

AGREEMENT

THIS AGREEMENT (“Agreement”) is made and entered into this 18 day of March, 2026 (“Effective Date”), by and between the **CITY OF GRAND JUNCTION**, a home rule municipality (“City”) and **REDLANDS THREE SIXTY, LLC**, a Colorado limited liability company (“Owner”). The City and the Owner may be collectively referred to as the “Parties” or separately as a “Party.”

RECITALS:

- A. Owner and the City are parties a Loan Agreement dated October 4, 2023 (the “Loan Agreement”). Contemporaneously with the Loan Agreement, Owner and the City entered into ancillary documents related to the Loan Agreement including a Promissory Note and Security Agreement. These instruments, together with the Loan Agreement constitute the “Loan Documents.” Defined terms used in the Loan Documents will have the same meaning in this Agreement unless specifically provided otherwise.
- B. The Loan Documents contemplated financial assistance to Owner in connection with intersection improvements (“Intersection”) located at South Broadway and State Highway 340 in the City of Grand Junction.. The Intersection is complete. In addition, the loan documents contemplated financial assistance to owner in connection with the expenses incurred for design of a roundabout traffic intersection (“Roundabout Intersection”) at 23 Road and State Highway 340. .. The Intersection is identified in that certain Traffic Impact Study for Redlands 360 Dated September 9, 2021, and prepared by Kimley-Horn and Associates, Inc. (the “TIS”), as Item 16 and the “Roundabout Intersection identified as Item 8.
- C. The Loan Documents require final payment of the remaining outstanding balance owed by Owner to the City of One Hundred and Fifty-Seven Thousand Five Hundred and Thirty Nine and 55/100 Dollars (\$157,539.55) no later than December 31, 2025 (the “Final Payment”).
- D. The City is also party to certain Master Intergovernmental Agreements with certain metropolitan districts formed in connection with Redlands 360 (the “IGAs”), including with Redlands 360 Metropolitan District No. 1 thru No. 9 (collectively, the “Districts”). Among other things, the IGAs included provisions with respect to cost sharing in connection with traffic improvements including the Roundabout Intersection, identified as TIS Item 8 in Exhibit C to the IGAs.
- E. As expressed in the TIS, the IGAs and the Loan Documents, the Parties anticipated that the Roundabout Intersection would be designed and initially constructed in a single-

lane configuration. However, the TIS and the IGAs also anticipated that a two-lane configuration of the Roundabout Intersection may be warranted in the future and that City, or another appropriate body or entity, would construct a second lane and related improvements at the Roundabout Intersection in that event.

- F. As development of Redlands 360 has progressed since the execution of the Loan Documents and the IGAs, the Parties have determined that a two-lane design configuration of the Roundabout Intersection project is warranted at the time of initial construction, in addition to construction work beyond a one-lane configuration to accommodate future final construction of the full 2-lane design. Contemporaneously with this Amendment, the Parties have also amended the IGAs to reflect updated cost sharing terms with respect to the two-lane configuration of the Roundabout Intersection (the "IGA Amendments").
- G. As a result of the IGA Amendments, the City will have additional cost sharing obligations and owe certain payments to the Districts with respect to the Roundabout Intersection (the "Cost Sharing Payments").
- H. Owner remains entitled to reimbursement from the Districts for expenditures it incurs arising from eligible infrastructure costs within the Districts ("Developer Receivables"), and Owner and Districts have entered into that certain reimbursement agreement, the Facilities Funding and Acquisition Agreement, dated September 8, 2022 ("Reimbursement Agreement"), as amended, concerning the Districts' intent to reimburse the Developer Receivables. Cost Sharing Payments would be used by the Districts to pay Developer Receivables, among other things. As a result, Cost Sharing Payments due from the City to the Districts will ultimately be paid to the Owner.
- I. Rather than having the Owner make the Final Payment as provided in the Loan Documents, and the City making Cost Sharing Payments to the Owner under the IGA Amendments, the Parties agree that the Cost Sharing Payments otherwise due and owing by the City to the Districts will be reduced by the amount of the Final Payment.

NOW, THEREFORE, in consideration of the terms and conditions of the Loan Documents, the IGA Amendments, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the City and the Owner agree as follows:

1. **RECITALS.** The Recitals above are hereby incorporated as if fully set forth in this paragraph.

2. **FINAL PAYMENT, COST SHARING CREDIT.** The City shall be given credit in an amount equal to the Final Payment against its obligations to make Cost Sharing Payments as and when due under the IGA Amendments. Owner shall be deemed to have made

the Final Payment for all purposes on the date of this Agreement in full compliance with the Loan Documents.

3. LOAN DOCUMENTS.

a. The Parties agree and acknowledge that their respective rights and obligations under the Loan Agreement, as amended by this Amendment, are fulfilled. There has been no breach of any term or condition of the Loan Agreement, as amended, and the Parties affirm that they have no claims against one another arising out of or relating to the Loan Agreement in any respect.

b. The Promissory Note shall be marked "paid in full" or otherwise cancelled and the original returned to Owner.

c. The Security Agreement is hereby fully released and discharged and shall be of no further force or effect whatsoever.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized officials to place their hands and seals upon this Agreement as of the respective dates set forth opposite the acknowledgment below of their execution of the Agreement, to be effective as of the day and year first above written.

CITY OF GRAND JUNCTION, a home rule municipality and political subdivision of the State of Colorado

ATTEST:

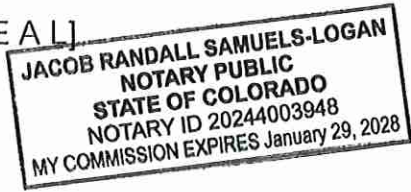
By: Cody Kennedy, President of the City Council

By: Julietta Jumbria, City Clerk

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

ACKNOWLEDGED before me this 10 day of April, 2026, by Cody Kennedy, President of the City Council of the City of Grand Junction, Colorado.

[S E A L]



[Signature]
Notary Public

REDLANDS THREE SIXTY, LLC
a Colorado limited liability company

By: La Plata Communities, Inc., Manager

By: B. Douglas Quimby
B. Douglas Quimby, President

STATE OF COLORADO)
) ss.
COUNTY OF El Paso)

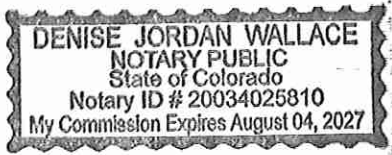
ACKNOWLEDGED before me this 24th day of March, 2026, by B. Douglas Quimby, as President of La Plata Communities, Inc., Manager, of Redlands Three Sixty, a Colorado limited liability company.
LLC,

WITNESS my hand and official seal.

My commission expires: 8/4/27

Denise Jordan Wallace
Notary Public

[S E A L]



REDLANDS METROPOLITAN DISTRICT
Nos. 1-9

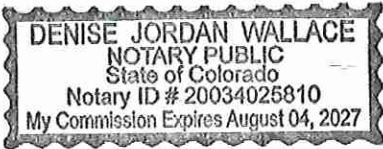
By: B. Douglas Quimby
B. Douglas Quimby, President

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

ACKNOWLEDGED before me this 24th day of March, 2026, by B. Douglas Quimby as President of Redlands Metropolitan District Nos. 1-9.

WITNESS my hand and official seal.

My commission expires: 8/4/27.



Denise Jordan Wallace
Notary Public

EXTENSION AGREEMENT

THIS EXTENSION AGREEMENT (“Agreement”) is made and entered into this 18 day of March, 2026 (“Effective Date”), by and between the **CITY OF GRAND JUNCTION**, a home rule municipality (“City”) and **REDLANDS THREE SIXTY, LLC**, a Colorado limited liability company (“Owner”). The City and the Owner may be collectively referred to as the “Parties” or separately as a “Party.”

RECITALS:

- A. Owner and the City are parties to a Loan Agreement dated October 4, 2023 (the “Loan Agreement”). Contemporaneously with the Loan Agreement, Owner and the City entered into ancillary documents related to the Loan Agreement including a Promissory Note and Security Agreement. These instruments, together with the Loan Agreement constitute the “Loan Documents.” Defined terms used in the Loan Documents will have the same meaning in this Agreement unless specifically provided otherwise.
- B. The Loan Documents contemplated financial assistance to Owner in connection with intersection improvements (“Intersection”) located at South Broadway and State Highway 340 in the City of Grand Junction (“Intersection”). The Intersection is complete. In addition, the loan documents contemplated financial assistance to owner in connection with the expenses incurred for design of a roundabout traffic intersection (“Roundabout Intersection”) at 23 road and State Highway 340. The Intersection is identified in that certain Traffic Impact Study for Redlands 360 Dated September 9, 2021, and prepared by Kimley-Horn and Associates, Inc. (the “TIS”), as Item 16 and the “Roundabout Intersection identified as Item 8.
- C. The Loan Documents require final payment of the remaining outstanding balance owed by Owner to the City of One Hundred and Fifty-Seven Thousand Five Hundred and Thirty Nine and 55/100 Dollars (\$157,539.55) no later than December 31, 2025 (the “Final Payment”).
- D. The Parties are in ongoing negotiations to restructure the Final Payment, but are unable to conclude those efforts prior to the present due date.

NOW, THEREFORE, in consideration of the Parties’ ongoing negotiations and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the City and the Owner agree as follows:

1. **RECITALS.** The Recitals above are hereby incorporated as if fully set forth in this paragraph.

LOAN AGREEMENT

THIS LOAN AGREEMENT (“Agreement”) is made and entered into this 4 day of Oct, 2023 (“Effective Date”), by and between the **CITY OF GRAND JUNCTION**, a home rule municipality (“City”) and **REDLANDS THREE SIXTY, LLC**, a Colorado limited liability company (“Owner”). The City and the Owner may be collectively referred to as the “Parties” or separately as a “Party.”

WHEREAS, Owner is the owner and developer of certain real property located within the City, generally described as the Redlands 360, to be located on parcels of land situated in Sections 17, 18, 19, and 20, Township 1 South, Range 1 West of the Ute Meridian, City of Grand Junction, County of Mesa, State of Colorado (the “Property”); and

WHEREAS, Owner intends to develop the Property for a large residential and limited commercial use neighborhood with associated walkways, trails, parks and landscaping, in conformity with the Outline Development Plan and Planned Development zoning for the Property approved as a part of City File No. PLD-2020-698, as the same may be amended or revised from time to time, known as “Redlands 360”; and

WHEREAS, in conjunction with the development of Redlands 360, Owner will construct a single-lane round-about intersection at Highway 340 & 23 Road (“Roundabout”) along with a right-in only intersection at Highway 340 & S. Broadway (“Intersection”); and

WHEREAS, in order to help finance the development of the Property and facilitate the successful completion of the Roundabout and Intersection, which will accelerate the development of housing in Redlands 360, Owner has requested public financial support, including a short-term loan to help finance infrastructure design; and

WHEREAS, Owner is entitled to reimbursement from Redlands 360 Metropolitan District No. 1, Redlands 360 Metropolitan District No. 2, and Redlands 360 Metropolitan District No. 4 (collectively, the “Districts”) of expenditures it incurred arising from eligible infrastructure costs within the Districts (“Developer Receivables”), and Owner and Districts have entered into that certain Reimbursement Agreement dated September 8, 2022 (“Reimbursement Agreement”) concerning the Districts’ intent to reimburse the Developer Receivables; and

WHEREAS, the City wishes to provide such financial support to Owner, including, among other things, a loan to assist with the necessary infrastructure design, benefiting the subject Property for the purposes of developing Redlands 360, under the terms and conditions contained in this Agreement; and

WHEREAS, in exchange for the City providing a loan to Owner, Owner shall grant the City a security interest in the Developer Receivables, among other obligations set forth in this Agreement.

NOW, THEREFORE, in consideration of the loan by the City, Owner agrees to perform its obligations under this Agreement in accordance with the conditions, covenants and terms set forth herein and attached hereto as a part hereof, as follows:

1. **RECITALS.** The Recitals above are hereby incorporated as if fully set forth in this paragraph.

2. **AGREEMENT TO LOAN; USE OF PROCEEDS OF LOAN; DISBURSEMENT OF LOAN.**

- a. **Loan.** This Agreement supersedes all prior oral and written understandings concerning the lending of money by the City to Owner. Design of the Roundabout and Intersection improvements has been commenced and will continue until a final set of construction documents has been prepared and approved in accordance with applicable requirements of the Colorado Department of Transportation, the City, and any other governmental office or agency having jurisdiction. The resulting plans and specifications are referred to as the "Final Design". The City agrees, on the terms and subject to the conditions herein set forth, to loan Owner a total principal amount not to exceed Five Hundred Thousand and 00/100 Dollars (\$500,000.00) (the "Maximum Loan Amount"), in increments as further described in Section 2b below, for purposes of financing the development of the Final Design and construction of the Roundabout and Intersection.
- b. **Submission of Invoices.** The City will loan funds to Owner incrementally, pursuant to the following: Invoice(s) shall be submitted to the City, in a form suitable to the City Manager, for the costs of developing the Final Design. Within ten (10) days of receipt of such invoice(s), the City will disburse partial loan funds to Owner, in an amount equal to the submitted invoice(s). This process will continue until the Final Design is completed or the total amount loaned by the City to Owner equals the Maximum Loan Amount, whichever occurs first ("Loan").
- c. **Design Period.** It is expected that completion of the Final Design will take twelve (12) months ("Design Period"). Owner shall be under no obligation to make repayment of any amount due to the City in connection with the Loan during the Design Period, provided interest shall accrue on the Loan at rate of five and one quarter percent (5.25%).
- d. **Construction.** The Final Design will be utilized by the Owner to develop a detailed budget estimate of the cost of the Roundabout and Intersection project work. The Parties may discuss the possibility of the City providing an additional loan to assist with financing the construction costs separately after the Final Design is approved and project cost estimates developed.
- e. **Repayment.** Principal and interest shall be payable at such place as the City may designate as follows:

- i. The Districts are entitled to certain transportation capacity payment credits pursuant to §14.A of those certain Master Intergovernmental Agreements by and between the City and the Districts (“TCP Credits”) including with respect to the Intersection. In the absence of this Agreement, funds generated from TCP Credits would be used by the Districts to pay Developer Receivables with respect to the preparation of the Final Design, among other things perhaps, and the Owner would use those funds to make payments on the Loan. Rather than following this process, the Parties agree that all TCP Credits otherwise due and owing by the City to the Districts will be applied against the Loan when TCP Credits are otherwise due and owing to the Districts from the City. The City shall provide a quarterly report to Owner of all TCP Credits applied to the Loan for record keeping purposes;
 - ii. All principal and accrued interest under the Loan shall be fully paid no later than December 31, 2025.
- f. **Fiscal Funding.** In accordance with Article X Section 20 of the Colorado Constitution, commonly known as the Taxpayers’ Bill of Rights (“TABOR”), this Agreement shall neither create nor be construed to create any multiple-fiscal year direct or indirect City debt or other financial obligation. The parties understand and acknowledge that the obligation of the City to perform financial obligations hereunder constitutes a current expense of the City payable exclusively from the City’s existing funds and shall not in any way be construed to be a general obligation indebtedness of the City within the meaning of any provision of Article XI of the Colorado Constitution, or any other constitutional or statutory limitation or requirement applicable to the City concerning the creation of indebtedness. The Parties further recognize that this Agreement is dependent upon the continuing availability and appropriation of funds beyond the term of the City’s current fiscal period, and that financial obligations of the City payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.
- g. **Use of Proceeds of Loan.** The Loan is being made for the purpose of enabling Owner to complete Final Design and proceed forward with construction and installation of infrastructure and obtain financing necessary for the development of Redlands 360. Owner covenants that it will apply the proceeds of the Loan only to the development of the Final Design, and that it will duly and punctually pay and perform the terms of the Loan.
- h. **Owner Obligations Unconditional.** All payments required of Owner hereunder shall be paid without notice or demand and without setoff, counterclaim, abatement, deduction or defense. Owner will not suspend or discontinue any payments and will perform and observe all of its other agreements in this Agreement and will not terminate this Agreement for any cause, including, but not limited to, any acts or circumstances that may constitute failure of consideration, destruction of or damage to Redlands 360 or the Property, commercial frustration

of purpose, bankruptcy or insolvency of Owner or of the City, change in the tax or other laws or administrative rulings or actions of the United States of America or of the State of Colorado or any political subdivision thereof, or failure of Owner to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Agreement.

- i. **Collateral.** It is the intention of the Parties that the Developer Receivables shall secure as collateral to the Loan, and that the Loan shall encumber the Developer Receivables accordingly. Owner shall execute a Promissory Note (“Note”) and Security Agreement (“Security Agreement”) in favor of City to secure the obligations of this Agreement, the Security Agreement and Note.

3. **DEFAULT AND REMEDIES**

- a. **Events of Default.** Any one or more of the following events will be an Event of Default under this Agreement:

- i. if Owner fails to make any payment or repayment required under this Agreement on or before the date that the payment is due;

- ii. if Owner fails to observe and perform any other covenant, condition or agreement on its part under this Agreement for a period of thirty (30) days after written notice, specifying such default and requesting that it be remedied, is given to Owner by the City, unless the City shall agree in writing to an extension of such time prior to its expiration or if such default could be cured with due diligence but not within such 30-day period, for such longer period as may be reasonably necessary to cure such default; provided that Owner proceed promptly after the above written notice to cure the default and thereafter prosecute the curing of the default with due diligence; or

- iii. if Owner shall:

- (a) admit in writing its inability to pay its obligations generally as they become due;

- (b) file a petition in bankruptcy to be adjudicated a voluntary bankrupt or file a similar petition under any insolvency act;

- (c) make an assignment for the benefit of its creditors; or

- (d) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property.

- b. **City’s Right to Prevent an Event of Default.** If City reasonably believes action is required on behalf of Owner to prevent an Event of Default, City shall provide Owner with thirty (30) days’ written notice of the pending Event of Default. If after thirty (30) days, Owner fails to act to prevent the Event of Default, then prior to the anticipated Event of Default occurring, City may take such action as it

considers reasonably necessary to correct the situation which, but for the lapse of time or the taking of such action, would result in an Event of Default. Owner shall reimburse the City solely from Owner funds for the reasonable amounts expended that were necessary to prevent an Event of Default. Such reasonable amounts shall become part of the amounts due hereunder.

- c. **City's Remedies.** Upon the occurrence of an Event of Default and thereafter until such Event of Default is cured, the City may, at its option, exercise any and all of the following rights and remedies (and any other rights and remedies available to it): the City may, by notice in writing to Owner, declare immediately due and payable all unpaid principal owed, and the same shall thereupon be immediately due and payable without presentment or other demand, protest, notice of dishonor or any other notice of any kind, all of which are hereby expressly waived. Any amounts collected pursuant to action taken under this subsection shall be applied to the outstanding principal balance due under this Agreement.
- d. **Manner of Exercise.** No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or be construed to be a waiver of any default or acquiescence therein, but any such right or power may be exercised from time to time and as often as may be deemed expedient.
- e. **Attorney's Fees and Expenses.** In the event either party should default under any of the provisions of this Agreement and the other party should employ attorneys or incur other expenses for the collection of amounts due hereunder or the enforcement of performance of any obligation or agreement, the defaulting party will on demand pay, solely from its own funds, the reasonable fees of such attorneys and such other reasonable expenses so incurred.

4. MISCELLANEOUS TERMS

- a. **Attorneys' Fees.** If either party takes steps to enforce this Agreement, the party in whose favor this Agreement is justifiably enforced shall recover costs and attorneys' fees from the other party, whether or not litigation is commenced.
- b. **Addresses for Notice.** Any notice or communication required or permitted hereunder shall be given in writing and shall be personally delivered, or sent by United States mail, postage, prepaid, registered or certified mail, return receipt requested, addressed as follows:

City:
City of Grand Junction
Attn: Greg Caton, City Manager
250 North 5th Street
Grand Junction, CO 81501

Owner:
Redlands Three Sixty Development
Company, LLC
9540 Federal Drive, Suite 200
Colorado Springs, CO 80921
Attn: Doug Quimby

With a copy to:
John P. Shaver
City of Grand Junction
250 North 5th Street
Grand Junction, CO 81501

With a copy to:
Andrew H. Teske
Hoskin, Farina & Kampf, P.C.
200 Grand Avenue, Suite 400
Grand Junction, CO 81501

With a copy to such other address or the attention of such other person(s) as hereafter designated in writing by the applicable parties in conformance with this procedure. Notices shall be effective upon mailing or personal delivery in compliance with this paragraph.

- c. **Applicable Law.** Except to the extent specifically set forth herein, this Agreement, and the terms, conditions and covenants herein contained, shall be deemed to complement and shall be in addition to the conditions and requirements of applicable laws, rules and regulations. This Agreement shall be construed pursuant to the laws of the State of Colorado. Jurisdiction and venue for any cause of action arising under this Agreement shall be proper and exclusive in Mesa County District Court.
- d. **Severability.** It is understood and agreed by the parties that if any part, term, or provision of this Agreement is held by any court of competent jurisdiction to be illegal or in conflict with any applicable law, rule or regulation, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.
- e. **Complete Agreement.** This instrument embodies the whole agreement of the Parties. There are no promises, terms, conditions, or obligations other than those contained herein; and with the exception of the other agreements referenced herein, this Agreement shall supersede all previous communications, representations, or agreements, either verbal or written, between the parties. There shall be no modification of this Agreement except in writing, executed with the same formalities as this instrument.
- f. **Force Majeure.** If either party is unreasonably delayed, disrupted or interfered with by the presence of any reasonably perceived hazardous material, labor dispute, fire, adverse weather conditions not reasonably anticipated, any written

or oral order, directive, interpretation or determination made by any governmental entity having jurisdiction, unavoidable casualties or any other causes reasonably beyond the delayed party's control (each a "Force Majeure Event"), then the delayed party's time shall be extended for such duration as reasonably requested by the delayed party upon the delayed party's submission of its request for an extension of time with an explanation of the Force Majeure Event and upon agreement by the non-delaying party that a Force Majeure Event exists, which agreement shall not be unreasonably withheld. Notwithstanding the foregoing, neither party may rely on the other party's actions as a basis for reasonable delay.


- g. Effective Date.** The terms of this Agreement shall become binding on all Parties hereto on the date first set forth above.
- h. No Waiver.** No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provisions herein, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder.
- i. Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original.
- j. Authority.** The undersigned hereby acknowledge and warrant their power and authority to bind the Parties to this Agreement.
- k. Binding Effect and Assignment.** This Agreement shall be binding upon and inure to the benefit of Owner and the City and their respective successors and assigns, except that Owner may not transfer or assign its rights hereunder without prior written consent of the City.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized officials to place their hands and seals upon this Agreement as of the respective dates set forth opposite the acknowledgment below of their execution of the Agreement, to be effective as of the day and year first above written.

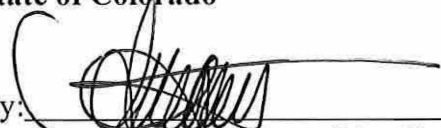
CITY OF GRAND JUNCTION, a home rule municipality and political subdivision of the State of Colorado

ATTEST:

By:


Amy Phillips, City Clerk

By:

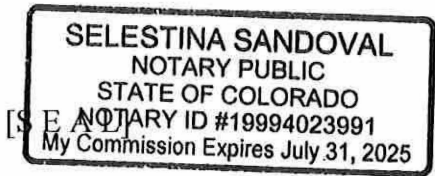

Anna Stout, President of the City Council

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

ACKNOWLEDGED before me this 23 day of October, 2023, by Anna Stout,
President of the City Council of the City of Grand Junction, Colorado.

WITNESS my hand and official seal.

My commission expires: July 31, 2025



Selestina Sandoval
Notary Public

REDLANDS THREE SIXTY, LLC
a Colorado limited liability company

By: La Plata Communities, Inc., Manager

By: *B. Douglas Quimby*
B. Douglas Quimby, President

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

ACKNOWLEDGED before me this 16th day of October, 2023, by B. Douglas Quimby
as President of La Plata Communities, Inc., Manager, of Redlands Three Sixty, a Colorado limited
liability company.

WITNESS my hand and official seal.

My commission expires: 8/4/27



Denise Jordan Wallace
Notary Public

[S E A L]

REDLANDS METROPOLITAN DISTRICT No. 1

By: Bror D. Quimby
Bror D. Quimby, President

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

ACKNOWLEDGED before me this 16th day of October 2023, by Bror D. Quimby as President of Redlands Metropolitan District No. 1.

WITNESS my hand and official seal.

My commission expires: 8/4/27

Denise Jordan Wallace
Notary Public

[S E A L]



REDLANDS METROPOLITAN DISTRICT No. 2

By: Bror D. Quimby
Bror D. Quimby

STATE OF COLORADO)
) ss.
COUNTY OF El Paso)

ACKNOWLEDGED before me this 16th day of October 2023, by Bror D. Quimby as President of Redlands Metropolitan District No. 2.

WITNESS my hand and official seal.

My commission expires: 8/4/27

Denise Jordan Wallace
Notary Public

[S E A L]



SECURITY AGREEMENT

Debtor: **REDLANDS THREE SIXTY, LLC**, a Colorado limited liability company

Address: 9540 Federal Drive, Suite 200
Colorado Springs, CO 80921

Secured Party: **CITY OF GRAND JUNCTION**, a home rule municipality and political subdivision of the State of Colorado

Address: 250 North 5th Street
Grand Junction, Colorado 81501

Effective Date: October 4 2023

Debtor, for valuable consideration, hereby grants to Secured Party a security interest in the following property now owned or hereafter acquired, and any and all proceeds to, for or from the property ("Collateral"):

All developer reimbursements for infrastructure relating to Redlands 360, including but not limited to all Developer Receivables arising pursuant to that certain Reimbursement Agreement dated September 8, 2022, and all advances or proceeds from bonds paid to or allocated to Debtor.

This security interest is granted to secure payment of a Promissory Note made by Debtor as Borrower and payable to Secured Party as Note Holder in the principal sum of no more than the Maximum Loan Amount provided in that certain Loan Agreement by and between the Borrower and Note Holder, or so much of that sum as may be advanced thereunder, and any and all other obligations and liabilities of the Debtor to the Secured Party under the Loan Agreement. All the capitalized terms used in this Security Agreement have the same meaning as the defined terms in the Loan Agreement unless specifically provided otherwise.

1. **Debtor's Warranties and Covenants.** Debtor expressly warrants and covenants:

a. That except for the security interest granted hereby, Debtor is, or to the extent that this Security Agreement states that the Collateral is to be acquired after the date hereof, will be, the owner of the Collateral;

- b. That Redlands Three Sixty, LLC, is a Colorado limited liability company in good standing;
- c. That Debtor's address is as stated above;
- d. That all taxes and assessments of every nature that may be levied or assessed against the Collateral, if any, will be paid by Debtor when due;
- e. That irrespective of the Secured Party's security interest, Debtor will not sell or offer to sell or otherwise transfer or encumber the Collateral or any interest therein without the prior written consent of the Secured Party;
- f. That Debtor will not use the Collateral in violation of any applicable statutes, regulations or ordinances.
- g. That Debtor will execute and deliver all documents and perform all other actions requested by Secured Party to perfect or preserve this security interest;

2. **Debtor's Waiver.** Debtor hereby agrees as follows:

DEBTOR HAS VOLUNTARILY, INTELLIGENTLY AND KNOWINGLY WAIVED ANY STATUTORY EXEMPTIONS, INCLUDING THOSE GRANTED BY §13-54-102, C.R.S., INsofar AS SUCH EXEMPTIONS PERTAIN TO THE COLLATERAL DESCRIBED IN THIS SECURITY AGREEMENT, AND DEBTOR'S RIGHT TO HAVE A HEARING PRIOR TO LOSING POSSESSION OF THE COLLATERAL BY MEANS OF A COURT ORDER OBTAINED BY SECURED PARTY, AND CONSENTS THAT, UPON DEFAULT OF ANY PROVISIONS OF THIS SECURITY AGREEMENT OR ON ANY TERMS OF THE PROMISSORY NOTE OR OTHER OBLIGATIONS SECURED BY THIS SECURITY AGREEMENT, THE SECURED PARTY MAY OBTAIN AN *EX PARTE* ORDER OF POSSESSION FROM ANY COURT OF COMPETENT JURISDICTION OR ASSUME ALL RIGHTS OF OWNERSHIP IN THE COLLATERAL.

3. **Debtor's Rights.** Until any default, Debtor may exercise and enjoy all the rights accruing from its ownership or claim to own the Collateral in any lawful manner, and upon default Secured Party shall have the immediate rights accruing from the ownership of the Collateral.

4. **Default.** Debtor shall be in default under this Security Agreement upon the happening of any of the following events or conditions:

- a. default in the payment or performance of any obligation, covenant or liability contained or referred to herein;

- b. default in the payment or performance of any obligation under the Note;
- c. default in any obligation under the Loan Agreement;
- d. the making or furnishing of any warranty, representation or statement to the Secured Party by or on behalf of the Debtor which proves to have been false in any material respect when made or furnished;
- e. sale or encumbrance of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon; or
- f. death, change of name, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws of, by or against Debtor.

UPON SUCH DEFAULT and at any time thereafter, or if it deems itself insecure, Secured Party may declare all obligations secured hereby immediately due and payable and shall have the remedies of a secured party under Article 9 of the Uniform Commercial Code, in addition to any other rights and remedies which Secured Party may have. Debtor shall pay to the Secured Party on demand any and all expenses and reasonable attorney's fees incurred or paid by the Secured Party in protecting and enforcing its rights hereunder, and all such expenses shall constitute a part of Debtor's obligations.

5. **No Waiver by Secured Party.** No waiver by Secured Party of any default shall operate as a waiver of any other default or of the same default on a future occasion. The making of this Security Agreement shall not waive or impair any other security said Secured Party may have or hereafter acquire for the payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this security agreement; but said Secured Party may resort to any security it may have in the order it may deem proper, and notwithstanding any collateral security, Secured Party shall retain its rights of set-off against Debtor.

6. **Binding Effect.** All rights of Secured Party hereunder shall inure to the benefit of the Secured Party's successors and assigns; and all promises and duties of Debtor shall bind the Debtor's heirs, personal representatives, agents, successors and assigns. If there be more than one Debtor, their liabilities hereunder shall be joint and several.

7. **Construction of Agreement.** Should any provision of this Security Agreement violate any federal, state or local law or ordinance, that provision shall be deemed amended to so comply with such law or ordinance and shall be construed in a manner so as to comply.

8. **Governing Law; Venue.** This Security Agreement shall be governed by and construed by the laws of the State of Colorado, without regard to the conflicts of law rules thereof. With respect to any disputes under this Security Agreement, venue shall only be proper in Mesa County, Colorado.

9. **Attorneys' Fees and Costs.** In the event any litigation or other proceeding is brought for the interpretation or enforcement of this Security Agreement or because of an alleged dispute, default, misrepresentation, or breach in connection with any of the provisions of this Security Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees, expert witness fees, costs and expenses actually incurred in initiating or responding to such proceeding, in addition to any other relief to which such party may be entitled, whether or not incurred with or without the need for litigation, prior to trial, at trial, on appeal or in bankruptcy, insolvency or related proceedings and including the attorneys' fees incurred in disputes as to the amount of reasonable attorneys' fees and in the collection of any and all such fees and costs.

10. **Counterparts.** This Security Agreement may be signed in one or more identical counterparts, and all of such counterparts, when taken together, will be deemed to constitute the original of this Security Agreement.

Signatures Follow

This Security Agreement is dated effective the 4 day of Oct, 2023.

DEBTOR:

**REDLANDS THREE SIXTY, LLC, a
Colorado limited liability company**

By: La Plata Communities, Inc., Manager

By: B. Douglas Quimby
B. Douglas Quimby, President

SECURED PARTY:

**CITY OF GRAND JUNCTION, a home rule
municipality and political subdivision of the
State of Colorado**

By: (Signature)
Anna Stout, President of City Council