

SITE LEASE AGREEMENT

SITE LEASE AGREEMENT (together with any amendments hereto made in accordance herewith, this “Site Lease”), made as of [CLOSING DATE] (the “Dated Date”), between the CITY OF SALIDA, COLORADO, as lessor hereunder having its main office and place of business at 448 E. First Street, Suite 112, Salida, Colorado 81201, (the “City”), and COLLEGIATE PEAKS BANK, DIVISION OF GLACIER BANK, as lessee hereunder, having an office and place of business at 540 W. Highway 50, P.O. Box 1226, Salida, Colorado 81201 (the “Lender”).

RECITALS:

A. The City is the owner of certain land described in **Exhibit A** attached hereto and made a part hereof (the “Land”), and the premises, buildings and improvements situated or to be situated on the Land as described in **Exhibit A** attached hereto (collectively, the “Leased Property”).

B. The Lender desires to lease the Leased Property from the City pursuant to this Site Lease.

C. Immediately after the lease of the Leased Property under this Site Lease, the City will sublease the Leased Property from the Lender under that certain Lease Purchase Agreement dated as of the Dated Date (the “Lease”), by and between the Lender, as sublessor, and the City, as sublessee.

D. All capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Lease.

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

ARTICLE I REPRESENTATIONS AND WARRANTIES

Section 1.1 Representations and Warranties of the City. The City represents and warrants to the Lender:

- (a) The City has good and merchantable fee simple title to the Land;
- (b) Except to the extent reflected in the title insurance policy to be delivered to the Lender in accordance with the Lease, to the best knowledge of the City, the Land is not subject to any dedication, easement, right of way, reservation in patent, covenant, condition, restriction, lien or encumbrance that would prohibit or would interfere materially with the use of or operations being conducted on the Leased Property;

- (c) All taxes, assessments or impositions of any kind with respect to the Land, except current taxes, have been paid in full; and
- (d) The Land is properly zoned or approved for the uses thereof contemplated by the Lease.

Section 1.2 Reference to Lease Representations and Warranties. Reference is made to the representations and warranties made by the City and the Lender in Article 2 of the Lease. Those representations and warranties are incorporated herein and will have the same force and effect as if they were fully set forth in this Site Lease.

ARTICLE II LEASE OF PROPERTY

The City hereby demises and leases to the Lender and the Lender hereby accepts and leases from the City for the sum of \$[_____], as and for all rent due hereunder, and other good and valuable consideration, the receipt and the sufficiency of which are hereby acknowledged, the Leased Property, for a term commencing on the Dated Date and ending on the date the term of this Site Lease is terminated in accordance with Section 3.1 hereof. The City hereby acknowledges that the rent paid by the Lender hereunder shall be used to effectuate the Project, in accordance with the terms of the Lease. The City Council hereby determines that such amount is reasonable consideration for the leasing of the Leased Property to the Lender for the lease term as provided herein.

ARTICLE III TERMINATION

Section 3.1 Termination. Subject to the other provisions of this Site Lease, this Site Lease shall terminate upon the occurrence of the earliest of any one of the following events:

- (a) The payment by the City of all Rent owing to the Lender under the Lease.
- (b) The exercise by the City of its option to prepay the Lease by payment of the scheduled After Payment Termination Value and other sums due in accordance with the terms and conditions of the Lease as set forth in Section 4.05 thereof.
- (c) The termination of the Lease Term upon the occurrence of an Event of Nonappropriation pursuant to Section 4.6 of the Lease or the occurrence of an Event of Default by the City under Article X of the Lease and the receipt by the Lender of amounts from the New Sublease (as defined in Section 3.2 below) sufficient to:
 - (1) Reimburse the Lender for all reasonable administrative costs and expenses, including reasonable attorneys' fees, incurred by the Lender as a result of the Event of Default and the termination of the Lease and the sublease of the Leased Property by the Lender, including without limitation costs and expenses incurred by the Lender pursuant to Sections 6.6, 6.7 and 6.8 hereof (the "Administrative Costs"); and

- (2) Reimburse the Lender for all reasonable capital costs and expenses incurred by the Lender with respect to making the Leased Property suitable for sublease for commercial or other lawful purposes; and
- (3) Pay to the Lender the After Payment Termination Value and other sums due in accordance with the terms and conditions of the Lease.

(d) [_____].

Notwithstanding the foregoing, if the Lender has subleased the Leased Property pursuant to a New Sublease and has received payment of the Administrative Costs and of the amounts referred to in numbered paragraphs (2) and (3) of Subsection 3.1(c) above (the "Reimbursement Amount"), this Site Lease shall nevertheless continue for such period of time as is contemplated in the New Sublease.

Section 3.2 New Subleases. In the event that the Lease is terminated based on an Event of Default or an Event of Non-Appropriation prior to the payment to the Lender of the After Payment Termination Value, the Lender shall be free to sublease the Leased Property to a third party on commercially reasonable terms for any purpose authorized by applicable zoning laws and permitted by the restrictions applicable to the Land, including restrictions on use imposed by any land use code (a "New Sublease"), provided that such New Sublease shall not extend beyond the date this Site Lease would otherwise terminate pursuant to Section 3.1(d) hereof, without the prior written consent of the City, which consent shall not be unreasonably withheld.

Use of the Leased Property by the Lender or any subsidiary or affiliate of the Lender, other than for the purpose of assuming control, making necessary changes in the Leased Property, and the initial subleasing thereof, shall be treated as a New Sublease thereof on a monthly basis at the Fair Market Rental Value of the Leased Property. The "Fair Market Rental Value" of the Leased Property means what a landlord under no compulsion to lease the Leased Property and a tenant under no compulsion to lease the Leased Property would determine as fair rent at the time of the occupancy of the Leased Property by the Lender, or its subsidiary or affiliate, taking into consideration the uses permitted, the quality, size, design and location of the Leased Property, the duration of the occupancy by the Lender, or its subsidiary or affiliate, and the rent for comparable buildings located in the vicinity of the Leased Property. Any such use by the Lender or a subsidiary or affiliate shall terminate within sixty days after recovery by the Lender of its Administrative Costs and the Reimbursement Amount.

Section 3.3 Use of New Sublease Rentals. The Lender shall apply any rentals under a New Sublease first to recover any Administrative Costs. Thereafter, the Lender shall be entitled to interest on the outstanding Reimbursement Amount at the Applicable Rate. Any amounts received by the Lender pursuant to this Section after payment of the Administrative Costs and interest on the Reimbursement Amount shall be credited to the payment of the Reimbursement Amount. To the extent that the Lender receives an amount in excess of the Reimbursement Amount, whether as a result of its sublease of the Leased Property or its assignment or sale of its rights hereunder, any such excess shall be remitted by the Lender to the City.

Section 3.4 Reports. In the event that the Lease Term is terminated by the City because of an Event of Nonappropriation pursuant to Section 4.06 of the Lease or terminated by the Lender as a result of the occurrence of an Event of Default by the City thereunder, the Lender shall keep complete and accurate records regarding any New Sublease of the Leased Property and shall, within sixty days after the end of each Fiscal Year of the City, deliver a written report to the City showing: (a) all amounts received by the Lender from any New Sublease of all or any part of the Leased Property; (b) a statement of Administrative Costs incurred by the Lender during the same period; (c) a statement of any capital costs and expenses incurred in accordance with Subsection 3.1(c) above, (d) an analysis as to whether the Lender has received the Reimbursement Amount, with all supporting calculations; and (e) the date, if any, in the next Fiscal Year of the City on which the Lender expects to receive the Reimbursement Amount. The City shall have the right, at its own expense, to examine the Lender's records insofar as they relate to the Leased Property, and to contest the amount of Administrative Costs assessed, the costs and expenses incurred in accordance with Subsection 3.1(c), and/or the Lender's calculation of the Reimbursement Amount. Such examination shall be made at the Lender's offices during normal business hours.

ARTICLE IV EASEMENT, USE

Section 4.1 Granting Easements. Upon the request of the Lender, and subject to the terms of the Lease, the City shall promptly grant such licenses, rights of way or easements in the Land and in such form and content as are determined by the Lender to be reasonably necessary:

- (a) To maintain the Leased Property; and
- (b) To exercise the Lender's rights and obligations under the Lease and this Site Lease including, but not limited to, its rights to exercise its remedies under the Lease and its rights in the event of termination of the Lease.

Section 4.2 Quiet Use and Enjoyment. Subject to the terms of the Lease, the City hereby covenants to provide the Lender during the term of this Site Lease with quiet use and enjoyment of the Leased Property, and the Lender shall during such term peaceably and quietly have and hold and enjoy the Leased Property, without suit, trouble or hindrance from the City.

Section 4.3 Owner in Fee. The City represents that it is the owner in fee of the Leased Property. The Lender acknowledges that it is obtaining only a leasehold interest in the Leased Property pursuant to this Site Lease, and that the City shall retain possession of the Leased Property pursuant to the Lease and continue to utilize the Leased Property for City purposes (assuming no Event of Default or Event of Nonappropriation has occurred and is continuing).

ARTICLE V USE OF LEASED PROPERTY; SURRENDER, ASSIGNMENT

Section 5.1 Use of Leased Property. The Lender agrees to use the Leased Property solely for the purpose of leasing the Leased Property pursuant to the Lease unless the Lease Term is terminated by the City because of an Event of Nonappropriation or is terminated by the Lender as a result of an Event of Default by the City, in which event the Lender may enter into a New Sublease of the Leased Property.

Section 5.2 Surrender of Leased Property. The Lender agrees that upon the termination of this Site Lease it will surrender the Leased Property to the City free and clear of all liens and encumbrances, except Permitted Encumbrances (other than this Site Lease), and all right, title and interest of the Lender or any sublessee or assignee in and to the Leased Property, including any and all improvements and fixtures which shall at the time be situated thereon or attached thereto, shall vest in the City. The Lender and any sublessee or assignee shall execute and deliver, upon request by the City, any instrument of transfer, conveyance or release necessary or appropriate to confirm the vesting of such right, title and interest in the City. If the Leased Property has been subleased by the Lender pursuant to a New Sublease, upon termination of this Site Lease any New Sublease, by the terms thereof, shall also terminate.

ARTICLE VI COMPLIANCE WITH REQUIREMENTS; OTHER COVENANTS

Section 6.1 Further Assurances and Corrective Instruments. The City and the Lender agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property or for otherwise carrying out the intention hereof.

Section 6.2 Use, Compliance with Laws, Waste. The Lender or its sublessee or assignee shall use the Leased Property only in a careful, safe and proper manner in compliance with all applicable federal, State, county and municipal laws, ordinances, resolutions, rules or regulations, and in a manner that would not reasonably give rise to liability pursuant to any environmental laws. The Lender or its sublessee or assignee shall not commit any waste or nuisance on the Leased Property.

Section 6.3 Inspection, Access, Records. The City shall have the right at reasonable business hours (or at any hour if necessary in an emergency) to enter upon the Leased Property for the purposes of inspecting the Leased Property or performing obligations of the Lender or its sublessee or assignee under this Site Lease which the Lender or its sublessee or assignee neglects to perform and which the City elects to undertake. The City agrees that, after an Event of Nonappropriation or an Event of Default under the Lease, and if this Site Lease has not been terminated pursuant to Section 3.1 hereof, the Lender or any sublessee or assignee shall have full rights of ingress and egress to the Leased Property, and the City hereby agrees to execute and deliver any licenses, easements or rights-of-way that may be reasonably necessary to confirm such rights. The City agrees that the Lender and its duly authorized agents shall have the right at all reasonable times to examine the books, records, reports and other papers of the City with respect to the Leased Property. The Lender or its sublessee or assignee agree that the City and its duly authorized agents shall have the right at all reasonable times to examine the books, records, reports and other papers of the Lender or its sublessee or assignee with respect to the Leased Property. The City may, at its own cost, not more frequently than once in any twelve-month period, cause an audit to be made of the books, records, reports and other papers of the Lender or its sublessee or assignee with respect to the Leased Property.

Section 6.4 Compliance with Environmental Laws. Any person who subleases the Leased Property pursuant to a New Sublease shall covenant that its use and operation of the Leased

Property, and all activities conducted on the Leased Property during the term of the New Sublease, shall be in compliance with, and conducted in a manner so as not to give rise to liability under, any applicable environmental law. Further, any sublessee under a New Sublease shall covenant that, in the event the City reasonably believes (i) the sublessee is conducting or has conducted activities on the Leased Property which are or were in violation of applicable environmental laws, or (ii) the sublessee's use or operation of the Leased Property has resulted or may result in environmental conditions on or emanating from the Leased Property which could give rise to liability under applicable environmental laws, such sublessee shall promptly undertake all appropriate response actions necessary to come into compliance with and mitigate any potential liability arising under applicable environmental laws.

Section 6.5 Restrictions on Mortgage or Sale of Land. Except as provided in the Lease and except for Permitted Encumbrances, the City and the Lender and any sublessee or assignee of the Lender agree that neither the City, the Lender, nor any sublessee or assignee of the Lender will sell, mortgage or encumber the Leased Property or any portion thereof during the term of this Site Lease.

Section 6.6 Taxes, Utilities. Prior to an Event of Nonappropriation or an Event of Default under the Lease, the payment of taxes and utility charges shall be governed by the Lease. After an Event of Nonappropriation or an Event of Default under the Lease and if this Site Lease has not been terminated, the Lender or its sublessee or assignee shall promptly pay or cause to be paid when due all taxes and assessments which may be imposed on the Leased Property and all costs or charges for utility service supplied to the Leased Property.

Section 6.7 Maintenance. Prior to an Event of Nonappropriation or an Event of Default under the Lease, the maintenance of the Leased Property shall be governed by the Lease. After an Event of Nonappropriation or an Event of Default under the Lease and if this Site Lease has not been terminated, the Lender or its sublessee or assignee shall maintain the Leased Property in good condition, provided that on the date of such an Event of Nonappropriation or an Event of Default, the Leased Property was in good condition.

Section 6.8 Insurance. Prior to an Event of Nonappropriation or an Event of Default under the Lease, the provisions of the Lease shall govern with respect to the maintenance of insurance with respect to the Leased Property. After an Event of Nonappropriation or an Event of Default under the Lease and if this Site Lease has not been terminated, the Lender or its sublessee or assignee shall obtain and keep in force, at its own expense (i) comprehensive general public liability insurance against claims for personal injury, death or property damage occurring on the Leased Property in an amount not less than \$1,000,000, and (ii) fire and extended coverage insurance in an amount not less than the replacement cost of the Leased Property (excluding foundations). All such insurance shall name the City, the Lender, and any sublessee or assignee as insureds. Proceeds of such fire and extended coverage insurance shall be payable to the City, the Lender, and any sublessee or assignee as their respective interests may appear. All such insurance policies shall provide that the insurance company shall not cancel such insurance without first giving at least 30 days' advance written notice to the City and the Lender and any sublessee of any portion of the Leased Property. Each insurance policy required by this Section shall contain a waiver of subrogation by the issuer of such policy with respect to the City, the Lender, and any sublessee or assignee, and their officers, agents and employees, while acting within the scope of

their employment. Each such insurance policy may have a deductible clause in an amount not to exceed \$250,000.

Section 6.9 Advances by the City. In the event that the Lender or its sublessee or assignee shall fail to make any payments required by, or perform any of its obligations under Sections 6.6, 6.7 or 6.8 hereof, the City may (but shall be under no obligation to) make such payments or perform any of such obligations; and any payments so made or costs or expenses so incurred by the City, together with interest thereon at the Applicable Rate per annum, shall be reimbursed to the City by any sublessee or assignee, or by the Lender from any proceeds of subleasing of the Leased Property or any portion thereof or sale or assignment of its interest in this Site Lease.

Notwithstanding any other provision of this Site Lease, any obligations of the Lender to make payments pursuant to Sections 6.6, 6.7 or 6.8 hereof shall be limited to any proceeds of subleasing of the Leased Property or any portion thereof or sale or assignment of its leasehold interest in this Site Lease.

ARTICLE VII MISCELLANEOUS

Section 7.1 Definitions. All capitalized terms not otherwise defined in this Site Lease shall have the meanings set forth therein in the Lease.

Section 7.2 Damage, Destruction, Condemnation. The provisions of Article VI of the Lease shall govern with respect to any damage, destruction or condemnation of the Leased Property during the term of this Site Lease.

Section 7.3 Severability. If any term or provisions of this Site Lease or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Site Lease or the application of such term or provision to persons or to circumstances, other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 7.4 Doctrine of Merger. The Doctrine of Merger shall not apply.

Section 7.5 Notices and Demands. Any notice, demand or other communication under this Site Lease by either party to the other shall be sufficiently given or delivered if dispatched by registered or certified mail, postage prepaid and return receipt requested or delivered personally and, in the case of either the City or the Lender, at the address for such party set forth in the Lease.

Section 7.6 Binding Effect. This Site Lease shall inure to the benefit of and shall be binding upon the Lender and the City and their respective successors and assigns. In the event that the Lender subleases all or any portion of the Leased Property or sells or assigns its leasehold interest in the Leased Property and this Site Lease, the Lender shall require its sublessee or assignee to consent in writing to, and to undertake compliance with, all provisions of this Site Lease.

Section 7.7 Counterparts. This Site Lease may be executed in counterparts, each of which shall constitute one and the same instrument.

Section 7.8 Amendments, Changes and Modifications. This Site Lease may not be effectively amended, changed, modified or altered without the prior written consent of the City and the Lender.

Section 7.9 Assignment. Neither party may assign its rights and obligations under this Site Lease without the prior written consent of the other party, which consent shall not be unreasonably withheld.

Section 7.10 Applicable Law. This Site Lease shall be governed by and construed in accordance with the laws of the State of Colorado.

Section 7.11 Electronic Transactions. The parties agree that in the event that any individual or individuals who are authorized to execute this Site Lease on behalf of the City of the Lender are not able to be physically present to manually sign this Site Lease, that such individual or individuals are hereby authorized to execute this Site Lease electronically via facsimile or email signature. This agreement by the parties to use electronic signatures is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed to this Site Lease shall carry the full legal force and effect of any original, handwritten signature.

The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

IN WITNESS WHEREOF, the parties hereto have executed this Site Lease Agreement as of this _____ day of _____, 2024.

CITY OF SALIDA, COLORADO,
as Lessor

By: _____
Mayor

(SEAL)

ATTEST:

By: _____
City Clerk

Address of Lessor:

448 E. First Street

Suite 112

Salida, Colorado 81201

COLLEGIATE PEAKS BANK, DIVISION
OF GLACIER BANK, as Lessee

By: _____
[_____]

STATE OF COLORADO)
)
COUNTY OF CHAFFEE) SS.
)
CITY OF SALIDA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by Dan Shore and Kristi Jefferson, as Mayor and City Clerk, respectively, of City of Salida, Colorado.

WITNESS my hand and official seal.

(SEAL)

Notary Public

STATE OF COLORADO)
)
COUNTY OF CHAFFEE) SS.
)
CITY OF SALIDA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by _____, as _____ of Collegiate Peaks Bank, Division of Glacier Bank.

WITNESS my hand and official seal.

(SEAL)

Notary Public, State of Colorado

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

The Land that is subject to the Site Lease is as set forth in the following legal description:

LEGAL DESCRIPTION:

325 W. Highway 50, Salida, Colorado 81201

**DESCRIPTION OF PREMISES, BUILDINGS AND IMPROVEMENTS CONSTITUTING
THE LEASED PROPERTY:**