

AFTER RECORDATION PLEASE RETURN TO:

Becker Stowe Partners LLC
1600 Broadway, Suite 1600
Denver, Colorado 80202
Attention: Erick D. Stowe, Esq.

**FACILITIES LEASE AGREEMENT NO. 2018A
(COLORADO CONVENTION CENTER EXPANSION PROJECT)**

DATED AUGUST [__], 2018

BETWEEN

**CITY AND COUNTY OF DENVER, COLORADO,
AS LESSOR**

AND

**DENVER PUBLIC FACILITIES LEASING TRUST 2018A,
AS LESSEE**

THIS FACILITIES LEASE AGREEMENT NO. 2018A (COLORADO CONVENTION CENTER EXPANSION PROJECT) dated August [], 2018 (this “2018A Facilities Lease”), is entered into between the **CITY AND COUNTY OF DENVER, COLORADO** (the “City”), as lessor, and the **DENVER PUBLIC FACILITIES LEASING TRUST 2018A** (the “Trust”), as lessee.

PREFACE

Unless the context otherwise requires, capitalized terms used herein shall have the meanings ascribed to them herein and in the Lease Purchase Agreement No. 2018A (Colorado Convention Center Expansion Project) dated the date hereof (the “2018A Lease”) between the Trust, as lessor, and the City, as lessee.

RECITALS

A. The City is authorized, pursuant to Article XX of the State Constitution and the Charter and its plenary grant of powers as a home rule city, to enter into lease purchase agreements in order to lease and acquire land, buildings, equipment and other property for governmental purposes and to purchase, receive, hold and enjoy or sell and dispose of, as lessor or as lessee, real and personal property.

B. The City owns the Colorado Convention Center and the related land on which the Colorado Convention Center is located, including all of the buildings and related parking, paving, drainage and landscaping improvements located on such land. The City intends to expand and improve the existing Colorado Convention Center (the “Colorado Convention Center Expansion Project”) using various sources of financing, including lease purchase financing. In respect of this lease purchase financing transaction, the City’s ownership interest in portions of the rooftop of the existing Colorado Convention Center, the existing space and improvements currently located thereon and certain of the expanded and newly created rooftop expansion on the third level and other improved spaces constituting portions of the Colorado Convention Center Expansion Project shall constitute the “Facilities” leased by the City to the Trust pursuant to the terms of this 2018A Facilities Lease and, collectively, referred to herein as the “Facilities.” In further respect of this lease purchase financing transaction, the City’s ownership interest in portions of Colorado Convention Center which provide for associated access, ingress, and egress, to the Facilities are licensed in order to provide full use of the expanded and newly created Facilities.

The City Council of the City (the “Council”) has determined that it is convenient and in furtherance of the governmental and proprietary purposes of the City and in the best interests of the City and its inhabitants that the City (1) pursuant to this 2018A Facilities Lease, lease to the Trust the Facilities described on Exhibit A attached hereto and license to the Trust access to the Facilities as further described on Exhibit A, as the same may be amended pursuant to the terms hereof and pursuant to the terms of the 2018A Indenture and the 2018A Lease, constituting the “Facilities Leased Property” hereunder and (2) enter into the 2018A Lease to provide for the leasing of the leasehold interest of the Trust in the Facilities Leased Property, including the improvements to be provided under the 2018A Lease (the “Leased Property,” as the same may be amended pursuant to the terms of the 2018A Indenture and the 2018A Lease), under the

2018A Lease, from the Trust, as lessor, for use by the City, as lessee, for its governmental and proprietary purposes.

C. Pursuant to this 2018A Facilities Lease, the Facilities Leased Property is to be leased and licensed by the City, as lessor, to the Trust, as lessee, and pursuant to the 2018A Lease, the Leased Property thereunder is to be leased by the Trust, as lessor, to the City, as lessee, subject only to Permitted Encumbrances, all as set forth herein and in the 2018A Lease.

D. Pursuant to a Declaration and Indenture of Trust (Colorado Convention Center Expansion Project) dated the date hereof (the “2018A Indenture”) entered into by ZB, National Association, dba Zions Bank, Denver, Colorado, as trustee (the “Trustee”), the Trust will be created and there will be executed and delivered Certificates of Participation, Series 2018A, in the aggregate principal amount of \$129,000,000 (the “2018A Certificates”) evidencing an assignment of interests in payments to be made by the City as lessee under the 2018A Lease. Pursuant to the 2018A Lease, the proceeds from the execution and delivery of the 2018A Certificates, except for the proceeds used to provide for the payment of the costs of execution and delivery of the 2018A Certificates, are to be paid by the Trust to the City, as disbursements from the Project Fund created under the 2018A Indenture, in consideration for, and as the advance payment of all of the rentals due under, this 2018A Facilities Lease.

E. The execution, performance and delivery of this 2018A Facilities Lease, the 2018A Lease and other related documents have been authorized, approved and directed by the City by ordinance enacted by the City Council.

F. The City proposes to enter into this 2018A Facilities Lease with the Trust as a material consideration for the Trust’s agreement to lease the Leased Property to the City pursuant to the 2018A Lease in order to design, construct, install and equip the Colorado Convention Center Expansion Project, pursuant to the 2018A Lease and the 2018A Indenture.

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

Section 1. Lease; Facilities Lease Term; Grant of Licenses. The City hereby leases to the Trust and the Trust hereby leases from the City, on the terms and conditions set forth herein, the Facilities Leased Property as described on Exhibit A, subject to the Permitted Encumbrances described on Exhibit B hereto. The term of this 2018A Facilities Lease shall commence on the date hereof and shall end on June 1, 2058 (the “Facilities Lease Termination Date”), unless such term is sooner terminated as provided herein. If prior to the Facilities Lease Termination Date, the Facilities Leased Property have been released by the Trust to the City pursuant to the 2018A Lease as a result of the City’s payment of (a) the Purchase Option Price for the Leased Property or (b) all Base Rentals and Additional Rentals as provided in Article 12 of the 2018A Lease, then the term of this 2018A Facilities Lease shall end immediately thereafter.

The City hereby grants to the Trust, and it agents, contractors, customers, vendors, suppliers, tenants, subtenants, invitees and licensees of each of them a non-exclusive license (the “License”) upon, over, under and across the Colorado Convention Center License Site for the

purposes of installing, operating and maintaining wet and dry utilities, drainage facilities and vaults, retaining walls or other supports required for the construction, installation, operations and maintenance of the Facilities. The scope of the License granted in this Facilities Lease shall include installation, operation, construction, maintenance, repair and replacement of the Facilities upon an event of default or non-appropriation in the 2018A Lease. The scope of the License granted in this 2018A Facilities Lease further includes access, ingress and egress to the Facilities and other such activity necessary to operate and maintain the Facilities for the term of this 2018A Facilities Lease, consistent with the terms of this License and as the Trust deems necessary from time to time in its reasonable discretion.

Section 2. Rental. The City acknowledges receipt from the Trust, as and for all rentals hereunder, to be paid by the Trust to the City, as disbursements from the Project Fund created under the 2018A Indenture, the sum of the aggregate principal amount to the Series 2018A Certificates plus the amount of any premium from the sale of the Series 2018A Certificates, which sum constitutes consideration for (a) the leasehold interest in the Facilities Leased Property granted to the Trust pursuant to this 2018A Facilities Lease and (b) the execution and delivery of the 2018A Lease. The City hereby determines that such amount is reasonable consideration for the leasing of the Facilities Leased Property to the Trust pursuant to this 2018A Facilities Lease for the term of this 2018A Facilities Lease.

Section 3. Purpose. So long as no Event of Lease Default or Event of Nonappropriation has occurred, the Trust shall use the Facilities Leased Property solely for the purpose of leasing the Leased Property to the City pursuant to the 2018A Lease and for such purposes as may be incidental thereto; provided, that upon the occurrence of an Event of Lease Default or an Event of Nonappropriation, the City shall vacate the Leased Property as provided in the 2018A Lease and the Trustee, on behalf of the Trust, may exercise the remedies provided in this 2018A Facilities Lease and the 2018A Lease.

Section 4. Owner in Fee. The City covenants that (a) it is the owner of the Facilities Leased Property, subject only to the Permitted Encumbrances described on Exhibit B hereto and (b) the Permitted Encumbrances do not and shall not interfere in any material way with the Facilities Leased Property.

The City acquired, constructed and equipped the Colorado Convention Center with proceeds of certain Revenue Obligations. The City is leasing a portion (the Facilities Leased Property) of the Colorado Convention Center to the Trust pursuant to the terms and provisions of this 2018A Facilities Lease and will subsequently lease the Facilities Leased Property back as a portion of the Leased Property from the Trust pursuant to the 2018A Lease. The City will not be reimbursed for its prior acquisition or construction of such Facilities Leased Property or any other portion of the Colorado Convention Center from proceeds of the Series 2018A Certificates. The City will retain title to the Facilities Leased Property and the Trust will have a leasehold interest in the Facilities Leased Property under this 2018A Facilities Lease.

Section 5. Sales, Assignments and Subleases. Unless an Event of Nonappropriation or an Event of Lease Default shall have occurred and except as may otherwise be provided in the 2018A Lease, the Trustee, on behalf of the Trust, may not sell or assign the rights and interests

of the Trust under this 2018A Facilities Lease or sublet any of the Facilities Leased Property without the written consent of the Chief Financial Officer.

Subject to Section 4 above, in the event that (a) the 2018A Lease is terminated for any reason and (b) this 2018A Facilities Lease is not terminated in respect of the Facilities Leased Property, the Trustee, on behalf of the Trust, may sublease and sublicense the Facilities Leased Property or any portion thereof or sell or assign the Trust's leasehold interests under this 2018A Facilities Lease pursuant to the terms of this 2018A Facilities Lease and the 2018A Lease and any purchaser from or sublessee or assignee of the Trust may sell or assign its interests in the Facilities Leased Property or any portion thereof pursuant to the terms of this 2018A Facilities Lease and the 2018A Lease. The Trustee, on behalf of the Trust, (or any purchaser from or assignee or lessee of the Trust) shall not sublease and sublicense the Facilities Leased Property or any portion thereof or sell or assign the Trust's leasehold interests under this 2018A Facilities Lease or any portion thereof unless an Approval of Revenue Obligations Counsel as set forth in the 2018A Lease has been delivered to the City Attorney and Chief Financial Officer of the City.

The City and the Trust (or any purchaser from or assignee or lessee of the Trust) agree that, except as permitted by this 2018A Facilities Lease and the 2018A Lease and except for Permitted Encumbrances (including purchase options under the 2018A Lease), none of the City, the Trust or any purchaser from or lessee or assignee of the Trust will sell, mortgage or encumber the Facilities Leased Property or any portion thereof during the term of this 2018A Facilities Lease.

Section 6. Right of Entry. The City further reserves the right for any of its duly authorized representatives to enter upon the Facilities Leased Property or any portion thereof then subject to this 2018A Facilities Lease at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 7. Termination. The Trust agrees, upon the termination of this 2018A Facilities Lease in respect of the Facilities Leased Property, to quit and surrender the Facilities Leased Property and agrees that any permanent improvements and structures existing upon the Facilities Leased Property at the time of the termination of this 2018A Facilities Lease shall remain thereon and title thereto shall vest in the City.

Section 8. Default. In the event the Trust shall be in default in the performance of any obligation on its part to be performed under the terms of this 2018A Facilities Lease, which default continues for thirty (30) days following written notice and demand for correction thereof to the Trustee, the City may exercise any and all remedies granted by law, except that (a) no merger of this 2018A Facilities Lease and of the 2018A Lease shall be deemed to occur as a result thereof and (b) the Base Rentals due under the 2018A Lease shall continue to be paid to the Trust, except as otherwise provided in the 2018A Lease. In addition, so long as the 2018A Certificates are outstanding under the Indenture, this 2018A Facilities Lease shall not be terminated except as described in Sections 1, 7 and 8 hereof.

Section 9. Quiet Enjoyment and Acknowledgment of Ownership. The Trust at all times during the term of this 2018A Facilities Lease shall peaceably and quietly have, hold and enjoy the Facilities Leased Property subject to the provisions of the 2018A Lease, and the City

hereby acknowledges that the Trust shall have a leasehold and access license interest in the Facilities Leased Property and all additional improvements or additions to be made to the Facilities Leased Property subject to this 2018A Facilities Lease and the 2018A Lease. The Facilities Leased Property (as defined in Exhibit A hereto) shall be released from this 2018A Facilities Lease and shall not constitute Facilities Leased Property hereunder upon the occurrence of certain circumstances and pursuant to the terms of the 2018A Lease and as additionally set forth in Sections 1 and 7 hereof.

Section 10. Waiver of Personal Liability of the Trust and the Trustee. All liabilities under this 2018A Facilities Lease on the part of the Trust and the Trustee are solely liabilities of the Trust and the Trustee, and the City hereby releases each and every member, director, employee and officer of the Trust and the Trustee of and from any personal or individual liability under this 2018A Facilities Lease. No member, director, employee or officer of the Trust and the Trustee shall at any time or under any circumstances be individually or personally liable under this 2018A Facilities Lease for anything done or omitted to be done by the Trust and the Trustee hereunder.

Section 11. Taxes; Maintenance; Insurance. In respect of the Facilities Leased Property and in accordance with the provisions of the 2018A Lease, during the Lease Term of the 2018A Lease, the City covenants and agrees to pay any and all assessments of any kind or character and all taxes, including possessory interest taxes, levied or assessed upon such Facilities Leased Property and all maintenance costs and utility charges in connection with such Facilities Leased Property. In the event that (a) the 2018A Lease is terminated for any reason, (b) this 2018A Facilities Lease is not terminated in respect of the Facilities Leased Property and (c) the Trustee, on behalf of the Trust, subleases all or any portion of such Facilities Leased Property or sells or assigns its leasehold interest under this 2018A Facilities Lease, the Trustee, on behalf of the Trust, shall pay or cause to be paid when due, solely from the proceeds of such sale, subleasing or assignment, all taxes and assessments imposed thereon and maintain such Facilities Leased Property in good condition and in good working order, unless such taxes and assessments are paid directly by the purchaser, sublessee or assignee of such Facilities Leased Property.

The provisions of the 2018A Lease shall govern with respect to the maintenance of insurance hereunder during the Lease Term of the 2018A Lease. In the event that (a) the 2018A Lease is terminated for any reason, (b) this 2018A Facilities Lease is not terminated and (c) the Trustee subleases all or any portion of the Facilities Leased Property or sells or assigns its leasehold interest in this 2018A Facilities Lease, the Trustee, on behalf of the Trust, or any sublessee, purchaser or assignee of the Facilities Leased Property shall obtain and keep in force, (1) commercial general liability insurance against claims for personal injury, death or damage to property of others occurring on or in such Facilities Leased Property in an amount not less than \$1,000,000 per occurrence/\$2,000,000 in the aggregate and (2) property insurance in an amount not less than the full replacement value of the Facilities Leased Property. Any such insurance that is to be obtained by the Trustee, on behalf of the Trust, shall be paid for solely from the proceeds of such subleasing, sale or assignment or from moneys furnished to the Trustee under the 2018A Indenture. All such insurance shall name the Trust, the Trustee, any sublessee, purchaser or assignee and the City as insured. The Trust, the Trustee and the City shall waive any rights of subrogation with respect to the Trust, the Trustee and the City and any sublessee or

assignee of the Trust, and their members, directors, officers, agents and employees, while acting within the scope of their employment, and each such insurance policy shall contain such a waiver of subrogation by the issuer of such policy.

Section 12. Damage, Destruction or Condemnation. The provisions of the 2018A Lease shall govern with respect to any damage, destruction or condemnation of the Facilities Leased Property during the Lease Term of the 2018A Lease. In the event that (a) the 2018A Lease is terminated for any reason and (b) this 2018A Facilities Lease is not terminated, and either (1) such Facilities Leased Property or any portion thereof is damaged or destroyed, in whole or in part, by fire or other casualty, or (2) title to or use of such Facilities Leased Property or any part thereof shall be taken under the exercise of the power of eminent domain, the City, the Trust and the Trustee, or any sublessee, purchaser or assignee of such Facilities Leased Property from the Trust shall cause the Net Proceeds of any insurance claim or condemnation award to be applied in accordance with the provisions of Article 10 of the 2018A Lease.

Section 13. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this 2018A Facilities Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this 2018A Facilities Lease shall be affected thereby, and each provision of this 2018A Facilities Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 14. No Merger. The City, the Trust and the Trustee intend that the legal doctrine of merger shall have no application to this 2018A Facilities Lease and that neither the execution and delivery of the 2018A Lease by the Trustee, on behalf of the Trust, and the City nor the exercise of any remedies under this 2018A Facilities Lease or the 2018A Lease shall operate to terminate or extinguish this 2018A Facilities Lease or the 2018A Lease, except as specifically provided herein and therein.

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 served upon the other party if delivered personally, electronically or, if mailed, shall be made by United States registered mail, return receipt requested, postage prepaid, at the addresses indicated in the 2018A Lease, or to such other addresses as the respective parties may from time to time designate in writing.

Section 16. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this 2018A Facilities Lease.

Section 17. Execution. This 2018A Facilities 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 2018A Facilities Lease.

Section 18. Electronic Signatures and Electronic Records. The Trust consents to the use of electronic signatures by the City. This 2018A Facilities Lease and any other

documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The City and the Trust agree not to deny the legal effect or enforceability of this 2018A Facilities Lease solely because it is in electronic form or because an electronic record was used in its formation. The City and the Trust agree not to object to the admissibility of this 2017A Site Lease in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the grounds that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

Section 19. Electronic Transactions. The transactions described herein may be conducted and related documents may be stored by electronic means. Accurate 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.

Section 20. No Discrimination in Employment. In connection with the performance of work under this 2018A Facilities Lease, the Trustee, on behalf of the Trust and as Trustee under the 2018A Indenture, may not refuse to hire, discharge, promote or demote, or discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, gender identity or gender expression, marital status, or physical or mental disability; and shall insert the foregoing provisions in all contracts and subcontracts entered into with respect to this 2018A Facilities Lease.

Section 21. Amendments. This 2018A Facilities Lease may be amended as set forth in the 2018A Indenture and the 2018A Lease, including any amendments necessary or desirable to amend and supplement the descriptions of the Facilities Leased Property and access-license herein after the Completion Date of the Colorado Convention Center Expansion Project.

[Signature page follows]

IN WITNESS WHEREOF, the City has executed this 2018A Facilities Lease the day and year first above written.

ATTEST:

CITY AND COUNTY OF DENVER, COLORADO,
as Lessor

Debra Johnson,
Clerk and Recorder, *Ex-Officio*
Clerk of the City and County of Denver

Mayor

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

Kristin M. Bronson, Attorney for the
City and County of Denver

Chief Financial Officer, as the Manager of
Finance/*ex officio* Treasurer

By _____
City Attorney

Auditor _____

IN WITNESS WHEREOF, the Trustee has executed this 2018A Facilities Lease the day and year first above written.

DENVER PUBLIC FACILITIES LEASING
TRUST 2018A, as Lessee
By its Trustee:
ZB, NATIONAL ASSOCIATION
DBA ZIONS BANK

By: Stephanie Nicholls
Its: Vice President

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this August [___], 2018, by Stephanie Nicholls, as Vice President of ZB, National Association dba Zions Bank, Denver, Colorado, as Trustee for the Denver Public Facilities Leasing Trust 2018A.

WITNESS my hand and official seal.

(SEAL)

Notary Public

My commission expires:

EXHIBIT A
DESCRIPTION OF
THE FACILITIES LEASED PROPERTY
(Colorado Convention Center Expansion Project)

As of Date of this 2018A Facilities Lease

Legal Description of Portion of Rooftop of Existing Colorado Convention Center on which the third level of Colorado Convention Center to be Located:

That portion of Lot 1, Block 1, Lot 1 Block 2, and Stout Street as set forth on the plat of Colorado Convention Center Subdivision which subdivision is recorded at Rec. No. 2004122323 in the records of the Clerk and Recorder of the City and County of Denver, State of Colorado, lying above the roof of the existing Convention Center building (2018) and being vertically limited between the elevations of 5285 feet and 5440 feet based on CCD Brass Cap 9A at north corner of 13th St. and Champa St. elevation 5209.66 feet (datum NAVD 1988) and being horizontally limited within the following described parcel:

Commencing at the most westerly corner of said Lot 1, Block 2, said corner being on the northwesterly line of said Colorado Convention Center Subdivision; thence N44°34'48"E along the northwesterly line, a distance of 30.00 feet to the Point of Beginning; thence continuing N44°34'48"E along said northwesterly line, a distance of 645.00 feet; thence S45°25'12"E, a distance of 480.00 feet; thence S44°34'48"W, a distance of 645.00 feet; thence N45°25'12"W, a distance of 480.00 feet to the Point of Beginning.

Parcel contains 309,600 square feet or 7.11 acres, more or less.

Together with a grant to the Trust, and its agents, contractors, customers, vendors, suppliers, tenants, subtenants, invitees, and licensees of each of them a non-exclusive License upon, over, under and across the Colorado Convention Center for the purpose of installation, operation, construction, maintenance, repair, and replacement of the Facilities, access, ingress and egress for such activity and other such activity necessary to install, operate and maintain the Facilities for the term of this 2018A Facilities Lease, consistent with the terms of this License and as the Trust deems necessary from time to time in its reasonable discretion.

Description of the Portion of the Colorado Convention Center to Constitute the Facilities Leased Property on the Date of this 2018A Facilities Lease:

The portion of the rooftop of the existing Colorado Convention Center, together with all improvements located thereon on the date hereof and from time to time during the period of acquisition and construction of the Colorado Convention Center Expansion Project until this "Description of the Facilities Leased Property" is amended as described, authorized and provided for herein.

As of Completion Date of Colorado Convention Center Expansion Project

Legal Description of Footprint of third level of Colorado Convention Center:

(Insert amended legal description as described, authorized and provided for herein and in 2018A Lease based upon survey after completion of Project.)

Description of the Portion of the Colorado Convention Center to Constitute
the Amended Facilities Leased Property

The portion of the third level of the Colorado Convention Center described above, together with the amended description of the facilities located thereon upon the completion of the Colorado Convention Center Expansion Project, expected to be 50% of the ballroom and 50% of the back-of-house space, all of the kitchen space and all of the pre-function space to be located on the third level, subject to a nonexclusive license right in the City and its agents, contractors, customers, vendors, suppliers, visitors, tenants, subtenants, invitees, and licensees of each of them, to pedestrian access, ingress and egress on and through the pre-function space.

EXHIBIT B
PERMITTED ENCUMBRANCES

[Include licenses for access]