
INDEX TO LEGAL DOCUMENTS
BANK-QUALIFIED, APPROPRIATION-BASED, ESCROW FUNDED TAX-EXEMPT
LEASE-PURCHASE AGREEMENT
DATED DECEMBER 10, 2024, BY AND BETWEEN HOLMAN CAPITAL CORPORATION
AND COUNTY OF HUERFANO

Lease Documents:

Tab 1:	Lease-Purchase Agreement;
Tab 2:	Exhibit A – Property Description;
Tab 3:	Exhibit B– Schedule of Rental Payments;
Tab 4:	Exhibit C – Preliminary Title Report;
Tab 5:	Exhibit D – Annual Repayment Obligation Compliance Certificate;
Tab 6:	Exhibit E – Opinion of District Counsel
Tab 7:	Exhibit F – Authorization Resolution
Tab 8:	Exhibit G – Tax and Arbitrage Certificate
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Tab 10:	Exhibit I – Closing Certificate
Tab 11:	Exhibit J - Closing Memorandum
Tab 12:	Site Lease Agreement;
Tab 13:	Exhibit A – Leased Property;
Tab 14:	Escrow Agreement;
Tab 15:	Exhibit A – Payment Request Form
Tab 16:	Exhibit B – Disbursement Conditions
Tab 17:	Form 8038-G;

Assignment Documents (Lessor and Investor Only):

Tab 18:	Assignment Agreement with Schedule A thereto.
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HOLMAN CAPITAL CORPORATION

RECORDING REQUESTED BY:

WHEN RECORDED RETURN TO:

LEASE/PURCHASE AGREEMENT

between the

COUNTY OF HUERFANO

and

HOLMAN CAPITAL CORPORATION

Dated: December 10, 2024

The term of this Lease/Purchase Agreement is less than 25 years.

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LEASE/PURCHASE AGREEMENT

This Lease/Purchase Agreement dated December 10, 2024 (this "Agreement"), and entered into between Holman Capital Corporation, a Delaware corporation (the "Lessor"), as lessor, and the County of Huerfano (the "Lessee"), a County organized and existing under Colorado Revised Statutes (C.R.S.) § 30-1-101 et seq., and other laws of the State of Colorado, as Lessee;

RECITALS:

WHEREAS, pursuant to C.R.S. § 30-1-101, et seq., under the laws of the State of Colorado authorize the Lessee to provide for the acquisition, construction, and financing of facilities for the use of the Lessee;

WHEREAS, the Lessor has agreed to assist the Lessee to finance the construction of Emergency Operations 911 Call Center Modernization Project (the "2024 Project" or "Project") by entering into this Lease/Purchase Agreement;

WHEREAS, such financing will be accomplished by (i) the Lessee's leasing property to the Lessor pursuant to the Site Lease (defined below), in exchange for an advance rental, (ii) the Lessor's leasing to the Lessee the property leased under the Site Lease pursuant to this Lease/Purchase Agreement, under which the Lessee will be obligated to make Rental Payments (as such term is defined herein) to the Lessor; (iii) the Lessor's assignment without recourse of all rights to receive such Rental Payments to Assignee (defined below), in exchange for the amount payable by the Lessor under the Site Lease; and (iv) the application of the amount payable as advance rental under the Site to the payment of the cost of the 2024 Project and payment of transaction costs;

WHEREAS, the Lessee is authorized to enter into this Lease/Purchase Agreement for the purposes and subject to the terms and conditions set forth herein and the Lessor is authorized and desires to enter into the Lease/Purchase Agreement.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereby agree as follows:

AGREEMENT:

ARTICLE 1

DEFINITIONS; OTHER PROVISIONS OF GENERAL APPLICABILITY

Section 1.1. Definitions. For all purposes of this Lease/Purchase Agreement and of any certificate, opinion, or other document herein mentioned, unless the context otherwise requires:

(A) The terms defined in this Section shall have the meanings herein specified and include the plural as well as the singular.

(B) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles.

(C) All references herein to "generally accepted accounting principles" refer to such principles as they exist at the date of applicability thereof.

(D) All references herein to "Articles," "Sections," and other subdivisions are to the designated Articles, Sections, and other subdivisions of this Lease/Purchase Agreement as originally executed.

(E) The words "herein," "hereof," "hereby," "hereunder," and other words of similar import refer to this Lease/Purchase Agreement as a whole and not to any particular Article, Section, or other subdivision.

(F) Words of any gender shall mean and include words of all other genders.

Applicable Environmental Laws means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 USC Sections 9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC Sections 6901 et seq.; the Federal Water Pollution Control Act, 33 USC Sections 1251 et seq.; the Clean Air Act, 42 USC Sections 7401 et seq.; [add state environmental statutes]; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern:

- (1) the existence, cleanup, and/or remedy of contamination on property;
- (2) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;
- (3) the control of hazardous wastes; or
- (4) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

Appropriation means the act of budgeting funds within the discretion and authority of the Board of County Commissioners for a specified purpose and appropriating such funds for use within the then current fiscal year in accord with the laws of the State of Colorado.

Assignee means that particular state-chartered bank to be selected by Lessor, which must be duly organized and validly existing under the laws of the State of Colorado, or its successors or assigns as assignee under the Assignment Agreement.

Assignment Agreement means the Assignment Agreement dated of even date herewith, between the Lessor and the Assignee.

Business Day means any day other than a Saturday, Sunday, or a day on which banking institutions in the State are authorized or obligated by law or executive order to be closed.

Code means the Internal Revenue Code of 1986 and the regulations applicable to or issued thereunder.

Effective Interest Rate means the rate of interest per annum specified on Exhibit B.

Environmental Losses means Losses suffered or incurred by an Indemnitee, arising out of or as a result of: (a) the occurrence at any time of any Hazardous Substance Activity; (b) any violation at any time of any Applicable Environmental Laws relating to the Property or to the ownership, use, occupancy or operation thereof; (c) any investigation, inquiry, order, hearing, action, or other proceeding by or before any governmental agency in connection with any Hazardous Substance Activity occurring or allegedly occurring; or (d) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnitee which directly or indirectly relates to, arises from or is based on any of the matters described in clauses (a), (b), or (c), or any allegation of any such matters.

Event of Default means any of the events specified in Section 7.1 (Events of Default).

Fiscal Year means the period beginning on January 1 of each year and ending on the next succeeding December 31 as the official fiscal year period of the Lessee.

Funding Date means the date payment is made by the Lessor to or for the account of the Lessee under the Site Lease and the Lessee and Lessor have satisfied the closing conditions of Section 10 of the Assignment Agreement.

Hazardous Substance means any substance that shall, at any time, be listed as “hazardous” or “toxic” in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the Leased Property, wastes, petroleum, and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 et seq.).

Hazardous Substance Activity means any actual, proposed, or threatened use, storage, holding, existence, location, release (including, without limitation, any spilling, leaking, leaching, pumping, pouring, emitting, emptying, dumping, disposing into the environment, and the continuing migration into or through soil, surface water, groundwater or any body of water or the air), discharge, deposit, placement, generation, processing, construction, treatment, abatement, removal, disposal, disposition, handling, or transportation of any Hazardous Substance from, under, in, into, or on the Property, including without limitation, the movement or migration of any Hazardous Substances from surrounding property, surface water, groundwater or any body of water, or the air under, in, into or onto the Property and any residual Hazardous Substances contamination in, on, or under the Property.

Leased Property and Property means the real property described in Exhibit A attached to this Lease/Purchase Agreement together with all present and future improvements located thereon and furniture installed or located therein.

Lease Obligations means all of the Lessee’s obligations under this Agreement as may be supplemented, amended, extended and otherwise modified from time to time.

Lease/Purchase Agreement and Agreement means this Lease/Purchase Agreement between the Lessor and the Lessee, wherein the Lessor leases the Leased Property to the Lessee, as originally executed and as it may from time to time be supplemented, modified, or amended pursuant to the provisions hereof.

Lessee means the County of Huerfano as lessor under the Site Lease and lessee hereunder.

Lessor means Holman Capital Lessor, a Delaware corporation, or its successors or assigns as lessee under the Site Lease and lessor hereunder.

Losses means all charges, losses, liabilities, damages (whether actual, consequential, punitive, or otherwise denominated), costs, fees, demands, claims (for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, causes of action, assessments, fines, penalties, costs, and expenses of any kind or character, foreseeable and unforeseeable, liquidated and contingent, proximate and remote, including, without limitation, the following: (a) the reasonable fees and expenses of outside legal counsel; (b) the reasonable fees and expenses of accountants, third-party consultants, and other independent contractors retained by an Indemnitee; (c) costs, including capital, operating and maintenance costs, incurred in connection with any investigation or monitoring of site conditions or any clean up, remedial, removal or restoration work required or performed by any federal, state

or local governmental agency or political subdivision or performed by any non-governmental entity or person that is required by Applicable Environmental Laws or administrative ruling or directive because of the presence, suspected presence, release or suspected release of Hazardous Substances in violation of Applicable Environmental Laws in the air, soil, surface water or groundwater at the Property; (d) loss of use or damage to the Property; or (e) reasonable costs and expenses of enforcing the Indemnity provided for in Section 5.6.

Minimum DCR Requirement means a debt coverage ratio of at least 1.25:1.00, measured annually based on the Lessee's audited financial statements, with such ratio calculated by the Lessor as the Lessee's general fund earnings, property taxes and other funding sources (e.g. endowment income), all before interest, taxes, depreciation and amortization divided by current portion of long-term debt plus interest expense.

National Flood Insurance Program means the insurance program created by the National Flood Insurance Act of 1968 and administered by the Federal Emergency Management Agency.

Net Proceeds means the amount remaining from the gross proceeds of any insurance claim or condemnation award made in connection with the Leased Property, after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

Opinion of Counsel means a written opinion of a law firm experienced in matters relating to obligations the interest on which is excludable from gross income for federal income tax purposes, selected by the Lessee and acceptable to the Lessor.

Payment Date means the scheduled payment due dates referenced in the payment schedule in Exhibit B, June 10 and December 10 in each year, commencing June 10, 2025.

Permitted Encumbrances means, with respect to the Leased Property, as of any particular time: (i) liens for general ad valorem taxes and assessments, if any, not then delinquent, or that the Lessee may, pursuant to the provisions of Section 5.4(C) (Contest of Charges), permit to remain unpaid; (ii) this Lease/Purchase Agreement; (iii) the Site Lease; (iv) the Assignment Agreement; (v) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (vi) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions that the Lessee certifies in writing will not impair the use of the Leased Property or to which the Assignee consents in writing and (vii) all exceptions, easements, rights, rights-of-way, and other matters of record set forth on the Preliminary Title Report issued by <Add title Insurance Company> dated [REDACTED], 20 [REDACTED], a copy of which is attached as Exhibit "C" (the "Preliminary Title Report").

Person means a Lessor, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

Prepayment Premium means, as applicable to any prepayment occurring at any time during an Extension Term, as defined in Section 4.10, below, Two Percent (2.0%) of the cumulative outstanding principal component of Rental Payments owed to Lessor during such Extension Term as of the date of calculation.

Purchase Option Price means the sum of: (1) all accrued and unpaid interest, (2) all outstanding principal component (which shall not include the Rental Payment due on the applicable payment date), (3) the applicable Prepayment Premium, and (4) the Rental Payment due on the applicable payment date, plus the amount of any Rental Payments that were abated and that have not been otherwise paid from rental

abatement insurance or other sources or paid during an extension of the lease term, plus any Rental Payments then in default and any other amounts then due and payable by the Lessee under this Agreement.

Rental Payments means the Rental Payments payable by the Lessee pursuant to the provisions of the Lease/Purchase Agreement.

Site Lease means the Site Lease between the Lessee and the Lessor dated of even date herewith, wherein the Lessee leases the Leased Property to the Lessor, as originally executed and as it may from time to time be supplemented, modified, or amended pursuant to the provisions hereof and thereof.

State means the State of Colorado.

Statement, Certificate, Request, Requisition, and Order of the Lessee mean, respectively, a written statement, certificate, request, requisition, or order signed in the name of the Lessee by the Lessee Manager, the Director of Finance, or any other person authorized by the Lessee to execute such instruments. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

Tax Certificate means the tax certificate delivered by the Lessee at the time of the execution and delivery of this Lease/Purchase Agreement, as the same may be further amended or supplemented in accordance with its terms.

Section 1.2. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to:

County of Huerfano
401 Main Street, Suite 201
Walsenburg, CO 81089
Attention: Carl Young, County Administrator

or, if to the Lessor, addressed to the Lessor as follows:

Holman Capital Corporation
25231 Paseo De Alicia, Suite 105
Laguna Hills, CA 92653
Attention: Lance Holman, President & CEO

or, if to the Assignee, addressed to the Assignee at the address the Lessor will provide.

The Lessee, the Lessor, and the Assignee may, by notice given hereunder, designate any further or different address to which subsequent notices shall be sent.

Section 1.3. Successors and Assigns. Whenever in this Lease/Purchase Agreement either the Lessee or the Lessor is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Lease/Purchase Agreement contained by, on behalf of, or for the benefit of the Lessee or the Lessor shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 1.4. Benefits of Agreement. Nothing in this Lease/Purchase Agreement expressed or implied is intended or shall be construed to give to any person other than the Lessee, the Lessor, and the Assignee any legal or equitable right, remedy, or claim under or in respect of this Lease/Purchase Agreement or any covenant, condition, or provision therein or herein contained; and all such covenants, conditions, and provisions are and shall be held to be for the sole and exclusive benefit of the Lessee and the Lessor.

Section 1.5. Amendments. This Lease/Purchase Agreement may be altered, amended, or modified in writing as may be mutually agreed by the Lessor, the Lessee, and the Assignee, subject to the prior written approval of the Lessor and the Lessee.

Section 1.6. Effect of Headings and Table of Contents. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, or effect of this Lease/Purchase Agreement.

Section 1.7. Validity and Severability. If any one or more of the provisions contained in this Lease/Purchase Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Lease/Purchase Agreement and such invalidity, illegality, or unenforceability shall not affect any other provision of this Lease/Purchase Agreement, and this Lease/Purchase Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Lessee and the Lessor hereby declare that they would have adopted this Lease/Purchase Agreement and each and every other Section, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Lease/Purchase Agreement may be held illegal, invalid, or unenforceable.

If for any reason it is held that any of the covenants and conditions of the Lessee hereunder, including the covenant to pay rentals hereunder, is unenforceable for the full term hereof, then and in such event this Lease/Purchase Agreement is and shall be deemed to be a lease from year to year under which the rentals are to be paid by the Lessee annually in consideration of the right of the Lessee to possess, occupy, and use the Leased Property, and all of the rental and other terms, provisions, and conditions of this Lease/Purchase Agreement, except to the extent that such terms, provisions, and conditions are contrary to or inconsistent with such holding, shall remain in full force and effect.

Section 1.8. Governing Law. This Lease/Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Any action to enforce the provisions of this agreement shall be brought in a court of appropriate jurisdiction in Huerfano County, Colorado.

Section 1.9. Execution in Counterparts. This Lease/Purchase Agreement 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.

Section 1.10. Entire Agreement. This Lease/Purchase Agreement supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements, and understandings, if any, between the parties or displayed by the Lessor to the Lessee with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease/Purchase Agreement. All negotiations and oral agreements acceptable to all parties have been merged into and are included herein, and there are no other representations or warranties between the parties and all reliance with respect to representations is solely upon the representations and agreements contained herein.

Section 1.11. Independent Legal Counsel. The Lessor and the Lessee mutually acknowledge that they each have had the opportunity to be represented by independent legal counsel in negotiations leading up to and in executing this Lease/Purchase Agreement. Further, the Lessor and the Lessee acknowledges that each has read this Lease/Purchase Agreement carefully, knows and understands the contents hereof, and has made such investigation of the facts pertaining to the subject matter hereof.

Section 1.12. Exhibits. All exhibits attached to this Lease/Purchase Agreement and all plats, riders, and addenda attached hereto, if any, are incorporated herein by reference and made a part of this Lease/Purchase Agreement.

Section 1.13. TABOR. The parties understand and acknowledge that the Lessee is subject to Article X, § 20 of the Colorado Constitution ("TABOR"). The parties do not intend to violate the terms and requirements of TABOR by the execution of this Agreement, the Site Lease, or the Escrow Agreement (the "Lease Agreements"). It is understood and agreed that the Lease Agreements do not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, therefore, notwithstanding anything in the Lease Agreements to the contrary, all payment obligations of the Lessee are expressly dependent and conditioned upon the continuing availability of funds beyond the term of the Lessee's current fiscal period ending upon the next succeeding December 31. Financial obligations of the Lessee payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the rules, regulations, and resolutions of Huerfano County, and other applicable law. Upon the failure to appropriate such funds, the Lease Agreements shall be terminated.

ARTICLE 2 REPRESENTATIONS AND COVENANTS OF LESSOR AND LESSEE

Section 2.1. Representations and Covenants of the Lessor. The Lessor represents and covenants for the benefit of the Lessee and its assignees as follows:

(A) Valid Existence. The Lessor has been duly organized and is validly existing as a corporation under the laws of the State of Delaware and is qualified to do business in the State of Colorado.

(B) Power to Enter into Lease/Purchase Agreement. The Lessor is authorized to enter into this Lease/Purchase Agreement and perform all of its obligations hereunder.

(C) Due Authorization. This Lease/Purchase Agreement has been duly authorized by all necessary action on the part of the Lessor.

(D) Enforceability of Lease/Purchase Agreement. The Lessor represents, covenants, and warrants that all requirements have been met and procedures have occurred in order to ensure the enforceability of this Lease/Purchase Agreement, except as such enforceability may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally and by the application of equitable principles.

Section 2.2. Representations and Covenants of Lessee. The Lessee hereby represents to the Lessor as follows:

(A) Valid Existence. The Lessee has been duly organized and is validly existing as a County under the laws of the State of Colorado.

(B) Power to Enter into Agreements. The Lessee is authorized under the [C.R.S. § 30-1-101 et. seq., to enter into the Site Lease and this Lease/Purchase Agreement and to perform all of its obligations thereunder and hereunder.

(C) Due Authorization. The Site Lease and this Lease/Purchase Agreement have been duly authorized by all necessary action on the part of the Lessee taken at a duly noticed and held public meeting.

(D) Enforceability of Agreements. The Lessee represents, covenants, and warrants that the Site Lease and this Lease/Purchase Agreement are valid and binding obligations of the Lessee, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the application of equitable principles.

(E) No Violation of Law or Breach of Contract. The execution and delivery of the Site Lease and this Lease/Purchase Agreement and compliance with the provisions thereof and hereof will not (i) violate any applicable provision of statutory law or regulation, (ii) breach or otherwise violate any existing obligation of the Lessee under any court order or administrative decree to which the Lessee is subject, or (iii) breach, or result in a default under, any loan agreement, note, Resolution, indenture, contract, agreement, or other instrument to which the Lessee is a party or is otherwise subject or bound.

(F) No Adverse Litigation. There are no legal or governmental proceedings or litigation pending or, to Lessee's best knowledge, overtly threatened in writing wherein an unfavorable decision, ruling, or finding might adversely affect the transaction contemplated in or the validity of the Site Lease or this Lease/Purchase Agreement.

(G) No Defaults. The Lessee has never failed to appropriate or defaulted under any of its payment or performance obligations or covenants, either under any financing lease of the same general nature as this Lease/Purchase Agreement, or under any of its bonds, notes, or other debt obligations.

(H) Financial Condition. The financial statements of the Lessee for the year ended December 31, 2023, supplied to the Lessor (i) were prepared in accordance with generally accepted accounting principles, consistently applied, and (ii) fairly present the Lessee's financial condition as of the date of the statements. The Lessee has experienced no material change in its financial condition since December 31, 2023.

(I) Fee Title; Encumbrances. The Lessee is the owner in fee of title to the Leased Property. No lien or encumbrance on the Leased Property materially impairs the Lessee's use of the Leased Property for the purposes for which they are, or may reasonably be expected to be, held. The Site Lease and this Lease/Purchase Agreement are the only leases that encumber the Leased Property. The Lessor acknowledges receipt and review of the Preliminary Title Report and understands the effect of the Permitted Encumbrances. The Lessee represents and warrants that the Permitted Encumbrances existing as of the effective date of this agreement do not impair the Lessee's use of the Leased Property for purposes for which they are, or may reasonably be expected to be, held.

(J) Use of the Leased Property. During the term of this Lease/Purchase Agreement, the Leased Property will be used by the Lessee only for the purpose of performing one or more governmental or proprietary functions of the Lessee consistent with the permissible scope of the Lessee's authority.

(K) Hazardous Substances. To the best of the Lessee's knowledge: (i) the Leased Property is free of all Hazardous Substances and no Hazardous Substance is currently being generated, processed, stored, transported, handled or disposed of, on, under or in the Property, except those used in the ordinary course of the Lessee's activities and in compliance with all Applicable Environmental Laws; (ii) there is no actual or alleged violation with respect to any Property of any Applicable Environmental Laws, and (ii) there is no action or proceeding pending or threatened before or appealable from any court, quasi-judicial body or administrative agency relating to Hazardous Substances affecting or alleged to be affecting any Property.

(L) Flooding Risk. To the Lessee's actual knowledge, at the time of entering into this agreement, the Leased Property is not located in a flood hazard area and has never been subject to material damage from flooding.

(M) Value of Leased Property. To the Lessee's best knowledge, the current fair market value of the Leased Property is at least \$5,400,000. The current insured value of the Leased Property is at least \$5,400,000.

Commented [MS1]: Is this amount based off of a recent appraisal?

(N) Investment of Funds. The Lessee agrees that the advance rental paid under the Site Lease shall be held as specified in the Escrow Agreement dated of even date herewith (the "Escrow Agreement"), between the Lessee, the Lessor, Assignee, and the escrow agent appointed under the Escrow Agreement.

ARTICLE 3 LEASE OF LEASED PROPERTY

Section 3.1. Lease of Leased Property. The Lessor hereby demises and leases to the Lessee, and the Lessee hereby rents and hires from the Lessor, the Leased Property in accordance with the provisions of this Lease/Purchase Agreement, to have and to hold for the term of this Lease/Purchase Agreement.

Section 3.2. Lease Term; Occupancy.

(A) Term. The term of this Lease/Purchase Agreement shall commence on the Funding Date and, subject to Section 4.10, shall end on December 10, 2039, unless such term is extended or sooner terminated as hereinafter provided ("Lease Term"). If on December 10, 2039, any Event of Default has occurred and continues without cure by the Lessee, then the term of this Lease/Purchase Agreement shall be extended for so long as the default remains uncured, but not to exceed ten (10) years. When the aggregate rental paid under this Lease/Purchase Agreement equals the total rental originally scheduled herein, and the Lessee has paid and performed in full all of its other obligations under this Lease/Purchase Agreement, the term of this Lease/Purchase Agreement shall end ten (10) days thereafter or ten (10) days after written notice by the Lessee to the Lessor, whichever is earlier.

(B) Occupancy. The Lessee will take possession of the Leased Property upon commencement of the term of this Lease/Purchase Agreement.

Section 3.3. Modifications to the Leased Property. Subject to Section 5.5 (Liens) hereof, the Lessee shall, at its own expense, have the right to remodel, make alterations or improvements to, or attach fixtures, structures, or signs to the Leased Property if the alterations, improvements, fixtures, structures, or signs are necessary or beneficial for the use of the Leased Property by the Lessee, provided, however, that such actions by the Lessee: (i) shall not materially adversely affect the value of the Leased Property, (ii) shall be in compliance with all terms and conditions of this Agreement, applicable laws and regulations; and (iii) to the extent involving Project work, shall be in compliance with all disbursement conditions and related covenants as set forth in the Escrow Agreement.

Section 3.4. Title to the Leased Property. During the term of this Lease/Purchase Agreement, the Lessor shall have a leasehold estate in the Leased Property pursuant to the Site Lease, subject only to Permitted Encumbrances. The Lessor agrees that no encumbrance shall be created or placed on the Leased Property by the Lessor during the term of this Lease/Purchase Agreement and the Site Lease. Upon the termination or expiration of the term of this Lease/Purchase Agreement, full title to the Leased Property, without encumbrances by the Lessor, shall vest in the Lessee.

ARTICLE 4
RENTAL PAYMENTS

Section 4.1. Rental Payments. The Lessee agrees to pay to the Lessor, its successor or assigns, as annual rental for the use of the Leased Property (subject to the provisions of Section 4.6 (Abatement of Rental) hereof) the following amounts, at the following times, in the manner hereinafter set forth:

(A) Amount and Timing. The Lessee shall pay rental payments, comprised of principal and interest components, in installments of the amounts and at the times set forth in the Schedule of Rental Payments attached as Exhibit B hereto. The interest components of the Rental Payments shall be paid by the Lessee as, and constitute, interest paid on the principal components of the Rental Payments. It is agreed that the Lessor's deposit of the advanced rental under the Site Lease and the full execution and delivery of the Escrow Agreement on terms acceptable to the Lessee shall be conditions precedent to commencement of the Lessee's obligation to make Rental Payments. At least fifteen (15) days before each Payment Date, the Assignee shall mail to the Lessee an invoice for the Rental Payment due on such date. The Lessee shall make its payments by electronic funds transfer through the Automated Clearing House (ACH) system.

(B) Extension of Lease Term. If the term of this Lease/Purchase Agreement shall have been extended pursuant to Section 3.2 (Lease Term; Occupancy) hereof because of an abatement of rental payments. Rental Payments shall continue to be due as described herein. Rental Payment installments shall continue to be payable in installments on each Payment Date, continuing to and including the date of termination of this Lease/Purchase Agreement. Upon such extension of this Lease/Purchase Agreement, the principal and interest components of the Rental Payments shall be re-established in an amended Exhibit B so that the principal components will, in the aggregate, be sufficient to pay all unpaid principal components and the interest components will be sufficient to pay all unpaid interest components plus interest on the extended principal components at the Effective Interest Rate, computed on the basis of a 360-day year composed of twelve 30-day months.

(C) Rental Period. Each payment of Rental Payments shall be for the use of the Leased Property for the six-month period ending on the Payment Date.

(D) Medium and Place of Payment. Each installment of rent payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Lessor.

(E) Rate on Overdue Payments. Any Rental Payment installment that is not paid within ten (10) days of the date when it was due shall be assessed a late charge in the amount of 3% of the delinquent amount.

Section 4.2. Allocation of Rental Payments. All Rental Payments received shall be applied first to the interest components of the Rental Payments due hereunder, then to the principal components of the Rental Payments due hereunder then to any other amounts owing hereunder, but no such application of any payments that are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

Section 4.3. No Offsets. Notwithstanding any dispute between the Lessor and the Lessee, the Lessee shall make all Rental Payments when due without deduction or offset of any kind and shall not withhold any Rental Payments pending the final Resolution of such dispute. In the event of a determination that the Lessee was not liable for the Rental Payments or any portion thereof, the payments or excess payments, as the case may be, shall, at the option of the Lessee, be credited against subsequent Rental Payments due hereunder or be refunded at the time of such determination.

Section 4.4. Net Lease. This Lease/Purchase Agreement shall be deemed and construed to be a “net-net-net lease” and the Lessee hereby agrees that the Rental Payments shall be an absolute net return to the Lessor, free and clear of any expenses, charges, or setoffs whatsoever.

Section 4.5. Covenant to Budget and Appropriate. The Lessee covenants and agrees to take such action as may be necessary to include all Rental Payments due hereunder in its annual budgets and to make the necessary annual appropriations for all such Rental Payments. Annually within thirty (30) days of the adoption of the budget but no later than 90 days of commencement of the Lessee’s Fiscal Year, the Lessee will furnish to the Lessor such annual budget together with a Certificate of the Lessee certifying that such budget contains the necessary appropriation for all Rental Payments.

The agreements and covenants on the part of the Lessee herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the Lessee to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the Lessee to carry out and perform the agreements and covenants in this Lease/Purchase Agreement agreed to be carried out and performed by the Lessee. Notwithstanding anything herein or in the Site Lease to the contrary, no officer or employee of Lessee shall be personally liable to Lessor, or any successor in interest, in the event of any default or breach by Lessee or for any amount which may become due to Lessor or to its successor, or for any breach of any obligation of the terms of this Agreement.

Section 4.6. Non-Appropriation. Notwithstanding any provision herein or in the Site Lease to the contrary, Lessee may terminate this Lease/Purchase Agreement at the end of any Fiscal Year if sufficient funds are not appropriated by Lessee’s governing body to pay Rental Payments and other amounts due hereunder during the next succeeding Fiscal Year (an “Event of Nonappropriation”). Lessee hereby agrees to notify Lessor at least 30 days prior to the last day of its then current Fiscal Year of the occurrence of an Event of Nonappropriation or, if nonappropriation has not occurred by that date, promptly upon the occurrence of an Event of Nonappropriation.

Lessee covenants, represents and warrants that: (a) it has made sufficient appropriations or has other legally available funds to pay all Rental Payments due during the first Fiscal Year under this Lease/Purchase Agreement; (b) the officer of Lessee responsible for budget preparation will do all things lawfully within his/her power to obtain appropriated funds for the payment of Rental Payments and other amounts required to be paid hereunder in the first Fiscal Year and in each next succeeding Fiscal Year for the Lease Term; and (c) Lessee acknowledges that Lessor has relied upon these representations as an inducement to enter into this Lease/Purchase Agreement. If an Event of Nonappropriation shall occur, Lessee agrees, at Lessee’s sole cost and expense, peaceably to turn over possession of the Real Property to Lessor on or before the effective date of termination.

Lessee’s obligation to pay Rental Payments and any additional amounts payable hereunder constitutes a current obligation payable exclusively from legally available funds and shall not be construed to be an indebtedness within the meaning of any applicable constitutional or statutory limitation or requirement.

Section 4.7. No Termination Upon Damage or Destruction. The Lessee waives any and all rights to terminate this Lease/Purchase Agreement by virtue of any such damage or destruction.

Section 4.8. Contributions/Advances. Nothing contained in this Lease/Purchase Agreement shall prevent the Lessee from making contributions or advances to the Lessor from time to time for any purpose now or hereafter authorized by law, including the making of repairs to, or the restoration of, the Leased Property in the event of damage to or the destruction of the Leased Property.

Section 4.9. Prepayment. On any Payment Date, the Lessee may prepay its obligations hereunder in whole by paying to the Lessor the applicable Purchase Option Price. Upon such prepayment, the term of this Lease/Purchase Agreement shall terminate.

The Lessee shall, at least thirty (30) days prior to such prepayment, notify the Lessor of its intention to prepay its obligations hereunder. The Lessee agrees that, if following such prepayment, the Leased Property is damaged or destroyed or taken by eminent domain, it is not entitled to, and by such prepayment waives the right of, abatement of such prepaid Rental Payments and shall not be entitled to any reimbursement of such Rental Payments.

ARTICLE 5 COVENANTS

Section 5.1. Quiet Enjoyment. The Lessor hereby covenants to provide the Lessee during the term of this Lease/Purchase Agreement with quiet use and enjoyment of the Leased Property and the Lessee shall during the term of this Lease/Purchase Agreement peaceably and quietly have, hold, and enjoy the Leased Property without suit, trouble, or hindrance from the Lessor, so long as the Lessee observes and performs its covenants and agreements and is not in default hereunder.

Section 5.2. Right of Entry. The Lessor and its assignees shall have the right (but not the duty) to enter the Leased Property during reasonable business hours (and in emergencies at all times) upon twenty-four (24) hours' advance notice (a) to inspect the same, (b) for any purpose connected with the Lessor's or the Lessee's rights or obligations under this Lease/Purchase Agreement, and (c) for all other lawful purposes. The Lessor shall not, during such inspections, interfere with Lessee operations.

Section 5.3. Maintenance of the Leased Property by Lessee. The Lessee agrees that, at all times during the term of this Lease/Purchase Agreement, the Lessee will, at the Lessee's own cost and expense, maintain, preserve, and keep the Leased Property and every portion thereof in good repair, working order, and condition and that the Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals.

Section 5.4. Taxes and Other Governmental Charges; Utility Charges; Contest of Charges.

(A) Taxes and Other Governmental Charges on the Leased Property. The parties to this Lease/Purchase Agreement contemplate that the Leased Property will be used for governmental purposes of the Lessee and, therefore, that the Leased Property will be exempt from all taxes that would otherwise be assessed and levied with respect to that property. If the use, possession, or acquisition by the Lessee or the Lessor of the Leased Property is found to be subject to taxation in any form, the Lessee will pay during the term of this Lease/Purchase Agreement, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Property, and any equipment or other property acquired by the Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Leased Property; provided that, with respect to any governmental charges or taxes that may lawfully be paid in installments over a period of years, the Lessee shall be obligated to pay only such installments as are accrued during such time as this Lease/Purchase Agreement is in effect.

(B) Utility Charges. The Lessee shall pay or cause to be paid all gas, water, steam, electricity, heat, power, air conditioning, telephone, utility, and other charges incurred in the operation, maintenance, use, occupancy, and upkeep of the Leased Property.

(C) Contest of Charges. The Lessee may, at the Lessee's expense and in its name, in good faith contest any such taxes, assessments, or other charges and, in the event of any such contest, may permit the taxes, assessments, or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Lessor shall notify the Lessee that, in the opinion of independent counsel, by nonpayment of any such items, the interest of the Lessor 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 Lessee shall promptly pay such taxes, assessments, or charges or provide the Lessor with full security against any loss that may result from nonpayment, in form satisfactory to the Lessor. The Lessor agrees to fully cooperate with the Lessee during any contest of such taxes, assessments or other charges. The Lessee's payment of any contested amounts shall not constitute a waiver by the Lessee of its right to continue or initiate a challenge to such payments.

Section 5.5. Liens. In the event the Lessee shall at any time during the term of this Lease/Purchase Agreement cause any changes, alterations, additions, improvements, or other work to be done or performed or materials to be supplied, in or upon the Leased Property, the Lessee shall pay, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies, or equipment furnished or alleged to have been furnished to or for the Lessee in, upon or about the Leased Property and shall keep the Leased Property free of any and all mechanics' or materialmen's liens or other liens against the Leased Property or the Lessor's interest therein. In the event any such lien attaches to or is filed against the Leased Property or the Lessor's interest therein, the Lessee shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due, except that if the Lessee desires to contest any such lien it may do so in good faith, provided the Lessee posts a surety bond in sufficient form and amount, but in any event no less than 125% of the lien or stop notice amount or provides the Lessor with other assurance that the Lessor and title insurance company deem, in their discretion, to be satisfactory for the payment of such lien or bonded stop notice and for the full and continuous protection of the Lessor from the effect of such lien or bonded stop notice. The Lessor agrees to fully cooperate with the Lessee if the Lessee contests any lien. If any such lien is reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and the stay thereafter expires, the Lessee shall forthwith pay (or cause to be paid) and discharge such judgment. The Lessee agrees to and shall, to the maximum extent permitted by law, indemnify and hold the Lessor and its directors, agents, successors and assigns, harmless from and against, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorney's fees) as a result of any such lien or claim of lien against the Leased Property or the Lessor's interest therein.

Section 5.6. Environmental Covenants.

(A) Compliance with Laws; Hazardous Substances. The Lessee will comply with all Applicable Environmental Laws with respect to the Leased Property and will not use, store, generate, treat, transport, or dispose of any Hazardous Substance thereon or in a manner that would cause any Hazardous Substance to later flow, migrate, leak, leach, or otherwise come to rest on or in the Leased Property; except that the Lessee may use, store, transport, and dispose of such Hazardous Substances as are used in the ordinary course of the Lessee's activities so long as use is conducted in accordance with all Applicable Environmental Laws. The Lessee shall comply with all applicable regulations concerning the use, storage, transportation, and disposal of such Hazardous Substances. The Lessee shall indemnify, defend and hold the Lessor, Assignee and each such party's officers, directors, employees, agents, representatives, predecessors, successors and assigns

(each, an "Indemnitee") harmless from and against any Environmental Losses ("Indemnity"), except for any such Losses related to Lessor and/or Assignee's negligence, recklessness or willful misconduct. Lessor and Assignee shall provide notice to Lessee of any Environmental Losses and shall provide documentation evidencing the same. This Indemnity is given solely to protect Indemnitee and the other Indemnitees against Environmental Losses and not as additional security for, or as a means of repayment of, the Lease Obligations. The obligations of the Indemnitor under this Indemnity are independent of, and shall not be measured or affected by (i) any amounts at any time owing under this Agreement, (ii) the sufficiency or insufficiency of any collateral given to Indemnitee to secure repayment of the Lease Obligations, (iii) the consideration given by Indemnitee or any other party in order to acquire any collateral or any portion thereof, (iv) the modification, expiration or termination of any Lease document or any other document or instrument relating thereto, or (v) the discharge or repayment in full or discharge of the Lease Obligations. All undisputed amounts resulting from third party claims payable under this Indemnity shall be paid within thirty (30) days after an Indemnitee's delivery of written demand to the Lessee. Any undisputed amount not paid when due shall thereafter bear interest at the interest rate then applicable to Rental Payments plus 5%. In the event of any disputed third-party claim subject to this Indemnity, the Lessee shall choose legal counsel, with Lessor's consent which shall not be unreasonably withheld (at the Lessee's expense) and Lessee shall make all decisions after reasonable consultation with Lessor relating to the dispute, including, without limitation, the litigation strategy and the terms of any settlement.

(B) Remediation. The Lessee shall conduct and complete all investigations, studies, sampling and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Substances on, from, or affecting the Leased Property, (a) if required in accordance with all Applicable Environmental Laws and (b) in accordance with the orders and directives of all Federal, State and local governmental authorities. The Lessee shall, at its sole expense, take all actions as may be necessary or advisable for the cleanup of Hazardous Substances with respect to the Property, including, without limitation, all removal, containment and remedial actions in accordance with all Applicable Environmental Laws and shall further pay or cause to be paid all cleanup, administrative and enforcement costs of governmental agencies if obligated to do so by contract or by law.

(C) Notification of the Lessor. Within ten (10) days of receipt, the Lessee will transmit to the Lessor copies of all notices, orders, or statements received from any governmental entity concerning violations or asserted violations of Applicable Environmental Laws with respect to the Leased Property and any operations conducted thereon or any conditions existing thereon to the Lessor, and the Lessee will notify the Lessor in writing immediately of any release, discharge, spill, or deposit of any Hazardous Substance that has occurred or is occurring that in any way affects or threatens to affect the Leased Property, or the people, structures, or other property thereon, provided that no such notification shall create any liability or obligation on the part of the Lessor.

(D) Access for Inspection. The Lessee will permit the Lessor, its agents, or any experts designated by the Lessor to have full access to the Leased Property during reasonable business hours upon twenty-four (24) hours' advance notice for purposes of such independent investigation of compliance with all Applicable Environmental Laws, provided that the Lessor has no obligation to do so, or any liability for any failure to do so, or any liability should it do so. The Lessor agrees that such inspections will not interfere with the Lessee's operations.

Section 5.7. Assignment and Subleasing by Lessee. Neither this Lease/Purchase Agreement nor any interest of the Lessee hereunder shall be mortgaged, pledged, assigned, sublet, or transferred by the Lessee by voluntary act or by operation of law or otherwise, except with the prior written consent of the Lessor, which, in the case of subletting, shall not be unreasonably withheld; provided such subletting must not affect the tax-exempt status of the interest components of the Rental Payments payable by the Lessee

hereunder which, upon request, of the Lessor, may be conditioned upon delivery to the Lessor of an Opinion of Counsel confirming such continued tax-exempt status. No such mortgage, pledge, assignment, sublease, or transfer shall in any event affect or reduce the obligation of the Lessee to make the Rental Payments required hereunder.

Section 5.8. Lessee Consent to Assignments. The Lessor may assign its rights under this Lease/Purchase Agreement, including the right to receive and enforce payment of the Rental Payments, and the Site Lease to Assignee. The Lessee hereby consents to such assignment and to any additional assignment(s), sub-assignments and participations of such rights by the Assignee and its assignees. The Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements, that may be reasonably requested by Assignee or its assignees and that are necessary to protect their interests in the Leased Property and in this Lease/Purchase Agreement.

Section 5.9. Lessor's Disclaimer of Warranties. THE LESSOR MAKES NO AGREEMENT, WARRANTY, OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, HABITABILITY, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR FITNESS FOR USE OF THE LEASED PROPERTY, OR WARRANTY WITH RESPECT THERETO. THE LESSEE ACKNOWLEDGES THAT THE LESSOR HAS NOT CONSTRUCTED THE LEASED PROPERTY AND IS NOT A REAL ESTATE BROKER, THAT THE LESSEE LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE LESSEE. In no event shall the Lessor be liable for any incidental, indirect, special, or consequential damage in connection with or arising out of this Lease/Purchase Agreement or the existence, furnishing, functioning, or the Lessee's use of the Leased Property or any item or products or services provided for in this Lease/Purchase Agreement.

Section 5.10. Lessor Not Liable; Indemnification of the Lessor. The Lessor and its directors, officers, agents, assignees and employees shall not be liable to the Lessee or to any other party whomsoever for any death, injury, or damage that may result to any person or property in, on or about the Leased Property, except for any such liability related to Lessor's gross negligence or willful misconduct.

The Lessee shall to the full extent then permitted by law, indemnify, protect, hold harmless, save, and keep harmless the Lessor (including the Assignee) and its assignees and their directors, officers, and employees from and against any and all liability, obligations, losses, third-party claims, and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of:

- (a) the use, maintenance, condition or management of, or from any work or thing done on or about the Leased Property by the Lessee,
- (b) any breach or default on the part of the Lessee in the performance of any of its obligations under this Lease/Purchase Agreement or the Escrow Agreement, and
- (c) any intentional misconduct or negligence of the Lessee or of any of its agents, contractors, servants, employees or licensees with respect to the Leased Property.

No indemnification is made under this Section 5.10 or elsewhere in this Lease/Purchase Agreement for willful misconduct, gross negligence, or breach of duty under this Lease/Purchase Agreement by the Lessor or its assignees or their directors, officers, or employees.

The indemnification arising under this section shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease/Purchase Agreement or the termination of the term of

this Lease/Purchase Agreement for any reason. The Lessee and the Lessor mutually agree to promptly give notice to each other and the Lessor of any claim or liability hereby indemnified against following either's learning thereof.

Section 5.11. Federal Income Tax Covenants. The Lessee shall at all times do and perform all acts and things permitted by law and this Lease/Purchase Agreement that are necessary and desirable in order to assure that the interest component of the Rental Payments will be excludable from gross income for federal income tax purposes and shall take no action that would result in such interest not being so excludable. Without limiting the generality of the foregoing, the Lessee agrees to comply with the provisions of the Tax Certificate. This covenant shall survive the payment in full of the Lessee's obligations hereunder.

Section 5.12. Further Assurances. The Lessee and the Lessor 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 be necessary or proper to carry out the intention or to facilitate the performance of this Lease/Purchase Agreement.

Section 5.13. Financial Reporting and Covenants.

During the term of this Lease/Purchase Agreement, the Lessee shall deliver to the Lessor, at the Lessee's expense:

(a) Until such time that the 2024 Project has been completed, as promptly as possible but not later than 180 days of Fiscal Year end, the CPA audited financial statements of the Lessee;

(b) As promptly as possible, but not later than 30 days after each fiscal quarter end, verification of the Reserve Contribution and Lessee Shortfall Funds, as required pursuant to the terms of the Escrow Agreement; and

(c) As promptly as possible, any interim or unaudited financial statements that may be reasonably requested by the Lessor. The Lessee's notification to the Lessor that its Annual Comprehensive Financial Report for the applicable Fiscal Year has been posted on the Lessee's website shall be deemed to satisfy the requirement to furnish audited financial statements for that year.

The Lessee will establish, maintain fees and charges for its services that, after allowances for contingencies and error in the estimates, shall produce total revenues sufficient in each Fiscal Year to meet the Minimum DCR Requirement in such Fiscal Year. Each year, on or before , the Lessee shall prepare and submit to the Lessor a certificate in the form attached hereto as Exhibit D certifying that the Lessee has met the Minimum DCR Requirement for the immediately preceding Fiscal Year.

Section 5.14. Notification of Significant Events. The Lessee will make its best efforts to notify the Assignee within ten (10) business days of an event that will affect the Lessee's ability to pay the Rental Payments.

**ARTICLE 6
INSURANCE; EMINENT DOMAIN**

Section 6.1. Insurance Coverage. At its own expense, the Lessee shall maintain or cause to be maintained (i) if applicable as to any construction to be performed, at all times during the course of construction, a policy of builder's risk completed value property insurance, with a vandalism and malicious mischief endorsement, \$3,000,000 of umbrella liability coverage and such other commercially reasonable endorsements as Lessor may require and in an amount acceptable to Lessor, as customarily required by Lessor

for similar construction financing transactions; (ii) "all risk" property insurance (which may exclude the risk of earthquake and may exclude the risk of flood, unless the Leased Property is mapped into a flood hazard zone) insuring the Leased Property against loss or damage, which insurance shall be provided by an insurer rated no less than "A" by A.M. Best, or as otherwise approved by the Assignee, in an amount equal to 100% of the replacement cost without deduction for depreciation; (iii) liability insurance that protects the Lessor from liability in all events in at least \$2,000,000 per occurrence and \$5,000,000 aggregate; (iv) rental abatement insurance in an amount equal to at least two (2) years' Rental Payments in an amount not less than 100% of the rental value of the Property during such period; (v) workers' compensation insurance covering all employees working on, in, near or about the Leased Property, and (vi) title insurance insuring the leasehold interest of the Assignee, subject only to Permitted Exceptions in an amount equal to the total principal components of the Rental Payments.

As of the Funding Date, the Leased Property was not in a flood hazard zone. If the Leased Property is mapped into a flood hazard zone, at its own expense, the Lessee shall also maintain insurance insuring the Leased Property against loss or damage by flood in an amount equal to the least of (i) the maximum amount of National Flood Insurance Program flood insurance available, (ii) the unpaid principal components of the Rental Payments, and/or (iii) 100% of the replacement cost of the Leased Property.

Section 6.2. Alternative Risk Management. Except for title insurance, the Lessee may, upon the Lessor's advance review and approval, provide the insurance required by Section 6.1 through (1) a self-insurance method or plan of protection, (2) a program involving captive insurance companies, (3) participation in state or federal insurance programs, (4) participation with other public agencies in mutual or other cooperative insurance or other risk management programs, including those made available through joint exercise of powers agencies, or (5) establishment or participation in other alternative risk management programs; provided that the Lessee may not self-insure against the risk of rental abatement. The Lessee may not increase any of its self-insurance retention amounts with respect to the insurance required by Section 6.1 without the Assignee's prior written consent. Lessor hereby acknowledges receipt of Lessee's current insurance coverages and limitations, and acknowledges that such insurance satisfies the requirements of Section 6.1(ii), (iii) and (v), and Lessee will provide Lessor with documentation demonstrating Lessee's rent abatement coverage under Section 6.1(iv) promptly after such is confirmed.

Section 6.3. General Provisions. All such insurance shall be with insurers that are authorized to issue such insurance in the State of Colorado and shall contain a provision to the effect that such insurance shall not be cancelled or modified materially and adversely to the interest of the Assignee without first giving written notice thereof to the Assignee in accordance with the policy terms or memorandum of coverage. Such changes shall not become effective without the Assignee's prior consent, which consent shall not be unreasonably withheld. The liability insurance shall name the Assignee as an additional insured. The Lessee shall, at the Assignee's request, furnish to the Assignee certificates evidencing such coverage. All insurance covering direct physical loss shall be written on a replacement-cost basis. All permanent coverage shall contain standard agreed-amount clauses applicable to replacement values of improvements, rental income, and other business interruption values, and endorsements for demolition costs and deleting "same-site" provisions. The Lessee's general liability insurance policy shall not include any provision which requires that only the Lessee may pay any deductible or self-insured retention as a condition precedent to coverage under said policy and shall expressly permit, but not require Lender to do so. Assignee shall establish commercially reasonable minimum deductibles and, if appropriate, minimum coverage requirements. Assignee shall notify the Lessee of such limits and deductibles prior to execution of this Agreement.

The "all-risk" property insurance and title insurance shall contain a provision making any losses payable to the Assignee and the Lessee as their respective interests may appear. All insurance proceeds from

rental abatement insurance shall be paid to the Assignee or its assigns and shall be credited toward the payment of Rental Payments in the order in which the Rental Payments come due and payable.

Section 6.4. Advances. In the event the Lessee shall fail to maintain the full insurance coverage required by this Lease/Purchase Agreement or shall fail to keep the Leased Property in good repair and operating condition, the Lessor may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and the Lessee agrees to reimburse the Lessor all amounts so advanced within thirty (30) days of a written request therefor.

Section 6.5. Damage, Destruction, and Condemnation. If the Leased Property or any portion thereof is damaged or destroyed, in whole or in part, the Lessee and the Lessor shall cause the proceeds of any insurance claim ("Proceeds"), to be delivered to Assignee for application as follows:

- (a) First, to Assignee's reasonable costs and expenses incurred in connection with collection of such Proceeds;
- (b) Second, to the bring Lease Obligations then due current;
- (c) Third, to the prompt repair, reconstruction, or replacement of the Leased Property (a "Restoration Project"), provided, however, if the contemplated Restoration Project cost is estimated to exceed \$1,000,000, then Assignee's disbursement of such proceeds shall be subject to its customary disbursement conditions for construction projects of a similar size and including, without limitation:
 - (i) Lessee must fund Restoration Project cost shortfalls, if any, as a condition precedent to releasing Proceeds;
 - (ii) Assignee may require that Proceeds be released directly to pay the Project Restoration contractor based on certified applications for payment from architect or engineer of record;
 - (iii) 90% of Proceeds released, with 10% retention, until after completion and delivery of the Restoration Project with all lien waivers and termination of stop payment rights; and
 - (iv) To the extent required by Assignee, satisfaction of other commercially reasonable disbursement conditions as forth in Exhibit B of the Escrow Agreement.

If the contemplated Restoration Project cost is not estimated to exceed \$1,000,000, Proceeds shall be disbursed to the Lessee to diligently accomplish the Restoration Project.

- (d) Fourth, Proceeds not required for the Restoration Project shall be applied to the Lease Obligations; and,
- (e) Fifth, following satisfaction of the Lease Obligations, to the Lessee.

If title to, or the temporary use of, the Leased Property or any part thereof is taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or Lessor acting pursuant to governmental authority (in each case, a "Taking"), the Lessee and the Lessor shall cause the proceeds of such Taking to be delivered to Assignee for application as follows:

- 1) First, to Assignee's reasonable costs and expenses incurred in connection with collection of such proceeds of Taking;

- 2) Second, to the outstanding Lease Obligations; and
- 3) Third, following satisfaction of the Lease Obligations, to the Lessee.

Assignee is hereby authorized to make proof of loss, to adjust and compromise any claim, to commence, appear in and prosecute, in Assignee's or the Lessee's name, any action relating to any claim, and to collect and receive insurance or condemnation proceeds; provided, however, that Assignee shall have no obligation to do so.

ARTICLE 7 DEFAULT AND REMEDIES

Section 7.1. Events of Default. The following events shall be Events of Default:

(A) Payment Default. Failure of the Lessee to pay any Rental Payments payable hereunder when the same become due and payable, time being expressly declared to be of the essence of this Lease/Purchase Agreement;

(B) Breach of Covenant. Failure of the Lessee to keep, observe, or perform any other term, covenant or condition contained herein to be kept or performed by the Lessee for a period of thirty (30) days or, if such breach is not monetary and is curable, such additional time as is reasonably required to correct any such default provided the Lessee proceeds to diligently cure the default after written notice by Lessor and proceeds to cure within an additional thirty (30) day period or other commercially reasonable period;

(C) Transfer of Lessee's Interest. Assignment or transfer of the Lessee's interest in this Lease/Purchase Agreement or any part hereof without the written consent of the Lessor, either voluntarily or by operation of law or otherwise;

(D) Bankruptcy or Insolvency. Institution of any proceeding under the United States Bankruptcy Code or any federal or state bankruptcy, insolvency, or similar law or any law providing for the appointment of a receiver, liquidator, trustee, or similar official of the Lessee or of all or substantially all of its assets, by or with the consent of the Lessee, or institution of any such proceeding without its consent that is not permanently stayed or dismissed within sixty (60) days, or agreement by the Lessee with all of the Lessee's creditors to effect a composition or extension of time to pay the Lessee's debts, or request by the Lessee for a reorganization or to effect a plan of reorganization, or for a readjustment of the Lessee's debts, or a general or any assignment by the Lessee for the benefit of the Lessee's creditors;

(E) Abandonment of the Leased Property. Abandonment by the Lessee of any part of the Leased Property;

(F) Failure to Remove Encumbrances. Failure by the Lessee, following the Assignee's delivery to the Lessee, within five (5) business days of the receipt by the Assignee of the title insurance policy for the Leased Property, of a written request to remove any encumbrance on the Leased Property that materially impairs the Lessee's use of the Leased Property for its intended purposes, to so remove such encumbrance within thirty (30) days after receipt of such written request; provided that the Assignee shall not unreasonably withhold its consent to an extension of such time if action to remove the encumbrance is instituted by the Lessee within the thirty-day period and diligently pursued until the encumbrance is removed;

(G) Hazardous Substances. Other than those Hazardous Substances that are not in violation of Applicable Environmental Laws, any Hazardous Substances become present in or on the Property or there is a discharge, deposit, injection, dumping, spilling, leaking, incineration or placing of any Hazardous Substances

into or on the Property, or, if at any time, the use, generation, treatment, storage, or disposal of any Hazardous Substances into or on the Property, and such Hazardous Substance is not cleaned up or removed in accordance with applicable law within a commercially reasonable time.

Section 7.2. Remedies on Default. Upon the occurrence and during the continuance of an Event of Default, it shall be lawful for the Lessor to exercise any and all remedies available pursuant to law or granted pursuant to this Lease/Purchase Agreement and, without terminating this Lease/Purchase Agreement, to take possession of any funds in the Escrow Account, to collect each installment of rent as it becomes due and enforce any other term or provision hereof to be kept or performed by the Lessee, regardless of whether or not the Lessee has abandoned the Leased Property. In no event shall the Leased Property be used by Lessor or any successor or assign for purposes other than Public County usage/property.

Section 7.3. No Acceleration. Notwithstanding anything herein to the contrary, there shall be no right under any circumstance to accelerate the Rental Payments or otherwise declare any Rental Payments not yet due to be immediately due and payable.

Section 7.4. No Remedy Exclusive. Each and all of the remedies given to the Lessor hereunder or by any law now or hereafter enacted are cumulative and the exercise of one right or remedy shall not impair the right of the Lessor to any or all other remedies. If any statute or rule of law validly shall limit the remedies given to the Lessor hereunder, the Lessor nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

Section 7.5. Lessor Defaults; Lessee Remedies.

(A) **Lessor Defaults.** The Lessor shall in no event be in default in the performance of any of its obligations hereunder or imposed by any statute or rule of law unless and until the Lessor shall have failed to perform such obligation within thirty (30) days or such additional time as is reasonably required to correct any such default after written notice by the Lessee to the Lessor properly specifying wherein the Lessor has failed to perform any such obligation.

(B) **Lessee Remedies.** The Lessor's failure to perform any of its obligations hereunder shall not be an event permitting the nonpayment of rent by the Lessee. The parties hereto agree that the performance of the Lessor is unique, that the remedies at law for the Lessor's nonperformance would be inadequate, and that the Lessee may institute a suit for specific performance or other causes of action by the Lessor upon any default by the Lessor.

Section 7.6. Attorneys' Fees. If either party to this Lease/Purchase Agreement defaults under any of the provisions hereof and the non-defaulting party employs attorneys (including in-house counsel) or incurs other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party will on demand therefor pay to the non-defaulting party the reasonable fees of such attorneys (including those of in-house counsel) and such other expenses so incurred by the non-defaulting party.

Section 7.7. No Additional Waiver. Failure of the Lessor to take advantage of any default on the part of the Lessee shall not be, or be construed as, a waiver thereof, nor shall any custom or practice that may grow up between the parties in the course of administering this Lease/Purchase Agreement be construed to waive or to lessen the right of the Lessor to insist upon performance by the Lessee of any term, covenant or condition hereof, or to exercise any rights given the Lessor on account of such default. A waiver of a particular default shall not be deemed to be a waiver of the same or any subsequent default. The acceptance

of rent hereunder shall not be, nor be construed to be, a waiver of any term, covenant or condition of this Lease/Purchase Agreement.

Failure of the Lessee to take advantage of any default on the part of the Lessor shall not be, or be construed as, a waiver thereof, nor shall any custom or practice that may grow up between the parties in the course of administering this Lease/Purchase Agreement be construed to waive or to lessen the right of the Lessee to insist upon performance by the Lessor of any term, covenant or condition hereof, or to exercise any rights given the Lessee on account of such default. A waiver of a particular default shall not be deemed to be a waiver of the same or any subsequent default.

Section 7.8. Application of Amounts Collected. All amounts collected by the Lessor under this Article shall be credited towards the Rental Payments in order of Payment Dates.

[signature page follows]

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease/Purchase Agreement to be executed by their respective officers thereunto duly authorized.

"Lessor"

HOLMAN CAPITAL CORPORATION

By: _____

**Name: Lance Holman
Title: President & CEO**

"Lessee"

County of Huerfano,

By: _____

**Name: Carl Young
Title: County Administrator**

ATTEST:

By: _____

**Name: Erica Vigil
Title: Clerk & Recorder**

[Signature Page to Lease/Purchase Agreement]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Colorado)
County of Huerfano)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Colorado that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Colorado)
County of Huerfano)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Colorado that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Colorado)
County of Huerfano)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Colorado that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

PROPERTY DESCRIPTION

All that certain real property situated in the County of Huerfano County, State of Colorado, described as follows:

The remodel consists of converting the main level office space into a dispatch call center for Area Emergency Services. This includes all demolition, mechanical, electrical, plumbing, IT and general trade elements required to reconfigure the space. For ADA accessibility requirements, an elevator, updates to exterior ramping, accessible restrooms and plumbing will be installed. The electrical service will be upgraded, and a new back-up generator will be installed. LED lighting and a VRF heat pump HVAC system and modern control system will be installed to advance electrification and meet decarbonization goals. The basement remodel will include an IT area, sleeping area and shower facilities will be added to the basement or main level. The second floor will be remodelled into an emergency response center area that will also be a meeting and planning space for the public.

Description	Provider	Amount
McKinstry Construction Project	McKinstry	\$ 4,816,000.00
Contingency	McKinstry	\$ 200,000.00
McKinstry Construction Contract		\$ 5,016,000.00
Abestos Abatement	County	\$ 207,000.00
Utility Services Upgrade	County	\$ 42,000.00
Computer Consoles	County	\$ 150,000.00
Incentive (Direct to County)	County	\$ (15,000.00)
County of Huerfano		\$ 384,000.00
Total Project Cost		\$ 5,400,000.00
(-) Total Grants and County Contribution		\$ 4,400,000.00
(+) Financing Amount		\$ 980,000.00
(+) Documentation Fee		\$ 20,000.00
Total Financing Amount		\$ 1,000,000.00

EXHIBIT B

SCHEDULE OF RENTAL PAYMENTS

LESSOR: HOLMAN CAPITAL CORPORATION
COMMENCEMENT: December 10, 2024
TERM: 20 Years
1ST PAYMENT DUE: June 10, 2025
RATE: 5.649%

PAYMENT NO.	DATE	PAYMENT	INTEREST COMPONENT	PRINCIPAL COMPONENT	PURCHASE OPTION
0	12/10/2024				
1	6/10/2025	\$ 49,868.69	\$ 28,245.00	\$ 21,623.69	\$ 1,037,078.89
2	12/10/2025	\$ 49,868.69	\$ 27,634.24	\$ 22,234.45	\$ 1,013,510.37
3	6/10/2026	\$ 49,868.69	\$ 27,006.23	\$ 22,862.46	\$ 989,276.16
4	12/10/2026	\$ 49,868.69	\$ 26,360.48	\$ 23,508.21	\$ 964,357.46
5	6/10/2027	\$ 49,868.69	\$ 25,696.49	\$ 24,172.20	\$ 938,734.93
6	12/10/2027	\$ 49,868.69	\$ 25,013.74	\$ 24,854.95	\$ 912,388.68
7	6/10/2028	\$ 49,868.69	\$ 24,311.72	\$ 25,556.97	\$ 885,298.29
8	12/10/2028	\$ 49,868.69	\$ 23,589.86	\$ 26,278.83	\$ 857,442.73
9	6/10/2029	\$ 49,868.69	\$ 22,847.61	\$ 27,021.08	\$ 828,800.39
10	12/10/2029	\$ 49,868.69	\$ 22,084.40	\$ 27,784.29	\$ 799,349.04
11	6/10/2030	\$ 49,868.69	\$ 21,299.64	\$ 28,569.05	\$ 769,065.85
12	12/10/2030	\$ 49,868.69	\$ 20,492.70	\$ 29,375.99	\$ 737,927.30
13	6/10/2031	\$ 49,868.69	\$ 19,662.98	\$ 30,205.71	\$ 705,909.25
14	12/10/2031	\$ 49,868.69	\$ 18,809.82	\$ 31,058.87	\$ 672,986.85
15	6/10/2032	\$ 49,868.69	\$ 17,932.56	\$ 31,936.13	\$ 639,134.55
16	12/10/2032	\$ 49,868.69	\$ 17,030.52	\$ 32,838.17	\$ 604,326.09
17	6/10/2033	\$ 49,868.69	\$ 16,103.01	\$ 33,765.68	\$ 568,534.47
18	12/10/2033	\$ 49,868.69	\$ 15,149.30	\$ 34,719.39	\$ 531,731.91
19	6/10/2034	\$ 49,868.69	\$ 14,168.65	\$ 35,700.04	\$ 493,889.87
20	12/10/2034	\$ 49,868.69	\$ 13,160.30	\$ 36,708.39	\$ 454,978.98
21	6/10/2035	\$ 49,868.69	\$ 12,123.47	\$ 37,745.22	\$ 414,969.04
22	12/10/2035	\$ 49,868.69	\$ 11,057.36	\$ 38,811.33	\$ 373,829.03
23	6/10/2036	\$ 49,868.69	\$ 9,961.13	\$ 39,907.56	\$ 331,527.02
24	12/10/2036	\$ 49,868.69	\$ 8,833.94	\$ 41,034.75	\$ 288,030.19
25	6/10/2037	\$ 49,868.69	\$ 7,674.92	\$ 42,193.77	\$ 243,304.79
26	12/10/2037	\$ 49,868.69	\$ 6,483.15	\$ 43,385.54	\$ 197,316.12
27	6/10/2038	\$ 49,868.69	\$ 5,257.73	\$ 44,610.96	\$ 150,028.50
28	12/10/2038	\$ 49,868.69	\$ 3,997.69	\$ 45,871.00	\$ 101,405.24
29	6/10/2039	\$ 49,868.69	\$ 2,702.07	\$ 47,166.62	\$ 51,408.62
30	12/10/2039	\$ 49,868.69	\$ 1,369.99	\$ 48,498.70	\$ -
Grand Totals		\$ 1,496,060.70	\$ 496,060.70	\$ 1,000,000.00	

Effective Interest Rate: 5.649%

If the Lessor either (i) receives notice, in any form, from the Internal Revenue Service or (ii) reasonably determines, based on an opinion of nationally recognized independent tax counsel selected by the Lessor, that the Lessor may not exclude any Interest paid under any Lease from its Federal gross income (each an "Event of Taxability"), the Lessee shall pay to the Lessor upon demand (x) an amount which, with respect to Rental Payments previously paid under the Lease and taking into account all penalties, fines, interest and additions to tax (including all federal, state and local taxes imposed on the Interest due through the date of such event), will restore to Lessor its after-tax yield (assuming tax at the highest marginal tax rate and taking into account the time of receipt of such Rental Payments and reinvestment at the after-tax yield rate) on the transaction evidenced by such Lease through the date of such event and (y) as additional Rental Payments to the Lessor on each succeeding Payment Date such amount as will maintain such after-tax yield to the Lessor.

EXHIBIT C
PRELIMINARY TITLE REPORT

EXHIBIT D

ANNUAL REPAYMENT OBLIGATION COMPLIANCE CERTIFICATE

TO: HOLMAN CAPITAL CORPORATION OR ITS ASSIGNEE

FROM: COUNTY OF HUERFANO

The undersigned authorized officer of the County of Huerfano Lessee (the "Lessee") hereby certifies that in accordance with Section 5.13 of the Lease/Purchase Agreement dated December 10, 2024 by and between the Lessee and Holman Capital Lessor (the "Agreement"), (i) the Lessee is in compliance all covenants and requirements under such Section 5.13, including without limitation the requirement that the Lessee generate revenues sufficient in each Fiscal Year to provide such revenues equal to at least 125% of the Rental Payments becoming due and payable in such Fiscal Year, and (ii) all representations and warranties of the Lessee stated in the Agreement are true and correct in all material respects as of the date hereof. The Lessee further certifies that its compliance with the Minimum DCR Requirement has been determined in accordance with the Agreement and Generally Accepted Accounting Principles.

Dated: December 10, 2024

By: _____
Name: Carl Young
Title: County Administrator

EXHIBIT E

[Print on Counsel Letterhead]

Opinion of Lessee's Counsel

December 10, 2024

Lance S. Holman
Holman Capital Corporation
25231 Paseo De Alicia, Suite 105
Laguna Hills, CA 92653

Brett Legg
Eastern Colorado Bank
10 South First Street
Cheyenne Wells, CO 80810

**Re: County of Huerfano
2024 Lease/Purchase Financing**

Ladies and Gentlemen:

I am the attorney for the County of Huerfano (the "County") and have acted as such in connection with the execution and delivery by the County of the Lease/Purchase Agreement dated December 10, 2024 (the "Lease/Purchase Agreement"), between the County and Holman Capital Corporation (the "Corporation") relating to the Emergency Operations 911 Call Center Modernization Project.

In expressing the opinions set forth below, I have examined and relied upon originals or copies of Resolution No. ____, adopted by the County's Board of County Commissioners on November 12, 2024 (the "Resolution"), the Lease/Purchase Agreement dated December 10, 2024, the Site Lease dated December 10, 2024 (the "Site Lease"), between the County and the Corporation, and the Escrow Agreement dated December 10, 2024 (the "Escrow Agreement"), between the County, the Corporation and Eastern Colorado Bank, as escrow agent. Except as otherwise stated herein, in expressing the opinions set forth below, I have also examined and relied upon such other documents and records as I have deemed necessary, and, as to questions of fact material to my opinions, I have relied upon representations of the County contained in the Financing Agreements (defined below) and in the certified proceedings and other certifications of public officials and others furnished to me, without undertaking to verify the same by independent investigation. The Lease/Purchase Agreement, the Site Lease, and the Escrow Agreement are referred to herein, collectively, as the "Financing Agreements."

I have assumed without investigation (i) the authenticity and completeness of all documents and other writings submitted to or reviewed by me as originals and the conformity in all respects to originals of all documents and other writings submitted to or reviewed by me as copies or reproductions of originals (ii) the genuineness of all signatures to all such documents and other writings, and (iii) that all such documents and other writings have been duly authorized, executed and delivered by the parties to such documents and other writings.

Whenever a statement herein is qualified by “to the best of my knowledge,” it shall be deemed to indicate that, during the course of my representation of the County in connection with this transaction, no information that would give me actual knowledge of the inaccuracy of such statement has come to my attention. I have not, however, undertaken any independent investigation to determine the accuracy of such statements, and any limited inquiry undertaken by me during the preparation of this opinion letter should not be regarded as such investigation. No inference as to my knowledge of any matters bearing upon the accuracy of any such statement should be drawn from the fact of my representation of the County.

My opinions set forth herein do not extend to, and I express no opinions herein with respect to, any laws other than the laws of the State of Colorado, but exclusive of the tax and securities laws, rules and regulations of the State of Colorado and the laws of the State of Colorado relating to debt limitations and restrictions applicable to public entities.

On the basis of, and subject to and in reliance upon, the foregoing, I am of the opinion that:

1. The County is a Public County duly organized and validly existing under the Constitution and the laws of the State of Colorado.
2. The Resolution was duly adopted at a meeting of the County’s Board of County Commissioners that was called and held under law and with all public notice required by law and at which a quorum was present and acting throughout, and the Resolution is now in full force and effect and has not been amended or superseded in any way.
3. The Lease/Purchase Agreement, the Site Lease, the Assignment Agreement, and the Escrow Agreement have been duly authorized, executed and delivered by the County and are permissible, legal, valid and binding obligations of the County, enforceable in accordance with their terms subject to customary exceptions for bankruptcy and judicial discretion
4. The adoption of the Resolution, the execution and delivery of the Financing Agreements and compliance by the County with the provisions thereof, under the circumstances contemplated thereby, do not and will not (a) constitute on the part of the County a breach or default under any agreement or other instrument to which the County is a party or by which it bound (that are known to the undersigned), (b) violate any existing law, regulation, court order or consent decree to which the County is subject, or (c) result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the County (other than those created by the Financing Agreements).
5. All approvals, consents, authorizations and order of any governmental authority or agency having jurisdiction in any matter that would constitute a condition precedent to the performance by the County of its obligations under the Financing Agreements have been obtained and are in full force and effect.

I hereby confirm to you that, to the best of my knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending with respect to which the County has been served or overtly threatened in writing against or affecting the County to restrain or enjoin the transactions contemplated by the Financing Agreements or in any way contesting or affecting the validity of the Financing Agreements.

The opinions set forth above are further qualified as follows:

- (a) My opinions are limited to the matters expressly set forth herein and no opinion is to be implied or may be inferred beyond the matters expressly so stated;

(b) I am licensed to practice law in the State of Colorado; accordingly, the foregoing opinions only apply insofar as the laws of the State of Colorado and the United States may be concerned, and I express no opinion with respect to the laws of any other jurisdiction;

(c) I disclaim any obligation to update this opinion for events occurring after the date hereof.

This letter is furnished by me as the County's attorney pursuant to your request. No attorney-client relationship has existed or exists between me and you in connection with the Financing Agreements or by virtue of this letter. This letter is delivered to you solely for your benefit for purposes of the financing and may not be relied upon for any other purpose or by any other person without my prior written consent. This letter may be relied upon by the any permitted assignee or subassignee of your interests under the Financing Agreements.

Respectfully submitted,

EXHIBIT F

RESOLUTION OF LESSEE

RESOLUTION NO. 24-

THE BOARD OF COUNTY COMMISSIONERS OF HUERFANO COUNTY, COLORADO

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN LEASE-PURCHASE AGREEMENT, AN ESCROW AGREEMENT, SITE LEASE, ASSIGNMENT AGREEMENT, AND RENTAL SCHEDULE, AND ADDITIONALLY RELATED AND ANCILLARY DOCUMENTS, WITH RESPECT TO THE ACQUISITION, PURCHASE, FINANCING, AND LEASING OF CERTAIN PROPERTY FOR THE PUBLIC BENEFIT; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, Huerfano County, Colorado (the "Lessee"), a body politic and corporate duly organized and an existing County and political subdivision of the State of Colorado is authorized by the laws of the State of Colorado to purchase, acquire, and lease property for the benefit of the Lessee and those it provides services to and to enter into contracts with respect thereto;

WHEREAS, the Lessee desires to purchase, acquire and/or lease certain property necessary for the Lessee to perform essential governmental functions; including without limitation, an Emergency Operations 911 Call Center Modernization Project (and all other equipment and or property Lessee or its Designated Officers may deem necessary and/or desirable) (the "Project"), pursuant to an Lease-Purchase Agreement dated December 10, 2024 between Huerfano County and Holman Capital Corporation (the "Lessor") in an amount of not more than \$1,000,000.00 (the "Property");

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into a Lease-Purchase Agreements (together with the Rental Schedules and all related exhibits, schedules, and certificates attached thereto, (the "Lease Agreements") with Holman Capital Corporation (the "Lessor") and one Escrow Agreement (together with the ancillary related documents therewith, (the "Escrow Agreement")) with the Lessor and Eastern Colorado Bank, as escrow agent, the forms of which have been presented to the governing body of the Lessee at this meeting;

WHEREAS, the Lessor has agreed to assign all of its rights, title and interest in and to the Property, the Lease Agreements and the Escrow Agreement (collectively, the "Transaction Documents") to Eastern Colorado Bank and the Lessee has consented and acknowledged to the foregoing;

WHEREAS, the governing body of the Lessee deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Transaction Documents for the purchase, acquisition, and leasing of the Property to be therein described on the terms and conditions therein provided;

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Huerfano County, Colorado that the following are hereby adopted as follows:

Section 1. Approval of Documents. The governing body of the Lessee hereby approves the form, terms and provisions of the Transaction Documents in substantially the forms presented to this meeting and authorizes and directs Carl Young, County Administrator, and such other persons as he/she/they may delegate (the "Designated Officers"), and each of them individually, for and in the name of and on behalf of the Lessee, to execute and deliver the Transaction Documents, and any related Certificate, Exhibits, or other documents attached thereto in such forms with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officer executing them. The execution of the foregoing by a Designated Officer shall constitute conclusive evidence of such officer's and the governing body's approval of any such changes, insertions, revisions, corrections, or amendments to the respective forms of agreements presented to this meeting.

Section 2. Other Actions Authorized. The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Transaction Documents to carry out, give effect to, and consummate the transactions contemplated thereby (including the execution and delivery of Certificates of Acceptance and /Rental Payment Requests, Notice and Acknowledgements of Assignments, and any tax certificate and agreement, each with respect to and as contemplated in the Agreement and/or Escrow Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Transaction Documents. The Designated Officers and all

other officers and employees of the Lessee are hereby directed and authorized to take and shall take all action necessary or reasonably required in order to select, purchase, and take delivery of the Property. All actions heretofore taken by officers, employees, and agents of the Lessee that are in conformity with the purposes and intent of this resolution are hereby approved, confirmed, and ratified.

Section 3. No General Liability. Nothing contained in this Resolution No. [24-], the Transaction Documents, nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution No. [24-], the Transaction Documents, or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the rental payments payable under the Transaction Documents are special limited obligations of the Lessee as provided therein.

Section 4. Appointment of Authorized Lessee Representatives. The Designated Officers are each hereby designated to act as authorized representatives of the Lessee for purposes of the Transaction Documents until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Transaction Documents.

Section 5. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution No. [24-].

Section 6. Repealer. All bylaws, orders, and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, resolution, or ordinance or part thereof.

Section 7. Effective Date. Be it further resolved that this resolution shall be in effect upon its adoption. All resolutions and portions of resolutions in conflict with the above are hereby replaced.

INTRODUCED, READ, APPROVED AND ADOPTED ON THIS ____ day of _____, 2024.

BOARD OF COUNTY COMMISSIONERS
OF HUERFANO COUNTY, COLORADO

BY _____
Arica Andreatta, Chairman

Karl Sporleder, Commissioner

Mitchell Wardell, Commissioner

ATTEST:

County Clerk and Recorder and
Ex-Officio Clerk to said Board

EXHIBIT G:

TAX AND ARBITRAGE CERTIFICATE

2024 Emergency Operations 911 Call Center Modernization Project –
County of Huerfano
Aggregate Principal Amount of \$1,000,000.00

The undersigned is the County Administrator of the County of Huerfano (the “Issuer”), being duly charged, with others, with the responsibility for entering into that certain Lease/Purchase Agreement (the “Agreement”) with Holman Capital Corporation (“Lessor”) relating to the financing of \$1,000,000.00 to construction an Emergency Operations 911 Call Center Modernization Project. The undersigned HEREBY CERTIFIES, pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”) and Sections 1.148-0 through 1.148-11 of the Income Tax Regulations (the “Regulations”), as follows:

1. The Agreement was entered into pursuant to the Constitution and laws of the State of Colorado and that certain Resolution adopted on November 12, 2024, at the Issuer’s Board of Commissioner’s Meeting (the “Resolution”). Unless otherwise specifically defined, all capitalized terms used in this Certificate shall have the meanings as set forth in the Agreement. The proceeds of the Agreement will be used for the purpose of:
 - a.) financing the acquisition and construction of the Emergency Operations 911 Call Center Modernization (the “Project”); and
 - b.) paying the costs of issuance related to the Agreement (the “Issuance Costs”)
2. On the basis of the facts, estimates and circumstances in existence on the date hereof, we reasonably expect the following with respect to the Agreement being entered into this day and as to the use of the proceeds thereof:
 - a.) Proceeds in the amount of Net Financing Amount Proceeds (the “Proceeds”) are expected to be derived by the Issuer from the Agreement and are expected to be needed and fully expended as follows:
 - (i) \$20,000.00 of said proceeds will be deposited into the Escrow Fund and used to pay the Issuance Costs;
 - (ii) \$1,000,000.00 of said proceeds will be deposited into the Escrow Fund and used to acquire and construct the 2024 Project and expended within three years from the date hereof to pay for the 2024 Project and Issuance Costs.
 - b.) The total Proceeds to be received from the Agreement do not exceed the amount necessary for the purposes described above.
 - c.) The Issuer does not expect to sell or otherwise dispose of any property comprising a part of the Project financed with the proceeds from the Agreement prior to the final Rental Payment due under the Agreement.

3. Binding contracts or commitments obligating the expenditure of not less than 5 percent of the Proceeds toward the cost of the 2024 Project will be entered into by the Issuer within 6 months from the date hereof. Work on the 2024 Project will proceed with due diligence. It is expected that the 2024 Project will be acquired/completed and at least 85 percent of the Proceeds will be allocated to Project expenditures within three years of the date hereof.
4. Not more than 50 percent of the Proceeds will be invested in obligations having a substantially guaranteed yield for 4 years or more.
5. Issuer will not create any separate funds or accounts that will be held or reserved by the Issuer from which Rental Payments will be made; Issuer will make all payments from its all legally available funds.
6. There are no funds or accounts established pursuant to the Agreement or the Resolution or otherwise which are reasonably expected to be used to pay the Rental Payments, or which are pledged as collateral for the Agreement (or subject to a negative pledge) and for which there is a reasonable assurance on the part of the Lessor that amounts therein will be available to pay Rental Payments under the Agreement if the Issuer encounters financial difficulties.
7. Except for preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs, proceeds from the Agreement will not be used to reimburse the Issuer of the Project costs paid prior to 60 days before December 10, 2024.
8. In the event that amounts drawn under the Agreement are not immediately used to pay or reimburse costs of the Project, the following represents the expectations of the Issuer with respect to the investment of such Proceeds:
 - a.) Proceeds to be applied to pay Issuance Costs may be invested at an unrestricted yield for a period not to exceed three years from the date hereof;
 - b.) Proceeds deposited into a Project fund (if any) to pay Project costs may be invested at an unrestricted yield for a period of time not to exceed three years from the date hereof;
 - c.) Investment earnings on obligations acquired with amounts described in subparagraphs (a) and (b) above may be invested at an unrestricted yield for a period of three years from the date hereof or one year from the date of receipt, whichever period is longer;
 - d.) Amounts described in subparagraphs (a) through (c) that may not be invested at an unrestricted yield pursuant to such subparagraphs, may be invested at an unrestricted yield to the extent such amounts do not exceed \$100,000 (the "Minor Portion"); and
 - e.) Amounts described in subparagraph (d), not invested at an unrestricted yield pursuant to such subparagraph, shall be invested at a yield not in excess of the yield applicable to the Agreement plus 1/8 of one percentage point.

To the extent that any amounts described in this Paragraph 8 are not permitted to be invested at an unrestricted yield, the Issuer may satisfy the applicable yield restriction by causing the appropriate amount of yield reduction payments to be made to the United States as permitted by Section 1.148-5 c of the Regulations.

9. For purposes of this Certificate, “yield” means that yield which when used in computing the present worth of all payments of principal and interest to be paid on an obligation produces an amount equal to the purchase price of such obligation. The yield on obligations acquired with the Proceeds and the yield applicable to the Agreement shall be calculated by the use of the same frequency interval of compounding interest. Amounts payable under the Agreement and the interest rate thereon, as set forth in the Agreement, were arrived at as a result of an arm’s length negotiation between the Issuer and the Lessor. The Lessor is acting under the Agreement primarily for its own account and is not acting as a broker or other intermediary for the purpose of reselling the Agreement to other investors, except that the Agreement will be immediately assigned to the Assignee as defined in the Agreement. Any investments acquired with amounts that may not be invested at an unrestricted yield pursuant to Paragraph 8 above shall be purchased at prevailing market prices and shall be limited to securities for which there is an established market, shall be United States Treasury Obligations - State and Local Government Series, or shall be tax-exempt obligations under 103(a) of the Code, the interest on which is not an item of tax preference within the meaning of Section 57(a) (5) of the Code.
10. No portion of the Proceeds will be used as a substitute for other moneys of the Issuer which were otherwise to be used to acquire or construct the 2024 Project and which have been or will be used to acquire directly or indirectly, obligations producing a yield in excess of the yield applicable to on the Agreement.
11. There are no other obligations of the Issuer that (i) are being sold at substantially the same time as the Agreement (within 15 days), (ii) are being sold pursuant to a common plan of financing together with the Agreement, and (iii) will be paid out of substantially the same source of funds as the Agreement.
12. The Issuer has covenanted in the Agreement that so long as the Agreement remains outstanding, the moneys on deposit in any fund or account maintained in connection with the Agreement, will not be used in any manner that would cause the Agreement to be an “arbitrage bond” within the meaning of Section 148 of the Code, or not described under Section 103(a) of the Code and the applicable regulations promulgated from time to time thereunder.
13. Neither the Issuer nor any person related to the Issuer has entered or is expected to enter into any hedging transaction (such as an interest rate swap, cap or collar transaction) with respect to the Agreement.
14. The weighted average maturity of the Rental Payments does not exceed 120 percent of the reasonably expected economic life of the Project (within the meaning of Section 147(b) of the Code).
15. None of the Proceeds will be used (directly or indirectly) to acquire any property which prior to its acquisition was used (or held for use) by a person other than a state or local governmental unit in connection with an output facility. For purposes of this Certificate, the term “output facility” means electric and gas generation, transmission, and related facilities.
16. None of the Proceeds will be used (directly or indirectly) to make or finance loans to any person.
17. Not more than 10% of the Proceeds will be used (directly or indirectly) in a trade or business (or to finance facilities which are used in a trade business) carried on by any person other than a

governmental unit. Not more than 5% of the Proceeds will be used (directly or indirectly) in a trade or business (or to finance facilities which are used in a trade or business) carried on by any person other than a governmental unit which private business use is not related to any governmental use or is disproportionate to governmental use, all as described in Section 141(b)(3) of the Code ("Unrelated or Disproportional Use").

18. Paragraph 17 shall apply only if the payment of 10% or more (5% or more in the case of Unrelated or Disproportional Use) of the principal of or interest from the Agreement is (under the terms of the Agreement or any underlying arrangement) directly or indirectly secured by any interest in property used or to be used for a private business use or in payments in respect of such property or derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a private business use.
19. The Issuer reasonably expects that the 2024 Project will be owned and operated throughout the term of the Agreement in a manner which complies with the requirements set forth in Paragraph 17 above. The Issuer will not change the ownership or use all or any portion of the Project manner that fails to comply with Paragraph 17 above, unless it receives an opinion from nationally recognized bond counsel that such change of ownership or use will not adversely affect the exclusion of interest on the Agreement from the gross income for federal income tax purposes.
20. The payment of the principal or interest under the Agreement is not and will not be guaranteed directly or indirectly by the federal government within the meaning of Section 149(b) of the Code.
21. This Certificate is, in part, to serve as a guideline in implementing the requirements of Sections 141 to 150 of the Code. If regulations, rulings, announcements and notices validly promulgated under the Code contain requirements which differ from those outlined here which must be satisfied for the Agreement to be tax-exempt or in order to avoid the imposition of penalties under Section 148 of the Code, pursuant to the covenants contained in the Agreement, the Issuer is obligated to take such steps as are necessary to comply with such requirements. If under those pronouncements, compliance with any of the requirements of this Certificate is not necessary to maintain the exclusion of interest on the Agreement from gross income and alternative minimum taxable income (except to the extent of certain adjustments applicable to corporations) or to avoid the imposition of penalties on the Issuer under Section 148 of the Code, the Issuer shall not be obligated to comply with that requirement. The Issuer has been advised to seek the advice of competent counsel with a nationally recognized expertise in matters affecting exclusion of interest on municipal bonds from gross income in fulfilling its obligations under the Code to take all steps as are necessary to maintain the tax-exempt status of the Agreement.
22. The Issuer will timely file a Form 8038-G relating to the PS with the Internal Revenue Service in accordance with Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").
23. The Issuer has adopted, or will adopt in a reasonable period post-closing, by Resolution, separate written procedures regarding ongoing compliance with federal tax requirements necessary to keep, ensure and maintain the interest portions of the payments under the Agreement as excluded from Lessor's gross income for federal income tax purposes, and will, on an annual basis, conduct an audit of the Agreement to ensure compliance with such procedures.
24. To the best of my knowledge, information and belief, the above expectations are reason

IN WITNESS WHEREOF, I have hereunto set my hands this December 10, 2024.

COUNTY OF HUERFANO

By: _____
Name: Carl Young
Title: County Administrator

[Signature Page to Tax and Arbitrage Certificate]

EXHIBIT H:

\$1,000,000.00
County of Huerfano
2024 LEASE/PURCHASE FINANCING

CLOSING AND INCUMBENCY CERTIFICATE OF THE COUNTY OF HUERFANO

December 10, 2024

The following certifications are made in connection with the execution and delivery of the Lease/Purchase Agreement dated December 10, 2024 (the "Lease/Purchase Agreement"), entered into between the County of Huerfano and Holman Capital Corporation. Capitalized terms used herein have the meanings defined in the Lease/Purchase Agreement.

1. **Representations and Acknowledgments.** The undersigned, Carl Young, County Administrator, hereby certifies on behalf of the Lessee as follows:

(a) **Litigation.** There are no actions or proceedings against the Lessee pending (service of process having been accomplished) or, to the best of our knowledge, threatened (a) to restrain or enjoin the payment of the Rental Payments, (b) in any way contesting the validity of the Lease/Purchase Agreement or the Site Lease between the Lessee and the Lessor, dated December 10, 2024 (the "Site Lease" and, together with the Lease/Purchase Agreement, the "Agreements") or the authority of the Lessee to enter into the Agreements, (c) in any way contesting the powers of the Lessee in connection with any action contemplated by the Lease/Purchase Agreement, or (d) in which a final adverse decision could materially adversely affect the operation of the Lessee or its ability to perform its obligations under the Agreements;

(b) **Representations.** The representations, warranties and covenants of the Lessee contained in the Lease/Purchase Agreement and the Site Lease are true and correct in all material respects on and as of the date hereof with the same effect as if made on the date hereof by the Lessee;

(c) **Satisfaction of Conditions.** The Lessee has complied with all agreements and covenants and satisfied all the conditions on its part to be performed or satisfied at or, to the extent possible, prior to, the Funding Date.

(d) **Receipt of Funds.** The Lessee hereby acknowledges that Eastern Colorado Bank (the "Bank") has funded \$1,000,000.00 on behalf of the Lessor in payment of certain costs of issuance and to fund the Project Fund pursuant to the terms of the Escrow Agreement for the advance rental payable under the Site Lease.

(e) **Role of Assignee.** The Lessee acknowledges that: (a) the Bank, to whom the Lessor has assigned its interests in the Agreements, is acting solely as assignee/lender for its own account and not as a fiduciary for the Lessee or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor; (b) the Bank has not provided, and will not provide, financial, legal, tax, accounting or other advice to or on behalf of the Lessee with respect to its purchase of the Agreements; and (c) the Lessee has sought and obtained financial, legal, tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the Lease/Purchase Agreement from its financial, legal and other advisors (and not the Bank) to the extent that the Lessee desired to obtain such advice.

2. Resolution. The undersigned, Erica Vigil, Clerk & Recorder, hereby certifies on behalf of the Lessee that attached hereto is a complete copy of a Resolution that was duly adopted by the Board of Commissioners of the Lessee at a meeting thereof that was duly called and held on November 12, 2024. The agenda for the meeting was posted at least seventy-two (72) hours before the meeting at the offices of the Lessee at 401 Main Street, Walsenburg, CO, 81089 Colorado, a location freely accessible to members of the public, and a brief description of the Resolution appeared on the agenda. At the meeting a quorum was present and acting throughout. The Resolution has not been amended, modified, or rescinded since the date of adoption and is now in full force and effect.

3. Incumbency. The undersigned officers of the Lessee hereby certify as follows:

- (a) each undersigned person holds the office hereinbelow set opposite his or her signature; and
- (b) each of the undersigned by his or her signature confirms that the other signatures set forth below are genuine.

Carl Young **County Administrator** _____

Erica Vigil **Clerk & Recorder** _____

[Signature Page to Incumbency Certificate]

EXHIBIT I:

\$1,000,000.00
County of Huerfano
2024 LEASE/PURCHASE FINANCING

CLOSING CERTIFICATE OF
HOLMAN CAPITAL CORPORATION

December 10, 2024

The undersigned, Lance S. Holman, President and Chief Executive Officer of Holman Capital Corporation (the "Lessor"), hereby certifies as follows:

The Lessor is a corporation duly created and lawfully existing under the laws of the State of Delaware. The Lessor has full right, power and authority to execute, deliver and perform its obligations under the Site Lease dated December 10, 2024 (the "Site Lease"), between the County of Huerfano (the "Lessee") and Holman Capital Corporation the Lessor; the Lease/Purchase Agreement dated December 10, 2024 (the "Lease/Purchase Agreement"), between the Lessor and the Lessee; and the Assignment Agreement dated December 10, 2024 (the "Assignment Agreement"), between the Lessor and Eastern Colorado Bank;

By all necessary official action, the Lessor has duly authorized and approved the execution and delivery of, and the performance by the Lessor of the obligations on its part contained in the Site Lease, the Lease/Purchase Agreement, and the Assignment Agreement, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded;

The execution and delivery of the Site Lease, the Lease/Purchase Agreement, and the Assignment Agreement and compliance with the provisions thereof will not (i) violate any applicable provision of statutory law or regulation, (ii) breach or otherwise violate any existing obligation of the Lessor under any court order or administrative decree to which the Lessor is subject, or (iii) breach, or result in a default under, any loan agreement, note, Resolution, indenture, contract, agreement, or other instrument to which the Lessor is a party or is otherwise subject or bound;

No action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body is pending, or has been overtly threatened in writing, in any way affecting the existence of the Lessor or the titles of its officers to their respective offices, or in any way contesting or affecting the validity or enforceability of the Site Lease, the Lease/Purchase Agreement or the Assignment Agreement, or any action of the Lessor contemplated by any of said documents, or in any way contesting the powers of the Lessor or its authority with respect to the Site Lease, the Lease/Purchase Agreement, and the Assignment Agreement;

The Site Lease, the Lease/Purchase Agreement, and the Assignment Agreement are valid and binding obligations of the Lessor enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally;

All authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters that

are required for the due authorization of, that would constitute a condition precedent to or the absence of which would adversely affect the due performance by the Lessor of its obligations in connection with the Site Lease, the Lease/Purchase Agreement, and the Assignment Agreement have been duly obtained or made.

IN WITNESS WHEREOF, the Lessor has executed this certificate in its name by its duly authorized officer, all as of the date first above written.

HOLMAN CAPITAL CORPORATION

By: _____
Name: Lance Holman,
Title: President & CEO

{Signature page to the Closing Certificate}

EXHIBIT J

CLOSING MEMORANDUM

\$1,000,000 LEASE FOR EMERGENCY OPERATIONS 911 CALL CENTER MODERNIZATION PROJECT

2024 LEASE/PURCHASE FINANCING DATED DECEMBER 10, 2024

BETWEEN COUNTY OF HUERFANO, AS LESSEE, AND

HOLMAN CAPITAL CORPORATION, AS LESSOR

Pre-Closing: Pre-Closing will be held at the Lessee’s convenience, on or before December 6, 2024. All documents will be executed, and two (2) blue ink originals will be overnighted to Holman Capital Corporation, Attn: Jane Taubman, 25231 Paseo De Alicia, Suite 105, Laguna Hills, CA 92653, for delivery no later than 9:00 am on the morning of December 10, 2024, and held in trust until such time as the wires and original documents are released by the Parties.

Closing: (1) By internal funds transfer and pending receipt of original, executed Payment Schedule and related documents, on the morning of December 10, 2024, the Investor is authorized by Lessee to transfer via internal credit the Total Emergency Operations 911 Call Center Modernization Project Cost (as set forth below) to Escrow Agent, pursuant to a general ledger credit to the Escrow Account as follows:

Bank Name:	Eastern Colorado Bank
ABA No:	<Need number>
Account No:	<Need number>
Account Name:	County of Huerfano

(2) By wire transfer and pending receipt of original, executed Payment Schedule and related documents, on the morning of December 10, 2024, the Investor is authorized by Lessee to transfer via wire the Issuance Costs (as defined below) to Lessor as follows:

Bank Name:	Citizens Business Bank
ABA No:	122234149
Account No:	XXXX1323
Account Name:	Holman Capital Corporation

Holman Capital Corporation will confirm disbursement of funds to the Lessee’s escrow account and then release all of the original documents held in trust to the investor and forward a copy to the Lessee. Upon confirmation by Escrow Agent of the Lease Proceeds, Lessee will wire closing costs, legal fees and other amounts to the parties in accordance with the invoices attached hereto.

Sources and Uses of Funds:

Emergency Operations 911 Call Center Modernization Project	\$1,000,000.00
<hr/>	
TOTAL SOURCES	\$1,000,000.00
2024 Project Costs for Payment Components	\$980,000.00
Costs of Issuance	\$20,000.00
<hr/>	
TOTAL LEASE PROCEEDS	\$1,000,000.00

LESSEE: COUNTY OF HUERFANO

By: _____
Name: Carl Young
Title: County Administrator

[Signature Page to Closing Memorandum]

RECORDING REQUESTED BY:

WHEN RECORDED RETURN TO:

SITE LEASE

between the

COUNTY OF HUERFANO

and

HOLMAN CAPITAL CORPORATION

Dated December 10, 2024

The term of this Site Lease does not exceed 25 years.

SITE LEASE

This Site Lease dated December 10, 2024, between the County of Huerfano, a County and political subdivision organized and existing under the Colorado Revised Statute (C.R.S.) § 30-1-101 et seq., and other laws of the State of Colorado (the "Lessor"), as lessor, and Holman Capital Corporation, a Delaware corporation (the "Lessee"), as lessee.

RECITALS:

WHEREAS, the Lessor intends to finance the construction of Emergency Operations 911 Call Center Modernization Project (the "Project");

WHEREAS, pursuant to the request of the Lessor, the Lessee will assist the Lessor in financing the Project;

WHEREAS, such financing will be accomplished by (i) the Lessee's entering into this Site Lease with the Lessor, (ii) the Lessee's leasing back the property leased hereunder to the Lessor pursuant to the Lease/Purchase Agreement dated December 10, 2024 under which the Lessor will be obligated to make Rental Payments to the Lessee; (iii) the Lessee's assignment without recourse of all rights to receive such Rental Payments to a bank to be selected by Lessee (the "Assignee"); and (iv) the application of the amount payable as advance rental hereunder, together with other funds made available by the Lessor, to pay the costs of the Project;

NOW THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereby agree as follows:

AGREEMENTS

Section 1. Leased Property The Lessor hereby leases to the Lessee, and the Lessee hereby hires from the Lessor, on the terms and conditions hereinafter set forth, the real property located in the County of Huerfano, State of Colorado, described in Exhibit A attached hereto and made a part hereof (the "Leased Property") and the improvements located thereon.

Section 2. Term The term of this Site Lease shall commence on the Funding Date, as that term is defined in the Lease/Purchase Agreement, and shall end on December 10, 2039, unless such term is extended or sooner terminated as hereinafter provided. If the term of the Lease/Purchase Agreement is extended, the term of this Site Lease shall be extended commensurately to the extent permitted by law. Notwithstanding the foregoing, the term of this Site Lease shall end when the term of the Lease/Purchase Agreement ends if the Lessor, as lessee under that agreement, fulfills all rent obligations under that agreement.

Section 3. Rental As and for advance rental hereunder for the entire term hereof, the Lessee shall transfer, or cause to be transferred, to the escrow agent named in the Escrow Agreement executed concurrently herewith, for deposit into an escrow account for the benefit of the Lessor, the sum of one Million Dollars (\$1,000,000.00), on or before the date of commencement of the term of this Site Lease. The Lessee hereby waives any right that it may have under the laws of the State of Colorado to a rebate of such rental in full or in part in the event there is substantial interference with the use and right to possession by the Lessee of the Leased Property or portion thereof as a result of material damage, destruction, or condemnation.

Section 4. Purpose The Lessee shall use the Leased Property solely for the purpose of leasing the Leased Property, including the improvements thereon, to the Lessor pursuant to the Lease/Purchase

Agreement; provided that in the event of default by the Lessor under the Lease/Purchase Agreement the Lessee may exercise the remedies provided in the Lease/Purchase Agreement; provided, however, in no event shall the Leased Property be used for anything other than as a County.

Section 5. Owner in Fee The Lessor covenants that it is the owner in fee of the Leased Property described on Exhibit A.

Section 6. Successors and Assigns; Assignment Whenever in this Site Lease either the Lessor or the Lessee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements contained in this Site Lease by, on behalf of, or for the benefit of the Lessor or the Lessee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not. As provided in the Lease/Purchase Agreement, the Lessee may assign its rights under this Site Lease.

Section 7. Right of Entry The Lessor reserves the right 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.

Section 8. Surrender of Possession The Lessee agrees, upon the expiration or sooner termination of this Site Lease, to quit and surrender the Leased Property to the Lessor, without warranty as to condition. Any delay caused by Lessee's failure to carry out its obligations under this Section 8 beyond the term hereof, shall constitute unlawful and illegal possession of the Leased Property.

Section 9. Default If the Lessee defaults in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Lessee, the Lessor may exercise any and all remedies granted by law; provided, however, that the Lessor shall have no power to terminate this Site Lease by reason of any default on the part of the Lessee.

Section 10. Quiet Enjoyment The Lessee at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Leased Property, to the extent it does not conflict with Lessor's rights set forth herein and in the Lease-Purchase Agreement.

Section 11. Waiver of Personal Liability All liabilities under this Site Lease on the part of the Lessee shall be solely liabilities of the Lessee, and the Lessor hereby releases each and every incorporator, director and officer of the Lessee of and from any personal or individual liability under this Site Lease unless such person acted outside of the scope of his or her duties. No incorporator, director or officer of the Lessee shall at any time or under any circumstances be individually or personally liable under this Site Lease to the Lessor or to any other party whomsoever for anything done or omitted to be done by the Lessee hereunder.

Section 12. Taxes The Lessor covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Leased Property (including both land and improvements).

Section 13. Eminent Domain If the whole or any part of the improvements on the Leased Property is taken by eminent domain proceedings, the effect of such taking hereunder shall be in accord with the provisions of the Lease/Purchase Agreement relating thereto.

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, provision, 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. 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 mailed by United States registered or certified mail, return receipt requested, postage prepaid, and, if to the Lessor, addressed to the Lessor as follows:

County of Huerfano
401 Main Street
Walsenburg, CO 81089
Attn: Carl Young, County Administrator

or, if to the Lessee, addressed to the Lessee as follows:

Holman Capital Corporation
25231 Paseo De Alicia, Suite 105
Laguna Hills, CA 92653
Attention: Lance Holman, President & CEO

or, if to the Assignee, addressed to the Assignee at the address provided by Lessee,

or to such other addresses as the respective parties may from time to time designate by notice in writing.

Section 16. Section Headings All section headings contained herein are for convenience or reference only and are not intended to define or limit the scope of any provision of this Site Lease.

Section 17. Execution in Counterparts 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 lease. It is also agreed that separate counterparts of this Site Lease may separately be executed by the Lessor and the Lessee, all with the same force and effect as though the same counterpart had been executed by both the Lessor and the Lessee.

Section 18. Entire Agreement This Site Lease constitutes the entire agreement between the Parties, and supersedes any prior agreement between the Parties, oral or written, unless such agreement is expressly incorporated herein. The Lessor makes no representations or warranties, express or implied, not specified in the Site Lease.

Section 19. Governing Law This Site Lease shall be governed by and construed in accordance with the laws of the State of Colorado. Any action to enforce the provisions of this agreement shall be brought in a court of appropriate jurisdiction in Huerfano County, Colorado or an adjacent county.

Section 20. Exhibits All exhibits attached to this Site Lease and all plats, riders, and addenda attached hereto, if any, are incorporated herein by reference and made a part of this Site Lease.

[signature page follows]

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Site Lease to be executed by their respective officers thereunto duly authorized.

County of Huerfano, Lessee

By: _____
Name: Carl Young
Title: County Administrator

ATTEST:

By: _____
Name: Erica Vigil
Title: Clerk & Recorder

HOLMAN CAPITAL CORPORATION, Lessor

By: _____
Name: Lance Holman
Title: President & CEO

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Colorado)
County of Huerfano)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Colorado that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Colorado)
County of Huerfano)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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Signature _____ (Seal)

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State of Colorado)
County of Huerfano)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Colorado that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

LEASED PROPERTY

All that certain real property situated in the County of Huerfano County, State of Colorado, described as follows:

[INSERT LEGAL DESCRIPTION]

Property Address: 129 Kansas Avenue in Walsenburg, CO, 81089

ESCROW AGREEMENT

This ESCROW AGREEMENT, dated December 10, 2024 (the "Escrow Agreement"), is made between Eastern Colorado Bank, as escrow agent (the "Escrow Agent"), the County of Huerfano (the "Lessee"), and Holman Capital Corporation (referred to herein as the "Lessor").

RECITALS:

WHEREAS, the Lessor and the Lessee have entered into a Site Lease dated the date hereof (the "Site Lease"), under which the Lessee has agreed to lease certain real property ("Property") described therein to the Lessor for an advance rental;

WHEREAS, the Lessee and the Lessor have entered into a Lease/Purchase Agreement dated the date hereof (the "Lease/Purchase Agreement"), under which the Lessor has agreed to lease the property leased under the Site Lease back to the Lessee, in the manner and on the terms set forth in the Lease/Purchase Agreement;

WHEREAS, to obtain funds for the advance rental, the Lessor has assigned to Eastern Colorado Bank as Assignee all of the Lessor's rights under the Site Lease and the Lease/Purchase Agreement;

WHEREAS, the Lessee will apply the funds to be paid by the Lessor as advance rental under the Site Lease for the purpose of designing and constructing an Emergency Operations 911 Call Center and related facilities (the "Project");

WHEREAS, this Escrow Agreement is not intended to alter or change in any way the rights and obligations of the Lessor and the Lessee under the Lease/Purchase Agreement and the Site Lease, but is entirely supplemental thereto;

WHEREAS, under the Site Lease, the Lessor is required to transfer to the Escrow Agent the amount of \$980,000.00, which amount shall be credited to the Project Fund established in Section 2 hereof and used to pay costs of the Project;

WHEREAS, the Lessee and the Lessor desire to employ the Escrow Agent to receive, hold, and disburse the moneys to be held hereunder as described in Section 2 hereof and to perform the other specified functions; all as hereinafter provided;

WHEREAS, the Escrow Agent shall not be obligated to assume or perform any obligation of the Lessee or the Lessor under the Lease/Purchase Agreement or the Site Lease by reason of anything contained in this Escrow Agreement;

WHEREAS, each of the parties has authority to enter into this Escrow Agreement, and each has taken all actions necessary to authorize the execution of this Escrow Agreement by the officers whose signatures are affixed hereto;

AGREEMENT

NOW, THEREFORE, the parties hereto agree as follows:

Section 1. Definitions. The terms capitalized in this Escrow Agreement but not defined herein shall have the meanings given to them in the Lease/Purchase Agreement and the Site Lease.

Section 2. Project Fund.

2.1 The Escrow Agent (i) shall establish a special escrow fund designated as the Project Fund (the "Project Fund"), (ii) shall keep the Project Fund separate and apart from all other funds and moneys held by it, and (iii) shall administer the Project Fund as provided in this Section and Section 3 hereof. The Lessee will pay any contractor or other Project costs from those monies, and shall within seven (7) days of such payment provide by e-mail to Escrow Agent at such e-mail address as will be provided to Lessee a copy of the invoice paid with those monies and any unconditional lien release associated with that payment.

2.2 There shall be credited to the Project Fund the amount of \$1,000,000.00 (the "Lease Proceeds") received from the Assignee on behalf of the Lessor. On the Funding Date, the Escrow Agent shall disburse from Lease Proceeds to the Lessor, its documentation fee of \$20,000.00 ("Closing Disbursement"), upon submission of its invoice. The Escrow Agent shall use the balance of the moneys in the Project Fund to pay Project costs, including costs of issuance, which include the fees and expenses of counsel to the Lessee (or reimburse the Lessee for any Project costs paid directly by the Lessee), upon receipt of a request for payment in the form attached hereto as Exhibit A ("Payment Request Form"), executed by the Lessee, fully completed and with all supporting documents described therein attached thereto and in compliance with the requirements of Section 2.5 hereof and subject to such other disbursement conditions as set forth in Exhibit B hereto, as may be modified from time to time upon prior written consent of Lessee and Assignee. Upon receipt of a Payment Request Form with respect to any component of the Project, an amount equal to the Project costs as shown therein shall be paid directly to the person or entity entitled to payment as specified therein.

2.3 The Escrow Agent shall only be responsible for the safekeeping of the moneys held in the Project Fund and the disbursement thereof in accordance with this Section and shall not be responsible for (i) the authenticity or accuracy of such certifications or documents, (ii) the application of amounts paid pursuant to such certifications by the persons or entities to which they are paid, or (iii) the sufficiency of the moneys credited to the Project Fund to make the payments of Project costs herein required.

2.4 Any moneys credited to the Project Fund representing interest earned on the amounts originally deposited therein, if any, shall be transferred to the Lessee upon the written request of the Lessee and used to pay the Rental Payments, as defined in the Lease/Purchase Agreement, next owing under the Lease/Purchase Agreement. No such transfer shall be requested if the amount remaining in the Project Fund after such transfer will not be sufficient to pay all remaining Project costs. Any portion of the original deposit remaining in the Project Fund after payment of all Project costs may be (i) expended on any capital expense directly related to the 2024 Project as directed by the Lessee, upon receipt by the Escrow Agent of an opinion of an attorney or firm of attorneys having experience in matters relating to obligations of public agencies the interest on which is excludable from gross income for federal income tax purposes to the effect that the planned expenditure will not cause the interest component of the Rental Payments to become includable in gross income for federal income tax purposes or (ii) used to pay the principal portion of Rental Payments coming due under the Lease/Purchase Agreement. In any event, any moneys remaining on hand in the Project Fund that have not been so used within three (3) years of the date of execution of this Escrow Agreement may be used to pay the principal portion of the Rental Payments as they next become due.

2.5 Prior to the first disbursement from the Project Fund (other than the Closing Disbursement), the Lessee shall have satisfied all Disbursement Conditions as set forth in Exhibit "B" attached hereto and fully incorporated herein by this reference.

2.6 Escrow Agent will mail or send by e-mail to the Lessee a monthly escrow account statement showing disbursements from the Project Fund.

Section 3. Moneys in Funds.

3.1 The moneys held by the Escrow Agent under this Escrow Agreement are irrevocably held in trust for the benefit of the Lessee and the Lessor, and such moneys, together with any income or interest earned thereon, if any, shall be expended only as provided in this Escrow Agreement and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Lessee (other than the Lessor) and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Lessor. The Lessee hereby grants to the Lessor a first priority and perfected lien on the amounts held in the Project Fund and a security interest in the Project Fund and any attachments, replacements, additions and proceeds therefrom, and all proceeds (cash and non-cash) thereof, as collateral securing the Lessee's obligations hereunder and under the Lease/Purchase Agreement and this Escrow Agreement. The Lessor shall have all rights and remedies of a secured party under the Uniform Commercial Code as enacted in the State of Colorado with respect to such collateral. To the limited extent required to perfect the first priority security interest hereby granted by the Lessee to the Lessor in the cash and negotiable instruments from time to time held in the Project Fund, the Lessee hereby appoints the Escrow Agent as its security agent, and the Escrow Agent hereby accepts the appointment as security agent, and agrees to hold physical possession of such cash and negotiable instruments on behalf of the Lessor.

3.2 Notwithstanding anything herein to the contrary, funds held by the Escrow Agent hereunder shall be held in a non-interest-bearing, FDIC-insured (to the extent available) deposit account and not invested.

Section 4. Escrow Agent's Authority; Indemnification.

4.1 The Escrow Agent may act in reliance upon any writing or instrument or signature that it, in good faith, believes to be genuine, may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instructions in connection with the provisions hereof has been duly authorized to do so. If the genuineness, validity or accuracy of any writing, instrument, statement, assertion or notice appears questionable to the Escrow Agent, the Escrow Agent shall contact the Lessee to seek clarification. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner and execution, or validity of any instrument deposited with it, nor as to the identity, authority or right of any person executing the same; and the Escrow Agent's duties hereunder shall be limited to those specifically provided herein.

4.2 To the extent permitted by law and unless the Escrow Agent is guilty of gross negligence with regard to its duties hereunder, the Lessee hereby agrees to indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, that it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Escrow Agreement; and in connection therewith, to indemnify the Escrow Agent against any and all expenses, including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim. The indemnification obligations of the Lessee under this

Section 4.2 shall survive the termination of this Escrow Agreement and the resignation or removal of the Escrow Agent.

4.3 The Escrow Agent will not receive a fee for performing the ordinary services it provides under this Escrow Agreement. Ordinary services include routine administrative tasks necessary to manage the escrow account, such as processing deposits and disbursements, maintaining records, and providing standard communications. However, the Escrow Agent shall be entitled to reimbursement for any extraordinary services, which encompass all services and actions beyond these ordinary duties.

4.4 If the parties shall be in disagreement about the interpretation of the Lease/Purchase Agreement, the Site Lease or this Escrow Agreement, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Escrow Agent shall be indemnified by the Lessee for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Escrow Agreement until a final judgment in such action is received.

4.5 The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of facts or errors of judgment, or for any acts or omissions of any kind unless caused by its gross negligence or willful misconduct.

4.6 The Escrow Agent in its sole discretion may engage an agent to perform any of the obligations of the Escrow Agent hereunder, provided that the Escrow Agent shall remain primarily liable for performance of all obligations imposed upon it by this Escrow Agreement.

4.7 ANYTHING HEREIN TO THE CONTRARY NOTWITHSTANDING, IN NO EVENT SHALL THE ESCROW AGENT, THE LESSEE, OR THE LESSOR BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL LOSSES OR DAMAGES OF ANY KIND WHATSOEVER (INCLUDING WITHOUT LIMITATION LOST PROFITS), EVEN IF THE ESCROW AGENT, THE LESSEE, OR THE LESSOR, AS APPLICABLE, HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES AND REGARDLESS OF THE FORM OF ACTION.

Section 5. Default; Notice; Exercise of Rights and Agreement.

5.1 If an event a default occurs under the Lease/Purchase Agreement and continues beyond any applicable cure period, any amounts remaining in the Project Fund shall be paid to the Lessor upon the Lessor's written request therefor.

5.2 The Escrow Agent shall have no obligation to determine whether an event of default has occurred under the Lease/Purchase Agreement, to determine whether the Lease/Purchase Agreement has been terminated pursuant to Section 4.9 thereof, to take any action to collect any Rental Payment not paid when due, or to exercise on behalf of the Lessor or any assignee of the Lessor their rights under the Lease/Purchase Agreement and the Site Lease.

Section 6. Change of Escrow Agent.

6.1 The Lessee or the Lessor shall each, with the consent of the other, have the right to substitute a state or national banking association, authorized to do business in the State of Colorado and qualified as a depository of public funds with corporate trust powers, to act as Escrow Agent under this Escrow Agreement.

Such substitution shall not be deemed to affect the rights or obligations of the parties. Upon any such substitution, the Escrow Agent agrees to assign to such substitute escrow agent its rights under this Escrow Agreement.

6.2 The Escrow Agent or any successor may at any time resign by giving mailed notice to the Lessee and the Lessor and Assignee of its intention to resign and of the proposed date of resignation, which shall be a date not less than thirty (30) days after such notice is deposited in the United States mail with postage fully prepaid, unless an earlier resignation date and the appointment of a successor Escrow Agent shall have been or are approved by the Lessor. The resignation shall not be effective until the appointment of a successor institution to act as Escrow Agent.

Section 7. Administrative Provisions.

7.1 The Escrow Agent shall keep complete and accurate records of all moneys received and disbursed under this Escrow Agreement, which shall be available for inspection by the Lessee or the Lessor, or the agent of any of them, at any time during regular business hours upon at least three (3) business days' prior notice.

7.2 All written notices to be given under this Escrow Agreement shall be given by mail to the party entitled thereto at its address set forth in this Section 7.2, or at such address as the party may provide to the other parties hereto in writing from time to time. Any such notice shall be deemed to have been received forty-eight (48) hours after deposit in the United States mail in registered form, with postage fully prepaid.

If to the Lessee:

County of Huerfano
Attn: Carl Young, County Administrator
401 Main Street
Walsenburg, CO 81089

If to the Escrow Agent:

Eastern Colorado Bank
Attn: Brett Legg, President & CFO
10 South First Street
Cheyenne Wells, CO 80810

If to the Lessor:

Holman Capital Corporation
Attn: Lance Holman, President & CEO
25231 Paseo De Alicia, Suite 105
Laguna Hills, CA 92653

And to:

Eastern Colorado Bank
Attn: Brett Legg, President & CFO
10 South First Street
Cheyenne Wells, CO 80810

7.3 This Escrow Agreement shall be construed and governed in accordance with the laws of the State of Colorado.

7.4 Any provision of this Escrow Agreement found to be prohibited by law shall be ineffective only to the extent to such prohibition, and shall not invalidate the remainder of this Escrow Agreement.

7.5 This Escrow Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

7.6 This Escrow Agreement 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 Agreement.

7.7 This Escrow Agreement shall terminate upon disbursement by the Escrow Agent of all moneys held by it hereunder.

7.8 The Parties acknowledge that the rights and interests of the Lessor will be or have been assigned to the "Assignee", and upon such assignment, all references to the "Lessor" set forth herein shall be deemed to be references to the Assignee.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Escrow Agreement by their officers thereunto duly authorized.

"ESCROW AGENT"
EASTERN COLORADO BANK

"LESSEE"
COUNTY OF HUERFANO

By: _____
Name: Brett Legg
Title: President & CFO

By: _____
Name: Carl Young
Title: County Administrator

"LESSOR"

HOLMAN CAPITAL CORPORATION

By: _____
Name: Lance Holman
Title: President & CEO

[Signature Page to Escrow Agreement]

EXHIBIT A
PAYMENT REQUEST FORM

The following payment request is directed to Eastern Colorado Bank (the "Escrow Agent"), as escrow agent under that certain Escrow Agreement dated December 10, 2024 (the "Escrow Agreement"), between the County of Huerfano (the "Lessee"), the Escrow Agent, and Holman Capital Corporation (the "Lessor"), as assigned by Lessor to Eastern Colorado Bank as "Assignee".

The Escrow Agent is hereby requested to pay from the Project Fund established and maintained under the Escrow Agreement the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee). The portion of the Project described below is part or all of the Project financed pursuant to that certain Lease/Purchase Agreement dated December 10, 2024 (the "Lease/Purchase Agreement"), between the Lessor and the Lessee, the interests of the Lessor under which have been assigned to Assignee:

Percent Complete	Description of Work Complete	Amount	Payee
------------------	------------------------------	--------	-------

All representations made by the Lessee in the Lease/Purchase Agreement are true and correct as of the date hereof. The Lessee hereby certifies to Assignee and Escrow Agent that: (i) the Lessee has conducted such inspection and/or testing of the 2024 Project as it deems necessary and appropriate and hereby acknowledges that it authorizes the disbursement requested, (ii) there have been no change orders to the Plans and Specifications other than as disclosed to Assignee in accordance with Exhibit B, and (iii) no Event of Default, as that term is defined in the Lease/Purchase Agreement, and no event that with the giving of notice or lapse of time or both, would become an Event of Default has occurred and is continuing on the date hereof. The Lessee has obtained and attached hereto executed acknowledgments of payments of all sums due and releases of mechanic's and materialmen's liens from any party having lien rights, if any, which acknowledgments of payment and releases of liens cover all work, labor, equipment, materials done, supplied, performed, or furnished prior to this request.

Based on the foregoing, the Escrow Agent is hereby authorized and directed to fund the requested disbursement set forth above by paying, or causing to be paid, the vendor(s) or contractor(s) the amounts set forth on the attached invoices from the Project Fund held under the Escrow Agreement in accordance with its terms.

The following documents are attached hereto and made a part hereof: (a) Original Invoice(s), and (b) copies of conditional and unconditional lien release(s), and (c) if the request is the final request, a photograph of the completed Project.

IF REQUEST IS FINAL REQUEST, CHECK HERE . The undersigned hereby certifies that the Project components described above, together with the Project components described in Payment Requests previously submitted by the Lessee to the Escrow Agent constitute all of the Project financed pursuant to the Lease/Purchase Agreement. The undersigned certifies that the full amount of such disbursement will be applied to pay the above-referenced Project Costs.

Date: _____

County of Huerfano

By: _____

Name: _____

Title: _____

Approved:

Eastern Colorado Bank

By: _____

Name: _____

Title: _____

Exhibit B

Disbursement Conditions

The following comprise conditions precedent to the initial disbursement of Project Funds following the Closing Disbursement:

Assignee's receipt, review and approval of:

[INSERT ANY CONDITIONS FROM BANK]

IRS FORM 8038-G

[To be prepared by Holman Capital Corporation]