

PROMISSORY NOTE

(B-3 Authority Note)

U.S. \$2,536,066.97

_____, 2024

FOR VALUE RECEIVED, and at the times hereinafter specified, Aspire Westminster Borrower LLC, a Minnesota limited liability company (“**Maker**”), whose address is 233 Park Avenue South, Suite 201, Minneapolis, Minnesota 55415, hereby promises to pay to the order of Westminster Economic Development Authority, a Colorado urban renewal authority (hereinafter referred to, together with each subsequent holder hereof, as “**Holder**”), at 4800 West 92nd Avenue, Westminster, Colorado 80031, or at such other address as may be designated from time to time hereafter by any Holder, the principal sum of Two Million Five Hundred Thirty-Six Thousand Sixty-Six and 97/100 Dollars (\$2,536,066.97), together with interest on the principal balance outstanding from time to time, as hereinafter provided, in lawful money of the United States of America.

The balance of principal outstanding from time to time under this promissory note (this “**Note**”) shall bear interest at the rate of two and one-half percent (2.50%) per annum, compounded annually, commencing on the date of this Note and continuing until all principal and accrued interest is paid hereunder. Interest on this Note shall accrue during the term of this Note and shall be payable on the Maturity Date together with the payment of principal and any other amounts due hereunder.

The entire outstanding balance of principal, all accrued interest and other amounts owing hereunder, shall be due and payable in full on February 28, 2029 (the “**Maturity Date**”).

Maker may prepay this Note in whole or in part at any time, without premium or penalty. Any such prepayments will be applied first to accrued interest outstanding on the Note and after accrued interest paid, against the then outstanding principal balance of this Note. Commencing on December 31, 2025, Maker shall make annual payments of \$150,000 toward the principal balance of this Note to Holder no later than December 31st of each year until the Maturity Date.

Whenever any payment to be made under this Note shall be stated to be due on a Saturday, Sunday or public holiday or the equivalent for federally chartered banking associations doing business in the State of Colorado (any other day being a “**Business Day**”), such payment may be made on the next succeeding Business Day.

The entire balance of principal, interest, and other sums due upon the maturity hereof, by acceleration or otherwise, if not paid on maturity, shall bear interest from the date due until paid at the rate of twelve percent (12.0%) per annum (the “**Default Rate**”). Any interest calculated at the Default Rate under this Note shall be compounded.

In addition to interest as set forth herein, Maker shall pay Holder a late charge equal to five percent (5%) of any amounts due under this Note in the event any such amount is not paid within fifteen (15) days after such payment is due. The late charge is not a penalty but liquidated damages to defray administrative and related expenses due to such late payment. The late charge shall be immediately due and payable and shall be paid by Maker to Holder without notice or demand. This provision for a late charge is not and shall not be deemed a grace period, and Holder has no obligation to accept a late payment. Further, the acceptance of a late payment shall not constitute a waiver of any default then existing or thereafter arising under this Note.

All payments hereunder shall be applied first to the payment of late charges, if any, then to the repayment of any sums advanced by Holder, if any, together with interest thereon from the date of advance until repaid, then to the payment of accrued and unpaid interest, and then to the reduction of principal.

Payments under this Note shall be payable without setoff, counterclaim or deduction of any kind.

Maker is reissuing this Note to Holder in replacement of, and in accordance with the terms of, that Promissory Note (B-3 Authority Note) dated as of February 3, 2022, from Maker to Holder (the “**Original Note**”). The Original Note is hereby terminated and Maker is released from any and all obligations under the Original Note. Maker shall cause a replacement guaranty of this Note to be executed by (i) George E. Sherman (the “**Sherman Replacement Guaranty**”) and (ii) Sherman Associates, Inc. (the “**Associates Replacement Guaranty**”; the Sherman Replacement Guaranty and the Associates Replacement Guaranty are hereinafter collectively referred to as the “**Replacement Guaranties**”) simultaneously with the execution of this Note and shall cause executed originals of both of the same to be delivered to Holder upon execution of this Note by Maker. Upon delivery of the Replacement Guaranties to Holder, (a) George E. Sherman shall be released from the Sherman B-3 Authority Note Guaranty dated as of February 3, 2022 (“**Original Sherman Guaranty**”), (b) Sherman Associates, Inc. shall be released from the Sherman Associates, Inc. B-3 Authority Note Guaranty dated as of February 3, 2022 (“**Original Associates Guaranty**”) and (c) the Original Sherman Guaranty and the Original Associates Guaranty shall be terminated and of no further effect. At such time as the loan to Maker’s affiliate, Aspire Westminster Apartments LLC, from GLOF I REIT, LLC related to the financing of the real property legally described as Lot 2, Block B-3, Second Replat of Downtown Westminster, City of Westminster, County of Jefferson, State of Colorado (the “**Property**”), Holder shall execute, deliver and record a full release of that Deed of Trust, Security Agreement, Financing Statement and Assignment of Leases and Rents (B-3 Aspire Loan) dated as of February 3, 2022 and recorded in the office of the Jefferson County Recorder, Colorado on April 11, 2022 as Reception No. 2022034530 (the “**Deed of Trust**”), encumbering the Property.

Any failure to pay when due any sum hereunder or failure to perform any covenant or agreement herein contained shall constitute an “**Event of Default**” hereunder and under the Guaranties, and any default or Event of Default under the Guaranties shall constitute an Event of Default hereunder. Upon the occurrence of any Event of Default, the entire balance of principal, accrued interest, and other sums owing hereunder shall bear interest at the Default Rate and, at the option of Holder, become at once due and payable without notice or demand, and Holder shall be

entitled to recover from Maker all of Holder's costs of collection, including without limitation, reasonable fees and expenses of attorneys, paralegals and other legal assistants.

Maker hereby certifies and declares that all acts, conditions and things required to be done and performed and to have happened precedent to the creation and issuance of this Note, and to constitute this Note the legal, valid and binding obligation of Maker, enforceable in accordance with the terms hereof, have been done and performed and have happened in due and strict compliance with all applicable laws.

Maker and all parties now or hereafter liable for the payment hereof, primarily or secondarily, directly or indirectly, and whether as endorser, guarantor, surety, or otherwise, hereby severally (a) waive presentment, demand, protest, notice of protest and/or dishonor, and all other demands or notices of any sort whatever with respect to this Note, (b) consent to impairment or release of collateral, extensions of time for payment, and acceptance of partial payments before, at, or after maturity, (c) waive any right to require Holder to proceed against any security for this Note before proceeding hereunder, and (d) agree to pay all costs and expenses, including reasonable attorneys' fees, which may be incurred in the collection of this Note or any part thereof or in preserving, securing possession of, and realizing upon any security for this Note.

The provisions of this Note and of all agreements between Maker and Holder are hereby expressly limited so that in no contingency or event whatever shall the amount paid, or agreed to be paid, to Holder for the use, forbearance, or detention of the money to be loaned hereunder exceed the maximum amount permissible under applicable law. If, from any circumstance whatever, the performance or fulfillment of any provision hereof or of any other agreement between Maker and Holder shall, at the time performance or fulfillment of such provision is due, involve or purport to require any payment in excess of the limits prescribed by law, then the obligation to be performed or fulfilled is hereby reduced to the limit of such validity, and if from any circumstance whatever Holder should ever receive as interest an amount which would exceed the highest lawful rate, the amount which would be excessive interest shall be applied to the reduction of the principal balance owing hereunder or, at Holder's option, be paid over to Maker, and shall not be counted as interest.

If any provision hereof or of any other document securing or related to the indebtedness evidenced hereby is, for any reason and to any extent, invalid or unenforceable, then neither the remainder of the document in which such provision is contained, nor the application of the provision to other persons, entities, or circumstances, nor any other document referred to herein, shall be affected thereby, but instead shall be enforceable to the maximum extent permitted by law.

Each provision of this Note shall be and remain in full force and effect notwithstanding any negotiation or transfer hereof and any interest herein to any other Holder or participant.

Time is of the essence with respect to the obligations set forth in this Note.

This Note may not be amended, extended, renewed or modified, nor shall any waiver of any provision hereof be effective, except by an instrument in writing executed by an

authorized officer of Holder and Maker. Any waiver of any provision hereof shall be effective only in the specific instance and for the specific purpose for which given.

HOLDER AND MAKER KNOWINGLY, IRREVOCABLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING OR COUNTERCLAIM BASED ON THIS NOTE, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE OR ANY LOAN DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENT (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR HOLDER AND MAKER ENTERING INTO THE SUBJECT LOAN TRANSACTION.

Regardless of the place of its execution, this Note shall be construed and enforced in accordance with the laws of the State of Colorado (excluding the principles thereof governing conflicts of law), and federal law, in the event federal law permits a higher rate of interest than Colorado law. Any disputes regarding this Note shall be litigated in the District Court of Jefferson County, Colorado.

The undersigned acknowledges that the loan evidenced hereby is for commercial purposes only and not for personal, family, or household purposes.

In the event of an Event of Default by Maker under this Note, Holder may pursue its remedies available under the Guaranties as well as pursuing other remedies provided by applicable law.


[Signature page to follow]

**SIGNATURE PAGE
TO
PROMISSORY NOTE
(B-3 AUTHORITY NOTE)**

IN WITNESS WHEREOF, Maker has executed this Note as of the date first above written.

MAKER:

ASPIRE WESTMINSTER BORROWER LLC,
a Minnesota limited liability company

By: 
George E. Sherman, Chief Executive Officer