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**SITE LEASE**

by and between

**CITY OF ALAMOSA, COLORADO,**  
as Lessor

and

**ALAMOSA CAPITAL LEASING CORPORATION,**  
as Lessee

Dated April \_\_, 2010

**THIS SITE LEASE** dated April \_\_, 2010 (this "Site Lease"), by and between the **CITY OF ALAMOSA, COLORADO**, as lessor (the "City"), a political subdivision duly organized and existing as a home rule municipal corporation under the constitution and laws of the State of Colorado (the "State"), and the **ALAMOSA CAPITAL LEASING CORPORATION**, as lessee (together with its successors and assigns, the "Corporation"), a Colorado nonprofit corporation.

WITNESSETH:

WHEREAS, the Corporation is a nonprofit corporation duly organized and existing under the laws of the State for the purpose of acquiring by purchase, lease, or otherwise, interests in real and personal property, acquiring, constructing and installing improvements of every character and leasing or otherwise conveying all or any part of said interests in real and personal property and facilities and improvements to the City; and

WHEREAS, the City is authorized by the Charter of the City (the "Charter") and by Sections 31-15-101(1)(d) and 31-15-713(1)(c), Colorado Revised Statutes, to lease any real estate together with any facilities thereon, owned by the City when deemed by the Council of the City (the "City Council") to be in the best interest of the City; and

WHEREAS, the City owns the real property described in Exhibit A-1 hereto (the "New City Hall/Library Site"), which it intends to lease to the Corporation hereunder for the purpose of constructing and equipping a new City Hall/Library Building (the "New City Hall/Library Building") thereon and the City is authorized by the Charter and by Sections 31-15-101(1)(d) and 31-15-713(1)(c), Colorado Revised Statutes, to lease such real property to the Corporation when deemed by the City Council to be in the best interest of the City; and

WHEREAS, the City owns the real property described in Exhibit A-2 hereto (the Public Safety Building Site"), on which the building that presently serves as City Hall is located and which the City intends to lease to the Corporation hereunder for the purpose of (i) remodeling and equipping the present City Hall building for use by the City's police and fire departments (the "Public Safety Building") and (ii) demolishing most of the fire station that is part of the present City Hall building and constructing and equipping a new fire station building (the "Fire Station Building") as an addition to the Public Safety Building, and the City is authorized by the Charter and by Sections 31-15-101(1)(d) and 31-15-713(1)(c), Colorado Revised Statutes, to lease such real property, together with the present City Hall building thereon, to the Corporation when deemed by the City Council to be in the best interests of the City; and

WHEREAS, the City Council has determined that the City, as lessee and sublessee, shall enter into that certain Lease Purchase and Sublease Agreement dated April \_\_, 2010 (the "Lease"), with the Corporation, as lessor and sublessor, to acquire the New City Hall/Library Building Site and the Public Safety Building Site (collectively, the "Sites"), the New City Hall/Library Building and the Fire Station Building to be constructed on the Sites, the Public Safety Building and certain equipment to be installed in such the New City Hall/Library Building, Fire Station Building and Public Safety Building (collectively, the "Leased Property" under the Lease); and

WHEREAS, the City shall lease the Sites and the improvements existing and to be constructed thereon back from the Corporation as the Leased Property under the Lease; and

WHEREAS, the City proposes to enter into this Site Lease with the Corporation as a material consideration for the Corporation's agreement to lease the Leased Property to the City pursuant to the Lease and provide the proceeds of Certificates of Participation (the "Certificates"), evidencing assignments of interests in certain payments to be made by the City as lessee and sublessee under the Lease, for constructing or remodeling, and equipping the New City Hall/Library Building, the Fire Station Building and the Public Safety Building.

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

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

**Section 2. Site Lease and Terms.** The City hereby leases to the Corporation and the Corporation hereby leases from the City, on the terms and conditions hereinafter set forth, (i) the Sites described in Exhibits A-1 and A-2 hereto and made a part hereof, and (ii) the Public Safety Building described in Exhibit B hereto and made a part hereof and other improvement and facilities presently located on the Sites, subject to Permitted Encumbrances as defined in the Lease, and the related items of equipment located in or on the Sites or the Public Safety Building (the "Equipment") if any, described in Exhibit C attached hereto and made a part hereof, and such lease to the Corporation is hereby deemed to be in the best interests of the City and its residents. Full pedestrian and vehicular access to the Sites and the Public Safety Building from a public right of way or street will be provided by the City at all times during the term of this Site Lease.

The term of this Site Lease shall commence on the date hereof and shall end on December 31, 2049 (the "Site Lease Termination Date"), unless such term is sooner terminated as hereinafter provided. If prior to the Site Lease Termination Date, (a) all of the Leased Property has been conveyed to the City pursuant to the Lease as a result of the City's payment or prepayment of (i) the related Purchase Option Price thereunder or (ii) all Base Rentals and Additional Rentals as provided in Section 12.02 of the Lease and (b) the Mortgage and Indenture of Trust dated April \_\_, 2010 (the "Indenture"), between the Corporation and UMB Bank, n.a., as trustee (the "Trustee"), has been discharged as to the Leased Property, then the term of this Site Lease shall end immediately thereafter.

**Section 3. Rental.** During the Lease Term of the Lease, the City acknowledges receipt from the Corporation as and for rental hereunder, paid in advance, the sum of One Dollar (\$1.00) and other good and valuable consideration.

In the event that (a) the Lease is terminated for any reason, (b) this Site Lease is not terminated, and (c) the Trustee subleases all or any portion of the New City Hall/Library Site or sells an assignment of its interest in the New City Hall/Library Site, then the rental due hereunder from the Corporation to the City shall be (i) an amount equal to a percentage, not to exceed eight percent (8%), of the net proceeds (gross proceeds less any amounts which may be

payable under Section 12 hereof) of any such subleasing or sale received by the Trustee with respect to the New City Hall/Library Site and the New City Hall/Library Building to be constructed thereon (such percentage to be calculated as the ratio of the estimated unimproved fair market value of such New City Hall/Library Site to the estimated improved fair market value of such New City Hall/Library Site and the New City Hall/Library Building to be constructed thereon, and with such values to be determined by an independent person engaged in the business of appraising property and acceptable to the Trustee) and (ii) payable to the City by the Trustee within thirty (30) days after the receipt of such proceeds by the Trustee.

In the event that (a) the Lease is terminated for any reason, (b) this Site Lease is not terminated, and (c) the Trustee subleases all or any portion of the Public Safety Building Site or sells an assignment of its interest in the Public Safety Building Site, then the rental due hereunder from the Corporation to the City shall be (i) an amount equal to a percentage, not to exceed eight percent (8%), of the net proceeds (gross proceeds less any amounts which may be payable under Section 12 hereof) of any such subleasing or sale received by the Trustee with respect to the Public Safety Building Site, the Fire Station Building to be constructed thereon and the remodeled Public Safety Building (such percentage to be calculated as the ratio of the estimated fair market value of the Public Safety Building Site and of the Public Safety Building immediately prior to the remodeling thereof to the estimated improved fair market value of the Public Safety Building Site, the Fire Station Building to be constructed thereon and the remodeled Public Safety Building, and with such values to be determined by an independent person engaged in the business of appraising property and acceptable to the Trustee) and (ii) payable to the City by the Trustee within thirty (30) days after the receipt of such proceeds by the Trustee.

**Section 4. Purpose.** The Corporation shall use the Sites and the Public Safety Building solely for the purpose of providing the Leased Property and leasing and subleasing the Leased Property, including the Sites and the Public Safety Building, to the City pursuant to the Lease and for such purposes as may be incidental thereto; provided, that upon the occurrence of an Event of Nonappropriation or an Event of Default under the Lease, the City shall vacate the Leased Property, including the Sites and the Public Safety Building, as provided in the Lease and the Corporation and the Trustee may exercise the remedies provided in the Lease.

**Section 5. Owner in Fee.** The City covenants that it is the owner in fee of the Sites and the Public Safety Building, subject only to Permitted Encumbrances as described in Exhibits B-1 and B-2 hereto.

**Section 6. Assignments and Subleases.** Unless an Event of Nonappropriation or an Event of Default under the Lease shall have occurred and except as may otherwise be provided in the Lease, the Corporation may not assign its rights under this Site Lease, except to the Trustee, or sublet the Leased Property, including the Sites and the Public Safety Building, except to the City, without the written consent of the City.

In the event that (a) the Lease is terminated for any reason and (b) this Site Lease is not terminated, the Corporation and the Trustee may sublease the Sites and the Public Safety Building or any portion thereof, lease all or any portion of the New City Hall/Library Building and/or the Fire Station Building, or sell an assignment of their interest in this Site Lease,

pursuant to the terms of the Lease and the Indenture. Except as provided in this Site Lease, the City, the Corporation, and the Trustee (or any assignee or lessee or sublessee of the Trustee) agree that, except for Permitted Encumbrances (including purchase options under the Lease), neither the City, the Corporation, the Trustee, nor any lessee, sublessee or assignee of the Trustee will sell, mortgage or encumber the Sites and the Public Safety Building or any portion thereof during the term of this Site Lease.

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

**Section 8. Termination.** The Corporation agrees, upon the termination of this Site Lease, to quit and surrender the Leased Property, including the Sites and the Public Safety Building and any improvements and structures built on the Sites, to the City, and agrees that any fixtures, permanent improvements and structures existing upon the Sites, including any improvements and structures built on the Sites after the date hereof, at the time of the termination of this Site Lease shall remain thereon and title thereto shall vest in the City. The Corporation, the Trustee and any lessee, sublessee or assignee shall execute and deliver, upon request by the City, any instrument of transfer, conveyance or release necessary or appropriate to confirm the vesting of such right, title and interest in the City.

**Section 9. Default.** In the event the Corporation 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 Corporation and the Trustee, the City may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Lease shall be deemed to occur as a result thereof and that so long as any of the Certificates are Outstanding and unpaid in accordance with the terms thereof, the Base Rentals assigned by the Corporation to the Trustee under the Indenture shall continue to be paid to the Trustee except as provided in the Lease. In addition, so long as any of the Certificates are Outstanding, this Site Lease shall not be terminated except as described in Section 2 hereof.

**Section 10. Quiet Enjoyment and Acknowledgment of Ownership.** The Corporation at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy the Leased Property, including the Sites and the Public Safety Building and any improvements and structures built on the Sites after the date hereof, subject to the provisions of the Lease and the Indenture, and the City hereby acknowledges that the Corporation shall have a leasehold interest in the Sites and the Public Safety Building and all remodeling, fixtures and improvements to such Public Safety Building, and that the Corporation shall own all other fixtures, improvements and structures to be built on the Sites after the date hereof, subject to the Lease.

**Section 11. Waiver of Personal Liability.** All liabilities under this Site Lease on the part of the Corporation are solely liabilities of the Corporation, and the City hereby releases each and every, member, director, employee and officer of the Corporation of and from any personal or individual liability under this Site Lease. No member, director, employee or officer of the

Corporation 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 Corporation hereunder.

**Section 12. Taxes; Maintenance; Insurance.** During the Lease Term of the Lease and in accordance with the provisions of the Lease, the City 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, including the Sites and the Public Safety Building and any improvements and structures built on the Sites after the date hereof, and all maintenance costs and utility charges in connection with the Leased Property, including the Sites and the Public Safety Building and any improvements and structures built on the Sites after the date hereof. In the event that (a) the Lease is terminated for any reason, (b) this Site Lease is not terminated, and (c) the Trustee subleases all or any portion of the Sites and the Public Safety Building or sells an assignment of its interest in this Site Lease, the Corporation, the Trustee or any sublessee or assignee of the Sites and the Public Safety Building shall pay or cause to be paid when due, solely from the proceeds of such subleasing or sale, all taxes and assessments imposed thereon and maintain or cause to be maintained the Sites and the Public Safety Building and all fixtures, improvements and structures built on the Sites in good condition and in good working order.

The provisions of the Lease shall govern with respect to the maintenance of insurance hereunder during the Lease Term of the Lease. In the event that (a) the Lease is terminated for any reason, (b) this Site Lease is not terminated, and (c) the Trustee subleases all or any portion of the Sites and the Public Safety Building or sells an assignment of its interest in this Site Lease, the Corporation, the Trustee or any sublessee or assignee of the Sites and the Public Safety Building shall obtain and keep in force, solely from the proceeds of such leasing or sale, (i) comprehensive general public liability insurance against claims for personal injury, death or damage to property of others occurring on or in the Sites and the Public Safety Building and any improvements and structures built on the Sites in an amount not less than \$600,000 and (ii) property insurance in an amount not less than the full replacement value of any improvements and structures built on the Sites. All such insurance shall name the Corporation, the Trustee, any sublessee or assignee and the City as insureds. The City, the Corporation and the Trustee shall waive any rights of subrogation with respect to the Corporation, the Trustee, and the City, and their members, directors, officers, agents and employees, while acting within the scope of their employment and each such insurance policy shall contain such a waiver of subrogation by the issuer of such policy.

**Section 13. Damage, Destruction or Condemnation.** The provisions of the Lease shall govern with respect to any damage, destruction or condemnation of the Sites or the Public Safety Building or any improvements and structures built on the Sites during the Lease Term of the Lease. In the event that (a) the Lease is terminated for any reason and (b) this Site Lease is not terminated, and either (i) the Sites or the Public Safety Building, any improvements and structures built on the Sites or any portion thereof are damaged or destroyed, in whole or in part, by fire or other casualty, or (ii) title to or use of the Sites or the Public Safety Building, any improvements and structures built on the Sites or any part thereof shall be taken under the exercise of the power of eminent domain, the City, the Corporation and the Trustee or any sublessee or assignee of the Trustee shall cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair and restoration of the Sites or the Public Safety Building, any improvements and structures built on the Sites or any portion

thereof. Any Net Proceeds remaining after such work has been completed will be paid to the Trustee or any sublessee or assignee of the Trustee. If the Net Proceeds are insufficient to pay the full cost of the replacement, repair and restoration, the Trustee or any sublessee or assignee shall complete the work and pay any cost in excess of the Net Proceeds (provided, however, that the Trustee is obligated to pay any such cost in excess of Net Proceeds only to the extent of any moneys available therefor in any of the Funds or Accounts created under the Indenture).

The City agrees that, to the extent permitted by law, in the event it brings an eminent domain or condemnation proceeding with respect to the Sites or the Public Safety Building or the Leased Property or any part thereof, the appraised value of the condemned property shall not be less than (a) if the Certificates are then subject to optional redemption under the Indenture, the redemption price of an amount of the remaining outstanding Certificates, with such amount of the remaining outstanding Certificates to be equal to the ratio of the principal amount of the Certificates that are attributed to the construction or remodeling, and equipping, of the portion of the Leased Property to be condemned divided by the total principal amount of the Certificates that were executed and delivered, or (b) if the Certificates are not then subject to optional redemption, the amount necessary to pay the principal of and interest on an amount of the remaining outstanding Certificates, with such amount of the remaining outstanding Certificates to be equal to the ratio of the principal amount of the Certificates that are attributed to the construction or remodeling, and equipping, of the portion of the Leased Property to be condemned divided by the total principal amount of the Certificates that were executed and delivered, to the first date on which such amount of Certificates are subject to optional redemption under the Indenture plus the redemption price of such amount of Certificates on such date.

**Section 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.

**Section 15. Amendments.** This Site Lease may not be amended, changed or modified without the prior written consent of the Trustee [and the Insurer].

**Section 16. No Merger.** The City, the Corporation and the Trustee intend that the legal doctrine of merger shall have no application to this Site Lease and that neither the execution and delivery of the Lease by the Corporation and the City nor the exercise of any remedies under this Site Lease or the Lease shall operate to terminate or extinguish this Site Lease or the Lease, except as specifically provided herein and therein.

**Section 17. 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 Lease, or to such other addresses as the respective parties may from time to time designate in writing.

**Section 18. 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.

**Section 19. 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.

IN WITNESS WHEREOF, the City and the Corporation have caused this Site Lease to be executed by their respective officers thereunto duly authorized, and have affixed their seals hereto all as of the day and year first above written.

[SEAL]

CITY OF ALAMOSA, COLORADO, as Lessor

By \_\_\_\_\_  
Mayor

Attest:

By \_\_\_\_\_  
City Clerk

ALAMOSA CAPITAL LEASING  
CORPORATION, as Lessee

By \_\_\_\_\_  
President

Attest:

By \_\_\_\_\_  
Secretary

STATE OF COLORADO            )  
  ) ss.  
COUNTY OF ALAMOSA         )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of April, 2010, by Kathy Rogers, as Mayor of the City of Alamosa, Colorado, and by Judy Egbert, as City Clerk of the City of Alamosa, Colorado.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

[SEAL]

My Commission Expires:

\_\_\_\_\_

STATE OF COLORADO            )  
  ) ss.  
COUNTY OF ALAMOSA         )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of April 2010, by Charles Griego, as President of the Alamosa Capital Leasing Corporation, and by Amanda Valdez, as Secretary of the Alamosa Capital Leasing Corporation.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

[SEAL]

My Commission Expires:

\_\_\_\_\_

**EXHIBIT A-1**

**DESCRIPTION OF THE NEW CITY HALL/LIBRARY SITE**

**EXHIBIT A-2**

**DESCRIPTION OF THE PUBLIC SAFETY BUILDING SITE**

**EXHIBIT B**

**DESCRIPTION OF THE PUBLIC SAFETY BUILDING**

**EXHIBIT C-1**

**PERMITTED ENCUMBRANCES ON THE NEW CITY HALL/LIBRARY SITE**

**EXHIBIT C-2**

**PERMITTED ENCUMBRANCES ON THE PUBLIC SAFETY BUILDING SITE**