

COLLATERAL ASSIGNMENT OF CONTRACT RIGHTS

This **COLLATERAL ASSIGNMENT OF CONTRACT RIGHTS** (this “**Assignment**”), is made and entered into as of [DATE], 2025 (the “**Effective Date**”), by **THE NHP FOUNDATION**, a District of Columbia nonprofit corporation (“**Assignor**”), as assignor, to and for the benefit of **TOWN OF FRISCO**, a Colorado home rule municipal corporation (together with its successors and assigns, “**Lender**”), as assignee.

RECITALS

A. NHPF Galena, LLC, a Colorado limited liability company (“**Borrower**”) has or will have, concurrently with the Effective Date (as defined in the Loan Agreement), a leasehold interest in that certain real property pursuant to the Ground Lease between Borrower and Lender dated [of even date herewith] (the “**Ground Lease**”) and improvements located in Summit County, Colorado, legally described on **Exhibit A** attached hereto and incorporated herein (the “**Land**”) and intends to acquire and construct a 54-unit affordable housing apartment project located thereon (the “**Project**”).

B. Lender is making a loan to Borrower in the original principal amount of Eight Million One Hundred Thousand and no/100 Dollars (\$8,100,000.00, the “**Loan**”).

C. Borrower’s obligations to repay the Loan is evidenced by a Promissory Note in the maximum principal amount of \$8,100,000 (the “**Note**”). In connection therewith, Borrower and Lender have entered into a Loan Agreement, dated as of the Effective Date (as the same from time to time may be amended, modified, extended, renewed or restated, the “**Loan Agreement**”).

D. Assignor is the “Managing Member” of Borrower pursuant to that certain Operating Agreement of Borrower dated [DATE] (the “**Operating Agreement**”).

E. Assignor has certain contract rights under the Operating Agreement to enforce the Borrower’s obligations and to cause Borrower and/or Assignor to exercise certain remedies under the Operating Agreement (together with any other rights, power and authority Assignor may have to enforce the Borrower’s obligations, collectively, the “**Contract Rights**”).

F. Lender has required, as a condition precedent to making the Loan to Borrower, and in order to secure the Secured Obligations (as defined below), that Assignor execute and deliver this Assignment in favor of Lender.

G. In order to induce Lender to make the Loan to Borrower, Assignor has agreed to execute and deliver this Assignment.

AGREEMENT

NOW, THEREFORE, in consideration of the recitals set forth above, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby agrees for the benefit of Lender as follows:

1. **Definitions.** All capitalized terms not otherwise defined in this Assignment shall have the meanings given to them in the Loan Agreement.

2. **Assignment.** Assignor hereby delivers pledges, grants, transfers and assigns to Lender all of Assignor’s right, title and interest in, to and under the Contract Rights. The foregoing Assignment is

given for the purpose of securing the Secured Obligations (as defined below). Lender hereby grants to Assignor a revocable license to enjoy the benefits of the Contract Rights, as long as no Event of Default (as defined below) has occurred and is continuing. Neither Lender's execution of this Assignment nor Lender's exercise of any remedies under this Assignment shall cause Lender to assume any obligations of Assignor under the Operating Agreement until such time as Lender owns Assignor's interest in the Borrower.

3. **Secured Obligations.** This Assignment is given to secure the following liabilities and obligations (collectively, the "**Secured Obligations**"): all obligations, warranties, representations, agreements, covenants and liabilities of Borrower to Lender (including, without limitation, the obligation to repay principal and accrued interest on the Loan), whether primary, secondary, direct, contingent, fixed or otherwise, whether heretofore, now or from time to time hereafter owing, due or payable, however evidenced, created, incurred, acquired or owing and however arising, whether under this Assignment, the Loan Agreement, or the Loan Documents (as defined in the Loan Agreement), any guaranty, or any other instrument or agreement entered into after the date hereof, or by operation of law or otherwise in connection with the Loan Documents.

4. **Representations and Warranties.** Assignor hereby represents and warrants to Lender as follows:

4.1. the Operating Agreement is in full force and effect, and has not been modified or amended except as disclosed to Lender in writing;

4.2. except pursuant to this Assignment, Assignor has not pledged, collaterally assigned, mortgaged, hypothecated or otherwise encumbered the Contract Rights or any other right, title and interest that Assignor may have as a member of Borrower; and

4.3. Assignor has not performed any act and is not bound by any instrument or agreement which might prevent it from performing the undertakings hereunder or which might prevent Lender from operating under or enforcing any of the terms and conditions hereof or which would limit Lender in such operation or enforcement.

5. **Covenants.** Assignor hereby covenants and agrees for the benefit of Lender as follows:

5.1 Assignor will faithfully abide by, perform and discharge each and every material obligation, covenant, condition and agreement of the Operating Agreement to be performed by it, and, to the extent applicable, it shall enforce, in a commercially reasonable manner, performance by the Borrower of each and every material obligation, covenant, condition and agreement to be performed by the Borrower under the Operating Agreement.

5.2 Assignor shall not amend or modify the Operating Agreement, without the prior written consent of Lender in each instance, except as may be permitted pursuant to Section 4(i) of the Loan Agreement.

6. **Event of Default.** The occurrence of any one or more of the following shall constitute an Event of Default under this Assignment (each, an "**Event of Default**"):

6.1. Any default by Assignor in the observance or performance of any obligation, covenant, condition or agreement hereof, or otherwise to enforce the Contract Rights; provided, however, that if such default is not a default otherwise described in this Section and such default is cured within thirty (30) days after the earlier of (i) the date on which Lender gives written notice to Assignor of such default, or (ii) the date on which Assignor has knowledge of the default, provided that, if cure cannot reasonably be

effected within the 30-day period, the failure shall not be an Event of Default so long as Assignor promptly (in any event, within ten (10) days after receipt of the notice) commences cure, and thereafter diligently (in any event within ninety (90) days after receipt of the notice) prosecutes such cure to completion;

6.2. If any representation or warranty made by Assignor herein is not true and correct in any material respect as of the date given or deemed given which if susceptible of being cured, is not cured within the period set forth in subsection (6.1) above; or

6.3. The occurrence of any Event of Default under the Loan Agreement (as such term is defined therein).

7. **Remedies.** Any Event of Default hereunder shall be deemed to be an Event of Default under all of the Loan Documents. Upon the occurrence of any Event of Default hereunder, Lender shall have the right (but not the obligation), without notice or demand, (a) to declare all amounts outstanding under the Note and all other sums evidenced or secured by the Loan Documents to be immediately due and payable; (b) to exercise any and all rights and remedies provided under the Loan Documents, or hereunder, as well as such remedies as may be available at law or in equity; (c) to correct any such default in such manner and to such extent as Lender may deem necessary to protect the security hereof, including, without limitation, the right (but not the obligation) to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Lender; and/or (d) to perform and discharge the Contract Rights and each and every other right or power (but not the obligations) of Assignor under the Operating Agreement as Lender deems necessary, including, but not limited to, exercising any such rights or powers, to pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees. The exercise of any rights or remedies by Lender under this Assignment shall not be deemed to cure or waive any default under any of the Loan Documents, or waive, modify or affect any notice of default under any of the Loan Documents, or invalidate any act done pursuant to such notice.

8. **Waiver; Indemnification.** In the exercise of the powers granted to Lender in this Assignment, no liability shall be asserted or enforced against Lender (except to the extent resulting from Lender's gross negligence or willful misconduct), all such liability being hereby expressly waived and released by Assignor. In addition, except for any liability, expense, cost, loss or damage arising from the gross negligence or willful misconduct of Lender, Assignor hereby agrees to indemnify and hold Lender free and harmless from and against any and all liability, expense, cost, loss or damage which Lender may incur by reason of any act or omission of Assignor under the Operating Agreement, or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on Lender's part to perform or discharge any of the terms, covenants or agreements contained in the Operating Agreement. Except as provided in the immediately preceding sentence, should Lender incur any liability, expense, cost, loss or damage (1) under the Operating Agreement, or (2) by reason of the exercise of Lender's rights under this Assignment, then the amount of any such liability, expense, cost, loss, or damage, including, but not limited to, costs and expenses (including reasonable attorneys' fees), damages, obligations and liabilities of any nature whatsoever, shall be added to the indebtedness evidenced by the Note and secured hereby and by any security documents and the other Loan Documents (regardless of whether such indebtedness, when aggregated with other sums secured by the Deed of Trust (as defined in the Loan Agreement), then increases the outstanding balance of the Note, to an amount in excess of the face amount thereof) and shall be due and payable immediately upon demand by Lender.

9. **No Waiver.** This Assignment can be waived, modified, amended, terminated, or discharged only explicitly in writing signed by the Lender. No failure by Lender to exercise, or delay by Lender in exercising any right, power or privilege under this Assignment shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege pursuant to this Assignment preclude

any other or further exercise thereof, or the exercise of any other right, power or privilege. All rights and remedies under this Assignment and under the other Loan Documents may be exercised concurrently or successively by Lender after an Event of Default, it being the intent hereof that none of such remedies shall be to the exclusion of any others. No notice to or demand on Assignor in any case shall, in itself, entitle Assignor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of Lender to any other or further action in any circumstances without notice or demand.

10. **Notices.** All notices, demands, requests and other communications which are required or permitted to be given under this Assignment shall be in writing and shall be deemed sufficiently given when delivered or mailed in the manner set forth in the Loan Agreement.

11. **Lender's Duty.** Lender shall not be liable for any acts, omissions, errors of judgment or mistakes of fact or law including, without limitation, acts, omissions, errors or mistakes, except for those arising out of or in connection with Lender's gross negligence or willful misconduct.

12. **Further Assurances.** Assignor agrees that it will cooperate with Lender and take such actions and execute and deliver, or cause to be executed and delivered, such other instruments and documents as Lender may reasonably request from time to time in order to carry out the provisions and purposes of this Assignment.

13. **Applicable Law.** This Assignment shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado applicable to contracts made and to be performed within such State, without giving effect to its conflicts of laws principles or rules.

14. **Severability.** Whenever possible, each provision of this Assignment shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Assignment shall be held to be prohibited or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Assignment.

15. **Construction.** The singular shall include the plural and vice versa and any gender shall include any other gender as the context may require.

16. **Costs.** The Assignor hereby agrees to pay all costs and expenses (including, without limitation, reasonable attorneys' fees) which the Lender may incur in exercising any of its rights under this Assignment.

17. **Consent to Jurisdiction.** ASSIGNOR AGREES THAT ANY CONTROVERSY ARISING UNDER OR IN RELATION TO THIS ASSIGNMENT SHALL BE LITIGATED EXCLUSIVELY IN COLORADO. THE STATE AND FEDERAL COURTS AND AUTHORITIES SITTING IN THE COUNTY OF SUMMIT, COLORADO, SHALL HAVE EXCLUSIVE JURISDICTION OVER ALL CONTROVERSIES WHICH SHALL ARISE UNDER OR IN RELATION TO THIS ASSIGNMENT; AND ASSIGNOR CONSENTS TO THE JURISDICTION AND VENUE OF ANY SUCH COURT AND WAIVES ANY ARGUMENT THAT VENUE IN SUCH FORUM IS NOT PROPER OR CONVENIENT. IN THE EVENT ASSIGNOR COMMENCE ANY ACTION IN ANOTHER JURISDICTION OR VENUE UNDER ANY TORT OR CONTRACT THEORY ARISING DIRECTLY OR INDIRECTLY FROM THE RELATIONSHIP CREATED BY THIS ASSIGNMENT, LENDER, AT ITS OPTION, SHALL BE ENTITLED TO HAVE THE CASE TRANSFERRED TO THE JURISDICTION AND VENUE ABOVE-DESCRIBED, OR IF SUCH TRANSFER CANNOT BE ACCOMPLISHED UNDER APPLICABLE LAW, TO HAVE SUCH CASE DISMISSED WITHOUT

PREJUDICE, BUT ANY APPLICABLE STATUTE OF LIMITATIONS SHALL CONTINUE TO BE TOLLED FOR A PERIOD OF SIX (6) MONTHS AFTER SUCH DISMISSAL.

18. **Waiver of Trial By Jury.** Assignor hereby agrees that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by either party to this Assignment or any successor or assign of any party on or with respect to this Assignment or which in any way relates, directly or indirectly, to this Assignment or any event, transaction, or occurrence arising out of or in any way connected with this Assignment, or the dealings of the parties with respect thereto, shall be tried only by a court and not by a jury. ASSIGNOR HEREBY EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING. Assignor acknowledges and agrees that this Section is a specific and material aspect of this Assignment, and that Lender would not agree to accept this Assignment as a basis for the extension of credit to Borrower if this waiver of jury trial Section were not a part of this Assignment.

19. **Section Headings.** The section headings herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions of this Assignment.

20. **Termination.** This Assignment is made for collateral purposes only and the duties and obligations of Assignor under this Assignment shall terminate and be released upon the Secured Obligations being paid and performed in full.

21. **Successors and Assigns.** Subject to the aforesaid limitation on further assignment by Borrower, this Assignment shall be binding upon the Borrower, its successors and assigns, and shall inure to the benefit of the Lender, its successors and assigns.

22. **Counterparts.** This Assignment may be executed in separate counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument. To facilitate execution of this Assignment, the parties may execute and exchange counterparts of the signature pages by electronic mail. If transmitted by electronic mail, then this Assignment will be treated in all manners and respects as an original document, and the signature of any party thereon will be considered an original signature. Any document transmitted by electronic mail will be considered to have the same binding legal effect as an original of such document. At the request of either party hereto, a document transmitted by electronic mail will be re-executed by the parties in the original form thereof. A copy of this Assignment or any other writing required under this Assignment that is executed by electronic signature in compliance with the laws of the State of Colorado will be deemed as binding upon the maker as any signature or mark made by ink or otherwise.

[SIGNATURE PAGE FOLLOWS]

This Assignment has been fully executed by Assignor and Lender as of the day and year first above written.

ASSIGNOR:

THE NHP FOUNDATION,
a District of Columbia nonprofit corporation

By: _____
Name: Neal Drobenare
Its: Senior Vice President

[Signature Page to Collateral Assignment of Contract Rights]

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**EXHIBIT A
TO THE
COLLATERAL ASSIGNMENT OF CONTRACT RIGHTS**

Legal Description of Land

The leasehold interest pursuant to the Ground Lease in that certain property described as follows:

Lots 13,14,15,16,17,18,19,20 and 21, Block 3, Frisco Town Subdivision, County of Summit, State of Colorado.

Addressed as 602 Galena Street, Frisco, CO, 80443