

## PROMISSORY NOTE

Principal Amount: U.S. \$500,000.00

Date of Note: July, 2022

FOR VALUE RECEIVED, the undersigned Crawford Townhomes, LLLP, a Colorado limited liability limited partnership, hereinafter referred to as "Borrower", and its successors in interest, promises to pay to the City of Pueblo, a Municipal Corporation, or order, hereinafter referred to as the "Note Holder," the sum of Five Hundred Thousand and No/100ths (\$500,000.00) U.S. Dollars and interest on the principal balance outstanding from the date hereof until paid, at the rate of zero percent (0%) per annum, provided payment is made in accordance herewith, and payable at the Note Holder's office at 1 City Hall Place, Pueblo, Colorado, 81003, or such other place as Note Holder may designate. A minimum annual payment of Five Hundred U.S. Dollars (\$500.00) per year shall be due and payable by January 15, 2024 and each year thereafter for (20) years. Additional payments made during the term are encouraged (but not required) and shall be credited to the outstanding balance of the loan. However, such additional payments are subject to a limitation equal to one hundred percent (100%) of the net cash flow from the Project, with any payments or portion of payments that cannot be paid due to such limitation to be made at the time of the next available net cash flow. As used herein, "net cash flow from the Project" means, with respect to any fiscal year or applicable period, (a) all cash receipts of Crawford Townhomes, LLLP, its successors and assigns (collectively the "Partnership") from operations (excluding proceeds from Capital Transactions, Capital Contributions and the proceeds of any loan), subsidy payments, or rental interruption insurance recoveries received by the Partnership during such period, plus (b) any interest or like earnings of the Partnership and any amounts which the General Partners release upon approval of the Investor Limited Partner as being no longer necessary to hold as part of such reserve, less: (i) cash funds used to pay Project Expenses of the Partnership during the period, including any fees and expenses paid to the Partners, (ii) all cash payments during such period to discharge Partnership indebtedness, and (iii) any amounts added to Partnership reserves (other than the Operating Reserves) during such period. If not sooner paid or accelerated as herein provided, the entire principal amount of Five Hundred Thousand and No/100ths (\$500,000.00) U.S. Dollars outstanding, less payments, and accrued interest thereon, shall be due upon the end of the twenty (20) year period of affordability pursuant to the Agreement (as defined below). The period of affordability is estimated to conclude on January 15, 2044. Any such payments of net cash flow shall be made in accordance with, at the times set forth in, and the priority set forth in the Amended and Restated Agreement of Limited Partnership of Borrower dated as of July 1, 2022, attached hereto as Exhibit B, where said priority may not be amended without Note Holder's prior written consent.

The Loan evidenced by this Note is being made to finance a residential housing project (hereinafter referred to as the "Project") in accordance with the Affordable Housing Development Loan Agreement between Borrower and Note Holder dated of even date herewith (hereinafter referred to as the "Agreement"). This Note and all principal and interest payable hereunder are secured by a Deed of Trust of even date herewith upon real property, upon which the Project is located or to be located, and all improvements thereon, situated in the County of Pueblo, State of Colorado (hereinafter referred to as the "Property") and described more particularly as:

See Exhibit A

The terms, conditions, covenants, provisions, stipulations, and agreements of said Deed of Trust and said Agreement are hereby made a part of this Note by reference in the same manner and with the same effect as if they were fully set forth herein, and the Borrower hereby covenants and promises to abide by and comply with each and every covenant and condition set forth in this Note, the Deed of Trust, and the Agreement.

The Borrower reserves the right to prepay all or any part of the principal owing on this Note at any time or times prior to maturity without notice and payment of any premium or penalty.

Upon the occurrence of any of the following events, the entire principal amount of Five Hundred Thousand and No/100ths (\$500,000.00) U.S. Dollars, or the unpaid principal thereof, together with all accrued interest thereon, shall, at the option of the Note Holder, upon 20 days written notice to Borrower by certified mail or commercial express courier, unless cured within said 20 days, where Note Holder may require specific performance, become at once due and payable and shall accrue interest at the default rate of four percent (4%) per annum thereafter until paid in full, and no failure by the Note Holder to exercise such option shall be deemed or construed as a waiver of the right or as a waiver of the right to exercise the same in the event of any subsequent default or breach:

1. Any default in the payment when due, or any part of the principal or interest hereunder.
2. Any breach or failure of the Borrower to perform within the allotted time any term or condition of the Agreement, the Deed of Trust, or any other instrument securing to the Note Holder payment or performance of any obligation of the Borrower.
3. If the Borrower shall be involved in financial difficulties as evidenced: (i) by an admission in writing of the Borrower's inability to pay its debts generally as they become due; (ii) by filing a petition in bankruptcy or for the adoption of an arrangement under the federal Bankruptcy Code (as now or in the future amended) or an admission seeking the relief therein provided; (iii) by making an assignment for the benefit of creditors; (iv) by consenting to the appointment of a receiver or trustee for all or a substantial part of the Borrower's assets or to the filing of a petition against the Borrower under said Bankruptcy Code; (v) by being adjudicated as bankrupt; (vi) by the entry of a court order appointing a receiver or trustee for all or a substantial part of the assets of the Borrower or approving as filed in good faith a petition filed against the Borrower under said Bankruptcy Code; (vii) by the assumption of custody or sequestration by a court of competent jurisdiction of all or substantially all of the assets of the Borrower; (viii) by an attachment for an amount in excess of \$25,000 on any substantial part of the assets of the Borrower which shall not be discharged within thirty (30) days from the making thereof; or (ix) by a judgment or decree for the payment of money in excess of \$25,000 being entered against the Borrower, or if an attachment, execution or levy is made upon

any of the Borrower's assets and the judgment, execution or levy, as the case may be, is not discharged or stayed within thirty (30) days from the date of the judgment, attachment, execution or levy as the case may be.

4. If the Borrower shall have made any misrepresentation of a material nature in its application for the Loan, or in any document furnished by it to the Note Holder relative to the Project.
5. If there is pending or threatened litigation with respect to the Loan or the performance by the Borrower of any of its duties or obligations hereunder.
6. If the Project cannot proceed because of inability to continue land option or secure zoning or due to any action by any branch of government which impairs use of the Property herein described for proposed Project purposes.
7. If the Note Holder determines that the Borrower has abandoned or discontinued the initiation, construction, rehabilitation or completion of the Project.
8. Any breach of the affordability requirements detailed in the Agreement, Deed of Trust, or as otherwise may be required pursuant to 24 C.F.R. Part 92. In the event the Borrower should sell or voluntarily transfer title to the Project, the Property, or other real property or improvements constructed or improved with funds provided pursuant to the Agreement, within 20 years after substantial completion of the Project or said improvements, the entire indebtedness under this Note shall immediately become due and payable and shall be collected and repaid to Note Holder.

**RIGHT TO CURE:** Note Holder shall use best efforts to provide a courtesy copy of all notices sent to Borrower hereunder to RBC Community Investments, LLC, Attention: President and General Counsel, 600 Superior Avenue, Suite 2300, Cleveland, Ohio 44114, and Applegate & Thorne-Thomsen, P.C., Attention: Bennett P. Applegate, Esq., 425 S. Financial Place, Suite 1900, Chicago, Illinois 60605. Any failure to deliver such courtesy copy shall not be deemed a failure to provide notice to the Borrower. Notwithstanding anything to the contrary contained in this Note, Borrower's Investor Partner and/or Special Limited Partner shall have the right, but not the obligation, to cure defaults of Borrower.

The Borrower, and any and all endorsers, sureties, guarantors and assumers hereof, hereby jointly and severally waive presentment, protest, notices of dishonor and of protest, and all defenses whatsoever on the ground of any extension(s) of the time of payment or of the due dates of this Note, in whole or in part, before or after maturity, with or without notice, it being further agreed by the Borrower and all such parties that they will pay all collection expense, court costs, and reasonable attorneys' fees which may be incurred in the collection or enforcement of this Note or any part hereof.

The loan evidenced by this Note is a recourse obligation of Borrower.

This instrument shall be governed by the laws of the State of Colorado and any dispute regarding its terms and conditions shall be resolved in the District Courts of the State of Colorado.

Executed and delivered this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**BORROWER:**

CRAWFORD TOWNHOMES, LLLP, a Colorado limited liability limited partnership

By: Crawford MM, LLC,  
a Colorado limited liability company, its general partner

By: El Centro Pueblo Development Corporation, Inc., a Colorado non-profit corporation, its sole member

By: \_\_\_\_\_  
Steven L. Trujillo, Secretary/Treasurer

**Exhibit A  
To  
Promissory Note**

**LEGAL DESCRIPTION**

(2) TWO PARCELS OF LAND BEING A PORTION OF HOUSING SUBDIVISION RECORDED ON MAY 24, 1952 IN THE OFFICE OF THE CLERK AND RECORDER OF THE COUNTY OF PUEBLO UNDER RECEPTION NUMBER 913457 (BOOK 16, PAGE 3), A PORTION OF LOT 13, BLOCK 23 OF UPLANDS PARK RECORDED ON FEBRUARY 19, 1886 IN SAID RECORDS IN BOOK 2B AT PAGES 33-34 AND A PORTION OF UPLANDS TOWNHOMES FILING NO. 2 RECORDED ON DECEMBER 6, 2019 IN SAID RECORDS UNDER RECEPTION NUMBER 2161535; LOCATED IN THE NORTHWEST ONE-QUARTER OF SECTION 11, TOWNSHIP 21 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN; MORE PARTICULARLY DESCRIBED AS FOLLOWS WITH BEARINGS REFERENCED TO THE NORTH LINE OF SAID HOUSING SUBDIVISION, MONUMENTED ON THE WEST END BY A FOUND 1-1/2" ALUMINUM TAG STAMPED "MANGINI REEVES INC, PLS 22101" AND ON THE EAST END BY A FOUND 1" YELLOW PLASTIC CAP STAMPED "CARDINAL, PLS 22101" (A 1-FOOT WITNESS CORNER), AND IS ASSUMED TO BEAR NORTH 88°54'18" EAST 1253.48 FEET.

**PARCEL 1**

**COMMENCING** AT THE WEST END OF SAID NORTH LINE; SAID POINT BEING ALSO THE NORTHWEST CORNER OF SAID HOUSING SUBDIVISION AND A POINT ON THE EAST RIGHT-OF-WAY LINE OF SOUTH PRAIRIE AVENUE; THENCE NORTH 88°54'18" EAST, ON SAID NORTH LINE OF HOUSING SUBDIVISION, A DISTANCE OF 381.43 FEET TO THE **POINT OF BEGINNING**;

THENCE CONTINUE NORTH 88°54'18" EAST ON SAID NORTH LINE, A DISTANCE OF 230.44 FEET TO THE NORTHWESTERLY CORNER OF SAID UPLANDS TOWNHOMES FILING NO. 2;

THENCE ON THE EXTERIOR OF SAID UPLANDS TOWNHOMES FILING NO. 2 THE FOLLOWING (4) FOUR COURSES:

1. THENCE SOUTH 01°05'42" EAST, A DISTANCE OF 178.95 FEET;
2. THENCE SOUTH 89°26'28" WEST, A DISTANCE OF 32.02 FEET;
3. THENCE SOUTH 01°06'56" EAST, A DISTANCE OF 60.09 FEET;
4. THENCE SOUTH 44°14'08" WEST, A DISTANCE OF 41.63 FEET TO A 184.06 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS NORTH 13°35'26" WEST, BEING ALSO THE NORTHERLY RIGHT-OF-WAY LINE OF TRIBAL NATIONS AVENUE, AS SHOWN ON THE PLAT OF SAID UPLANDS TOWNHOMES FILING NO. 2;

THENCE ON SAID EXTERIOR THE FOLLOWING (4) FOUR COURSES:

1. THENCE WESTERLY ON SAID CURVE, THROUGH A CENTRAL ANGLE OF 05°56'58", AN ARC DISTANCE OF 19.11 FEET TO A 28.73 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS NORTH 07°32'42" WEST;
2. THENCE WESTERLY ON SAID CURVE, THROUGH A CENTRAL ANGLE OF 51°19'09", AN ARC DISTANCE OF 25.74 FEET;
3. THENCE NORTH 46°13'38" WEST, A DISTANCE OF 64.92 FEET;
4. THENCE SOUTH 43°46'26" WEST, A DISTANCE OF 2.99 FEET TO THE NORTHEASTERLY CORNER OF SITTER PLACE, AS SHOWN ON THE PLAT OF SAID HOUSING SUBDIVISION;

THENCE NORTH 46°05'32" WEST ON THE NORTHERLY RIGHT-OF-WAY LINE OF SAID SITTER PLACE, A DISTANCE OF 22.57 FEET;

THENCE NORTH 48°21'35" EAST, A DISTANCE OF 17.11 FEET;

THENCE NORTH 01°06'04" WEST, A DISTANCE OF 47.47 FEET;

THENCE SOUTH 88°53'56" WEST, A DISTANCE OF 76.58 FEET;

THENCE NORTH 00°38'19" WEST, A DISTANCE OF 144.77 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE PARCEL DESCRIPTION CONTAINS A CALCULATED AREA OF 47,937 SQUARE FEET OR (1.10048 ACRES), MORE OR LESS, AND IS DEPICTED ON THE ATTACHED GRAPHICAL EXHIBIT FOR REFERENCE.

**PARCEL 2**

**COMMENCING** AT THE WEST END OF SAID NORTH LINE OF HOUSING SUBDIVISION; SAID POINT BEING ALSO THE NORTHWEST CORNER OF SAID HOUSING SUBDIVISION AND A POINT ON THE EAST RIGHT-OF-WAY LINE OF SOUTH PRAIRIE AVENUE;

THENCE SOUTH 01°05'45" EAST ON SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 477.95 FEET TO THE **POINT OF BEGINNING**;

THENCE NORTH 88°53'56" EAST, A DISTANCE OF 260.82 FEET;

THENCE NORTH 01°06'02" WEST, A DISTANCE OF 83.87 FEET;

THENCE NORTH 88°54'36" EAST, A DISTANCE OF 178.06 FEET;

THENCE NORTH 00°50'50" WEST, A DISTANCE OF 49.79 FEET;

THENCE NORTH 89°45'13" EAST, A DISTANCE OF 22.78 FEET;

THENCE NORTH 01°06'04" WEST, A DISTANCE OF 46.64 FEET TO THE EXTERIOR OF SAID UPLANDS TOWNHOMES FILING NO. 2, BEING ALSO THE SOUTHERLY RIGHT-OF-WAY LINE OF SITTER PLACE, AS SHOWN ON THE PLAT OF SAID UPLANDS TOWNHOMES FILING NO. 2;

THENCE ON SAID EXTERIOR, SAID SOUTHERLY RIGHT-OF-WAY LINE, AND THE SOUTHERLY RIGHT-OF-WAY LINE OF TRIBAL NATIONS AVENUE, AS SHOWN ON THE PLAT OF SAID UPLANDS TOWNHOMES FILING NO. 2, THE FOLLOWING (2) TWO COURSES:

1. THENCE SOUTH 46°13'38" EAST, A DISTANCE OF 15.21 FEET TO A 72.76 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS NORTH 43°46'21" EAST;
2. THENCE SOUTHEASTERLY ON SAID CURVE, THROUGH A CENTRAL ANGLE OF 15°53'10", AN ARC DISTANCE OF 20.17 FEET TO A 75.64 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS NORTH 27°59'04" EAST;

THENCE CONTINUE ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF TRIBAL NATIONS AVENUE THE FOLLOWING (7) SEVEN COURSES:

1. THENCE EASTERLY ON SAID CURVE, THROUGH A CENTRAL ANGLE OF 23°09'13", AN ARC DISTANCE OF 30.57 FEET TO A 300.00 FOOT RADIUS REVERSE CURVE;
2. THENCE EASTERLY ON SAID REVERSE CURVE, THROUGH A CENTRAL ANGLE OF 10°01'39", AN ARC DISTANCE OF 52.50 FEET TO A 39.00 FOOT RADIUS COMPOUND CURVE;
3. THENCE SOUTHEASTERLY ON SAID CURVE, THROUGH A CENTRAL ANGLE OF 25°37'02", AN ARC DISTANCE OF 17.44 FEET TO A 63.17 FOOT RADIUS REVERSE CURVE;
4. THENCE EASTERLY ON SAID REVERSE CURVE, THROUGH A CENTRAL ANGLE OF 83°11'16", AN ARC DISTANCE OF 91.72 FEET TO A 38.83 FOOT RADIUS REVERSE CURVE;
5. THENCE NORTHEASTERLY ON SAID REVERSE CURVE, THROUGH A CENTRAL ANGLE OF 25°31'58", AN ARC DISTANCE OF 17.30 FEET TO A 301.18 FOOT RADIUS COMPOUND CURVE;
6. THENCE EASTERLY ON SAID CURVE, THROUGH A CENTRAL ANGLE OF 08°14'17", AN ARC DISTANCE OF 43.30 FEET;
7. THENCE NORTH 88°54'27" EAST, A DISTANCE OF 527.92 FEET TO THE EXTERIOR OF SAID UPLANDS TOWNHOMES FILING NO. 2, BEING ALSO THE WESTERLY RIGHT-OF-WAY LINE OF ACERO AVENUE;

THENCE SOUTH 01°05'33" EAST ON SAID EXTERIOR AND SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 31.69 FEET TO THE SOUTHEASTERLY CORNER OF SAID UPLANDS TOWNHOMES FILING NO. 2, BEING ALSO THE NORTHEASTERLY CORNER OF SAID LOT 13, BLOCK 23 OF UPLANDS PARK;

THENCE CONTINUE SOUTH 01°05'33" EAST ON SAID EXTERIOR AND SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 297.23 FEET TO THE SOUTHEASTERLY CORNER OF SAID LOT 13, BLOCK 23 OF UPLANDS PARK, BEING ALSO THE INTERSECTION OF SAID WESTERLY RIGHT-OF-WAY LINE WITH THE NORTHERLY RIGHT-OF-WAY LINE OF SPRAGUE AVENUE;

THENCE SOUTH 88°54'57" WEST ON SAID EXTERIOR AND SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 626.63 FEET TO THE SOUTHWEST CORNER OF SAID LOT 13, BLOCK 23 OF UPLANDS PARK AND THE SOUTHEAST CORNER OF BLOCK 3 OF SAID HOUSING SUBDIVISION;

THENCE CONTINUE SOUTH 88°54'57" WEST ON THE EXTERIOR OF SAID HOUSING SUBDIVISION AND SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 626.81 FEET THE SOUTHWEST CORNER OF SAID HOUSING SUBDIVISION, BEING ALSO THE INTERSECTION OF SAID NORTH RIGHT-OF-WAY LINE WITH SAID EAST RIGHT-OF-WAY LINE OF SOUTH PRAIRIE AVENUE;

THENCE NORTH 01°05'45" WEST ON SAID EXTERIOR AND SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 181.65 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE PARCEL DESCRIPTION CONTAINS A CALCULATED AREA OF 359,855 SQUARE FEET OR (8.26114 ACRES), MORE OR LESS, AND IS DEPICTED ON THE ATTACHED GRAPHICAL EXHIBIT FOR REFERENCE.

THE OVERALL PARCEL DESCRIPTION CONTAINS A CALCULATED AREA OF 407,792 SQUARE FEET OR (9.36162 ACRES), MORE OR LESS, AND IS DEPICTED ON THE ATTACHED GRAPHICAL EXHIBIT FOR REFERENCE.

**Exhibit B  
To  
Promissory Note  
Amended and Restated Agreement of Limited Partnership of Borrower**