



FIRSTBANK

2 PLUM CREEK PKWY. CASTLE ROCK, COLORADO 80104 303-688-5000

August 26, 2016

Mr. Pete Mangers  
Town of Castle Rock  
100 Wilcox, St.  
Castle Rock, CO 80104

RE: Loan Commitment

Dear Mr. Mangers:

FirstBank ("Bank") is pleased to extend to the Town of Castle Rock ("Borrower") this Letter of Loan Commitment. This Letter is subject to the following terms and conditions:

**GENERAL TERMS**

<b>Borrower:</b>	Town of Castle Rock
<b>Collateral:</b>	<ol style="list-style-type: none"><li>1. Future sales tax TIF and property tax TIF generated in the DDA district of Castle Rock</li><li>2. Funds held on deposit with FirstBank in a designated "special fund".</li></ol>
<b>Loan Amount:</b>	\$2,500,000
<b>Loan Terms:</b>	Payments will be based on a 20 year amortization with a loan maturity of 10 years. Principal reductions shall be paid annually and accrued interest shall be paid quarterly.
<b>Interest Rate:</b>	Market rate at time of loan closing
<b>Loan Fee:</b>	1% of the loan amount

**Expenses:**

In addition to the above loan fee, Borrower shall be responsible for payment of all reasonable costs including attorney's fees.

**Loan Documents:**

The Bank's obligation to close the Loan shall be conditioned upon delivery and execution by Borrower to Bank of loan documents satisfactory to Bank. Such documents will contain conditions to borrowing, representations and warranties, covenants, events of default, indemnification, payment of expenses, and other provisions normal and customary for loans of this type.

**Miscellaneous Requirements:**

Borrower will certify that funds in the "special fund" will be available for debt service on FirstBank debt.

**OTHER CONDITIONS****Pre-payment:**

The loan will not have a pre-payment penalty.

**Debt Service Ratio:**

Funds on deposit in the "special fund" must be equal to, or above, the amount outstanding on the related Line of Credit that the Town of Castle Rock has with FirstBank plus 1.2 times the annual debt service on this credit. This covenant shall be tested annually. Borrower shall have 90 days to cure any such deficiency before the loan will be considered in default.

**Balloon Reserve:**

A reserve account shall be established for the purpose of funding the balloon payment due at maturity. Borrower shall make an annual deposit to the reserve account. These funds shall be pledged for the purpose of paying the balloon payment. The percentage of the balloon to be paid each year shall be mutually agreed upon by Borrower and Bank prior to loan closing.

**Other Covenants:**

All applicable TIF income generated in the DDA district must be used for FirstBank debt service purposes before the Town is able to allocate the TIF income to any other funding need.

The Bank's obligation to make advances under the loan, which is the subject of this Letter of Loan Commitment, shall be based upon the Bank's determination, in its sole and absolute discretion, of the financial condition of the Borrower and guarantor(s) at the time any advance is requested by the Borrower.

Regardless of whether the loan closes, Borrower agrees to pay all out-of-pocket fees, costs and expenses (including reasonable legal fees and costs) incurred by Bank in connection with this commitment and any resulting loan.

This commitment letter shall survive the loan closing. If any terms of this commitment letter conflict with the terms of the loan documents, the loan documents shall govern.

This Letter of Loan Commitment is not assignable. This letter and the terms disclosed herein are confidential for the exclusive use of the Borrower and should not be shared with any third parties, including any financial institution or intermediary, without FirstBank's prior written consent.

Please contact David Zwerenz directly at 303-660-7944 with any questions. Thank you very much for providing FirstBank the opportunity to participate in this project.

Sincerely,



David Zwerenz  
Senior Vice President–Douglas County