instrument, designated as an amendment, supplement or waiver, and duly executed by the Borrower and Lender. If Borrower requests an amendment of any Loan Documents, Lender may require

Borrower to pay Lender a reasonable fee to cover Lender's administrative and legal costs in connection with evaluating the proposed amendment and preparing the necessary documentation if it is approved.

12.10 Governing Law. All of the Loan Documents shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado. This Agreement and the other Loan Documents are subject to such modifications as may be required by changes in federal or Colorado law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Agreement and the other Loan Documents on the effective date of such change, as if fully set forth herein.

12.11 Severability of Provisions. Provided that this Agreement can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions of this Agreement are severable. No provision in any of the Loan Documents that is held to be unenforceable or invalid shall affect the remaining provisions, and to this end all provisions of the Loan Documents are hereby declared to be severable.

12.12 Headings. Article and section headings are included in the Loan Documents for convenience of reference only and shall not be used in construing the Loan Documents.

12.13 Conflicts. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, this Agreement shall prevail; provided however that, with respect to any matter addressed in both such documents, the fact that one document provides for greater, lesser or different rights or obligations than the other shall not be deemed a conflict unless the applicable provisions are inconsistent and could not be simultaneously enforced or performed.

12.14 Time of the Essence. Time is of the essence in all of the Loan Documents.

12.15 Transfers and Participations. Lender may transfer, and/or grant participations in the Loan, the Loan Documents at any time, in whole or in part, and may furnish any transferee or participant or any prospective transferee or participant with all documents and information relating to the Borrower, the Loan and/or the Loan Documents or any of them that Lender deems advisable in connection therewith, provided that the transferee or grantee must be a citizen of the United States or an entity organized and domiciled in the United States. The indemnity obligations of the Borrower under the Loan Documents shall also apply with respect to any actual or prospective transferee and/or participant and the directors, officers, agents and employees of any such transferee and/or participant. Neither the Borrower nor any of its respective Affiliates or subsidiaries shall be given an opportunity to be a transferee, assignee, purchaser or participate under any circumstances without the prior, written consent of Lender which may be withheld in its sole and absolute discretion. In the event of any such transfer, assignment, sale or participation, Lender and the parties to such transaction shall share in the rights and obligations of Lender as set forth in the Loan Documents only as and to the extent they agree among, themselves. In connection with any such transfer, assignment, sale or participation, Borrower further agrees that the Loan Documents shall be sufficient evidence of the obligations of the Borrower to each transferee, assignee, purchaser, or participant, and upon written request by Lender, Borrower shall enter into such amendments or modifications to the Loan Documents as may be reasonably required in order to evidence any such transfer, assignment, sale or participation, as the case may be. Borrower shall not have any right to consent to any transfer, and/or grant of participations in the Loan, or the Loan Documents. There are no restrictions on the type of assignee/participant to whom Lender may transfer its interest. Lender may provide information to prospective transferees in advance of a transfer without Borrower's consent.

12.16 Waiver of Right to Designate Application of Payment. Borrower hereby waives any and all rights it may have to marshal assets or to designate any amount received or collected by Lender from

Borrower or any other party in repayment of the Loan against any particular portion of the Loan. If, for any reason, the foregoing waiver is found to be invalid or unenforceable, Borrower hereby irrevocably elects to designate all amounts received by Lender from any source as payment toward the portion of the Obligations of Borrower evidenced by the Note, and only after such amount has been paid in full, against the balance of the Loan.

12.17 Waiver of Right to Trial by Jury. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY LOAN DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

12.18 PATRIOT Act Notice. Lender (for itself and not on behalf of any other party) hereby notifies Borrower that, pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Lender to identify Borrower in accordance with the PATRIOT Act.

12.19 Compliance With Anti-Terrorism, Embargo, Sanctions and Anti-Money Laundering Laws. Borrower shall (a) ensure, and cause any Affiliate to ensure, that no person who owns a controlling interest in or otherwise controls any Affiliate is or shall be listed on the "Specially Designated Nationals and Blocked Person List" or other similar lists maintained by the OFAC, the Department of the Treasury, or included in any Executive Orders, (b) not use or permit the use of the proceeds of the Loan to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto, (c) comply, and cause each Affiliate to comply, with all applicable Environmental Laws, Bank Secrecy Act, PATRIOT Act, or any other Anti-Corruption Law, Anti-Terrorism Law and regulations and applicable Sanctions, as amended, and (d) and shall cause each Affiliate to provide such information and take such actions as are reasonably requested by Lender in order to assist Lender in maintaining compliance with the PATRIOT Act. Without limiting the foregoing, Borrower agrees that it will not: (i) permit a Prohibited Person to own an equity interest in or Control of Borrower; or (ii) engage in transactions or have dealings with a Prohibited Person or a Person known by Borrower, after reasonable inquiry, to be owned or Controlled by a Prohibited Person. Upon Lender's written request, from time to time during the term of the Loan, Borrower shall certify in writing to Lender that the representations, warranties and obligations made herein remain true and correct and have not been breached. Borrower shall notify Lender immediately in writing if any of such representations, warranties or covenants are no longer true or have been breached or if Borrower has a reasonable basis to believe that they may no longer be true or have been breached. In connection with such an event, Borrower shall comply with all Requirements of Law and directives of Governmental Agencies and, at Lender's written request, provide to Lender copies of all notices, reports and other communications exchanged with, or received from, Governmental Agencies relating to such an event. Borrower shall also reimburse Lender for any expense incurred by Lender in evaluating the effect of such an event on any Project and in complying with all Requirements of Law applicable to Borrower, any Affiliate of Borrower, or Lender as the result of the existence of such an event and for any penalties or fines imposed upon Borrower or Lender as a result thereof. Borrower agrees to execute and deliver to Lender, from time to time, such further documents and certifications as may be reasonably requested, necessary to

Borrower to implement, enforce, investigate, and undertake the warranties, representations, covenants and promises made herein.

12.20 Designated Representative(s). Borrower hereby represents that the person signing this Agreement on behalf of Borrower is hereby authorized to act as Borrower's authorized representative for purposes of dealing with Lender on behalf of Borrower in respect of any and all matters in connection with this Agreement, the other Loan Documents and the Loan. In addition, Borrower may designate by appropriate action in form acceptable to Lender, additional Designated Representatives. Each Designated Representative shall have the power to give and receive all notices, monies, approvals and other documents and instruments, and to take any other action on behalf of Borrower. All actions by the Designated Representative shall be final and binding on Borrower. Lender may rely on the authority given to the Designated Representative until actual receipt by Lender of a duly authorized resolution substituting a different person as the Designated Representative.

12.21 Designated Representative(s); Uniform Electronics Transactions Act. Borrower hereby represents that the person signing this Agreement on behalf of Borrower is hereby authorized to act as Borrower's authorized representative Document Imaging, Electronic Transactions and the UETA. Without notice to or consent of Borrower, Lender may create electronic images of this Agreement and the other Loan Documents and destroy paper originals of any such imaged documents. Provided that such images are maintained by or on behalf of Lender as part of Lender's normal business processes, Borrower agrees that such images have the same legal force and effect as the paper originals and are enforceable against Borrower. Furthermore, Borrower agrees that Lender may convert this Agreement and any other Loan Documents into a "transferrable record" as such term is defined under, and to the extent permitted by, the Uniform Electronic Transactions Act (the "UETA"), as adopted in the State of Colorado, with the image of such instrument in Lender's possession constituting an "authoritative copy" under the UETA.

12.22 Waiver of Special Damages. TO THE EXTENT PERMITTED BY APPLICABLE LAW, BORROWER SHALL NOT ASSERT, AND HEREBY WAIVES, ANY CLAIM AGAINST LENDER, ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF, THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, THE TRANSACTIONS CONTEMPLATED THEREBY, THE LOAN OR THE USE OF THE PROCEEDS THEREOF.

12.23 Jurisdiction and Venue. BORROWER HEREBY CONSENTS AND SUBMITS TO THE EXCLUSIVE JURISDICTION AND VENUE OF ANY STATE COURT IN THE CITY AND COUNTY OF DENVER, COLORADO, AND THE FEDERAL COURT SITTING IN THE CITY AND COUNTY OF DENVER, COLORADO WITH RESPECT TO ANY LEGAL ACTION OR PROCEEDING ARISING WITH RESPECT TO THE LOAN DOCUMENTS AND WAIVES ALL OBJECTIONS WHICH IT MAY HAVE TO SUCH JURISDICTION AND VENUE. NOTHING HEREIN SHALL, HOWEVER, PRECLUDE OR PREVENT LENDER FROM BRINGING ACTIONS AGAINST BORROWER IN ANY OTHER JURISDICTION AS MAY BE NECESSARY TO ENFORCE ANY OF THE LOAN DOCUMENTS.

12.24 Publications. Borrower hereby authorizes Lender and the Authority to use information regarding or relating to the Project to publicize and/or report on their financing activities in any manner of communication or media including, but not limited to, in press releases, websites, social media, flyers, advertisements, community reports, etc. without further authorization or the consent of the Borrower, *provided* that confidential or other proprietary information is not shared. Borrower agrees to obtain prior written approval from Lender and the Authority before using the name or logo of Lender or the Authority in any press release, media events, website, social media or any other public communication.

[SIGNATURE PAGE FOLLOWS]

Each of Borrower and Lender has duly executed this Agreement as of the date first written above.

BORROWER:

REDACTED

By: _____

Name:

Title:

LENDER:

COLORADO HOUSING AND FINANCE AUTHORITY, a body corporate and political subdivision of the State of Colorado, solely in its capacity as the Program Administrator for the AFFORDABLE HOUSING FINANCING FUND, managed by the Colorado Office of Economic Development and International Trade, a Colorado state agency

By: _____
[Name/Title]
Colorado Housing and Finance Authority

**EXHIBIT A
TO LOAN AGREEMENT
LEGAL DESCRIPTION**

REDACTED

**EXHIBIT B
TO LOAN AGREEMENT**

PROP 123 LAND BANKING PROGRAM GUIDELINES

[SEE ATTACHED]

**EXHIBIT C
TO LOAN AGREEMENT**

PROGRAM REPORTING REQUIREMENTS

Quarterly Reports are due the end of the first month after the end of each quarter, with the first report due on or before October 31, 2024.

The quarterly report will include:

1. Project Level Details for each funding award:

a. Borrower/Recipient Name

b. The following Property Information, to the extent applicable:

- i. Project Name (At the time of application & upon completion, if changed)
- ii. Project Street Address
- iii. City and county location
- iv. Housing type (homeownership and/or rental)
- v. Unit count and bedroom count for deed-restricted units. Unit count will be used to determine anticipated or actual households served.
- vi. Unit count and bedroom count for market-rate units.
- vii. Proposed units in each AMI Level and average AMI of the project.
Land Banking projects - indicate the proposed percentage of mixed-use.
- viii. Mixed-use properties provide a category of non-residential uses.
- ix. Environmental Sustainability Certification
- x. Electrification Level
- xi. Meets the transit-oriented development (TOD) definition. *[Definition to be provided by OEDIT.]*
- xii. Meets the walkable neighborhood definition. *[Definition to be provided by OEDIT.]*

2. Project Funding Details: Statutory priorities satisfied by the project - high density, mixed-income, and/or environmentally sustainable.

Upon recording return to:

CHFA Loan No.: REDACTED

Colorado Housing and Finance Authority
1981 Blake Street
Denver, CO 80202
Attention: Gillian Godfrey

AFFORDABLE HOUSING FINANCING FUND

MODIFICATION OF DECLARATION OF RESTRICTIVE COVENANT

THIS MODIFICATION OF DECLARATION OF RESTRICTIVE COVENANT is made and entered into as of _____, ____ 2024 (this “**Modification**”) by and between REDACTED (“**Declarant**”), and COLORADO HOUSING AND FINANCE AUTHORITY, a body corporate and political subdivision of the State of Colorado, solely in its capacity as the Program Administrator for the AFFORDABLE HOUSING FINANCING FUND, managed by the Colorado Office of Economic Development and International Trade, a Colorado state agency, whose address is 1981 Blake Street, Denver, CO 80202 (“**Lender**”).

RECITALS

- A. Declarant owns fee simple title to that certain real property located in the City and County of Denver, Colorado, legally described on **Exhibit A** attached hereto and incorporated herein (the “**Property**”).
- B. Declarant and Lender entered into that certain Declaration of Restrictive Covenants (the “**Declaration**”) dated as of August 30, 2024 and recorded on _____, 2024, at Reception No. _____ in the official public records of the City and County of Denver, Colorado (the “**Records**”).
- C. Capitalized terms used herein but not specifically defined herein shall, unless otherwise indicated herein, have the meanings ascribed to such terms in the Declaration.
- D. The parties hereto, having recognized an error in the language reflected in the original Declaration, desire to modify the Declaration as set forth herein.

NOW, THEREFORE, in consideration of the mutual undertakings and promises hereinafter set forth, and for other good and valuable consideration, the sufficiency and receipt of which is acknowledged, Declarant and Lender agree as follows:

- 1. **Recitals**. The foregoing recitals are incorporated herein by reference.
- 2. **Modification of the Declaration**. Paragraph 3 of the Declaration is hereby deleted in its entirety and replaced with the following:

“3. **Affordability Restrictive Covenant.** Declarant covenants and agrees that (i) all rental units developed on the Property will be restricted to households with annual incomes at or below sixty percent (60%) of AMI, and (ii) all for-sale homes (or for sale units, as applicable) developed on the Property will be restricted to households with annual incomes at or below one hundred percent (100%) of AMI through a ground lease or similar structure as approved by the Lender in its sole discretion (collectively, the “**Affordability Restrictive Covenant**”).

The Affordability Restrictive Covenant pursuant to this Paragraph 3 shall commence, as applicable: (i) for rental housing units, upon construction completion of the rental housing units (as evidenced by a certificate of occupancy, whether permanent or temporary) and continue until the date that is forty (40) years after the Project first attains ninety-five (95%) occupancy and/or (ii) for for-sale homes, upon construction completion of the for-sale homes (or for-sale units, as applicable) (as evidenced by a certificate of occupancy, whether permanent or temporary) and shall continue until the date that is forty (40) years after ninety-five (95%) of the for-sale homes (or for-sale units, as applicable) comprising the Project are first sold.”

3. **Ratification and Integration.** All terms, conditions and covenants of the Declaration not otherwise modified herein are hereby ratified and confirmed, and this Modification when executed by the parties hereto shall be incorporated in and become a part of the Declaration. This Modification and the Declaration, as modified herein, contain the entire agreement between the parties hereto, and any further modification may be made only by an instrument, signed in writing, by the parties hereto.
4. **Further Assurances.** From time-to-time at a party's request, whether on or after the date hereof, and without further consideration, the parties each agree to execute and deliver such further instruments and take such other actions as said party may reasonably request in order to more effectively amend the Declaration or otherwise carry out the provisions hereof.
5. **Governing Law.** This Modification shall be governed by and construed and enforced in accordance with the laws of the State of Colorado. By executing this Modification, each party consents to the exercise of personal jurisdiction over it by, and venue in, the courts of the state of Colorado, and expressly waives any claims or defenses of lack of jurisdiction and proper venue by such courts. The parties also agree that any legal action in connection with this Modification or the Declaration must be brought and maintained only in the courts located in the City and County of Denver, Colorado. This Modification shall be binding upon and shall inure to the benefit of the parties, and their respective successors and assigns.
6. **Headings.** The headings of this Modification are for convenience of reference only and must not form a part of, or affect the interpretation of, this Modification.

7. **Non-Waiver**. Except as expressly provided herein, the execution of this Modification by Lender does not and will not constitute a waiver of any rights or remedies to which the Lender is entitled pursuant to the Declaration.
8. **Conflict**. To the extent this Modification conflicts with the Declaration, this Modification controls and prevails.
9. **Severability Clause**. In case any provision in this Modification shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.
10. **Authorization**. Declarant has duly authorized the taking of all actions necessary to carry out and give effect to the transactions contemplated to be performed on its part by this Modification as the case may be. Any person signing this Modification on behalf of a party, has the authority to bind the party for whom he or she is signing.
11. **Counterparts**. This Modification may be signed in counterparts, all of which, when taken together, shall constitute one and the same original.

[SIGNATURES AND ACKNOWLEDGEMENTS ON THE FOLLOWING PAGES]
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Modification to be signed by their respective duly authorized representatives, as of the effective date first written above.

DECLARANT:

REDACTED

By: _____

Name:

Title:

STATE OF _____)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 2024, by _____ as _____ of

REDACTED

Witness my hand and official seal.

My commission expires: _____

[S E A L]

Notary Public

[SIGNATURES AND ACKNOWLEDGEMENTS ON THE FOLLOWING PAGES]

LENDER:

COLORADO HOUSING AND FINANCE
AUTHORITY, a body corporate and political
subdivision of the State of Colorado, solely in
its capacity as the Program Administrator for
the AFFORDABLE HOUSING FINANCING
FUND, managed by the Colorado Office of
Economic Development and International
Trade, a Colorado state agency

By: _____

Name: _____

Title: _____

Colorado Housing and Finance Authority

STATE OF COLORADO)
) ss.
CITY & COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of _____
202__, by _____, as _____ of the Colorado
Housing and Finance Authority, a body corporate and political subdivision of the State of
Colorado, program administrator on behalf of the Colorado Office of Economic Development and
International Trade, a Colorado state agency, manager of the Affordable Housing Financing Fund.

Witness my hand and official seal.

My commission expires: _____

[END OF SIGNATURES AND ACKNOWLEDGEMENTS]

EXHIBIT A
LEGAL DESCRIPTION

REDACTED



To: CML Member Mayors, Managers and Clerks
Cc: 2025-2026 Policy Committee Members
From: Heather Stauffer, CML Advocacy Manager
Date: July 23, 2025
Subject: Annual Appointment to CML Policy Committee

Following the election of the new CML Executive Board and in preparation for the 2026 legislative session it's now time for Colorado Municipal League (CML) member municipalities to appoint representatives who will serve on the League's 2025-2026 Policy Committee. Additionally, CML's advocacy team encourages municipal members to submit their legislative or policy proposals for committee consideration and recommendation.

CML Policy Committee

Each CML member municipality is entitled to designate at least one representative and one alternate to the League's Policy Committee. Cities with a population over 100,000 are entitled to appoint two representatives and one alternate. Appointments and reappointments to the committee should occur following the CML Annual Conference in June, and members serve for a one-year term. **Please note that appointees from the 2024-2025 policy committee are presumed to carry over unless the League staff is otherwise informed.** CML asks member municipalities to review the current policy committee roster (Attachment A) to verify their policy committee representative(s) and alternate. **If a member municipality has a change in their policy committee representatives, they should email the updated information to Bev Stables at bstables@cml.org by Monday, September 8.**

The CML Policy Committee is an essential part of the policy development process at CML, and all members are encouraged to take advantage of the opportunity to have their voices heard as the committee makes recommendations on legislation that directly impacts municipalities.

Prior to appointment, each policy committee representative and alternate should review the *Policy Committee Roles and Responsibilities document* (Attachment B). General policy committee responsibilities include:

1. Attending and participating in all Policy Committee meetings, in-person or virtually, and voting on policy positions to recommend to the CML Executive Board.

2. Evaluating requests from member municipalities for CML-initiated legislation and making a recommendation to the CML Executive Board.
3. Reviewing the League's [Annual Policy Statement](#) that guides League positions on policy issues affecting municipalities and proposing revisions, if necessary. (Any recommended changes to the policy statement are voted on by CML members at the Annual Business Meeting that takes place as part of CML's Annual Conference.)

CML Initiated Legislation Proposals

Each municipality has the opportunity to submit a proposal for CML-initiated legislation (CML staff will create and carry forth the legislation on behalf of member municipalities) to the full committee for consideration. The municipality's Policy Committee member should be prepared to present their municipality's consensus proposal at the October 17, 2025, Policy Committee meeting.

If a municipality would like to submit a proposal for initiated legislation, they can complete the online form at <https://forms.office.com/r/ZsdCZwmeYE>. This form allows municipal members to directly enter a request for specific legislation they would like CML to initiate.

2025-2026 Policy Statement

The CML Policy Statement is a living document that has evolved throughout the history of the League. When legislation or policy issues are considered, the CML staff, Policy Committee, and Executive Board look first to the Policy Statement to develop recommendations and formal positions. In this way, the policy statement acts as a guide for CML advocacy.

The CML Policy Committee is charged with proposing amendments to the Policy Statement. Members can download a copy of the 2024-2025 Policy Statement at [cml.org](https://forms.office.com/r/n1x8ZKuV6e) on the home page. Requests for amendments to the policy statement can be made through the online form at <https://forms.office.com/r/n1x8ZKuV6e>.

In September, CML will distribute the proposals to policy committee members for review and discussion within that member's municipality. Committee members should review proposals with their municipality or constituency and be prepared to discuss and debate each on behalf of their respective municipalities at each meeting.

CML staff may also submit suggested policy and/or legislative items for the committee's consideration.

Initiated Legislation and Policy Statement Amendments are due no later than COB Monday, September 8.

2025-2026 Policy Committee Meeting dates

- Friday, Oct. 17, 9 -11 a.m.
- Friday, Dec. 5, 9 - 11 a.m.
- Friday, Jan. 16, 9 - 11 a.m. (Virtual only)
- Friday, Feb. 20, 9 - 11 a.m.
- Friday, March 20, 9 -11 a.m. (Virtual only)

Attachments

- Attachment A: 2024-25 Policy Committee Roster
- Attachment B: *Policy Committee Roles and Responsibilities*



Policy Committee Roles and Responsibilities

CML GENERAL GOVERNANCE OVERVIEW

- CML works with and on behalf of Colorado cities and towns to develop and improve municipal government.
- CML provides services that increase the efficiency of Colorado cities and towns.
- CML assists in securing legislative enactments that benefit municipalities while opposing injurious legislation.
- CML always acts in the best interest and for the benefit of all Colorado municipalities and their residents.
- CML conducts all business while adhering to the highest legal and ethical standards.
- CML is governed by an executive board elected by members. The executive board is responsible for setting and establishing policy using existing guidance and recommendations from various committees, including the Policy Committee.

ROLE OF THE POLICY COMMITTEE

- Policy Committee representatives are appointed by their respective municipalities. Each municipality may assign one member and designate an alternate should that member be unable to attend. Cities with a population over 100,000 may appoint two members plus an alternate.
- CML section chairs serve as non-voting members of the committee appointed by their respective sections.
- Policy Committee representatives are responsible for reviewing anticipated, proposed, or introduced legislation provided by CML advocacy staff and voting on recommendations for legislative positions to the CML Board at Policy Committee meetings.
- Representatives are responsible for reviewing requests for CML-initiated legislation from member municipalities or CML staff and voting on a recommendation to the CML Board.
- Representatives are responsible for reviewing CML's Annual Policy Statement and proposing revisions, if necessary. CML members will vote on proposed Policy Statement revisions at CML's Annual Business Meeting.
- CML promotes inclusive leadership development and discourage redundancy: Ensure equitable access to leadership opportunities within both the Policy Committee and Executive Board by encouraging a system of rotation that prevents overlapping memberships. This approach aims to foster diverse perspectives, broaden expertise, and build a dynamic pipeline of leaders across the organization.
- The Policy Committee is dedicated to creating a safe, inclusive space where all members have equal opportunity to voice their perspectives without fear of judgement. Members are

encouraged to actively listen, respect differing opinions, and contribute to an environment that values diversity of thought.

ROLE OF INDIVIDUAL POLICY COMMITTEE REPRESENTATIVES AND ALTERNATES

- **General Expectations**
 - Policy Committee representatives are expected to attend, in person or virtually, all CML policy committee meetings. If you cannot participate in a meeting, please ensure your municipality's designated alternate is available and prepared to attend.
 - Policy Committee representatives are expected to review committee materials with their city councils and relevant municipal staff and departments ahead of CML policy committee meetings to represent their municipality's views accurately.
- **Meeting Expectations**
 - Please arrive on time and ready to participate.
 - Follow the rules and instructions the Policy Committee chair sets forth at the beginning of the meeting.
 - Wait to be recognized by the chair before speaking or making a motion.
 - Having active and engaged committee discussions produces great outcomes. To the extent possible, please minimize distractions during committee meetings, which includes refraining from leaving the room to take phone calls or engaging in unrelated work.
 - Discussions around legislation often lead to passionate conversations, with everyone eager to participate. Dialogue and debate should maintain a civil and respectful atmosphere and tone.
- **Fiduciary Duty**
 - **Duty of Care:** Members must make informed, well-considered decisions based on accurate and current information, dedicating the necessary time and attention to understand relevant issues.
 - **Duty of Loyalty:** Members are expected to prioritize the Municipal League's interests above personal or outside interests, avoiding any actual or perceived conflicts of interest, and must disclose any potential conflicts promptly.
 - **Duty of Obedience:** Members must ensure that all actions and decisions comply with applicable laws, regulations, and organizational policies, safeguarding the League's integrity and public trust.

ROLE OF THE POLICY COMMITTEE CHAIR

- The Policy Committee chair is appointed by and serves at the pleasure of the CML Executive Board President.
- The Policy Committee Chair is responsible for maintaining rules of order and running efficient policy committee meetings.
- The chair will recognize speakers during discussion, recognize motions when made, and call for a vote when appropriate.

- The chair will ensure that each person, both in person and online, has an equal opportunity to speak and make motions during meetings.
- The chair will not recognize speakers for a second time until other members who want to speak have done so.
- The chair will ensure that motions are in order and proceed according to the rules.
- A designated staff member, such as the Communications Manager or Meetings and Event Manager, will assist the Policy Committee Chair in moderating meetings, ensuring smooth engagement with Zoom attendees, and accurately managing vote counts. This support allows the Chair to focus on guiding discussions effectively while staff facilitate technical aspects and participant interaction.

THE ROLE OF THE CML EXECUTIVE BOARD

- CML Executive Board Meetings generally occur the week following CML Policy Committee Meetings.
- The Executive Board has the final authority to establish the League's positions.
- At the CML Executive Board Meetings, the Board will consider recommendations submitted by the CML Policy Committee. A member of the advocacy team will present each recommendation.
- Legislative and policy recommendations may be presented directly to the CML Executive Board when time does not permit waiting to present it to the Policy Committee first.

2026 Town of Fairplay Proposed Budget & 2025 End Of Year Meeting Schedule

25-Aug to Staff Meets to review financials and begin preparations for Budget process
5-Sep

1-Sep Regular Meeting Canceled (Labor Day)

8-Sep Work Session on Priorities and Capital Projects

15-Sep Regular Meeting W/ Work Session on Salaries and Benefits

22-Sep or 29-Sep Extra Weeks for Work Sessions if Necessary

6-Oct Regular Meeting W/ Work Session on General and Outstanding Items

20-Oct Regular Meeting W/ Submission of Initial 2026 Proposed Budget to Board (*Transmittal by Email*)
Work Session on FY2025 Amended Budget and FY2026 Proposed Budget.

3-Nov 1st Public Hearing on FY2025 Amended Budget and FY2026 Proposed Budget

17-Nov 2nd Public Hearing on FY2025 Amended Budget and FY2026 Proposed Budget.

1-Dec 3rd & Final Public Hearing on FY2024 Amended Budget and FY2025 Proposed Budget.

**All Resolutions voted on at this meeting.*

15-Dec Regular Meeting Cancelled Unless Hearings Required for Business Matters