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Debra A Green
Park County Clerk

No fee

LEASE PURCHASE AGREEMENT

between

PARK COUNTY, COLORADO, a political subdivision of the State of Colorado,
as Lessor,

and

**INDIAN MOUNTAIN METROPOLITAN DISTRICT, a quasi-municipal
corporation and political subdivision of the State of Colorado,**
as Lessee

Dated as of August 17, 2017

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LEASE PURCHASE AGREEMENT

THIS LEASE PURCHASE AGREEMENT dated as of August 17, 2017 (“Financing Lease”), between Park County, Colorado (“Lessor”), a political subdivision of the State of Colorado (“State”), as lessor, and the Indian Mountain Metropolitan District, (“District”) a quasi-municipal corporation and political subdivision of the State, as lessee, (the Lessor and District being referred to jointly as the “Parties”).

RECITALS

A. The District is a quasi-municipal corporation and political subdivision of the State duly organized and operating under Title 32, Colorado Revised Statutes. The District is the owner of the real property and improvements described in Exhibit A attached hereto (“Leased Property”).

B. Park County, Colorado, the Lessor, is a political subdivision of the State organized and operating under Article XIV of the Colorado Constitution and Title 30, Colorado Revised Statutes.

C. The District is authorized under §§32-1-1001 and 32-1-1004, Colorado Revised Statutes, to lease the Leased Property from the Lessor and to execute, deliver and perform its obligations under this Financing Lease.

D. In order to generate moneys to pay for proportionate undivided interest in the amount of up to eleven (11) acre feet from the Headwaters Authority of the South Platte (“HASP”), the District has determined that the District shall grant a leasehold interest in the Leased Property to the Lessor for a lump-sum payment of two hundred ten thousand dollars (\$210,000.00) from Lessor’s Land and Water Trust Fund, as set forth in Section 3 of the Site Lease (as hereinafter defined), and sublease the Leased Property back from the Lessor pursuant to this Financing Lease dated as of the date of the Site Lease (collectively, the “Financed Project”).

E. The District has determined that the lease of the Leased Property from the Lessor pursuant to this Financing Lease is in the best interests of the District and its residents.

F. The District desires to lease the Leased Property from the Lessor and the Lessor desires to lease the Leased Property to the District pursuant to this Financing Lease.

G. The obligation of the District to pay Base Rentals and Additional Rentals (both as hereinafter defined) hereunder shall be from year to year only; shall constitute currently budgeted expenditures of the District; shall not constitute a mandatory charge or requirement in any ensuing budget year; and shall not constitute a general obligation or a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of any constitutional or statutory limitation or requirement concerning the creation of indebtedness, nor a mandatory payment obligation of the District in any ensuing fiscal year beyond any fiscal year during which this Financing Lease shall be in effect.

H. The financing of the Financed Project, and the execution, performance and delivery of this Financing Lease, have been authorized, approved and directed by the Board of Directors of the District (the "Board") by a resolution finally passed and adopted by the Board.

FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS HEREIN CONTAINED, the Parties hereto agree as follows:

**ARTICLE I
DEFINITIONS**

1. Terms Defined in Preamble and Recitals. The following terms shall have the meanings set forth in the preamble and recitals hereto:

Board	HASP
District	Leased Property
Financing Lease	Lessor
Financed Project	Parties
	State

2. Additional Definitions. The following additional terms shall have the meanings specified below:

(a) "Additional Rentals" means the cost of all (a) reasonable expenses and fees of the Lessor related to the performance of the provisions of this Financing Lease related to the Leased Property, or otherwise incurred at the request of the District, (b) taxes, if any, insurance premiums, utility charges, maintenance, upkeep, repair, improvement and replacement in respect of the Leased Property, and (c) all other charges and costs which the District assumes or agrees to pay hereunder (together with all interest

Tom Eisenman

From: glennehaas@comcast.net
Sent: Monday, November 27, 2017 4:04 PM
To: Tom Eisenman
Cc: S.D. Stoval; Mattson, Roger; Bret Crouch; odle, tom; bertin, samantha
Subject: Re: Wed or Thurs

*I'm important
SAVE!*

Thanks Tom, 2pm this Thursday at your office. Only need 30 minutes.

cheers
glenn

From: "Tom Eisenman" <TEisenman@parkco.us>
To: "glennehaas" <glennehaas@comcast.net>
Sent: Monday, November 27, 2017 9:27:00 AM
Subject: RE: Wed or Thurs

Out until the 30th.
If you are in the area say around 200pm?

From: glennehaas@comcast.net [mailto:glennehaas@comcast.net]
Sent: Friday, November 24, 2017 9:19 AM
To: Tom Eisenman <TEisenman@parkco.us>
Cc: S.D. Stoval <sdstoval@gmail.com>; Mattson, Roger <rdmattson@comcast.net>; odle, tom <ute380@gmail.com>; Bret Crouch <bcrouchk@gmail.com>
Subject: Wed or Thurs

Happy Thanksgiving Tom,

I was wondering if you would have any time this coming Wed or Thurs for a short visit. I need to understand how the IGA and LNT money will work. For example:

1. Have the IGAs been signed and recorded?
2. How do we access the \$210K LNT monies?
3. Will there be a separate lease with LNT or does IGA suffice?
4. We worry about the first payment date back to BOCC being Jan 1, 2018, in light of not having the LNT monies in place yet. That made more sense back in August perhaps, but now December is upon us. Might there be chance to move the first payment date back to Jan 1, 2019.

Anyway, a short visit would be appreciated. I am flexible.
thanks
Glenn

*Glenn Haas
11.30.2017*

*ok
Tom Eisenman
11.30.2017*

Dr. Glenn E. Haas
3403 Green Wing Court
Fort Collins, CO 80524
970-498-9350

and penalties that may accrue thereon) in the event that the District shall fail to pay the same. Additional Rentals do not include Base Rentals.

(b) *“Authorized Officer of the District”* means the Chairman of the Board or any person authorized by resolution of the District to perform any act or execute any document.

(c) *“Base Rentals”* means the payments payable by the District during the Lease Term pursuant to Article VI, Section 2 of this Financing Lease, which constitute the payments payable by the District for and in consideration of the right to use the Leased Property during the Lease Term. The amount of the Base Rentals shall equal the sum of the principal component plus the Lease Rate. Subject to Article XI, the principal component of each Base Rental payment shall equal \$42,000 per year during the Lease Term; provided, however, that in no event shall the total Base Rentals paid to the Lessor exceed the sum of \$210,000.00 plus the Lease Rate.

(d) *“Base Rental Payment Dates”* means annual payments due on January 1 of each Fiscal Year during the Lease Term. The principal component of the Base Rentals will be paid on January 1 of each Fiscal Year during the Lease Term, and the interest component of the Base Rentals will be paid on January 1 of each Fiscal Year during the Lease Term, beginning on January 1, 2018.

Approved by Tom Risenman
11.30.2017

(e) *“Business Day”* means any day other than a Saturday, a Sunday or a day on which banks in New York, New York or Denver, Colorado are authorized by law to remain closed.

(f) *“Counsel”* means an attorney at law or law firm (who may be counsel for the Lessor or the District) who is satisfactory to both the District and the Lessor.

(g) *“Default Rate”* means the Lease Rate plus 2.00%.

(h) *“Default Interest Notice”* means a written notice of the Lessor stating that an Event of Default under Article XIII, Section 1(c) has not been cured to the satisfaction of the Lessor, and that as a result, the Lessor is invoking its right to impose the Default Rate on the Lease Balance which is outstanding on the date of such notice.

(i) *“Environmental Regulations”* means any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances.

(j) *“Event of Default”* means one or more events of default as defined in Article XIV, Section 1 of this Financing Lease.

(k) *“Event of Nonappropriation”* means a termination of this Financing Lease by the District, determined by the District’s failure for any reason, to duly enact by the last day of each Fiscal Year an appropriation resolution for the ensuing Fiscal Year which includes (a) by specific line item reference amounts authorized and directed to be used to pay all Base Rentals and (b) sufficient amounts to pay such Additional Rentals as are estimated to become due, as provided in Article VI, Section 6 of this Financing Lease. The term also includes the giving of notice under Article IV, Section 1 of this Financing Lease of the District’s intention to terminate and the occurrence of an event described in Article VI, Section 6 of this Financing Lease relating to the failure by the District to appropriate amounts due as Additional Rentals at least equal to the amounts reasonably estimated to become due.

(l) *“Fiscal Year”* means the fiscal or budget year of the District.

(m) *“Force Majeure”* means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials or any civil or military authority; insurrection; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not within the control of the District.

(n) *“Hazardous Substance”* means urea-formaldehyde, polychlorinated biphenyls, asbestos, asbestos containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject the owner of the Leased Property to any damages, penalties or liabilities under any applicable Environmental Regulation.

(o) *“Insurance Consultant”* means an independent person or firm acceptable to the District experienced in providing the specific type of insurance in question and capable of making an evaluation of the actuarial risk of loss from the types of events customarily covered by such insurance policies.

(p) *“Lease Balance”* means, as of any date, the sum of the principal components of Base Rentals which are still remaining to be paid.

- (q) *“Lease Rate”* means 2% per annum.
- (r) *“Lease Remedy”* or *“Lease Remedies”* means any or all remedial steps provided in Article XIII, Section 2 of this Financing Lease whenever an Event of Default hereunder has happened and is continuing.
- (s) *“Lease Term”* means the time during which the District is the lessee of the Leased Property under this Financing Lease including the Original Term and all Renewal Terms as provided in and subject to Article IV and Article VI, Sections 1, 2 and 6 of this Financing Lease; certain provisions of this Financing Lease survive the termination of the Lease Term, as provided in Article IV, Section 2 of this Financing Lease.
- (t) *“Net Proceeds”* when used with respect to any performance or payment proceeds, or proceeds of insurance, including self-insurance, required by this Financing Lease, or proceeds from any condemnation award, or any proceeds resulting from default or breaches of warranty under any contract relating to the Leased Property or proceeds from any Lease Remedy, means the amount remaining after deducting from such proceeds (a) all expenses (including, without limitation, attorneys’ fees and costs) incurred in the collection of such proceeds or award; and (b) all other fees, expenses and payments due to the Lessor.
- (u) *“Original Term”* means the portion of the Lease Term that terminates on December 31, 2018.
- (v) *“Opinion of Counsel”* means a written opinion of Counsel.
- (w) *“Permitted Encumbrances”* means, as of any particular time: (a) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pending contest pursuant to the provisions of Article VII and Article VIII of this Financing Lease; (b) this Financing Lease and the Site Lease; (c) utility, access and other easements and rights of way, restrictions and exceptions which an Authorized Officer of the District certifies will not interfere with or impair the Leased Property, including rights or privileges in the nature of easements as provided in Article VIII, Section 7 of this Financing Lease; (d) existing easements, covenants, restrictions, liens and encumbrances (if any) to which title to the Leased Property was subject when a leasehold interest therein was conveyed to the Lessor pursuant to the Site Lease or otherwise, and which do not interfere in any material way with the Leased Property; and (e) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property

of the general character of the Leased Property and as do not render the title unmarketable.

(x) *“Purchase Option Price”* means the amount payable, at the option of the District, for the purpose of terminating this Financing Lease with respect to the Leased Property and purchasing the Leased Property pursuant to Article XI of this Financing Lease. The Purchase Option Price shall consist of the remaining Lease Balance after the last Base Rental Payment Date preceding the termination of this Financing Lease, plus the interest component of the Base Rentals accrued through the date of such termination.

(y) *“Renewal Term”* means any optional renewal of the Lease Term for the next Fiscal Year by the District, as provided in Article IV of this Financing Lease.

(z) *“Revenues”* means (a) all amounts payable by or on behalf of the District with respect to the Leased Property pursuant to this Financing Lease including, but not limited to, all Base Rentals, Purchase Option Prices and Net Proceeds, but not including Additional Rentals; and (b) all other revenues derived from this Financing Lease, excluding Additional Rentals.

(aa) *“Site Lease”* means the Site Lease dated of even date herewith, whereby the District demises to the Lessor a leasehold interest in real property upon which the Leased Property is located and the improvements located or to be located thereon.

**ARTICLE II
REPRESENTATIONS, COVENANTS AND WARRANTIES**

1. Representations, Covenants and Warranties of the District. The District represents, covenants and warrants as follows:

(a) The District is a quasi-municipal corporation and political subdivision of the State, duly organized and existing under Title 32, Colorado Revised Statutes.

(b) The District is authorized to enter into the transactions contemplated by this Financing Lease and to carry out its obligations under this Financing Lease. The District has duly authorized and approved the execution and delivery of this Financing Lease and the Site Lease.

(c) Pursuant to the Site Lease, the District has leased the Leased Property from the Lessor, as authorized under §§32-1-1001 and 32-1-1004, Colorado Revised Statutes.

(d) The lease of the Leased Property from the Lessor pursuant to this Financing Lease serves a public purpose and is in the best interests of the District and its residents.

(e) The execution, delivery and performance of this Financing Lease by the District have been duly authorized by the Board.

(f) This Financing Lease is enforceable against the District in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

(g) The District will recognize economic and other benefits by the leasing of the Leased Property pursuant to this Financing Lease; the Leased Property is, and any Leased Property in addition to the initial Leased Property will be, property that is necessary and essential to the District's purpose and operations; and the District expects that the Leased Property will adequately serve the needs for which it is being leased throughout the Lease Term.

(h) Neither the execution and delivery of this Financing Lease or the Site Lease, nor the fulfillment of or compliance with the terms and conditions of this Financing Lease and the Site Lease, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District or its property is bound, or violates any statute, regulation, rule, order of any court having jurisdiction, judgment or administrative order applicable to the District, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien or encumbrance whatsoever upon any of the property or assets of the District, except for Permitted Encumbrances.

(i) There is no litigation or proceeding pending or to the best of its knowledge threatened against the District or any other person affecting the right of the

District to execute, deliver and perform its obligations in this Financing Lease or the Site Lease or the ability of the District to make the payments required hereunder or to otherwise comply with the obligations contained herein.

(j) The Base Rentals payable in each Fiscal Year during the Lease Term are not more than the fair value of the use of the Leased Property during such Fiscal Year. The Base Rentals and Additional Rentals payable in each Fiscal Year during the Lease Term do not exceed a reasonable amount so as to place the District under an economic compulsion (i) to continue this Financing Lease beyond any Fiscal Year, (ii) not to exercise its right to terminate this Financing Lease at any time through an Event of Nonappropriation or (iii) to exercise any of its options to purchase the Leased Property hereunder. The Purchase Option Price is the District's best estimate of the fair purchase price of the Leased Property at the time of exercise of the District's option to purchase the Leased Property by paying the Purchase Option Price. The Lease Term does not exceed the weighted average useful life of any real property improvements currently located on the Leased Property. In making the representations, covenants and warranties set forth above in this subsection, the District has given due consideration to the Financed Project, the purposes for which the Leased Property will be used by the District, the benefits to the District from the use of the Leased Property, the District's options to purchase the Leased Property hereunder and the terms of this Financing Lease governing the use of, and the District's options to purchase, the Leased Property.

(k) The District presently intends and expects to continue this Financing Lease annually until the leasehold interest in the Leased Property is acquired by the District pursuant to this Financing Lease; but this representation does not obligate or otherwise bind the District.

(l) The District is not aware of any current violation of any requirement of law relating to the Leased Property.

(m) The District has appropriated sufficient legally available moneys to pay the Base Rentals payable in the current Fiscal Year and the Additional Rentals estimated to be payable in the current Fiscal Year.

(n) The District has experienced no material change in its financial condition since December 31, 2016.

2. Representations, Covenants and Warranties of the Lessor. The Lessor represents, covenants and warrants as follows:

(a) The Lessor (i) is a political subdivision of the State that is duly organized, validly existing and in good standing under the laws of the State; (ii) is the site lessee of Leased Property pursuant to the Site Lease; and (iii) is authorized under applicable law, to lease the Leased Property from the District, to lease the Leased Property to the District and to execute, deliver and perform its obligations under this Financing Lease.

(b) The execution, delivery and performance of this Financing Lease by the Lessor have been duly authorized by the Lessor.

(c) This Financing Lease is enforceable against the Lessor in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

(d) The Lessor has all requisite power to acquire legal interests in the Leased Property and to execute, deliver, enter into and perform the transactions contemplated by this Financing Lease and the Site Lease and to carry out its obligations under this Financing Lease and the Site Lease, and has duly executed and delivered this Financing Lease and all other documents related to this Financing Lease.

(e) The Lessor will not pledge or assign its right, title and interest in and to any of its rights under this Financing Lease or assign, pledge, mortgage, encumber or grant a security interest in its right, title and interest in, to or under this Financing Lease or the Leased Property. The Lessor represents that neither the Financing Lease nor any interest therein will be transferred or resold.

(f) Neither the execution and delivery of this Financing Lease or the Site Lease nor the fulfillment of or compliance with the terms and conditions hereof and thereof, nor the consummation of the transactions contemplated hereby and thereby, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Lessor is now a party or by which the Lessor is bound, or constitutes a default under any of the foregoing.

(g) Lessor will not assign its duties and obligations under this Financing Lease or the Site Lease to any other person, firm or Lessor, so as to impair or violate the representations, covenants, and warranties contained in this Article II, Section 1.

(h) There is no litigation or proceeding pending or threatened against the Lessor or any other person affecting the right of the Lessor to execute this Financing Lease or the Site Lease and to perform its obligations hereunder and thereunder.

(i) The Lessor acknowledges that the obligations of the District under this Financing Lease are payable solely from the Revenues under this Financing Lease and shall not constitute or give rise to a general obligation or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of any constitutional, charter or statutory provision or limitation nor a mandatory charge or requirement against the District in any ensuing Fiscal Year beyond any Fiscal Year during which this Financing Lease shall be in effect. The Lessor further acknowledges that the District may elect not to renew this Financing Lease by failure to budget and appropriate funds sufficient to meet its next Fiscal Year's Base Rentals and reasonably estimated Additional Rentals, and that the acts of budgeting and appropriating funds are legislative acts and, as such, are solely within the discretion of the Board.

(j) The Lessor acknowledges and recognizes that this Financing Lease will be terminated upon the occurrence of an Event of Nonappropriation, and that a failure by the District to appropriate funds in a manner that results in an Event of Nonappropriation is solely within the discretion of the Board.

**ARTICLE III
LEASE OF LEASED PROPERTY**

The Lessor demises and leases the Leased Property, including any interest in the Leased Property, to the District, and the District leases the Leased Property, including any interest in the Leased Property, from the Lessor, in accordance with the provisions of this Financing Lease, subject only to Permitted Encumbrances, to have and to hold for the Lease Term.

**ARTICLE IV
LEASE TERM**

1. Duration of Lease Term; District's Annual Right to Renew Financing Lease. The Lease Term shall commence as of the date hereof and continue through the last day of the current Fiscal Year of the District. Subject to the provisions of Article IV,

Section 2 hereof, the Lease Term may be renewed at the end of the Original Term and at the end of each Renewal Term thereafter for a term of twelve months coinciding with the next succeeding Fiscal Year of the District. The District shall have the right to annually renew the Lease Term unless (a) the District gives written notice to the Lessor not less than 30 days prior to the end of the Original Term or the then current Renewal Term of the District's intention not to renew this Financing Lease at the end of the Original Term or the then current Renewal Term, or (b) an Event of Nonappropriation shall have occurred with respect to a Renewal Term occurring after the Original Term or any then current Renewal Term. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except for the amount of Base Rentals and Additional Rentals to be paid during such Renewal Term.

Except as otherwise provided in Article IV, Section 2 hereof, the exercise of the District's annual option to renew this Financing Lease shall be conclusively determined by whether or not the Board has, on or before the last day of each Fiscal Year, duly enacted an appropriation resolution for the ensuing Fiscal Year which includes (a) by specific line item reference sufficient amounts authorized and directed to be used to pay all the Base Rentals and (b) sufficient amounts to pay such Additional Rentals as are estimated to become due, all as further provided in Article VI, Section 6 of this Financing Lease. The officer of the District at any time charged with the responsibility of formulating budget proposals is hereby directed to include in the annual budget proposals submitted to the District, items for all payments required under this Financing Lease for the ensuing Fiscal Year, until such time (if any) as the Board may determine to renew or not to renew this Financing Lease; it being the intention of the Board that any decision to renew or not to renew this Financing Lease shall be made solely by the Board and not by any other official of the District. Said officer shall also include in said budget proposal the total amount to be expended by the District during the ensuing Fiscal Year for payment obligations under all lease-purchase agreements involving real property, including this Financing Lease; the total maximum payment liability of the District under all lease-purchase agreements involving real property, including this Financing Lease, over the entire terms of such agreements, including all optional renewal terms; the total amount to be expended by the District during the ensuing Fiscal Year for payment obligations under all lease-purchase agreements other than those involving real property; and the total maximum payment liability of the District under all lease-purchase agreements other than those involving real property, over the entire term of such agreements, including all optional renewal terms. The District shall in any event, upon written request of Lessor, promptly furnish the Lessor with copies of its annual budget not later than the 60 days after the end of such Fiscal Year.

2. Termination of Lease Term. The Lease Term shall terminate upon the earliest of any of the following events:

(a) the last day of any Fiscal Year during which there has occurred an Event of Nonappropriation pursuant to Article IV, Section 1 and Article VI of this Financing Lease (provided that the Lease Term will be deemed to have been renewed and, therefore, not terminated if the Event of Nonappropriation is cured as provided in Article VI, Section 6 hereof);

(b) the conveyance of all of the Leased Property to the District upon payment of the Purchase Option Price or all Base Rentals and Additional Rentals as provided in Article XI, Section 2(a) and (b) of this Financing Lease; or

(c) an Event of Default and termination of this Financing Lease under Article XIII of this Financing Lease.

An election not to renew the Lease Term shall terminate all unaccrued obligations of the District under this Financing Lease, and shall terminate the District's rights of possession under this Financing Lease at the end of the last day of the Fiscal Year for which this Financing Lease shall be in effect (except to the extent of the holdover provisions of Article XIII, Section 2(d)(i) hereof, and except for any conveyance pursuant to Article XI of this Financing Lease). The District's option to purchase Lessor's interest in the Leased Property as provided in Article XI, Section 1 and 2 shall survive the termination of this Financing Lease for the period from such termination to and including the termination date of the Site Lease, during which the District shall have an additional option to purchase the interest of the Lessor or its successors in the Leased Property and terminate the Site Lease for a purchase price consisting of an amount equal to the Lease Balance as of the date of termination of this Financing Lease plus an amount equal to the interest accruing on such Lease Balance from the date of such termination to the date of purchase at the Lease Rate. Except for an event described in subparagraph (b) above, upon termination of this Financing Lease, the District agrees to peaceably surrender of possession of the Leased Property to the Lessor or its assigns for the remaining term of the Site Lease.

**ARTICLE V
ENJOYMENT OF LEASED PROPERTY**

The Lessor hereby covenants that the District shall during the Lease Term peaceably and quietly have, hold and enjoy the Leased Property without suit, trouble or hindrance from the Lessor, except as expressly required or permitted by this Financing

Lease. The Lessor shall, at the request of the District and at the cost of the District, join and cooperate fully in any legal action in which the District asserts its right to such possession and enjoyment, or which involves the imposition of any taxes or other governmental charges on or in connection with the Leased Property. In addition, the District may at its own expense join in any legal action affecting its possession and enjoyment of the Leased Property and shall be joined in any action affecting its liabilities hereunder.

**ARTICLE VI
PAYMENTS BY THE DISTRICT**

1. Payments to Be Paid from Currently Budgeted Expenditures of the District.

The District and the Lessor acknowledge and agree that the Base Rentals and Additional Rentals hereunder during the Original Term and all of the Renewal Terms, if any, shall be paid from then currently budgeted expenditures of the District, using any legally available funds of the District. The District's obligations to pay Base Rentals, Additional Rentals or any other payments provided for under this Financing Lease during the Original Term and all of the Renewal Terms, if any, shall be subject to the District's annual right to renew this Financing Lease (as further provided in Article IV and Article VI, Sections 2 and 6 hereof), and shall not constitute a mandatory charge, requirement or liability in any ensuing Fiscal Year beyond the then current Fiscal Year. No provision of this Financing Lease shall be construed or interpreted as a delegation of governmental powers or as creating indebtedness or a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of any constitutional or statutory debt limitation, including without limitation, Article XI, Sections 1, 2 and 6, and Article X, Section 20, of the Colorado Constitution. This Financing Lease shall not directly or indirectly obligate the District to make any payments of Base Rentals or Additional Rentals beyond the funds legally available to the District for its then current Fiscal Year. The District shall be under no obligation whatsoever to exercise its option to purchase the Leased Property. No provision of this Financing Lease shall be construed to pledge or to create a lien on any class or source of District moneys, nor shall any provision of this Financing Lease restrict the future issuance of any bonds or obligations of the District payable from any class or source of moneys of the District.

2. Base Rentals and Additional Rentals.

(a) The District shall pay all Base Rentals directly to the Lessor during the Original Term and all Renewal Terms, on the Base Rental Payment Dates.

(b) The District may, at any time during the Lease Term, pay the then applicable Purchase Option Price related to the Leased Property for the purpose of terminating this Financing Lease and purchasing the Leased Property, as further provided in Article XI of this Financing Lease. The District shall give the Lessor notice of its intention to exercise its option not less than 15 days in advance of the date of exercise and shall deposit with the Lessor an amount equal to the Purchase Option Price on the date of exercise.

(c) The District shall pay Additional Rentals during the Original Term and all Renewal Terms, if any, shall be paid by the District on a timely basis directly to the person or entity to which such Additional Rentals are owed. If the District's estimates of Additional Rentals for any Fiscal Year are not itemized in the budget required to be furnished to the Lessor under Article IV, Section 1 of this Financing Lease, the District shall furnish an itemization of such estimated Additional Rentals to the Lessor on or before the last day of such Fiscal Year.

3. Interest Component. A portion of each payment of Base Rentals is paid as, and represents payment of, interest in the amount of the Lease Rate.

4. Manner of Payment. The Base Rentals and, if paid, the Purchase Option Price, shall be paid by the District by good funds or other method of payment acceptable to the Lessor in lawful money of the United States of America to the Lessor at its principal office. The obligation of the District to pay the Base Rentals and Additional Rentals, during the Original Term and each Renewal Term, shall be absolute and unconditional, payable from all legally available sources, and payment of the Base Rentals and Additional Rentals shall not be abated through accident or unforeseen circumstances, or for any other reason, including without limitation, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Leased Property, commercial frustration of purpose, or failure of the Lessor to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Financing Lease, it being the intention of the Parties that the payments required by this Financing Lease will be paid in full when due without any delay or diminution whatsoever, subject only to the special and limited nature of the District's obligation to make payments hereunder as set forth in Article 6.01 above, and further subject to the District's rights under Article VIII, Section 4 hereof. Notwithstanding any dispute between the District and Lessor, the District shall, during the Original Term and all Renewal Terms, make all payments of Base Rentals and Additional Rentals when due and shall not withhold any Base Rentals or Additional

Rentals pending final resolution of such dispute (except to the extent permitted by Article VIII, Section 4 hereof with respect to certain Additional Rentals), nor shall the District assert any right of set-off or counterclaim against its obligation to make such payments required hereunder. No action or inaction on the part of the Lessor shall affect the District's obligation to pay all Base Rentals and Additional Rentals (except to the extent provided by Article VIII, Section 4 hereof with respect to certain Additional Rentals), during the Lease Term.

5. Expression of District's Need for the Leased Property. As of the date of this Financing Lease, the District declares its current need for the Leased Property, that the leasing of the Leased Property is beneficial to the District, and that the Leased Property is necessary and essential to the District's purpose and operations. It is hereby declared to be the present intention and expectation of the Board that this Financing Lease will be renewed annually until the Leased Property is acquired by the District pursuant to this Financing Lease, but this declaration shall not be construed as contractually obligating or otherwise binding the District or any Board following the end of the Original Term.

6. Nonappropriation. In the event that the Board shall not specifically budget and appropriate, on or before the last day of each Fiscal Year, moneys to pay all Base Rentals and the reasonably estimated Additional Rentals coming due for the next ensuing Fiscal Year as provided in Article IV, Section 1 hereof and this Article, an Event of Nonappropriation shall be deemed to have occurred, subject, however, to each of the following provisions:

(a) The Lessor shall declare an Event of Nonappropriation on any earlier date on which the Lessor receives specific written notice from the District that this Financing Lease will be terminated.

(b) Absent such notice from the District, the Lessor shall give written notice to the District of any Event of Nonappropriation, on or before the fifth day of the next following Fiscal Year; but any failure of the Lessor to give such written notice shall not prevent the Lessor from declaring an Event of Nonappropriation or from taking any remedial action which would otherwise be available to the Lessor.

(c) The Lessor shall waive any Event of Nonappropriation which is cured by the District within a reasonable time.

(d) The Lessor shall waive any Event of Nonappropriation which is cured by the District, within 10 days of the giving of notice by the Lessor as provided in (b) above, by inclusion in a duly enacted appropriation measure, (i) by specific line item, amounts authorized and directed to be used to pay all Base Rentals and (ii) sufficient amounts to pay reasonably estimated Additional Rentals coming due for such Fiscal Year.

(e) In the event that during any Fiscal Year, any Additional Rentals shall become due which were not previously included in a duly enacted appropriation measure then, in the event that moneys are not specifically budgeted and appropriated to pay such Additional Rentals within 45 days subsequent to the date upon which such Additional Rentals are due, an Event of Nonappropriation shall be deemed to have occurred, upon notice by the Lessor to the District to such effect (subject to waiver by the Lessor as hereinbefore provided).

Notwithstanding any provision to the contrary herein, if an Event of Nonappropriation occurs, the District's rights of possession of the Leased Property under this Financing Lease shall terminate at the end of the last day of the Fiscal Year for which this Financing Lease shall be in effect, and the District shall not be obligated to make payment of the Base Rentals, Additional Rentals or any other payments provided for herein which accrue after the end of the last day of the Fiscal Year for which this Financing Lease shall be in effect; provided, however, that, subject to the limitations of Article VI, Section 1 and Article XIII, Section 3 hereof, the District shall continue to be liable for Base Rentals and Additional Rentals allocable to any period during which the District shall continue to occupy, use or retain possession of the Leased Property, beginning with the first day of the Fiscal Year in respect of which the Event of Nonappropriation occurs. The District shall in all events vacate or surrender possession of the Leased Property by the tenth Business Day following termination of the Lease Term.

After the tenth Business Day of the Fiscal Year in respect of which an Event of Nonappropriation has occurred, the Lessor may proceed to exercise all or any Lease Remedies. All property, funds and rights acquired by the Lessor upon the termination of this Financing Lease by reason of an Event of Nonappropriation as provided herein, less any moneys due and owing to the Lessor, shall be held by the Lessor.

**ARTICLE VII
TITLE TO THE LEASED PROPERTY;
LIMITATIONS ON ENCUMBRANCES**

1. Title to the Leased Property. Title to the Leased Property shall remain in the District, subject to the Site Lease and this Financing Lease.

2. No Encumbrance, Mortgage or Pledge of Leased Property. Except as may be permitted by this Financing Lease, the District shall not permit any mechanic's or other lien to remain against the Leased Property; provided that, if the District shall first notify the Lessor of the intention of the District to do so, the District may in good faith contest any mechanic's or other lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless the Lessor shall notify the District that, in the Opinion of Counsel, by nonpayment of any such items the Lessor's interest in the Leased Property will be materially endangered, or the Leased Property or any part thereof will be subject to loss or forfeiture, in which event the District shall promptly pay and cause to be satisfied and discharged all such unpaid items (provided, however, that such payment shall not constitute a waiver of the right to continue to contest such items). The Lessor will cooperate fully with the District in any such contest, upon the request and at the expense of the District. Except as may be permitted by this Financing Lease, the Lessor shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, except Permitted Encumbrances. The District and the Lessor shall promptly, at their own respective expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above which each shall respectively have created, incurred, or suffered to exist.

**ARTICLE VIII
MAINTENANCE; TAXES; INSURANCE AND OTHER CHARGES**

1. Maintenance of the Leased Property by the District. The District agrees that at all times during the Lease Term the District will maintain, preserve and keep all portions of the Leased Property or cause the Leased Property to be maintained, preserved and kept, in good repair, working order and condition, and that the District will from time to time make or cause to be made all necessary and proper repairs, except as otherwise provided in Articles IX, Section 2 and Article X, Section 3 of this Financing Lease. The

Lessor shall not have any responsibility for such maintenance or repairs or for the making of any additions, modifications or replacements to the Leased Property.

2. Modification of the Leased Property, Installation of Furnishings and Machinery of the District. The District shall have the privilege of making substitutions, additions, modifications and improvements to any portion of the Leased Property, at its own cost and expense; and the same shall be included in the Leased Property and shall be subject to the rights of the Lessor under the terms of this Financing Lease and the Site Lease; provided, however, that such substitutions, additions, modifications and improvements shall not in any way damage the Leased Property or cause the Leased Property to be used for purposes other than lawful governmental or proprietary functions of the District (except to the extent of subleasing permitted under Article XII, Section 1 hereof); and provided that the Leased Property, as improved or altered, upon completion of such substitutions, additions, modifications and improvements, shall be of a value not less than the value of the Leased Property immediately prior to making such substitutions, additions, modifications and improvements.

The District may also, from time to time in its sole discretion and at its own expense, install machinery, equipment, and other tangible personal property in or on any Leased Property. All such machinery, equipment, and other tangible personal property shall remain the sole property of the District in which the Lessor shall not have any interest; provided, however, that any such machinery, equipment, and other tangible personal property which becomes permanently affixed to any Leased Property shall be included in the Leased Property and shall be subject to the rights of the Lessor under the terms of this Financing Lease and the Site Lease, in the event the Lessor shall reasonably determine that such Leased Property would be materially damaged or impaired by the removal of such machinery, equipment, or other tangible personal property.

3. Reserved.

4. Taxes, Other Governmental Charges and Utility Charges. In the event that the Leased Property or any portion thereof shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body, the District shall pay the amount of all such taxes, assessments and governmental charges when due, as Additional Rentals. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the District shall be obligated to provide for Additional Rentals only for such installments as are required to be paid during the upcoming Fiscal Year. Except for Permitted Encumbrances, the District shall not allow any liens for taxes, assessments or

governmental charges to exist with respect to the Leased Property or any portion thereof (including, without limitation, any taxes levied upon the Leased Property or any portion thereof which, if not paid, will become a charge on the rentals and receipts from the Leased Property or any portion thereof, or any interest therein, including the interest of the Lessor), or the rentals and revenues derived therefrom or hereunder. The District shall also pay as Additional Rentals, as the same respectively become due, all utility and other charges incurred in the maintenance and upkeep of the Leased Property.

5. Provisions Regarding Liability, Property and Worker’s Compensation Insurance. Upon the delivery and acceptance of the Leased Property, the District shall, at its own expense, cause casualty and property insurance to be carried and maintained with respect to the Leased Property in an amount equal to the maximum insurable value thereof, provided that such coverage need not be in excess of the next succeeding Purchase Option Price. Such insurance policy may have a deductible clause in an amount not to exceed \$25,000 or such greater amount as is approved in writing by the Lessor. The District may, in its discretion, insure the Leased Property under blanket insurance policies which insure not only the Leased Property, but other property as well, as long as such blanket insurance policies otherwise comply with the requirements hereof. Any property damage insurance policy required by this Article VIII, Section 5 shall be so written or endorsed as to show the Lessor as loss payee and/or additional insured.

Upon the execution and delivery of this Financing Lease, the District shall, at its own expense, cause public liability insurance, including blanket contractual liability or specific contractual liability insurance for this Financing Lease and public officials’ errors and omissions coverage, to be carried and maintained with respect to the activities to be undertaken by the District and its officers, officials, agents and employees in connection with the use and possession of the Leased Property. All such policies (other than errors and omissions) shall show the District and all officers and employees thereof, and the Lessor as additional insureds. Such coverage shall be in amounts not less than the limits of liability per occurrence set by the Colorado Governmental Immunity Act as the same may from time to time be amended, to a \$2,000,000 annual aggregate, for claims to which the defense of sovereign immunity applies. The public liability insurance required by this Article VIII, Section 5 may be by blanket insurance policy or policies.

Each property and liability insurance policy provided for in this Article VIII, Section 5 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interests of the Lessor

without first giving written notice thereof to the Lessor at least 60 days in advance of such cancellation or modification. In the event that the District has received such notice of cancellation or modification, it shall immediately furnish to the Lessor a new insurance policy or certificate evidencing such policy replacing the cancelled or modified policy and effective on or before the effective date of such cancellation or modification.

The District shall provide certificates of insurance with appropriate endorsements attached evidencing of all insurance policies required under this Article VIII, Section 5. No agent or employee of the District shall have the power to adjust or settle any loss with respect to the Leased Property, whether or not covered by insurance, without the prior written consent of the Lessor; except that losses not exceeding \$25,000 may be adjusted or settled by the District without the Lessor's consent.

6. Reserved.

7. Granting of Easements. As long as no Event of Nonappropriation or Event of Default shall have happened and be continuing, the Lessor shall at any time or times, but only upon the request of the District, grant or join in the granting of easements, licenses, rights-of-way (including the dedication of public highways) and other rights or privileges in the nature of easements with respect to the Leased Property, free from this Financing Lease, and the Lessor shall release or join in the release of existing easements, licenses, rights-of-way, and other rights and privileges with respect to such property or rights, with or without consideration, and shall execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other grant or privilege upon receipt of: (a) a copy of the instrument of grant or release; and (b) a written application signed by an Authorized Officer of the District requesting such instrument and stating that such grant or release will not impair the effective use or interfere with the operation of the Leased Property.

**ARTICLE IX
DAMAGE, DESTRUCTION AND CONDEMNATION;
USE OF NET PROCEEDS**

1. Damage, Destruction and Condemnation. If, during the Lease Term (a) the Leased Property or any portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; or (b) title to, or the temporary or permanent use of, the Leased Property or any portion thereof or the estate of the District or the Lessor in the Leased Property or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting

under governmental authority; or (c) a breach of warranty or a material defect in the construction, manufacture or design of the Leased Property shall become apparent; or (d) title to or the use of all or any portion of the Leased Property shall be lost by reason of a defect in title thereto; then the District shall be obligated to continue to pay the amounts specified in Article VI, Section 2 of this Financing Lease (subject to Article VI, Section 1 hereof).

2. Obligation of the District to Repair and Replace the Leased Property. The District and, to the extent such Net Proceeds are within its control, the Lessor, shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards to be deposited in a separate trust fund held by the Lessor. Unless the District shall elect to apply the Net Proceeds to the Purchase Option Price in the manner contemplated by Article IX, Section 3(b) hereof, all Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, improvement or replacement of the Leased Property by the District upon receipt of requisitions acceptable to the Lessor signed by an Authorized Officer of the District stating with respect to each payment to be made; (a) the requisition number; (b) the name and address of the person, firm or corporation to whom payment is due; (c) the amount to be paid; and (d) that each obligation mentioned therein has been properly incurred, is a proper charge against the separate trust fund and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation.

3. Insufficiency of Net Proceeds. If the Net Proceeds (plus any amounts withheld from such Net Proceeds by reason of any deductible clause) shall be insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the Leased Property required under Article IX, Section 2 of this Financing Lease, the District may elect to:

(a) complete the work or replace such Leased Property (or portion thereof) with similar property of a value equal to or in excess of such Leased Property or portion thereof and pay as Additional Rentals, to the extent amounts for Additional Rentals which have been specifically appropriated by the District are available for payment of such cost, any cost in excess of the amount of the Net Proceeds, and the District agrees that, if by reason of any such insufficiency of the Net Proceeds, the District shall make any payments pursuant to the provisions of this Article IX, Section 3(a), the District shall not be entitled to any reimbursement therefor from the Lessor, nor

shall the District be entitled to any diminution of the Base Rentals and Additional Rentals payable under Article VI, Section 2 of this Financing Lease;

(b) apply the Net Proceeds to the payment of the Purchase Option Price in accordance with Article XI of this Financing Lease. In the event of an insufficiency of the Net Proceeds for such purpose, the District shall, subject to the limitations of Article 6.01 hereof, pay such amounts as may be necessary to equal that portion of the Purchase Option Price which is attributed to the Leased Property for which the Net Proceeds have been received (as certified to the Lessor by the District); and in the event the Net Proceeds shall exceed such portion of the Purchase Option Price, such excess shall be retained by the District; or

(c) if the District does not timely budget and appropriate sufficient funds to proceed under either (a) or (b) above, an Event of Nonappropriation will be deemed to have occurred and, subject to the District's right to cure, the Lessor may pursue remedies available to it following an Event of Nonappropriation.

The election permitted by this Article IX, Section 3 shall be made by the District within 90 days of the occurrence of an event specified in Article IX, Section 1 of this Financing Lease.

If the District elects to replace the Leased Property with similar property pursuant to subparagraph (a) above, the District shall give notice thereof to Lessor prior to such substitution.

4. Cooperation of the Lessor. At the expense of the District, the Lessor shall cooperate fully with the District in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Article IX, Section 1 of this Financing Lease and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Leased Property or any portion thereof and in the enforcement of all warranties relating to the Leased Property. In no event shall the Lessor voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim, performance or payment bond claim, prospective or pending condemnation proceeding, or any portion thereof without the written consent of the District.

5. Condemnation by the District. The District agrees that, to the extent permitted by law, in the event it brings an eminent domain or condemnation proceeding with respect to all or any portion of the Leased Property, the fair market value of the

condemned portion of the Leased Property shall be not less than the Purchase Option Price.

**ARTICLE X
DISCLAIMER OF WARRANTIES; OTHER COVENANTS**

1. Disclaimer of Warranties. THE LESSOR DOES NOT MAKE ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE LEASED PROPERTY OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY. THE DISTRICT HEREBY ACKNOWLEDGES AND DECLARES THAT THE DISTRICT IS SOLELY RESPONSIBLE FOR THE USE, IMPROVEMENT, EQUIPPING, MAINTENANCE AND OPERATION OF THE LEASED PROPERTY, AND THAT THE LESSOR DOES NOT HAVE ANY RESPONSIBILITY THEREFOR. For the purpose of enabling the District to discharge such responsibility, the Lessor constitutes and appoints the District as its attorney in fact for the purpose of improving, equipping, maintaining and operating the Leased Property, and asserting and enforcing, at the sole cost and expense of the District, all constructor's or manufacturer's warranties and guaranties, express or implied, with respect to the Leased Property, as well as any claims or rights the Lessor may have in respect of the Leased Property against any manufacturer, supplier, contractor or other person. In no event shall the Lessor be liable for any direct or indirect, incidental, special or consequential damage in connection with or arising out of this Financing Lease or the existence, furnishing, functioning or use by the District of any item, product or service provided for herein.

2. Further Assurances and Corrective Instruments. The Lessor and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased or intended so to be, or for otherwise carrying out the intention hereof.

3. Compliance with Requirements. During the Lease Term, the District and the Lessor shall observe and comply promptly to the extent possible with all current and future orders of all courts having jurisdiction over the Leased Property or any portion thereof, provided that the District or the Lessor may contest or appeal such orders so long as they are in compliance with such orders during the contest or appeal period, and all

current and future requirements of all insurance companies writing policies covering the Leased Property or any portion thereof.

4. Reserved.

5. Reserved.

6. Reserved.

7. Access to Leased Property. The District agrees that the Lessor and its authorized representatives shall have the right at all reasonable times to examine and inspect the Leased Property and all of the District's books and records with respect thereto. The District further agrees that the Lessor and any such representative shall have such rights of access to the Leased Property as may be reasonably necessary to cause the proper maintenance of the Leased Property in the event of failure by the District to perform its obligations under this Financing Lease.

8. Reserved.

9. Environmental Covenant. The District shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Leased Property in violation of any Environmental Regulation, shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom in violation of any Environmental Regulation, shall cause all Hazardous Substances to be properly removed therefrom and properly disposed of in accordance with all applicable Environmental Regulations, shall not install or permit to be installed any underground storage tank therein or thereunder in violation of any Environmental Regulation and shall comply with all other Environmental Regulations which are applicable to the Leased Property.

Subject to the limitations of Article VI, Section 1 hereof and to the extent permitted by law, in the event any Hazardous Substance is found upon, under, over or from the Leased Property in violation of any Environmental Regulation or if any lien or claim for lien in favor of any governmental entity or agency as a result of any release of any Hazardous Substance is threatened, the District, at its sole cost and expense, shall, within 10 days of such finding, deliver written notice thereof to the Lessor and shall promptly remove such Hazardous Substances and prevent the imposition of any liens against the Leased Property for the cleanup of any Hazardous Substance. Such removal

shall be conducted and completed in compliance with all applicable federal, state and local laws, regulations, rules, ordinances and policies in accordance with the orders and directives of all federal, state and local governmental authorities.

**ARTICLE XI
PURCHASE AND CONVEYANCE OF THE LEASED PROPERTY**

1. Purchase Option. The District shall have the option to purchase the interest of the Lessor in the Leased Property and terminate this Financing Lease, but only if it is not then in default under this Financing Lease. The District may exercise its option on any date by complying with one of the conditions set forth in Article XI, Section 2. The District shall give the Lessor notice of its intention to exercise its option not less than 15 days in advance of the date of exercise. If the District shall have given notice to the Lessor of its intention to purchase the Leased Property, but shall not have deposited the amounts with the Lessor on the date specified in such notice, the District shall continue to pay Base Rentals as if no such notice had been given.

2. Conveyance of the Leased Property. The Lessor shall transfer and convey the Leased Property to the District in the manner provided for in Article XI, Section 3 of this Financing Lease; provided, however, that prior to such transfer and conveyance, either:

(a) the District shall have paid the then applicable Purchase Option Price; or

(b) no Event of Default shall have occurred and be continuing, and the District shall have paid all Base Rentals and all then current Additional Rentals required to be paid hereunder, in which case the Lessor shall transfer and convey the Leased Property to the District.

3. Manner of Conveyance. At the closing of any purchase or other conveyance of the Leased Property pursuant to Article XI, Section 2 of this Financing Lease, the Lessor shall execute and deliver to the District such releases, bills of sale and other necessary documents assigning, transferring and conveying the Leased Property, as it then exists, subject to the following: (a) Permitted Encumbrances, other than this Financing Lease; (b) all liens, encumbrances and restrictions created or suffered to exist by the Lessor as required or permitted by this Financing Lease or arising as a result of any action taken or omitted to be taken by the Lessor as required or permitted by this Financing Lease; and (c) any lien or encumbrance created by action of the District.

**ARTICLE XII
ASSIGNMENT, SUBLEASING AND USE BY DISTRICT**

1. Assignment and Subleasing of the Financing Lease. This Financing Lease may not be assigned by the District for any reason other than to a successor by operation of law. However, the Leased Property may be subleased to any other person or entity, as a whole or in part, by the District, but without the necessity of obtaining the consent of the Lessor, subject, however, to each of the following conditions:

(a) this Financing Lease, and the obligations of the District hereunder, shall, at all times during the Lease Term remain obligations of the District subject to Article VI, Section 1 of this Financing Lease, and the District shall maintain its obligations to the Lessor, notwithstanding any sublease;

(b) the District shall, at the written request of Lessor, furnish to the Lessor a copy of any sublease agreement; and

(c) no sublease by the District shall violate the Constitution or laws of the State.

2. Reserved.

**ARTICLE XIII
EVENTS OF DEFAULT AND REMEDIES**

1. Events of Default Defined. Any one of the following shall be an "Event of Default" under this Financing Lease:

(a) failure by the District to pay any Base Rentals or Additional Rentals during the Lease Term within 5 days after the same become due;

(b) failure by the District to vacate or surrender possession of the Leased Property by the tenth Business Day of the Fiscal Year in respect of which an Event of Nonappropriation has occurred;

(c) failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in (a) or (b), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied shall be given to the District by the Lessor, unless the Lessor shall agree in writing to an extension of such time, which shall not be unreasonably withheld, prior to its expiration; provided, however, that if the failure stated

in the notice cannot be corrected within the applicable period, the Lessor shall not withhold its consent to an extension of such time if corrective action is instituted by the District within the applicable period and diligently pursued until the default is corrected; or

(d) the District (i) files a petition or application seeking reorganization, arrangement under federal bankruptcy law, or other debtor relief under the laws of the State or (ii) is the subject of such a petition or application which is not contested by the District, or otherwise dismissed or discharged, within 30 days.

The foregoing provisions of this Article XIII, Section 1 are subject to the following limitations: (a) the District shall be obligated to pay the Base Rentals and Additional Rentals only during the Original Term or current Renewal Term, except as otherwise expressly provided in this Financing Lease; and (b) if, by reason of Force Majeure, the District shall be unable in whole or in part to carry out any agreement on its part herein contained, other than the obligations on the part of the District contained in Article VI of this Financing Lease, the District shall not be deemed in default during the continuance of such inability. The District agrees, however, to remedy, as promptly as legally and reasonably possible, the cause or causes preventing the District from carrying out its agreement.

Immediately upon the occurrence of an Event of Default, the remaining Lease Balance shall bear interest at the Default Rate. The Default Rate shall remain in effect until such time as the applicable Event of Default is cured to the reasonable satisfaction of the Lessor. Notwithstanding the foregoing, with respect to the occurrence of an Event of Default described in paragraph (c) hereof, the Lessor shall provide a Default Interest Notice to the District and the Lease Balance (outstanding as of the date when such Default Interest Notice is provided by the Lessor) shall bear interest at the Default Rate commencing on the third calendar day following the date when the Lessor provided such Default Interest Notice to the District.

2. Remedies on Default. Whenever any Event of Default referred to in Article XIII, Section 1 of this Financing Lease shall have happened and be continuing, the Lessor shall, and, without any further demand or notice, take one or any combination of the following remedial steps:

(a) The Lessor may terminate the Lease Term and give notice to the District to vacate and surrender possession of the Leased Property within 10 Business Days of such notice.

(b) The Lessor may proceed to foreclose through the courts on or otherwise sell, trade-in, repossess or liquidate the District's interest in the Leased Property, or any part thereof in any lawful manner; provided, however, that the Lessor may not recover from the District any deficiency which may exist following the liquidation of the District's interest in the Leased Property in excess of Base Rentals and Additional Rentals for the then current Fiscal Year and in excess of amounts payable under subparagraph (d) of this Article XIII, Section 2.

(c) The Lessor may lease or sublease the Leased Property or any portion thereof or sell any interest the Lessor has in the Leased Property.

(d) The Lessor may recover from the District:

(i) the portion of Base Rentals and Additional Rentals which would otherwise have been payable hereunder, during any period in which the District continues to occupy, use or possess the Leased Property; and

(ii) Base Rentals and Additional Rentals which would otherwise have been payable by the District hereunder during the remainder, after the District vacates and surrenders possession of the Leased Property, of the Fiscal Year in which such Event of Default occurs.

(e) The Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the Leased Property under this Financing Lease.

3. Limitations on Remedies. A judgment requiring a payment of money may be entered against the District by reason of an Event of Default only as to the District's liabilities described Article XIII, Section 2(d) of this Financing Lease. A judgment requiring a payment of money may be entered against the District by reason of an Event of Nonappropriation only to the extent that the District fails to vacate and surrender possession of the Leased Property as required by Article VI, Section 6 of this Financing Lease, and only as to the liabilities described in Article XII, Section 2(d)(i) of this Financing Lease. The remedy described in Article XIII, Section 2(d)(ii) of this Financing Lease is not available for the Event of Default described in Article XIII, Section 1(b).

4. No Remedy Exclusive. Subject to Article XIII, Section 3 hereof, no remedy herein conferred upon or reserved to the Lessor is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to

exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lessor to exercise any remedy reserved in this Article XIII, it shall not be necessary to give any notice, other than such notice as may be required in Article XIV.

5. Waivers. The Lessor may waive any Event of Default under this Financing Lease and its consequences. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

6. Agreement to Pay Attorneys' Fees and Expenses. To the extent permitted by law and subject to the provisions of Article VI, Section 1 hereof, in the event that either party hereto shall default under any of the provisions hereof and the non-defaulting party shall employ attorneys or incur other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it shall on demand therefor pay to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction.

**ARTICLE XIV
THE FINANCED PROJECT**

1. Agreement to Fund the Financed Project. The Financed Project shall be acquired by the District as set forth in that Intergovernmental Agreement for Lease and Purchase of Augmentation Water and for the Operation of the Indian Mountain Water Augmentation Program between the District and HASP

2. Reserved.

3. Ownership and Encumbrance Report. Concurrently with the execution and delivery of the Site Lease, the District shall provide a standard ownership and encumbrance report acceptable to the Lessor, confirming the ownership and any encumbrances on the Leased Property subject to Permitted Encumbrances.

**ARTICLE XV
MISCELLANEOUS**

1. Costs and Expenses. Each Party shall pay their own costs and expenses in connection with the preparation, execution and delivery of this Financing Lease or any other documents, including the Site Lease, in connection with the transactions contemplated by the Financing Lease.

2. Sovereign Powers of District. Nothing in this Financing Lease shall be construed as diminishing, delegating, or otherwise restricting any of the sovereign powers of the District. Nothing in this Financing Lease shall be construed to require the District to occupy and operate the Leased Property other than as lessee, or to require the District to exercise its right to purchase the Leased Property as provided in Article XI hereof.

3. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified or registered mail, postage prepaid, addressed as follows:

if to the District: Indian Mountain Metropolitan District
Attn: Board President
P.O. Box 25
Como, CO 80432

with a copy to: Collins Cockrel & Cole
390 Union Blvd., Suite 400
Denver, CO 80228
Attention: Robert Cole, Esq.

if to the Lessor: Park County, Colorado
501 Main Street
Fairplay, CO 80440
Attention: Tom Eisenman

with a copy to: Herbert C. (Lee) Phillips
Phillips Law Offices, LLC
675 Main Street
Fairplay, CO 80440

The District and the Lessor may, by written notice, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

4. Binding Effect. This Financing Lease shall inure to the benefit of and shall be binding upon the Lessor and the District and their respective successors and assigns, subject, however, to the limitations contained in Article II, Section 2, Article XII and Article XV, Section 6 of this Financing Lease.

5. Amendments, Changes and Modifications. Except as otherwise provided in this Financing Lease, this Financing Lease may not be effectively amended, changed, modified or altered without the written consent of the Parties hereto.

6. No Assignment by Lessor. The Lessor shall not assign or transfer this Financing Lease or any interest herein.

7. Reserved.

8. Reserved.

9. Payments Due on Weekends and Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Financing Lease, shall be a day other than a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Financing Lease.

10. Severability. In the event that any provision of this Financing Lease, other than the requirement of the District to pay Base Rentals in accordance with Article VI, Section 1 and the requirement of the Lessor to provide quiet enjoyment of the Leased Property and to convey the Leased Property to the District under the conditions set forth in Article XI of this Financing Lease, and the requirement that the obligation of the District to pay Base Rentals, Additional Rentals and other amounts under this Financing Lease are subject to the limitations of Article VI, Section 1 hereof, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

11. No Merger. The Lessor and the District intend that the legal doctrine of merger shall have no application to this Financing Lease and that neither the execution and delivery of the Site Lease by the District and the Lessor nor the exercise of any

remedies under the Site Lease or this Financing Lease shall operate to terminate or extinguish the Site Lease or this Financing Lease, except as specifically provided therein and herein.

12. Execution in Counterparts. This Financing Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

13. Applicable Law. This Financing Lease shall be governed by and construed in accordance with the laws of the State.

14. Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Financing Lease.

[Signature Page to Financing Lease Purchase Agreement follows]

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Debra A Green
Park County Clerk

WITNESS the due execution hereof as of the day and year first mentioned above.

PARK COUNTY, COLORADO, a political
subdivision of the State of Colorado, as Lessor

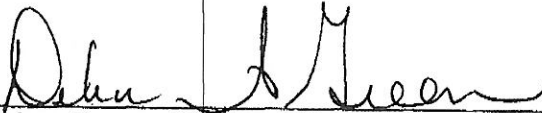
By:



Title:

Mike Brazell
Chair of Board of Commissioners

Attest:



Debra Green, Clerk and Recorder



**INDIAN MOUNTAIN METROPOLITAN
DISTRICT**, a quasi-municipal corporation
and political subdivision of the State of
Colorado, as Lessee

By:



Title:

Susan Stoval
President

Attest:



Jamp, Secretary

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39 of 39

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Debra A Green
Park County Clerk

STATE OF COLORADO)

)

) ss.

COUNTY OF PARK)



This instrument was acknowledged before me this 12 day of Aug, 2017, by Susan Stouck, as Chair of the Park County, Colorado, Board of County Commissioners, a political subdivision of the State of Colorado.

Witness my hand and official seal.

My commission expires: 11/9/2018

Samantha Bertin
Notary Public

STATE OF COLORADO)

)

) ss.

COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, 2017, by _____, as President of the Indian Mountain Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado.

Witness my hand and official seal.

My commission expires: _____

Notary Public

No fee

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1 of 12

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Debra A Green
Park County Clerk

AFTER RECORDING PLEASE RETURN TO:

Collins, Cockrel & Cole
390 Union Boulevard, Suite 400
Denver, Colorado 80228-1556
Attention: Robert G. Cole

SITE LEASE

between

**INDIAN MOUNTAIN METROPOLITAN DISTRICT, a quasi-municipal corporation and
political subdivision of the State of Colorado,**
as Lessor,

and

PARK COUNTY, COLORADO, a political subdivision of the State of Colorado,
as Lessee,

Dated as of August 17, 2017

THIS SITE LEASE dated as of August 18th, 2017 (this "Site Lease"), between the INDIAN MOUNTAIN METROPOLITAN DISTRICT, as ground lessor (the "District"), and PARK COUNTY, COLORADO, as ground lessee (together with its successors and assigns, the "Lessee");

WITNESSETH:

WHEREAS, the District, is a quasi-municipal corporation and political subdivision of the State of Colorado ("State") duly organized and operating under Article 1, Title 32 of the Colorado Revised Statutes; and

WHEREAS, the District is the owner of the land and improvements described in Exhibit A hereto (the "Leased Property"); and

WHEREAS, the District is authorized under Section 32-1-1001(1)(f), C.R.S., to lease the Leased Property to the Lessee and to execute, deliver and perform its obligations under this Site Lease; and

WHEREAS, the Lessee is a Colorado county organized and existing under Title 30 of the Colorado Revised Statutes; and

WHEREAS, the Lessee is authorized under Section 30-11-101(1)(c), C.R.S., to lease the Leased Property from the District and to execute, deliver and perform all obligations under this Site Lease; and

WHEREAS, in order to generate moneys to acquire a proportionate undivided interest in up to eleven (11) acre feet of augmentation water from Headwater Authority of the South Platte, a water authority of the State of Colorado, pursuant to the Intergovernmental Agreement for Lease and Purchase of Augmentation Water for the Operation of the Indian Mountain Water Service Program (the "HASP IGA"), the District has determined that the District shall grant a leasehold interest in the Leased Property for a lump-sum payment set forth in Section 3 hereof, and sublease the Leased Property back from the Lessee pursuant to that certain Lease Purchase Agreement dated as of the date of this Site Lease, between the Lessee, as sublessor, and the District, as sublessee (the "Financing Lease"); and

WHEREAS, the District has determined that the lease of the Leased Property to the Lessee pursuant to this Site Lease is in the best interests of the District and its residents; and

WHEREAS, the District desires to lease the Leased Property to the Lessee and the Lessee desires to lease the Leased Property from the District pursuant to this Site Lease;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows.

- 1. **Definitions.** Unless the context otherwise requires, capitalized terms used herein shall have the meanings ascribed to them herein and in the Financing Lease.

2. **Site Lease and Terms.** The District hereby leases to the Lessee and the Lessee hereby leases from the District, on the terms and conditions hereinafter set forth, the Leased Property, which consists of the real property (including all improvements thereon, whether existing now or hereafter) described in Exhibit A attached hereto and made a part hereof, subject to Permitted Encumbrances as described in the Financing Lease, and such lease to the Lessee is hereby deemed to be in the best interests of the District and its inhabitants.

The term of this Site Lease shall commence on the date hereof and shall end on December 31, 2025 (the "Site Lease Termination Date"), unless such term is sooner terminated as hereinafter provided. If, prior to the Site Lease Termination Date, (a) the interest of the Lessee in the Leased Property has been purchased by the District pursuant to the Financing Lease as a result of the District's payment of (i) the related Purchase Option Price thereunder or (ii) all Base Rentals and Additional Rentals as provided in Section 11.02 of the Financing Lease, or if (b) the Lessee's interest in the Leased Property is purchased by the District, pursuant to Section 6 of this Site Lease and Section 11.02.(b) of the Financing Lease, after termination of the Financing Lease following an Event of Default or Event of Nonappropriation, then the term of this Site Lease shall end immediately upon such purchase. Upon the termination of this Site Lease, the Lessee shall execute and deliver to the District a Termination of Site Lease and Lease Purchase Agreement, in the form attached hereto as Exhibit C. The Termination of Site Lease and Lease Purchase Agreement shall be filed in the public records of Park County, Colorado, with a recorded copy sent to the District's Attorney.

3. **Rent and Payment.** The District acknowledges receipt from the Lessee as rent and payment hereunder, in full, the lump sum of two hundred ten thousand dollars (\$210,000.00) (the "Lessee Rental Payment") and other good and valuable consideration; provided, however, that except as provided herein such amount is to be held by the District and disbursed to HASP pursuant to the terms of the HASP IGA. The District hereby covenants to apply or cause to be applied such funds solely to the costs of the Financed Project.

4. **Purpose.** The Lessee shall use the Leased Property for the purpose of subletting the same to the District pursuant to the Financing Lease; provided, that upon the occurrence of an Event of Nonappropriation or an Event of Default under the Financing Lease, the District shall vacate the Leased Property as provided in the Financing Lease, the Lessee may exercise the remedies provided in the Financing Lease and the Lessee may use or sublet the Leased Property for any lawful purposes.

5. **Owner in Fee.** The District covenants that it is the owner in fee of the Leased Property, subject only to Permitted Encumbrances as set forth in Exhibit B hereto.

6. **Assignments and Subleases.** Unless an Event of Nonappropriation or an Event of Default under the Financing Lease shall have occurred and except as may otherwise be provided in the Financing Lease, the Lessee may not assign its rights under this Site Lease or sublet the Leased Property without the written consent of the District.

In the event that (a) the Financing Lease is terminated for any reason and (b) this Site Lease is not terminated, the Lessee may sublease the Leased Property or any portion thereof, or sell or assign its interest in this Site Lease, provided that during the period following a

termination of the Financing Lease, if this Site Lease is still in effect, the District shall continue to have the rights provided in Section 4.02 of the Financing Lease to purchase the Lessee's interest in the Leased Property and terminate this Site Lease. Except as provided in this Site Lease or in the Financing Lease, neither the District nor the Lessee will sell, mortgage or encumber the Leased Property or any portion thereof during the term of this Site Lease.

7. **Right of Entry.** The District reserves the right, so long as no Event of Nonappropriation or Event of Default shall have occurred under the Financing Lease, for any of its duly authorized representatives to enter upon the Leased Property at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

8. **Termination.** The Lessee agrees, upon the termination of this Site Lease, to quit and surrender the Leased Property and any improvements and structures built thereon, to the District, subject to Permitted Encumbrances, including any leases or tenancies granted by the Lessee following an Event of Nonappropriation or Event of Default, provided that upon termination of this Site Lease the District shall succeed to the rights of the Lessee with respect to any such leases or tenancies, and shall receive a credit against any amounts due Lessee in the amount of any payments of rentals collected in advance by the Lessee and allocable to any tenant's occupancy following the date of termination of this Site Lease. The Lessee agrees that any fixtures, permanent improvements and structures existing upon the Leased Property, including any improvements and structures built on the Leased Property, at the time of the termination of this Site Lease shall remain thereon and all right, title and interest of the Lessee therein shall vest in the District. The Lessee and any sublessor or assignee shall execute and deliver, upon request by the District, any instrument of transfer, conveyance or release necessary or appropriate to confirm the vesting of such legal interests in the District.

9. **Default.** In the event the Lessee shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following notice and demand for correction thereof to the Lessee, the District may exercise any and all remedies granted by law, except that no merger of this Site Lease and the Financing Lease shall be deemed to occur as a result thereof.

10. **Quiet Enjoyment and Acknowledgment of Ownership.** The Lessee at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy the Leased Property and any improvements and structures built on the Leased Property, subject to the provisions of the Financing Lease, and the District hereby acknowledges that the Lessee shall have a leasehold interest in the land comprising the Leased Property and in all fixtures, improvements and structures on the Leased Property, subject to the Financing Lease.

11. **Waiver of Personal Liability.** All liabilities under this Site Lease on the part of the Lessee are solely the liabilities of the Lessee, and the District hereby releases each and every director, member, officer, employee and agent of the Lessee of and from any personal or individual liability under this Site Lease. No employee or agent of the Lessee shall at any time or under any circumstances be individually or personally liable under this Site Lease for anything done or omitted to be done by the Lessee hereunder.

12. **Taxes; Maintenance; Insurance.** During the Lease Term of the Financing Lease and in accordance with the provisions of the Financing Lease, the District covenants and agrees to pay any and all assessments of any kind or character and all taxes, including possessory interest taxes, levied or assessed upon the Leased Property and any improvements thereon, and all maintenance costs and utility charges in connection with the Leased Property and any improvements thereon. In the event that the Financing Lease is terminated for any reason and this Site Lease is not terminated, the Lessee or any sublessor or assignee of the Leased Property shall pay or cause to be paid when due all taxes and assessments imposed thereon and maintain the Leased Property in good condition.

The provisions of the Financing Lease shall govern with respect to the maintenance of insurance hereunder during the Lease Term of the Financing Lease. The District agrees to maintain, at its expense, the same coverages following the termination of the Financing Lease if this Site Lease is not terminated; provided that any obligation of the District to make payment therefor shall be subject to annual appropriation by the Board of Directors of the District.

13. **Damage, Destruction or Condemnation.** The provisions of the Financing Lease shall govern with respect to any damage, destruction or condemnation of the Leased Property or any improvements and structures built on the Leased Property during the Lease Term of the Financing Lease. In the event that (a) the Financing Lease is terminated for any reason, (b) this Site Lease is not terminated and (c) any improvements and structures built on the Leased Property or any portion thereof are damaged or destroyed, in whole or in part, by fire or other casualty, the Lessee shall have no obligation to rebuild, the Lessee shall be entitled to all Net Proceeds of any insurance claim up to an amount equal to the Purchase Option Price in effect on the date of termination of the Financing Lease (and the Net Proceeds received by it shall be applied to the purchase by the District of the Lessee's interest in the Leased Property) and the District shall be entitled to the remaining Net Proceeds in excess of such amount. In the event that (a) the Financing Lease is terminated for any reason, (b) this Site Lease is not terminated and (c) title to or use of the Leased Property, any improvements and structures built on the Leased Property or any part thereof shall be taken under the exercise of the power of eminent domain, the Lessee shall be entitled to all Net Proceeds from said condemnation up to an amount equal to the Purchase Option Price in effect on the date of termination of the Financing Lease (and the Net Proceeds received by it shall be applied to the purchase by the District of the Lessee's interest in the Leased Property) and the District shall be entitled to the remaining Net Proceeds in excess of said amount.

14. **Partial Invalidity.** If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

15. **No Merger.** The District and the Lessee intend that the legal doctrine of merger shall have no application to this Site Lease and that neither the execution and delivery of the Financing Lease by the Lessee and the District nor the exercise of any remedies under this Site

Lease or the Financing Lease shall operate to terminate or extinguish this Site Lease or the Financing Lease, except as specifically provided herein and therein.

16. **Notices.** All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed shall be made by United States registered mail, return receipt requested, postage prepaid, at the addresses indicated in the Financing Lease, or to such other addresses as the respective parties may from time to time designate in writing.

17. **Amendments, Changes and Modifications.** Except as otherwise provided herein, this Site Lease may not be effectively amended, changed, modified or altered other than by the execution of a subsequent document in the same manner as this Site Lease is executed.

18. **Events Occurring on Days That Are Not Business Days.** If the date for making any payment or the last day for performance of any act or the exercising of any right under this Site Lease is a day that is not a Business Day, such payment may be made, such act may be performed or such right may be exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Site Lease.

19. **Applicable Law.** The laws of the State of Colorado shall be applied in the interpretation, execution and enforcement of this Site Lease.

20. **Section Headings.** All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

21. **Attorneys' Fees and Costs.** In any dispute arising from or relating to this Site Lease, the prevailing party shall be awarded its reasonable attorneys' fees, costs and expenses, including any attorneys' fees, costs and expenses incurred in enforcing or collecting upon any judgment, order or award.

22. **Limitation of Obligations of the District.** No provision of the Financing Lease or this Site Lease shall be construed or interpreted (a) to directly or indirectly obligate the District to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the District; (d) as a loan or pledge of the credit or faith of the District or as creating any responsibility by the District for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (e) as a donation or grant by the District to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

23. **Execution.** This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same Site Lease.

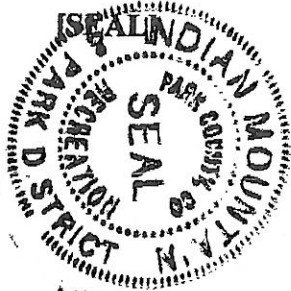
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Debra A Green
Park County Clerk

IN WITNESS WHEREOF, the District and the Lessee have caused this Site Lease to be executed by their respective officers duly authorized, and the District has affixed its corporate seal hereto, all as of the day and year first mentioned above.




Attest:


_____, Secretary

INDIAN MOUNTAIN METROPOLITAN DISTRICT, as Lessor

By: Susan Loyal
_____, Chair of the Board
of Directors

PARK COUNTY, COLORADO,
as Lessee

By: 
Name: Mike Brazell
Title: Chair of the Board of Commissioners

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Debra A Green
Park County Clerk



STATE OF COLORADO)

COUNTY OF PARK)

SS.

This instrument was acknowledged before me this 12 day of Aug, 2017, by Susan Stoval, as Chair of the Board of Directors and Glen Haag as Secretary of the Indian Mountain Metropolitan District.

WITNESS my hand and official seal.

My commission expires:

11/9/2018

Samantha Bertin
Notary Public

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Debra A Green
Park County Clerk

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

A portion of that certain real property located at 1996 Chief Trail, Como, Colorado and also as described in Park County Assessor's Schedule No. 18811, consisting of the Indian Mountain Park Lodge and the underlying ground encompassing 1 acre, centered on the Lodge building, and an access easement over and across the driveway to such building.

EXHIBIT B

PERMITTED ENCUMBRANCES

Permitted Encumbrances means the following: (a) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pending contest pursuant to the provisions of the Financing Lease; (b) this Site Lease; (c) utility, access and other easements and rights of way, restrictions and exceptions which an Authorized Officer of the District certifies will not interfere with or impair the Leased Property, including rights or privileges in the nature of easements to the extent permitted by the Financing Lease; (d) any financing statements filed to perfect security interests pursuant to this Site Lease; (e) any encumbrance represented by financing statements in forms appropriate to perfect purchase money security interests given by the Lessee in any of the Leased Property; (f) existing easements, covenants, restrictions, liens and encumbrances (if any) to which title to the Leased Property was subject when a leasehold interest therein was demised to the Lessee pursuant to this Site Lease or otherwise, and which do not interfere in any material way with the Leased Property; (g) any leases or tenancies granted by the Lessee following an Event of Nonappropriation or an Event of Default in the manner and subject to the terms contemplated by Sections 6 and 8 of this Site Lease; and (h) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property of the general character of the Leased Property and as do not render the title unmarketable.

EXHIBIT C

FORM OF TERMINATION OF SITE LEASE AND LEASE PURCHASE AGREEMENT

WHEREAS, the Indian Mountain Metropolitan District (“District”) and Park County, Colorado (“Lessee”) entered into that certain Site Lease dated as of _____, 2017 and recorded on _____, 2017 at Reception No. _____ in the public records of Park County, Colorado (the “Site Lease”); and

WHEREAS, the District and Lessee entered into that certain Lease Purchase Agreement dated as of _____, 2017 and recorded on _____, 2017 at Reception No. _____ in the public records of Park County, Colorado (the “Lease Purchase Agreement”); and

WHEREAS, all amounts due under the Site Lease and the Lease Purchase Agreement have been paid in full.

NOW, THEREFORE, the Site Lease and the Lease Purchase Agreement are hereby terminated and any security interest of Lessee, its successors, assigns, and transferees in the property described in the Site Lease and Lease Purchase Agreement is hereby released.

[Signature Page Follows]

