

New Mexico Public Education Commission



2023 Charter School Renewal Application Part E: Facilities

Charter Schools Division
Public Education Department
300 Don Gaspar Ave.
Santa Fe, NM 87501
(505) 827-6909
charter.schools@ped.nm.gov

Approved by the Public Education Commission: March 18, 2022

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Instructions

Please read the entire Charter School Renewal Application Kit before preparing documents. In an effort to help applicants understand the requirements of the Renewal Application, the CSD will hold a minimum of two technical assistance workshops. Applicants will be notified of the dates, times, and locations of the workshops.

Enter applicant responses in boxes below. Answer all questions unless the question indicates that applicants should answer only under certain conditions (e.g., rating on a Performance Framework indicator requires explanation, etc.). Narrative responses should be verifiable through documents submitted or observable evidence at the renewal site visit.

School Information

Name of School: Albuquerque Aviation Academy

Facilities Narrative

Provide a description of the charter school facilities. Enter applicant response in box below:

School response:

Albuquerque Aviation Academy is located at 6441 Ventana Road Northwest, Albuquerque, NM 87114. The school moved into the brand new 28,405 square foot building with an additional 8,720 square foot gym for a total of 37,125 square foot facility in January of 2023. This building consists of 12 general education classrooms that are each over 870 square feet and additional storage spaces, allowing for ample learning environments. An aviation classroom, specifically designed for integrating our full flight simulator and a spacious SMART lab allow students unique hands-on learning opportunities. Additional spaces for students with special needs, a

lunch room, and offices as well a full-sized gym complete with a weight room give students of the Albuquerque Aviation Academy a well rounded learning environment.

Albuquerque Aviation Academy also designed an outdoor courtyard area in the center of the school where students can enjoy meals and have opportunities for learning to take place outdoors. Albuquerque Aviation Academy is working on the next phase of our outdoor learning opportunities which will include a full sized track and turf field for outdoor sports to take place. In the previous building, we were limited to a number lower than the school's cap due to classroom and size constraints. This new building will allow the Albuquerque Aviation Academy to grow year after year as we continue to increase enrollment closer to our 500 student capacity.

Appendices

Include the following appendices as PDFs, using the following naming conventions. In place of "School Name" please use a short form of the school's name, with the same form used consistently for all appendices.

	File Name	Documentation
E-1	E-1 E-Occupancy School Name	E-Occupancy Certificate
E-2	E-3 Lease Agreement School Name	A copy of the facility lease agreement, if applicable
E-3	E-4 Facility Master Plan School Name	Facility Master Plan

Certificate of Occupancy

City of Albuquerque
Planning Department
Building Safety Division

This certificate, issued pursuant to the requirements of Section 115.3 of the Albuquerque Uniform Administrative Code, certifies that at the time of issuance this structure was in compliance with the above code and other technical codes and city ordinances regulating building construction or use.

Building Address 6441 Ventana Rd NW Zip 87114

Portion of Building Commercial - New Construction

Use Classification Commercial Project Bldg. Permit No. BP-2021-35524

Occupancy Group E Type of Construction IIB - Sprinklered Land Use Zone N/A

Owner of Building RM Sams LLC Address P.O. Box 73, Corrales, NM, 87048

By Alyssa Covarrubias-Powell

Date April 3, 2023



Inspector

Building Safety Division

POST IN A CONSPICUOUS PLACE

IBC Code 2015

MAXIMUM OCCUPANT LOAD 1,099

State of New Mexico
Public School Facilities Authority

Jonathan Chamblin, Director



Martica Casias, Deputy Director

1312 Basehart Road, SE, Suite 200
Albuquerque, NM 87106
(505) 843-6272 (Phone); (505) 843-9681 (Fax)
Website: www.nmpsfa.org

August 11, 2020
Jill Brame, Director of Operations
Southwest Aeronautics, Mathematics, and Science Academy
4100 Aerospace Parkway NW
Albuquerque, NM 87120

RE: Proposed New Facility for the Southwest Aeronautics, Mathematics, and Science Academy

VIA E-MAIL

Ms. Brame,

The Public School Facilities Authority (PSFA) has reviewed the submitted construction drawings for the proposed new school facility for the Southwest Aeronautics, Mathematics, and Science Academy. The proposed new facility will be located at 6441 Ventana Ranch Road NW. PSFA understands that the charter school plans to obtain a lease purchase agreement for the land and proposed building to be constructed, and relocate to this facility.

The purpose of this plan review was to determine if the proposed facility is in concurrence with the requirements for a Lease Purchase Agreement, pursuant to 22-8B-4.2 NMSA 1978 and 22-20-1 NMSA 1978. The proposed building must have a weighted New Mexico Condition Index (wNMCI) score equal to or better than the current statewide average, meet the statewide adequacy standards, and meet Educational Occupancy standards.

The PSFA is pleased to advise you that the assumed wNMCI score for this new facility will be 0.0%. This score is better (lower is better) than the current wNMCI statewide average of 23.4%, as required by statute.

Analysis of the planned classroom space, for an assumed enrollment cap of 400, indicates the facility will meet the Statewide Adequacy Standards requirements issued by the PSCOC and set forth within 6.27.30 NMAC.

The construction drawings reflect an Educational Occupancy.

This letter confirms that the proposed facility for the Southwest Aeronautics, Mathematics, and Science Academy fulfills the required criteria for a charter school entering a Lease Purchase Agreement.

Please keep the PSFA apprised of the construction and relocation progress. The PSFA will conduct an assessment of the facility once construction is complete.

Please feel free to contact me if you have any questions or concerns regarding this correspondence.

Respectfully,

Handwritten signature of Alyce Ramos in cursive.

Alyce Ramos, Research Analyst
Public School Facilities Authority

Cc; Martica Casias, Deputy Director

Partnering with New Mexico's communities to provide quality, sustainable school facilities for our students and educators

August 16, 2021

VIA EMAIL AND U.S. MAIL

Mr. Antonio Ortiz, Director
Capital Outlay Bureau
New Mexico Public Education Department
Jerry Apodaca Education Building, Room G-6
300 Don Gaspar Ave.
Santa Fe, NM 87501

Re: Lease Purchase Agreement Approval for Southwest Aeronautics, Mathematics, and Science Academy

Director Ortiz,

On the behalf of the Southwest Aeronautics, Mathematics, and Science Academy (SAMS Academy) and pursuant to the New Mexico Public Education Department's (NMPED's) Checklist for Charter School Submission for Proposed Lease Purchase Arrangement for Public Education Department Approval ("Checklist"). I am submitting the School's documents in support of our request for NMPED approval of the enclosed Lease Purchase Agreement.

Enclosed with this letter please find copies of the following documents:

1. Copy of the August 10, 2021 Agenda for the SAMS Academy Governing Council's special meeting at which the SAMS Governance Council ("Council") address the proposed Lease Purchase Arrangement ("LPA"). See Items IV-V of the agenda. (Attachment #1)
2. The SAMS Academy Governing Council's Resolution No. 2021-22-001 ("Resolution") approving entering into a LPA under the terms and conditions described. (Attachment #2)
3. Proposed Lease Purchase Arrangement. (Attachment #3)
4. Sources of Funds for Lease Purchase Arrangement. (Attachment #4)
5. Public School Facilities Authority Approvals are in process and will be forwarded once the weighted New Mexico Condition Index score is finalized.
6. Affidavit of Bridget Barrett concerning Open Meetings Act Compliance. (Attachment #5)

Mr. Antonio Ortiz, Director
August 16, 2021
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Currently the SAMS Academy is located at 4100 Aerospace Pkwy. NW in Albuquerque, NM, in a facility that is owned and Operated by the City of Albuquerque's Department of Aviation. It had been the hope of the school to purchase the existing facility, a task that is made impossible with the discovery that the land is owned by the Federal Aviation Administration, which was discovered during exploratory conversations with the City of Albuquerque about buying 4100 Aerospace Pkwy. NW.

After the ability to Purchase 4100 Aerospace Pkwy. NW was eliminated, the school engaged with Steve Nakamura to identify a location and design a new Public School facility for the School. Mr. Nakamura is the current owner of Rachel Matthew Development, Inc. a New Mexico business corporation. Rachel Matthew Development, under the name RMSAMS LLC, is the lessor under the lease purchase arrangement SAMS Academy is submitting for your and the NMPED's approval.

This transaction involves the acquisition of 5.00+/- acres at the Southwest Corner of Irving Blvd. and Ventana Road, Albuquerque, NM. Mr. Nakamura has helped the school plan and design a proposed 36,800 sq. ft. single story school facility to be housed on the land. Mr. Nakamura has agreed to purchase the land from the current owner and make improvements, including the construction of the proposed facility, and then sell the property to the School using the financing instrument of the lease purchase arrangement. The financing structure of the LPA does not extend the payments beyond thirty (30) years. It is anticipated that the LPA, with advance principal payments, will be paid off in approximately twenty-three (23) years.

Rachel Matthew Development, Inc. has a pending purchase agreement for the land and the closing of this transaction is conditional upon approval of the NMPED's approval of the proposed lease purchase arrangement. Land improvements and new facility construction cannot commence until closing of the land sale. The school anticipates an added, unbudgeted, boom in enrollment once located in the new facility closer to potential student's families. In these unprecedented times, we feel that time is of the essence to finalize this amazing opportunity and SAMS Academy respectfully asks the NMPED to consider the proposed Lease purchase agreement as quickly as possible.

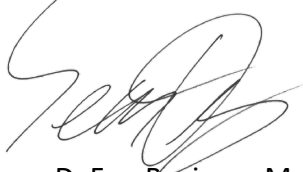
If you have any questions or require additional information in order to process this request for approval, please contact either myself or the school's attorney, Mr. R. Daniel Castille <dcastille@cuddymccarthy.com> with the Cuddy & McCarthy Law Firm.

Mr. Antonio Ortiz, Director
August 16, 2021
Page 3 of 3

If you have any questions or require additional information in order to process this request for approval, please contact either myself or the school's attorney, Mr. R. Daniel Castille <dcastille@cuddymccarthy.com> with the Cuddy & McCarthy Law Firm.

Thank you for your attention to this matter.

Sincerely,



Sean D. Fry, Business Manager

Enclosures

Cc: Bridget Barrett, Head Administrator, Southwest Aeronautics, Mathematics, and Science Academy



NOTICE AND AGENDA
SPECIAL MEETING OF THE GOVERNING COUNCIL OF
SOUTHWEST AERONAUTICS, MATHEMATICS & SCIENCE ACADEMY
(See Special Procedures Below)

August 10, 2021

4:30 p.m.

Internet/Call-in

SAMS MISSION

The mission of the Southwest Aeronautics, Mathematics and Science Academy is to prepare students, with attention to high-risk students, in grades 7-12 in an integrative STEM 21st century educational environment which offers a unique option in aeronautics. Students will be competent in the reading, writing, mathematics, science, technology, and problem-solving skills necessary for success in post-secondary education, high-tech, or aviation related careers.

- I. Call to Order
 - A. Roll Call
 - B. Adoption of the Agenda*
- II. Public Comment (comments will be limited to two minutes) – see attached Special Procedures for more information
- III. New Business Matters
 - A. Revised FY2022 Teacher Salary Schedule (discussion/action) *
- IV. Closed Session *
 - A. Discussion of Real Property Acquisition pursuant to a Lease Purchase Agreement pursuant to NMSA 1978, Section 10-15-1(H)(8)
- V. Open Session *
 - A. Consideration and approval of the acquisition real property and improvements through a lease purchase arrangement as defined by the Public School Lease Purchase Act (NMSA 1978, Section 22-26A-6(B)), and fulfillment of the requirements of the Act including consideration of and approval of a Resolution Authorizing a Lease-Purchase Arrangement for real property located at the Southwest Corner of Irving Blvd. and Ventana Road, in the City of Albuquerque, County of Bernalillo, New Mexico.
- VI. Announcements
 - A. Date for next Regular SAMS Academy Governing Council Meeting
- X. Adjournment*

Note: * Indicates Action Item



Above. And beyond.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Jill Brame at (505) 338-8601 or jbrame@samsacademy.com least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact Ms. Brame at the phone number or email address above if a summary or other type of accessible format is needed.

Special Procedures for August 10, 2021 SAMS Governing Council Meeting

In response to the Governor's declaration of a Public Health Emergency and restrictions on public gatherings, the SAMS Governing Council Meeting on June 28, 2021 at 4:30 pm will be limited to no in-person attendance.

No one will be permitted to be at SAMS to physically attend the meeting. However, the public, Governing Council Members and SAMS staff will have the ability to view and hear the meeting via the internet using Zoom. The procedures for accessing the meeting are as follows:

From a computer, tablet or smartphone, enter the following URL:

<http://zoom.us/j/9231897874>

OR

Call one of the following numbers:

1-669-900-6833

1-301-715-8592

1-253-215-8782

(Because of the increase of Zoom for meeting use, the phone numbers may appear to be busy at first. Keep trying until you get through.)

Meeting ID: 923 189 7874

Access Code: 4100

You will also be asked to enter your (optional) participant ID. Just follow the spoken directions (press #) to skip this step, as it is not needed for this meeting.

Public comment will be allowed during the meeting via Zoom. To speak during public comment, please email your request to speak with your name to jbrame@samsacademy.com up to twenty four hours prior to the meeting. Requests to speak made after twenty four hours prior to the meeting will not be honored. Speakers will be un-muted in order to address the Governing Council. Public comments will be limited to two minutes. The public may email comments to Jill Brame at jbrame@samsacademy.com. Email comments will be kept with the records of the meeting.



Should the Governing Council vote to close the meeting in order to discuss items allowed by the Open Meetings Act, the Zoom application has a means to do so.

Audio and video recording of the open meeting will be available upon request.

Should anyone wishing to join the meeting via the internet have issues accessing the meeting you may contact Jill Brame at 505-918-3850.

These procedures are subject to revision given changing circumstances. Please check the SAMS website for any updates to these procedures.

**SOUTHWEST AERONAUTICS, MATHEMATICS AND SCIENCE ACADEMY
GOVERNING COUNCIL**

Resolution No. 2021-22 - 001

Resolution Re: Lease Purchase Agreement with Option to Purchase Preliminary Approval Pursuant to NMSA 1978, §22-26A-6.

WHEREAS, the Southwest Aeronautics, Mathematics, and Science Academy Governing Council (“Council”), the governing body of Southwest Aeronautics, Mathematics, and Science Academy, a public charter school (“School”) authorized by the New Mexico Public Education Commission, held a special public meeting via the virtual platform Zoom Video Conferencing on August 10, 2021 at 4:30 p.m.; notice of the meeting was published as provided by law;

WHEREAS, the Council has determined that it is necessary and in the School’s best interest to acquire from RM SAMS, LLC (“Owner”), a five (5)-acre+/- parcel of land with a completed public school facility of approximately 36,800 square feet located at the Southwest Corner of Irving Blvd. and Ventana Road, in the City of Albuquerque, County of Bernalillo, New Mexico (“Property”), through a lease purchase arrangement (“Agreement”) as defined by the New Mexico Public School Lease Purchase Act (“Act”), NMSA 1978, §§22-26A-1, *et seq.*;

WHEREAS, the Owner is a New Mexico limited liability company organized and existing under NMSA 1978, 53-19-1, *et seq.*, the Limited Liability Company Act;

WHEREAS, the Council understands that the Owner will obtain financing (“Loan”) from Main Bank to acquire the Property and to make the improvements as contemplated in the Agreement and for which the Owner will be solely liable;

WHEREAS, the Council, in connection with the Owner’s acquisition of the Property and construction of the improvements, has not entered into a pledge and covenant agreement whereby it is required to establish and maintain a depository account with a bank or other financial institution, into which account all education funding received by the School from the New Mexico Public Education Department (“Department”), including State Equalization Guarantee Distribution funding, State Lease Reimbursement Program payments, and other special funds and federal pass-through funding constituting revenue, whether adjusted or otherwise, are to be deposited in accordance with an account control agreement;

WHEREAS, the Council will not enter into a pledge and covenant agreement as it relates to the Loan, wherein it must agree to grant a security interest and assign to a third party bank or other financial institution for the benefit of educational facility revenue bonds holders, any of the charter school’s revenues or other assets, or the charter school’s right, title, and interest in and to any agreements with the State of New Mexico for such revenues, or both;

WHEREAS, the Council has made a determination that as of August 10, 2021, the maximum purchase price for the Property and improvements of \$10,903,704.06 (Ten Million Nine Hundred Three Thousand Seven Hundred Four Dollars and 06/100), with a Maximum Monthly Base Rent Amount of \$59,502.69, subject to reduction in the event actual costs are less than projected costs, is fair and reasonable based on the School’s current and projected educational

program needs. The interest rate charged shall not exceed the maximum interest rate allowed pursuant to the Public Securities Act, NMSA 1978, §6-14-1 through 6-14-3;

WHEREAS, the Council has reviewed a summary of the terms of the proposed Agreement and determined that the terms and conditions of the Agreement are in the best interest of the School and are acceptable to the Council, if approved by the Department;

WHEREAS, the Council has determined that the Property and improvements will be suitable for the School's educational program as contemplated by its charter. Further, acquisition of the Property and improvements as its long-term facility is in the School's best interest;

WHEREAS, the Council will, prior to executing the Agreement, submit it to the Department for approval, pursuant to the requirements of the Department, the terms of the Act, and the Charter Schools Act, NMSA 1978, §§22-8B-1, *et seq.*; and

WHEREAS, the Council has reviewed the Sources of Funds that will be used to make the required payments pursuant to the Agreement, which sources comply with NMSA 1978, §22-26A-7 and the Council is satisfied that the School has eligible funding to enter into the Agreement.

NOW, THEREFORE, be it resolved by the Southwest Aeronautics, Mathematics, and Science Academy Governing Council that:

(1) It is necessary and in the School's best interest to acquire from the Owner, the Property and to-be-constructed improvements at located at the Southwest Corner of Irving Blvd. and Ventana Road, in the City of Albuquerque, County of Bernalillo, New Mexico, through a lease purchase arrangement as defined by NMSA 1978, §22-26A-3(A);

(2) the maximum purchase price for the Property and improvements of \$10,903,704.06 (Ten Million Nine Hundred Three Thousand Seven Hundred Four Dollars and 06/100), with a Maximum Monthly Base Rent Amount of \$59,502.69, subject to reduction in the event actual costs are less than projected costs, is fair and reasonable based on the School's current and projected educational program needs. The interest rate charged shall not exceed the maximum interest rate allowed pursuant to the Public Securities Act, NMSA 1978, §6-14-1 through 6-14-3;

(3) The terms of the proposed Agreement are reasonable, acceptable, and in the best interest of the School;

(4) The source of funds to make the payments under the proposed Agreement have been identified from available and allowable funds;

(5) The Council will not be liable for the Loan incurred by Owner for purposes of acquiring the School Site;

(6) The Council will not pledge its revenue, nor commit the School's assets as security for purposes of repaying the Loan, nor will it establish or maintain a depository account into which the School's revenues from any source are deposited to be controlled by a trustee or any third party as it relates to repayment of the Owner's Loan.

(7) The Agreement, along with all required documentation, shall be forwarded to the Department for consideration and approval prior to its execution;

(8) The Council authorizes the School's Executive Director, with the support of the Council President, to respond to any additional requests for documents or information from the Department, to make all revisions required by the Department or as advised by School's legal counsel that do not change the material terms of agreement, and to take such other necessary steps to finalize the draft Agreement in consultation with the School's legal counsel; and

(9) The President of the Council shall have the authority to execute the Agreement if the required approvals are obtained from the Department and the Public School Facilities Authority.

The undersigned certifies that s/he is the duly elected President of the Southwest Aeronautics, Mathematics, and Science Academy Governing Council and that the above is a true and correct statement of the Resolution that was duly adopted at a meeting of the Council, which was held in accordance with State laws and bylaws of the Southwest Aeronautics, Mathematics, and Science Academy Governing Council.

The motion was duly made, seconded, and 6 voted in favor, 0 against and 0 abstained; the motion carried.

By my signature below I certify that the foregoing Resolution constitutes a true and complete copy of the Resolution adopted by the Southwest Aeronautics, Mathematics, and Science Academy Governing Council, at its August 10, 2021 special meeting held over the virtual platform Zoom Virtual Conferencing.

**SOUTHWEST AERONAUTICS, MATHEMATICS AND SCIENCE ACADEMY
GOVERNING COUNCIL**

Larry Kennedy
President (Signature)

8-10-21
Date

LARRY KENNEDY
Printed Name

LEASE PURCHASE ARRANGEMENT

dated as of _____, 2021,

by and between

RM SAMS, LLC.

A New Mexico limited liability company,

and

SOUTHWEST AERONAUTICS,
MATHEMATICS & SCIENCE ACADEMY,
A New Mexico public School.

THIS LEASE PURCHASE ARRANGEMENT, dated as of _____, ____ 2021 (“Agreement”), is made and executed by and between RM SAMS, LLC, a New Mexico limited liability company as Lessor (“Lessor”), and Southwest Aeronautics, Mathematics & Science Academy, a New Mexico public school as Lessee (“School”).

RECITALS

A. School is a public charter school as defined in NMSA 1978, §22-8B-2(A), authorized by the New Mexico Public Education Commission, and may enter into a “lease purchase arrangement” or “financing agreement” as those terms are defined in the singular in NMSA 1978, §22-26A-3(A), part of the Public School Lease Purchase Act, NMSA 1978, Chapter 22, Article 26A (“Public School Lease Purchase Act”).

B. School’s governing body has determined that it is necessary, desirable, and in School’s best interest, subject to separate statutory approval by the Public Education Department (NMSA 1978, §22-26A-4(B)) and the Public School Facilities Authority (NMSA 1978, §22-20-1(A)(2)), to lease-purchase from Lessor a five (5)-acre+/- parcel of land with a completed public school facility of approximately 36,800 square feet located at the Southwest Corner of Irving Blvd. and Ventana Road, in the City of Albuquerque, County of Bernalillo, New Mexico. The parcel of land (“Land”) and the school facility (“Improvements”) to be constructed after execution of this Agreement are referred to hereafter as the “School Site.” The Land is described more particularly in Exhibit A.

C. Lessor agrees to provide the Improvements according to the requirements set forth in Exhibit B and to lease-purchase both the Land and Improvements to the School pursuant to the terms and conditions of this Agreement.

D. In order to, among other things, finance the cost of acquiring the Land and to construct the Improvements for use as a public charter school, Lessor has incurred private funding (“Lessor’s Loan”) from Main Bank (“Lender”) to which the School is not a party to or an obligor.

E. Lessor is a limited liability company duly organized, in good standing, and existing under the Business Corporation Act, NMSA 1978, §53-19-1, *et seq.*, and is authorized by its articles of organization, operating agreement, action of its members, and applicable New Mexico law, to own and manage its properties, to conduct its affairs in the State of New Mexico, to lease and sell the School Site to School, and to otherwise act in the manner set forth herein.

F. The Base Rent and Additional Rent (both as hereinafter defined) payable by School under this Agreement shall constitute currently appropriated expenditures of School, and School shall for the Term authorize and appropriate the payments required hereunder for such years, to the extent and in the manner permitted by New Mexico law; provided, however, that no obligation for any lease payment hereunder, however defined or characterized herein, shall constitute a debt or multiple Fiscal Year direct or indirect obligation whatsoever of School, or a mandatory charge or requirement against School in any Fiscal Year (as hereinafter defined), beyond the Fiscal Year for which legally available funds have been appropriated.

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants and agreements hereinafter contained, and for other good and valuable consideration exchanged, Lessor and School agree as follows:

ARTICLE I DEFINITIONS AND EXHIBITS

Section 1.01 Definitions. Unless otherwise specified in this Agreement, the capitalized terms used

herein shall have the meanings specified below.

“Additional Rent” means, as set forth in Section 5.03 of this Agreement, all amounts due by School under the terms hereof, other than Base Rent.

“Agreement” means this Lease Purchase Agreement and, for all purposes herein and as to all appertaining exhibits and documents, means the same as either the term “lease purchase arrangement” or “financing agreement,” as these latter two terms are defined in the singular in NMSA 1978, §22-26A-3(A), whether capitalized herein or not.

“Base Rent” as the meaning as set forth in Section 5.01(a) and is in the amounts shown on Exhibit C attached hereto.

“Business Day” means any day other than a Saturday, Sunday, holiday or a day on which banking institutions in the State of New Mexico are authorized to be closed.

“Commencement Date” means the date of execution of this Agreement by the parties after separate statutory approval by the Public Education Department and the Public School Facilities Authority.

“Event of Default” has the meaning ascribed to it in Article XI of this Agreement.

“Event of Non-Appropriation” has the meaning ascribed thereto in Section 4.5(a) of this Agreement.

“Fiscal Year” shall mean the School’s fiscal year which begins on July 1 of any year and ends on June 30 of the following year.

“Lessor” has the meaning ascribed thereto in the introductory paragraph of this Agreement.

“Improvements” has the meaning ascribed to it in paragraphs B and C of the Recitals herein, and as described in Exhibit B to this Agreement.

“Land” consisting of approximately 5.00+/- acres being at the Southwest Corner of Irving Blvd. and Ventana Road, Albuquerque, New Mexico 87114, and more particularly described as Tract A-2 of the Bulk Land Plat for Tracts A-1 and A-2 (A Replat of Tract A), Ventana Ranch, Bernalillo County, New Mexico, shown and described on Exhibit A.

“Land Owner” means The Gerald A. & Victoria E. Martin Revocable Trust, seller of the Land to Lessor pursuant to that certain “Purchase Agreement” dated October 16, 2020.

“Lease Payments” means, collectively, any payments due from School to Lessor under this Agreement and in accordance with Article V hereof, payable from funds specifically appropriated year to year by School for such purpose from any legally available funds.

“Lease Purchase Arrangement” has the meaning ascribed to it in NMSA 1978, §22-26A- 1, *et seq.*

“Lender” has the meaning ascribed thereto in paragraph D of the Recitals herein.

“Lessor’ Loan” has the meaning ascribed thereto in paragraph D of the Recitals herein.

“Net Proceeds” means any insurance proceeds or condemnation award paid on the School Site, remaining after payment of all costs and expenses, including attorney’s fees, incurred in the collection of such proceeds.

“Option to Purchase” means the right of School to purchase the School Site pursuant to the terms of Article VI of this Agreement, and in accordance with the relevant provisions of the Public School Lease Purchase Act.

“Public School Lease Purchase Act” has the meaning ascribed thereto in paragraph A of the Recitals.

“Purchase Agreement” means the agreement dated October 16, 2020 between The Gerald A. & Victoria E. Martin Revocable Trust and Lessor to acquire the Land.

“Rent Commencement Date” means the date on which Lessor has completed the Improvements described and shown in Exhibit B and certificates of occupancy has been issued in accordance with the Requirements of Law.

“Requirements of Law” means any material federal, state (specifically including New Mexico), or local statute, ordinance, rule, or regulation, any judicial or administrative order (whether or not on consent), request or judgment, any applicable common-law doctrine, any provision or condition of any permit required to be obtained or maintained, or any other binding determination of any governmental authority relating to the ownership or operation of property, including any relating to environmental, health, or safety matters.

“School” has the meaning ascribed to it in the introductory paragraph of this Agreement.

“School Site” has the meaning ascribed to it in paragraph B of the Recitals herein and described in Exhibit A and Exhibit B hereto.

“Statewide Adequacy Standards” means the standards set forth in 6.27.30 NMAC (09/01/2002, as amended through 12/17/2019), and any subsequent amendments thereto promulgated by the Capital Outlay Council, applicable to the School Site and the Improvements, and any variances from those standards granted to School by the Capital Outlay Council pursuant to NMSA 1978, §22-8B-4.2(F)(2).

“Term” means the time period during which this Agreement is in effect, as provided in Section 4.1 hereof.

Section 1.02 Exhibits. The following exhibits are attached to and by reference made a part of this Agreement:

Exhibit A - Legal Description of the Land

Exhibit B - Improvements Plans/Lessor’s Requirements

Exhibit C - Base Rent Schedule

Exhibit D - Copies of the Public Education Department’s and Public School Facilities Authority’s respective approvals of this Agreement.

ARTICLE II REPRESENTATIONS, COVENANTS, AND WARRANTIES

Section 2.01 Representations, Covenants, and Warranties of School. School represents, covenants, and warrants to Lessor as follows:

(a) It is a duly authorized and existing public school under the provisions of the Charter Schools Act, NMSA 1978, §22-8B-1, *et seq.* School is authorized by the New Mexico Public Education

Commission.

(b) It has full power and authority to lease, operate, maintain, and acquire under an option to purchase the School Site, to execute and deliver this Agreement, and perform the related transactions in accordance with the relevant provisions of the Public School Lease Purchase Act and other applicable New Mexico statutes, and to carry out its obligations under this Agreement, subject to the limitations and conditions stated herein and the availability of sufficient appropriations and revenues therefor.

(c) Its representatives executing this Agreement have been duly authorized to execute and deliver it in accordance with the terms and provisions of the resolution duly passed and adopted by School's governing body.

(d) Its governing body has complied fully with all the requirements of NMSA 1978, §22-26A-6, and those of NMSA 1978, §10-15-1 applicable to its actions regarding this Agreement and the acquisition of the School Site through a lease purchase arrangement.

(e) It has immediate need for, and expects to make immediate use of, the School Site being leased with an option to purchase under this Agreement, which need, at the time of approval hereof, is not temporary or expected to diminish in the foreseeable future.

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

(g) To the knowledge of School, there is no litigation or proceeding currently pending or threatened against School or any other person affecting the right of School to execute and deliver this Agreement, the ability of School to make the payments required hereunder, or the ability of School otherwise to comply with its obligations under this Agreement.

(h) It shall not transfer, lease, assign, mortgage, or encumber all or any portion of its interest under this Agreement, or the School Site, except in accordance with the terms and conditions hereunder and as provided by New Mexico law, including NMSA 1978, §22-26A-5(K) with respect to assignment of a lease purchase arrangement to: (i) a school district or School; or (ii) the State of New Mexico or one of its institutions, instrumentalities or other political subdivisions.

(i) The School Site shall be used and occupied only for educational and related purposes, and for no other purpose. No portion of the School Site shall be used primarily for pervasively sectarian purposes. School shall comply with all applicable state and federal laws and constitutional provisions prohibiting discrimination on the basis of disability, physical or mental handicap, serious medical conditions, race, creed, color, sex, gender identity, sexual orientation, spousal affiliation, national origin, religion, ancestry, need for special education services, or of any other protected class under either state or federal law.

(j) It shall conform to and comply with all applicable municipal, state, and federal laws, ordinances, rules and regulations in its use of the School Site, and School will not use or suffer to be used the School Site in any manner contrary to any applicable municipal, state, or federal laws, ordinances, rules or regulations, so as to create or cause to exist any nuisance or hazardous condition.

(k) It shall use its best efforts to lease-purchase the School Site from Lessor with funds obtained from lease payment grant assistance from the Public School Capital Outlay Council in accordance with

NMSA 1978, §22-24-4(I), or from other legally available funds according to the terms of this Agreement, but in no event shall this Agreement have a final payment date exceeding thirty (30) years after the date of its execution by the parties.

(l) Notwithstanding any other provisions of this Agreement, School's governing body represents, warrants and covenants that it has not directly or indirectly undertaken, or agreed to directly or indirectly undertake, Lessor's debt under the Lessor's Loan or any agreement, nor has School pledged, transferred, or granted a security interest in, or assigned to any private third party, public funds, monies, grants, or other distributions received, or to be received, by School from or through the State of New Mexico, for the purpose of securing the payment of Lessor's financial obligations under Lessor's Loan or financial obligations, in violation of Article IX, Section 14 of the New Mexico Constitution, or in violation of Article IX, Section 11 of the New Mexico Constitution.

(m) It shall not use funds paid to School pursuant to NMSA 1978, § 22-26-1, *et seq.* (the Public School Building Act, a/k/a "HB33") or NMSA 1978, § 22-25-1 *et seq.* (the Public School Capital Improvement Act, a/k/a "SB9") for any purpose other than those authorized by applicable law.

Section 2.02 Representations, Covenants, and Warranties of Lessor. Lessor represents, covenants, and warrants to School as follows:

(a) It is a limited liability company duly organized, existing, and in good standing under the laws of New Mexico, is possessed of full power to purchase, own, hold, and lease (as owner and lessor) real and personal property, has all necessary power to lease and sell the School Site to School pursuant to this Agreement, and to execute, deliver, and perform its obligations under this Agreement and has duly authorized the execution, delivery, and performance of its obligations under this Agreement.

(b) It shall at all times maintain its corporate existence and maintain all the rights and powers provided to it under its governing documents, articles of incorporation, bylaws, action of its board of directors, and applicable federal and state law.

(c) This Agreement is enforceable against Lessor in accordance with its respective terms, subject only to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and equitable principles, whether considered at law or in equity.

(d) The Improvements have been designed and will be constructed to meet all educational occupancy standards as applicable pursuant to the Statewide Adequacy Standards. The School Site will be leased from Lessor in accordance with all Requirements of Law, specifically including those of New Mexico.

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

(f) To the knowledge of Lessor, there is no litigation or proceeding pending or threatened against Lessor or any other person affecting the right of Lessor to execute and deliver this Agreement, or the ability of Lessor otherwise to comply with its obligations under this Agreement.

(g) To the knowledge of Lessor, Lessor has not received any notice that the School Site or its present use and condition violates any applicable deed restrictions or other covenants, restrictions or agreements, mortgages, or conditions of title or ownership, site plan approval, zoning or subdivision regulations, urban

development plans, the laws statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions, or requirements of any authorities governing or regulating the use and operation, or otherwise applicable to the School Site.

(h) To the knowledge of Lessor: (i) the School Site has at all times been operated in substantial compliance with all Requirements of Law; (ii) all permits required by Requirements of Law with respect to the School Site have been obtained and are in full force and effect and School is in substantial compliance with the material terms and conditions of such permits; (iii) there is no pending litigation, investigation, administrative or other proceeding of any kind before or by any governmental authority or other person or entity relating to, or alleging, any violation of any Requirements of Law in connection with the School Site and there are no grounds on which any such litigation, investigation or proceedings might be commenced; (iv) the School Site is not subject to any judgment, injunction, writ, order, or agreement respecting any Requirements of Law; (v) there is no hazardous substance (as those terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. §9601, *et seq.*, any applicable state law or regulations promulgated under either), solid or hazardous waste (as defined in the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §6901, *et seq.*, any applicable state law or regulations promulgated under either), special waste, petroleum or petroleum derived substance, radioactive material or waste, polychlorinated biphenyls, asbestos or any constituent of any of the foregoing located on, in, or under the Land or School Site in violation of any Requirements of Law; (vi) there has been no disposal of any of the items referred to in clause (v) on, from, into, or out of the School Site in violation of any Requirements of Law; and (vii) there has been no spillage, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leeching, dumping, disposing, depositing, or dispersing of any of the items referred to in clause (v) into the indoor or outdoor environment from, into, or out of the School Site including the movement of any such items through or in the air, soil, surface water, ground water from, into, or out of the School Site or the abandonment or discard of barrels, containers, or other open or closed receptacles containing any such items from, into, or out of the School Site in violation of any Requirements of Law.

ARTICLE III AGREEMENT TO LEASE

Section 3.01 Lease. Lessor hereby leases the School Site to School, and School hereby leases the School Site from Lessor with an option to purchase, upon the terms and conditions set forth in this Agreement, provided that the terms and conditions herein are not in contravention of any applicable New Mexico laws.

Section 3.02 Possession and Enjoyment. During the Term of this Agreement, Lessor shall provide School with quiet use and enjoyment of the School Site and during such term School shall peaceably and quietly have and hold and enjoy the School Site, without suit, trouble, or hindrance from Lessor, except as expressly set forth herein. Lessor will, at the request of School and at School's cost, join in any legal action in which School asserts its right to such possession and enjoyment to the extent Lessor may lawfully do so. Notwithstanding the foregoing, Lessor shall have the right to inspect the School Site as provided in Section 3.04 hereof.

Section 3.03 Use of School Site. The School Site shall be used and occupied only for educational and related purposes, and for no other purpose. No portion of the School Site shall be used primarily for pervasively sectarian purposes. School shall comply with all applicable state and federal laws and constitutional provisions prohibiting discrimination on the basis of disability, physical or mental handicap, serious medical conditions, race, creed, color, sex, gender identity, sexual orientation, spousal affiliation, national origin, religion, ancestry, need for special education services, or of any other protected class under either state or federal law.

Section 3.04 Lessor's Access to School Site. School agrees that following the Commencement Date of this Agreement, Lessor shall have for the Term the right, during School's normal working hours and regular business days, upon compliance with any security requirements imposed by School and upon reasonable notice,

to enter on and examine and inspect the School Site for the purpose of assuring that it is being properly maintained, preserved, and kept in good repair and condition. School further agrees that Lessor shall have such rights of access to the School Site as may be reasonably necessary to cause the proper maintenance of the School Site in the event of failure by School to perform its obligations hereunder, provided that at no time shall Lessor be compelled or required to make any improvements, alterations, or additions to the School Site.

ARTICLE IV TERM OF AGREEMENT

Section 4.01 Term of Agreement. Unless this Agreement is terminated earlier pursuant to Section 4.2 hereof, the Term shall commence on the Commencement Date and continue for no more than 30 years from the Commencement Date (“Term”).

Section 4.02 Termination of Agreement. This Agreement shall terminate upon the occurrence of any one of the following events:

- (a) the purchase of the School Site by School pursuant to Article VI hereof;
- (b) a default by School and Lessor’s election to terminate this Agreement pursuant to Article XI hereof;
- (c) a default by Lessor and School’s election to terminate this Agreement pursuant to Article XI hereof;
- (d) a decision by School’s governing body, in any Fiscal Year, not to continue this Agreement from year to year or to purchase the School Site in accordance with NMSA 1978, §22-26A-5(I);
- (e) an Event of Non-Appropriation; or
- (f) if School’s charter is revoked or not renewed by the New Mexico Public Education Commission, and a subsequent decision by the district court on an appeal filed pursuant to NMSA 1978, §39-3-1.1 to not set aside, reverse or remand the Secretary of Public Education’s final decision on an appeal by School’s governing body filed pursuant to NMSA 1978, §22-8B-7(F). In no event shall the School’s governing body be required to file an appeal if to do so would be frivolous as determined by the governing body on advice of legal counsel or as otherwise determined by the School.

Section 4.03 Effect of Termination of Agreement. Upon termination of this Agreement:

- (a) All unaccrued obligations of School hereunder shall terminate, but all obligations of School that have accrued hereunder prior to such termination shall continue until they are discharged in full, subject to the supervisory authority of the Public Education Department under NMSA 1978, §22-2-2(C) as well as the powers and duties of School’s governing body designated as aboard of finance; and
- (b) If the termination occurs because of the occurrence of an Event of Non-Appropriation under Section 4.5 (a) hereof or an Event of Default as defined in Article X hereof: (i) School’s right to possession of the School Site shall terminate; and (ii) School shall vacate the School Site as set forth in 4.5(e). If termination occurs because of non-renewal or revocation of School’s charter, Lease Payments shall be paid through the date of closure, subject applicable law including but not limited to: (i) the supervisory authority of the Public Education Department under NMSA 1978, §22-2-2(C); and (ii) NMSA 1978, §22-8B-4 and §22-8B-12.1.

Section 4.04 Continuation of Agreement. In accordance with Article IX, Section 11 of the New Mexico

Constitution and NMSA 1978, §§22-26A-5(I) and (J), the parties stipulate and agree that: (a) there is no legal obligation for School to continue this Agreement from year to year or to purchase the School Site; and (b) this Agreement shall terminate if sufficient money is not available to meet any current lease payment as determined by School.

Section 4.05 Termination of Agreement due to Event of Non-Appropriation.

(a) An “Event of Non-Appropriation” shall mean: (i) the School not having sufficient money available to meet any current payment or obligation under this Agreement; (ii) a failure by the New Mexico Legislature to appropriate, or the Public Education Department to, in succession distribute, sufficient money to School to pay the Base Rent, Additional Rent or other financial obligation required under this Agreement; or (iii) a failure by School to appropriate sufficient amounts to proceed under Section 7.06(c)(ii) of this Agreement, following the occurrence of an event described in Section 7.06(a) hereof.

(b) In the event that School’s governing body shall decide, in its sole discretion and consistent with New Mexico law, to exercise its statutory right to not continue this Agreement, effective on June 30 of any Fiscal Year, School shall give written notice within five (5) Business Days of such decision to Lessor. The exercise of School’s statutory right to not continue this Agreement shall be conclusively determined: (a) by School governing body’s decision to not appropriate by June 30 of any Fiscal Year sufficient amounts to pay all lease payments due in the ensuing Fiscal Year; or (b) upon the occurrence of any of the other Event of Non-appropriation as defined herein.

(c) Any decision not to continue this Agreement shall be made solely by School’s governing body, and not by any other School agency or official, except as otherwise provided under the Public School Code, NMSA 1978, Chapter 22.

(d) If an Event of Non-Appropriation occurs, School shall not be obligated to pay the Base Rent or Additional Rent or any other payments provided for herein beyond the amounts specifically appropriated by School’s governing body for the Fiscal Year during which such Event of Non-appropriation occurs; provided, however, that School shall continue to be liable for Base Rent and Additional Rent, to the extent payable from legally available funds allocable to any period during which School continues to occupy or retain possession of the School Site.

(e) The School shall in all events vacate the School Site and surrender it to Lessor, by June 30th following an Event of Non-Appropriation.

ARTICLE V
AGREEMENT LEASE PAYMENTS

Section 5.01 Lease Payments.

(a) Base Rent. School agrees to pay Lessor, its successors and assigns, for the right to use, improve, and acquire by purchase the School Site, and Lessor agrees to accept, as full lease payment for the School Site a sum equal to the monthly Base Rent set forth in Exhibit C to this Agreement, as may be amended. The first Base Rent payment is due and payable on the fifteenth day following issuance of the Certificate of Occupancy for the School Site including all certifications and approvals required for the School to operate a charter school at the School Site (“Rent Commencement Date”), and thereafter, on the first day (1st) day of each month during the Term of this Agreement. Any partial month’s Base Rent will be calculated on a *pro rata* basis.

(b) Interest Rate. The initial interest rate charged on the balance of the Purchase Price is as set forth in Section 6.03 herein and Exhibit C, and is calculated by adding two percent (2%) over the interest rate (“Lessor’s Surcharge”) charged to Lessor on Lessor’s Loan (“Base Interest Rate”). The Base Interest Rate shall

be adjusted to reflect the actual interest rate charged on Lessor's Loan as of the Commencement Date, plus Lessor's Surcharge and Exhibit C will be replaced with a revised Base Rent Schedule reflecting the reduced interest rate on or before the Rent Commencement Date. Lessor shall provide documentation of the interest rate charged by Lessor's Lender upon execution of this Agreement. Lessor represents that the interest rate charged on its Loan is subject to change not more frequently than every five (5) years ("Adjustment Date") during the Term of this Agreement. The first Adjustment Date after the rate shown on Exhibit C ("Interest Rate Adjustment") shall be no sooner than five years after the Rent Commencement Date and each interest rate increase shall not be greater than 1.5%. The total Interest Rate Adjustment over the Term shall not be greater than 3%. If Lessor is notified by Lender that there will be an Interest Rate Adjustment to Lessor's Loan, Lessor shall notify the School in writing (including a copy of Lender's notification to Lessor) of Lender's Interest Rate Adjustment on or before March 1 in the year prior to the Fiscal Year in which the interest increase shall occur. Lessor acknowledges that failure to timely notify the School of a projected Interest Rate Adjustment for this Agreement may result in the School's inability to budget the funds necessary to cover the increased Interest Rate Adjustment in its annual budget and in said event Lessor shall forbear charging the School for the amount of the increase of any Interest Rate for that Fiscal Year.

(c) Allocation of Base Rent. A portion of each Base Rent payment is paid and represents payment of the principal and interest component of each payment made under this Agreement, in accordance with NMSA 1978, §22-26A-5(F). Upon receipt of each payment of Base Rent, Lessor shall apply the amount of such payment to principal and interest as shown in Exhibit C or any amendments thereto, thereby reducing the Purchase Price to be paid by the School if it elects to exercise its option to purchase the School Site. The parties agree that the interest component of each payment made, or net effective interest rate thereon, shall not exceed the maximum permitted by the Public Securities Act, NMSA 1978, §6-14-1 through §6-14-3, as that Act may be amended from time to time.

Section 5.02 Rent Commencement Date. Rent shall commence on the date Lessor has completed the Improvements described in Exhibit B hereto and appropriate certificates of occupancy, including educational occupancy have been issued in accordance with the Requirements of Law.

Section 5.03 Additional Rent. In addition to the Base Rent, School shall pay Additional Rent during the Term as herein provided. Additional Rent shall be estimated annually by Lessor and said estimate shall be provided in writing to the School on or before February 1 of every year. If the Lessor fails to submit an estimate on or before February 1, then the amount of Additional Rent shall be the same as the preceding year. The Additional Rent paid by School shall be in an amount sufficient to pay the following costs during the ensuing Fiscal Year, provided that School's payment of any of these costs or any other costs, fees, or expenses under or according to this Agreement does not violate Article IX, Section 14 of the New Mexico Constitution or pertinent New Mexico statutory or common law: (i) taxes, not including property taxes after the first year of the School's occupancy of the Premises (it being assessed that, upon occupancy, the School will apply for an appropriate exemption from any such property taxes as permitted by New Mexico law and procedure) related to the School Site after School assumes occupancy of the School Site as set out in Section 5.08; (ii) the cost of insurance premiums for additional insurance as may be requested or required by Lessor's lender or insurance providers; and (iii) all other costs expressly required to be paid by Lessor as Additional Rent to the School hereunder, if any, provided that Lessee's payment of such cost or expense does not violate Article IX, Section 14 of the New Mexico Constitution. If School's governing body decides to continue this Agreement for the ensuing Fiscal Year, School's obligation under this Agreement to pay Additional Rent during such Fiscal Year shall be limited to the amount so appropriated for Additional Rent. Additional Rental obligations in excess of the amounts so appropriated shall in no event be due or owing from School.

Section 5.04 Budgeting. In any Fiscal Year that this Agreement is in effect, School shall, to the extent permitted by New Mexico law, and by Public Education Department practice, policy, or directive, include in the budget proposal to the Public Education Department for the ensuing Fiscal Year an amount equal to one hundred

percent (100%) of the Base Rent and one hundred five percent (105%) of estimated Additional Rent; provided, however, that the decision whether to continue this Agreement and whether to appropriate such amounts therefor shall remain within the sole discretion of School's governing body. The Base Rent, Additional Rent, and any other obligations payable by School under this Agreement shall constitute currently appropriated expenditures of School and shall not constitute a debt or multiple Fiscal Year direct or indirect obligations whatsoever of School or a mandatory charge or requirement against School in any Fiscal Year beyond the Fiscal Year for which such payments have been approved.

Section 5.05 Nature of Payment. School and Lessor acknowledge and agree that the Base Rent and Additional Rent hereunder shall constitute currently appropriated expenditures of School and may be paid from any legally available funds. School's obligations under this Agreement shall not constitute a mandatory charge or requirement for payment of any amounts in excess of amounts appropriated for any Fiscal Year beyond the Fiscal Year for which such appropriation has been made. No provision of this Agreement shall be construed or interpreted as creating a debt or multiple Fiscal Year direct or indirect debt or other financial obligation whatsoever of School within the meaning of any constitutional or statutory limitation or requirement. No provision of this Agreement shall be construed or interpreted as creating a delegation either of governmental powers or as a donation by or a lending of the credit of the School within the meaning of any constitutional or statutory limitation or requirement. This Agreement does not directly or indirectly obligate the School to make any payments beyond those appropriated for any Fiscal Year for which payments have been appropriated.

Section 5.06 Manner of Payment.

(a) The Base Rent and any Additional Rent shall be paid on the first (1st) day of every month of the Term when due in lawful money of the United States of America. If Base Rent and any Additional Rent is not paid in full when it becomes due, School shall have a five (5) day grace period hereafter. However, if the Base Rent and any Additional Rent is not received by the Lessor by the sixth day (6th) of the month, School shall pay a late fee on the outstanding amounts owed equal to 1.5% of those outstanding amounts. Payments made shall be credited first to outstanding Base Rent and then to any Additional Rent. No other late fees or charges shall be assessed by Lessor.

(b) The obligation of School to pay the Base Rent and Additional Rent required under this Agreement shall not be abated through accident or unforeseen circumstances, except as otherwise provide by law. School shall during the Term hereof make all payments of Base Rent and Additional Rent when due and shall not withhold any Base Rent or Additional Rent, nor shall School assert any right of set-off or counter-claim against its obligation to make such payments required hereunder; provided, however, that the making of such payments shall not constitute a waiver by School of any rights, claims, or defenses which School may assert. No action or inaction on the part of Lessor shall affect School's obligation to pay Base Rent and Additional Rent of this Agreement.

Section 5.07 Funding of Improvements to School Site. School and Lessor agree that School may use all legally available funds to acquire, construct, equip, install, or make improvements to the School Site during the Term of this Agreement upon written approval of the Lessor, which approval shall not be unreasonably withheld. Prior to any termination of this Agreement as provided hereunder, other than termination due to purchase of the School Site by School, Lessor may require School to remove, at School's own expense, any improvements to the School Site that were funded by School.

Section 5.08 Taxes and Assessments. During the Term, if the School Site or any portion thereof shall, for any reason, be deemed subject to taxation, assessments, or charges lawfully made by any governmental body, School shall pay, as Additional Rent the amount of all such taxes, assessments, and governmental charges then due. With respect to special assessments or other governmental charges that may be lawfully paid in installments over a period of years, School shall be obligated to provide only for such installments as are required to be paid

during the Term of this Agreement. School shall not allow any liens for taxes, assessments, or governmental charges to exist with respect to the School Site or any portion thereof, including any taxes levied thereon which, if not paid, will become a charge on the rentals and receipts from the School Site or any portion thereof, or any interest therein, including the Lessor's interests or the rentals and revenues derived therefrom or hereunder. If School shall first notify Lessor of the intention of School to do so, School may, at the expense and in the name of School, in good faith contest any such tax, assessment, and other charges and, in the event of any such contest, may permit the tax, assessment, or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless Lessor shall notify School that, in the opinion of independent counsel, whose reasonable fees shall be paid by School, by nonpayment of any such items the School Site or any portion thereof will be subject to loss or forfeiture, or Lessor will be subject to liability, in which event such tax, assessment, or other charges shall be paid promptly or secured by posting a bond with Lessor in form satisfactory to Lessor (provided, however, that such payment shall not constitute a waiver of the right to continue to contest such tax, assessment, or other charges). Lessor shall cooperate in any efforts by School to contest any taxes or assessments. Notwithstanding anything to the contrary in this Agreement, Lessor represents and warrants that Lessor undertake the efforts set forth in the Addendum hereto to remove any covenants, restrictions, assessments, charges, servitudes, liens, reservations and easements related to the Ventana Ranch subdivision and shall indemnify and hold harmless School from any liability, loss or damage it may suffer as a result of claims, demands, costs or judgments that the School or School Site incurs, including but not limited to reasonable attorneys' fees, related in any way to any covenants, restrictions, assessments, charges, servitudes, liens, reservations and easements associated with the Property.

Section 5.09. Utilities. During the Term, School shall pay, as the same respectively become due, all gas, water, electricity, heat, sewer and waste disposal, and other utility charges incurred in the maintenance and upkeep of the School Site and School shall place all such utilities in its name.

Section 5.10 Maximum Monthly Rental Amount. Notwithstanding anything to the contrary set forth in this Agreement, the maximum amount of Base Rent that may be charged monthly shall not exceed \$59,502.69.

ARTICLE VI OPTION TO PURCHASE

Section 6.01 Option to Purchase. In consideration of the agreements, promises, and covenants made each to the other in this Agreement, and other good and valuable consideration received, which consideration Lessor acknowledges to be adequate, Lessor grants to School the option to purchase the School Site upon the terms and conditions set forth in this Agreement, and to the extent permitted by the Public School Lease Purchase Act.

Section 6.02 Maximum Purchase Price. The Lessor has guaranteed a maximum purchase price to acquire the Land and develop the School Site not to exceed \$10,903,704.06 (Ten Million Nine Hundred Three Thousand Seven Hundred Four Dollars and Six cents) ("Maximum Purchase Price"). The Purchase Price, which shall not exceed the Maximum Purchase Price, shall be determined between the parties after Lessor has obtained construction bids based on the Approved Plans as the term is defined in Exhibit B. Lessor shall provide School with an overall cost projection by no later than thirty (30) days from completion of the Approved Plans. The Parties shall negotiate Lessor's Costs within thirty (30) days from the date School receives the overall construction cost projection from Lessor. The Purchase Price shall be Lessor's overall cost projection Costs multiplied by fifteen percent (15%) (Lessor's profit), plus Lessor's gross purchase price to acquire the Land, the total of which shall not exceed the Maximum Purchase Price. The Lessor's gross costs to acquire the Land (which shall not contain any mark up for profit) shall be documented by presenting the School with a copy of the closing statement from the Land sale transaction (i.e. the "Purchase Agreement"). Lessor shall not charge a profit on the Land purchase price. If the Purchase Price as calculated herein is less than the Maximum Purchase Price, Exhibit C will be replaced to reflect the lower price. Notwithstanding the foregoing, to the extent Lessor's actual costs of

construction are less, after a final reconciliation, than its projected costs as set forth above, the difference shall reduce the Purchase Price and Exhibit B shall be adjusted accordingly; any increase in the actual construction costs relative to the projected costs, shall not increase the Purchase Price.

Section 6.03 Purchase Price on Exercise of Option. Subject to the provisions of Section 6.06, the “Purchase Price” for the School Site on exercise of the option to purchase hereunder shall be the amount necessary to pay the outstanding principal balance on the unpaid Purchase Price, as set forth in the Base Rent Schedule attached at Exhibit C hereto, plus any accrued and unpaid interest to that date. The interest rate on the principal balance remaining on exercise of the option to purchase shall not exceed the maximum permitted by the Public Securities Act, as that Act may be amended from time to time.

Section 6.04 Additional Annual Advanced Principal Payments. In addition to the Base Rent, and any Additional Rents due, beginning with the sixty-first (61st) month after the Rent Commencement Date (or sooner, should the School so elect), the School shall make one (1) additional principal payment of \$100,000.00 (One Hundred Thousand Dollars) each year reducing the Purchase Price accordingly. The School’s failure to make the advanced principal payment as contemplated by this Section, shall not constitute a default under this Agreement, nor otherwise be cause for termination of this Agreement or imposition of a penalty or fine by the Lessor. If the School determines it does not have available funds to make the advanced principal payment it shall notify Lessor by August 1 of each Fiscal Year. School may make additional advance principal payments to be applied toward the Purchase Price without penalty.

Section 6.05 Closing Costs Upon Payment of Purchase Price. On exercise of its option to purchase the School Site, the Purchase Price to be paid by School to Lessor at closing shall be a net amount to Lessor, and all expenses in connection with the transfer of the School Site, including title insurance, recording fees, documentary stamps, and any other closing costs, shall be paid by School. The Purchase Price shall be paid by School in cash to Lessor concurrent with Lessor’s conveyance of the School Site to School by warranty deed as provided in Section 6.06 hereof.

Section 6.06 Transfer of Title. At closing of the transaction between the parties, Lessor shall convey the School Site to School free and clear of any mortgage, indenture and other encumbrances of record, except those existing at the time of acquisition of the Property by Lessor or otherwise approved by School. The conveyance shall be by a standard form warranty deed from Lessor to School.

Section 6.07 Agreement is Subordinate. School’s rights under this Agreement are and shall be subject and subordinate to any underlying mortgage (including a consolidated mortgage), indenture, or deed of trust constituting a first lien on the School Site, or any part thereof, whether such mortgage, indenture, or deed of trust has heretofore been, or may hereafter be, placed upon the School Site to secure Lessor’s indebtedness to any bank or other financial institution, trust company, or other financial lender, whether private or public, for the acquisition of the School Site, or to any renewal, modification, consolidation, replacement, or extension of any such mortgage, indenture, or deed of trust. This subordination clause applies only to a first mortgage. Any mortgage, indenture, or deed of trust, securing the Lessor’s indebtedness to acquire the School Site shall not exceed the Purchase Price when the option to purchase hereunder is then exercised. This subordination clause shall be self-operative, and no further instrument of subordination shall be required. School shall, nevertheless, execute and deliver, from time to time, any instrument and certificate affirming and confirming such subordination that Lessor may reasonably request. Lessor will cause any such mortgage, indenture, or deed of trust to contain provisions requiring the holder of the indebtedness secured thereby to mail to School by registered mail, addressed to School at its office as set forth in this Agreement, a copy of each notice of breach of covenant, default, or foreclosure given by the holder or the trustee under such mortgage, indenture, or deed of trust to Lessor. School may, upon receiving notice of breach of covenant, default, or foreclosure under any such mortgage, indenture, or deed of trust as herein provided exercise the option to purchase set forth herein by paying either the then-outstanding principal amount of the debt secured by mortgage, indenture, or deed of trust plus any accrued and unpaid interest

or the Purchase Price, whichever is less. Notwithstanding the foregoing, School's rights under this Agreement shall not be subordinate to the lien of Lender, or any lienholder holding a lien securing Lessor's indebtedness, unless Lender and any other lienholder executes a commercially reasonable non-disturbance agreement that allows the School to continue to occupy the School Site provided School continues to pay monthly installments of Base Rent and provided no material default of this Agreement by School.

Section 6.08 Performance of Option. The School may exercise the Option to Purchase as set forth herein by the payment by School of the Purchase Price, and other payments expressly provided for in this Agreement, to the date of the completion of the purchase of the School Site by School. Notwithstanding anything to the contrary set forth in this Agreement, unless otherwise determined by the School, the payment of the Purchase Price, whether by payment of the Base Rent and Additional Rent over the Term of this Agreement, or otherwise, shall constitute the School's exercise of its Option to Purchase.

Section 6.09 Adjustments. Adjustments and proration of taxes, water rents, insurance premiums, and similar items shall be made as of the date of the closing of title, in accordance with the practice approved by the parties.

Section 6.10 Principal Pre-Payment. School shall make an initial principal payment of \$1,960,000.00 (One Million Nine Hundred Sixty Thousand Dollars and no cents) ("Advanced Principal Payment"), to be immediately applied to the Purchase Price, upon execution of this Agreement. School shall receive a credit against the Advanced Principal Payment in the amount of \$85,000.00 due to the prepayment of \$60,000.00 (Sixty Thousand Dollars and no cents) for advance work completed related to the feasibility and development of the School Site and architect fees as well as the \$25,000.00 (Twenty Five Thousand Dollars and no cents) Earnest Money Deposit made to Lessor pursuant to the previously executed Agreement Regarding Earnest Money Deposit and the Pre-Development Services Agreement between the Parties (collectively referred to as "Lessor's Deductions").

Section 6.11 Lessor's Deductions. The Lessor agrees that the Purchase Price on Exhibit C properly reflects a deduction from the Purchase Price for School's payment of the Advanced Purchase Price. The Purchase Price balance, after applying the Advance Principal Payment shall not exceed \$8,943,704.06 (Eight Million Nine Hundred Forty-Three Thousand Seven Hundred Four Dollars and six cents).

Section 6.12 Priority. The Option to Purchase under this Agreement shall be a covenant running with the land for the term of the Agreement, and no conveyance, transfer, easement, or encumbrance thereof shall defeat or adversely affect the Option to Purchase hereunder.

ARTICLE VII TENANT IMPROVEMENTS, MAINTENANCE AND INSURANCE

Section 7.01 Construction of Improvements. Lessor shall complete the Improvements as described and in accordance with the provisions of in Exhibit B and Attachment B-1.

Section 7.02 Maintenance and School Site Costs. After the Rent Commencement Date hereof, School shall, for the remainder of the Term hereunder, maintain, preserve, and keep the entire School Site or cause the School Site to be maintained, preserved, and kept, with the appurtenances and every part and parcel thereof, in good repair, working order, and condition, subject to normal wear and tear, and School will from time to time make or cause to be made all necessary and proper repairs to maintain the School Site to Statewide Adequacy Standards. Except as expressly set forth in this Agreement, Lessor shall not have any other responsibility for the making of any additions, modifications, or replacements to the School Site during the Term of this Agreement.

Section 7.03 Removal of Improvements. Except as provided in Subsection 9.02 and Section 9.03 of this

Agreement, School agrees and covenants with Lessor that any and all alterations, additions, and improvements, except the School's Property, other moveable furniture, equipment, portable or modular buildings and such other items of personal property that are removable from the wall, ceiling and floor surfaces without causing damage to such surfaces, shall become a permanent part of the School Site at the termination of this Agreement, if not removed by School. School agrees that if such improvements are removed at the termination hereof, it will repair or restore the area of such surface, if removal of School's personal property creates an unsightly condition, by capping any electrical outlets and concealing any surface areas where personal property, such as counters or shelving, may have been stabilized by attachment to such surfaces.

Section 7.04 Liens. Except as otherwise expressly provided in this Agreement, neither School nor Lessor shall directly or indirectly, create, incur, assume, or suffer to exist any mortgage, pledge, lien, charge, encumbrance, or claim on or with respect to the Improvements, except as herein provided. Lessor and School shall promptly, at their own expense, take such action as may be necessary to duly discharge or remove any such mortgage, other than existing mortgages or subsequent mortgages as agreed to by the parties in writing, pledge, lien, charge, encumbrance or claim if the same shall arise at any time, during the respective party's control of the School Site and each party shall reimburse the other for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance, or claim which arose during the control of the School Site. Nothing herein shall limit Lessor's right to refinance or restructure debt against the School Site; however, no refinance or restructure shall impair School's rights under the terms of this Agreement and no amount of any debt secured by the Land or School Site shall exceed the Purchase Price. School covenants and agrees to execute and deliver, upon demand, such further reasonable instrument or instruments subordinating this Agreement to the lien of any mortgage or mortgages as shall be desired by Lessor and any mortgagees or proposed mortgagees, including Lender, provided such documents contain commercially reasonable non-disturbance agreements that allow the School to continue to occupy the School Site provided school continues to pay monthly installments of Base Rent and provided no material default of this Agreement by School.. Lessor, within thirty (30) days of refinancing or restructuring, shall provide notification to School with certification from the financial institution that this Agreement does not violate any term or condition of the restructured or refinanced obligation.

Section 7.05 School's Insurance Obligations.

(a) Liability Insurance. Beginning on the Commencement Date hereof, School shall procure and maintain or cause to be carried and maintained in full force and effect during the Term hereof at School's sole cost and expense, such public liability insurance covering bodily injury, disease, illness or death, and property damage liability as is available from and provided by the Public Schools Insurance Authority or its successor, with limits of coverage not less than \$300,000 for each person for all past and future medical and medically-related expenses arising out of a single occurrence and \$400,000 in the aggregate for all claims other than medical or medically-related expenses arising out of a single occurrence, and \$200,000 for personal property damage liability per address with a combined limit/maximum liability of \$1,050,000, or such lesser coverage amounts provided by the Public Schools Insurance Authority, for the benefit of both School and Lessor as protection against all liability claims arising from activities on the School Site, causing Lessor to be named as an additional-named insured on such policy of insurance, and delivering a copy thereof to Lessor upon the commencement of the Term hereof and with a deductible per loss of no greater than \$25,000. School shall adjust such minimum coverage limits annually or as necessary to conform to the minimum coverage limits required for local public bodies pursuant to NMSA 1978, §41-4-19 and §41-4-20, and NMSA 1978, §22-29-1 through §22-29-11.

(b) Property Insurance. Subject to the availability of such coverage from the Public Schools Insurance Authority, School shall also carry and maintain or cause to be carried and maintained in full force and effect during the Term hereof, at School's sole cost and expense, fire and extended coverage insurance upon the School Site, including all buildings, alterations, additions, and improvements in an amount equal to their replacement values. Lessor and any lending institution(s) of record shall be named as loss payees on the property insurance policy and shall be provided with a copy of this policy annually on the anniversary date of the policy.

In the event that the School Site should be destroyed or substantially damaged in whole or in part, and such loss is covered by fire and extended coverage insurance, School shall have the option to either continue this Agreement and use the insurance proceeds to replace or repair the School Site and on Lessor's behalf, or terminate this Agreement and tender to Lessor all such insurance proceeds attributable to the loss or damage to the School Site. If for any reason School is prohibited by law or regulation from carrying such insurance, Lessor may obtain such insurance, and School shall pay the premiums of such insurance as Additional Rent, to the extent permitted by New Mexico law.

(c) Business Personal Property Insurance. Subject to the availability of such coverage from NMPSIA, School shall also carry and maintain business personal property insurance. Special form insurance for perils on all business personal property on the School Site including fixtures, machinery and equipment installed by School, and such other insurance as Lessor may require if available to School by NMPSIA. Such insurance to be in an amount equal to one hundred percent (100%) of the insurable value thereof, if available by NMPSIA.

(d) Workers' Compensation Insurance. If required by New Mexico law as of the Commencement Date hereof, School shall carry workers' compensation insurance covering all its individual employees on, in, near, or about the School Site, and upon request shall furnish certificates to Lessor evidencing such coverage.

Section 7.06 Lessor's Insurance. Lessor shall, from the date of approval of this Agreement, obtain and maintain during the Term, commercial general liability insurance with coverage limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. The School and any lending institution(s) of record shall be named as additional insureds and loss payees on the liability property insurance policy and shall be provided with a copy of this policy annually on the anniversary date of the policy. The cost of any such insurance shall constitute Additional Rents contemplated in Section 5.03(ii).

Section 7.07 Damage or Destruction; Use of Net Proceeds.

(a) Damage and Destruction. If, during the Term of this Agreement, the School Site, Improvements, or any portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty then School shall be obligated, subject to the provisions of Subsection (c) hereof and Section 7.05(b), to continue to pay the amounts specified in Subsection (b) hereof and, to the extent of amounts specifically appropriated by School, to pay Base Rent and Additional Rent.

(b) Repair and Replacement. To the extent not contrary to applicable New Mexico law, School and, to the extent such Net Proceeds are within its control, and further subject to the Lessor's obligations under the Lessor's Loan and mortgage, Lessor shall cause such Net Proceeds to be deposited in a separate trust fund held by Lessor. Except as set forth in Subsection (c) hereof, all Net Proceeds of any insurance policies or performance bonds owed to either School or Lessor shall be applied to the prompt repair, restoration, modification, improvement, or replacement of the School Site, as the case may be, by School upon receipt of requisitions acceptable to Lessor setting forth: (i) the requisition number; (ii) the name and address of the person, firm, or corporation to whom payment is due or has been made; (iii) the amount to be paid or reimbursed; (iv) conditional or unconditional lien waivers; and (v) that each obligation mentioned therein has been properly incurred, is a proper charge against the separate trust fund and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation. Lessor shall cooperate with School in the administration of such fund and shall not unreasonably withhold its approval of requisitions under this Section. Any repair, restoration, modification, improvement, or replacement of the School Site paid for in whole or in part out of Net Proceeds of School's insurance as described in Section 7.6 hereof shall be included as part of the School Site under this Agreement.

(c) Insufficiency of Net Proceeds for School Site. If there occurs an event described in Subsection (a) hereof, and if any Net Proceeds received as a consequence of such event and available to Lessor or School shall be insufficient to pay in full the cost of any repair, restoration, modification, improvement, or replacement of the School Site required under Subsection (b) hereof, School shall elect one of the following options:

(i) School may, to the extent permitted by New Mexico law, in accordance with Subsection (b) hereof, repair, restore, modify, or improve the School Site or replace the School Site (or portion thereof) with property of a value equal to or in excess of the School Site, and pay as Additional Rent any cost in excess of the amount of the Net Proceeds. To the extent the amounts for Additional Rent, which have been specifically appropriated by School, are available for the payment of such costs, and School agrees to make Additional Rental payments pursuant to the provisions of this paragraph and to the extent permitted by law, School shall not be entitled to any reimbursement therefor from Lessor, nor shall School be entitled to any diminution of the Base Rent and Additional Rent.

(ii) If, by June 30th of the Fiscal Year in which an event described in Subsection (a) hereof occurs (or June 30th of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve, or replace the School Site become apparent), School has not appropriated amounts sufficient to proceed under clause (i) of this Subsection, School may request Lessor to make up the insufficiency in the Net Proceeds and if Lessor refuses, School may terminate the Agreement.

(d) Cooperation. The parties to this Agreement shall cooperate fully with the other in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Subsection (a) hereof. In no event shall either party voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim performance or payment bond claim or any portion thereof without the written consent of the other party. Each party shall be responsible for their respective fees and expenses incurred under this section.

ARTICLE VIII CONDEMNATION; USE OF NET PROCEEDS

Section 8.01 Condemnation. In the event that all or any material portion of the School Site is condemned by any governmental body or entity under the power of eminent domain or are sold under threat of condemnation to any public body or entity prior to School's purchase of the School Site, Lessor shall be entitled to all compensation awarded for the Land and Improvements, not to exceed the then existing Purchase Price, and School shall be entitled to all compensation awarded for the School's business property, equitable leasehold or ownership interest, and improvements made to the School Site owned by the School after the Commencement Date.

Section 8.02 Condemnation of Other Property Owned by School. School shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for destruction of, damage to, or taking of its property including its leasehold interest, but not included in the School Site. Lessor agrees that School shall have the option, at School's sole cost and expense, upon written notice to Lessor, to enter an appearance and defend in any condemnation action as to the School Site and the School's improvements made pursuant to Article IX, or its equitable leasehold or ownership interest and upon such election, Lessor shall not be obligated to provide a defense as to the School's improvements or equitable leasehold or ownership interest, but may do so at Lessor's sole expense. In consideration for such option granted in this paragraph, School agrees not to enter into any settlement agreement as to the condemnation award to be paid for the taking or partial taking of the School's improvements or leasehold interest without Lessor's prior written consent, which consent shall not be unreasonably withheld.

ARTICLE IX
LESSEE'S IMPROVEMENTS, EQUIPMENT, AND WARRANTIES

Section 9.01 Improvements to School Site. School, at its own expense, may remodel, or make additions, modifications, or improvements to the School Site, provided that: (i) such remodeling, modifications and additions shall not in any way damage the School Site as it existed prior thereto, and shall become part of the School Site, subject to the provisions of Section 9.02 hereof; (ii) the value of the School Site after such remodeling, modifications, and additions shall be at least as great as the value of the School Site prior thereto; and (iii) the School Site, after such remodeling, modifications, and additions, shall continue to be used as set forth herein and shall otherwise be subject to the terms of this Agreement. If School makes and pays for improvements to the School Site, there shall be no additional financial obligations to School under this Agreement without written approval by the Public Education Department, in accordance with NMSA 1978, §22-26A-5(G) nor shall there be any diminution or abatement of the School's obligation to pay rent.

Section 9.02 Lien on Improvements by School. Subject to the subordination provision of Section 6.07 of this Agreement, if State of New Mexico or School funds, above those required for Lease Payments hereunder, are used to construct or acquire Improvements, the cost of those Improvements shall constitute a lien on the School Site in favor of School and then, if this Agreement is terminated prior to the final payment and the release of the security interest or the transfer of title hereunder, at the option of School: (1) School may foreclose the real estate lien; or (2) the current market value of the School Site at the time of termination, as determined by an independent appraisal certified by the New Mexico Taxation and Revenue Department, in excess of the outstanding principal due under this Agreement, shall be paid to School, all in accordance with NMSA 1978, §22-26A-5(H). The priority of such statutory lien shall be determined according to New Mexico law, should a legal dispute arise as to the order of satisfaction.

Section 9.03 Installation of School's Equipment. School, upon assumption of occupancy of the School Site, may at any time and from time to time in its sole discretion and at its own expense, install items of movable machinery, standard office partitions, railings, doors, gates, counters, cabinets, lighting fixtures, signs, and such other furnishings and equipment as may in School's judgment be necessary for its purposes in or upon the School Site. All such items shall remain the sole property of School, in which Lessor shall have no interest, and may be modified or removed by School at any time provided that School shall repair and restore any and all damage to the School Site resulting from the installation, modification or removal of any such items upon termination of this Agreement for any reason other than purchase of the School Site by School. Nothing in this Agreement shall prevent School from purchasing items to be installed pursuant to this Section under a conditional sale or lease purchase contract, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the School Site.

Section 9.04 Lessor's Warranty on Improvements. All of Lessor's Work as described in Exhibit B shall include a one (1) year builder's limited warranty against defects in materials and workmanship commencing on the Rent Commencement Date.

Section 9.05 Warranties. Upon expiration of Lessor's Warranty on Improvements as set forth in Section 9.04, Lessor shall assign to School, all of its interest, if any, in all warranties and guarantees or other contract rights against architects, builders, contractors, subcontractors, suppliers, materialmen or manufacturers for the School Site, express or implied, issued on or applicable to the School Site, and Lessor hereby authorizes School to obtain the customary services furnished in connection with such warranties and guarantees at School's expense. Said assignment of Warranties, however, does not relieve Lessor from its obligations under any contract entered regarding the Improvements.

ARTICLE X
ASSIGNMENT, MORTGAGING, AND SELLING

Section 10.01 Assignment. Except for the Lessor's assignment of rents and leases contained in the mortgage, subject to the other provisions of this Agreement, neither party shall assign its interests herein without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. Any consent by a party to any assignment shall not operate as consent to any further assignment, and any further assignment shall be subject to the prior written consent of the other party in accordance with the provisions of this section. Unless otherwise agreed to by the parties, no assignment permitted hereunder shall relieve a party from liability for the performance of its obligations under this Agreement. School acknowledges and agrees that any assignment of this Agreement that violates the terms of Lessor's financial obligations under the Loan Agreement will be just and reasonable cause to deny approval of such assignment.

Notwithstanding any other provisions in this Agreement, with the prior approval of Lessor, which shall not be unreasonably withheld, this Agreement is assignable by School, without cost to School and with all of the rights and benefits of its predecessor in interest in being transferred to the assignee to: (a) any New Mexico school district or charter school; or (b) the State of New Mexico or one of its institutions, instrumentalities, or other political subdivisions, all in accordance with NMSA 1978, §22-26A-5(K). After assignment of this Agreement pursuant to this paragraph, the School shall be relieved of all obligations and Lessor shall look only to assignee for performance under this Agreement thereafter.

Section 10.02 Restriction on Mortgage or Sale of School Site by School. Prior to closing on the purchase of the School Site, School shall not mortgage, sell, assign, transfer, lease, or convey the School Site or any portion thereof without the written consent of Lessor, which consent shall not be unreasonably withheld or delayed, and subject to the applicable provisions of the Public School Lease Purchase Act. School agrees that Lessor has good cause to refuse consent of any such mortgage, sale, assignment, transfer, lease or conveyance, if it affects Lessor's underlying financial obligations related to acquisition of the School Site.

ARTICLE XI EVENTS OF DEFAULT AND REMEDIES

Section 11.01 Events of Default Defined. Each of the following shall constitute an "Event of Default" under this Agreement, and the terms "Event of Default" and "Default" shall mean, whenever they are used herein, any one or more of the following events whether occurring voluntarily or involuntarily, by operation of law, or pursuant to any order of any State governmental agency or court of competent jurisdiction:

(a) Failure by School to pay any Base Rent during the Term of this Agreement on, before, or within ten (10) days of the applicable due date or to pay Additional Rent which becomes due during the Term of this Agreement, up to the amount specifically appropriated for the payment of Base Rent and Additional Rent in accordance with the provisions hereof. Notwithstanding the foregoing, it shall not be an Event of Default entitling Lessor to exercise remedies if, within 30 days' written notice of such default by Lessor to School, School cures the default;

(b) Failure by School or Lessor to observe and perform any covenant, condition, or agreement on either party's part to be observed or performed under this Agreement for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied, unless the party giving such notice shall agree in writing, prior to the expiration of the thirty-day period, to an extension of no more than sixty (60) days. Provided, however, that if the failure stated in the notice cannot be corrected within the original thirty-day period, the party giving such notice shall not withhold their consent to an extension of up to sixty (60) days if corrective action shall be instituted by the defaulting party within such time period and diligently pursued until the default is corrected;

(c) The filing by either School or Lessor of a voluntary petition in bankruptcy, or failure by

School promptly to lift any execution, garnishment, or attachment of such consequence as would impair School's ability to carry on its school charter obligations at the School Site, or adjudication of School or Lessor as a bankrupt, or assignment by School Lessor for the benefit of creditors, or the entry by School or Lessor into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to School or Lessor in any proceedings instituted under the provisions of the federal Bankruptcy Act, as amended, or under any similar acts which may hereafter be enacted; or

(d) The revocation or nonrenewal of School's charter by its applicable chartering authority, and a subsequent decision by the district court on an appeal filed pursuant to NMSA 1978, §39-3-1.1 to not set aside, reverse or remand the Secretary of Public Education's final decision on an appeal by School's governing body filed pursuant to NMSA 1978, §22-8B-7(F). In no event shall the School's governing body be required to file an appeal if to do so would be frivolous as determined by the governing body on advice of legal counsel, or as otherwise determined by the School's governing body.

Section 11.02 Remedies of Lessor upon Event of Default. Upon the happening and continuance of any event of default by School specified in Article XI of this Agreement, Lessor or its Assignee may, without any further demand or notice to School, take one or any combination of the following remedial steps:

(a) Terminate this Agreement and give written notice to School to vacate the School Site within sixty days (60) days from the date of such notice.

(b) Lease all or any portion of the School Site as permitted by New Mexico law.

(c) Recover from School: (i) to the extent the recovery thereof is permitted by New Mexico law, the fair rental value of the use of the School Site during any period beyond the thirtieth (30th) day following the occurrence of the Event of Default; and (ii) Base Rent and Additional Rent, to the extent amounts for such Additional Rent have been specifically appropriated in accordance with the provisions hereof, which would otherwise have been payable by School hereunder during the remainder, after School vacates the School Site, of the Fiscal Year in which such Event of Default occurs.

(d) Take whatever action either at law or in equity as Lessor or its legal counsel shall deem most effectual to protect and enforce this Agreement and Lessor's rights hereunder.

Section 11.03 Remedies of School upon Event of Default. Upon the happening and continuance of any event of default by Lessor specified in Article XI of this Agreement, School or its assignee for value may, without any further demand or notice to Lessor, take one or any combination of the following remedial steps:

(a) Give notice to Lessor of School's intent to not continue this Agreement, as determined in the sole discretion of School's governing body; provided, however, that such obligations of School to pay Lease Payments under Article V shall continue until School vacates the School Site.

(b) Recover from Lessor any amounts due School as contemplated under NMSA 1978, §22-26A-5(H).

(c) Take whatever action either at law or in equity as School or its legal counsel shall deem most effectual to protect and enforce this Agreement and School's rights hereunder.

Section 11.04 Force Majeure. The provisions of Sections 11.1 and 11.2 of this Agreement are subject to the following limitations: if by reason of *force majeure*, School or Lessor is unable in whole or in part to carry out its obligations under this Agreement, Lessor or School shall not be deemed in default during the continuance of such inability or during any other delays which are a direct consequence of the *force majeure* inability. The

term “*force majeure*” as used herein shall mean, without limitation: acts of God; strikes, lockouts, or other industrial disturbances; epidemics or pandemics; acts of public enemies; orders or restraints of any kind of the government of the United States of America or any of its departments, agencies or officials, or any civil or military authority other than School or Lessor; insurrections; riots; earthquakes; fires; storms; drought; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Lessor or School and not resulting from the negligence of the party claiming a force majeure event. Lessor and School agree, however, to remedy with all reasonable dispatch the cause or causes preventing them from carrying out their respective obligation under this Agreement; provided that the settlement of strikes, lockouts and other industrial disturbances shall not be required if in the judgment of the party raising the defense of *force majeure*, acceding to the demands of the person or persons creating the strike, lockout or industrial disturbance, would be injurious to such party.

Section 11.05 Remedies Cumulative. The above-provided rights and remedies to which either party is entitled hereunder, at law or in equity, are cumulative and not exclusive of all other rights and remedies to which a party may be entitled herein, at law or in equity, in the event of breach or threatened breach by a party in default of any of the terms, conditions, and provisions contained herein.

Section 11.06 No Additional Waiver Implied by One Waiver. The failure, neglect, or omission of a non-defaulting party to terminate this Agreement for any breach or default shall not be deemed a consent by the non-defaulting party of such breach or default and shall not stop, bar, or prevent the non-defaulting party from thereafter terminating this Agreement, either for such violation of for prior or subsequent violation of any covenant hereof that has not been cured. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 11.07. Dispute Resolution. Prior to resort to litigation, the parties shall endeavor to resolve all disputes arising as to this Agreement by mediation before a mutually agreed mediator the cost of which shall be shared by the parties.

ARTICLE XII TITLE

Section 12.01 Title to School Site. During the Term hereof, Lessor shall hold legal title to the School Site and all additions which comprise repairs, replacements, substitutions, or modifications, subject to School’s rights, both legal and equitable, under New Mexico statutory and common law.

Section 12.02 Public Property. Upon approval of this Agreement by the Public Education Department and the Public School Facilities Authority, and execution of this Agreement by the parties, the School Site shall be considered a public property pursuant to NMSA 1978, §22-26A-5.1(B).

ARTICLE XIII HAZARDOUS MATERIALS LAWS

Section 13.01 Compliance with all Hazardous Materials Laws. As of the Commencement Date, School, shall at all times keep and maintain the School Site in compliance with and shall not cause or permit the School Site or any activities conducted thereon to be in violation of any federal, state or local law, ordinance or regulation relating to commercial or industrial hygiene, environmental safety or the environmental conditions on, under or about the School Site, including, but not limited to, air, soil, subsurface and ground water conditions. School shall not permit any subtenant or other occupant of the School Site, except in accordance with applicable Hazardous Materials Laws as hereinafter defined, to use, generate, manufacture, store, produce, release, discharge, dispose of or otherwise permit the presence of, on, under or about the premises or transport to or from the School Site any

explosives (flammable or otherwise), radioactive materials, pollutants, contaminants, hazardous wastes, hazardous air pollutants, toxic substances or related materials, including, without limitation, any substances defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “hazardous pollutants” or “toxic substances” under any applicable federal or state laws or regulations (collectively referred to hereinafter as “Hazardous Materials”). Hazardous materials shall include petroleum products. Upon request of Lessor, School will prepare and provide such reports as will evidence compliance by School with Hazardous Materials Laws, and which will evidence that the School Site and the uses thereon are in compliance with Hazardous Materials Laws. Either party shall immediately advise the other party in writing of its discovery of or receipt of notice of: (i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened pursuant to any applicable federal, state or local laws, ordinances, regulations, orders or publications relating to any Hazardous Materials affecting the School Site (“Hazardous Materials Laws”); (ii) any use, generation, manufacture, production, release, discharge, storage or disposal of Hazardous Materials, or substantial threat of any of the foregoing, on, under or about the School Site; (iii) all claims made or threatened by any third party against a party or the School Site relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (i) and (iii) above are hereinafter referred to as “Hazardous Materials Claims”); and (iv) any occurrence or condition on any property adjoining or in the vicinity of the School Site that could cause the School Site to be subject to any restrictions on the ownership, Completion, transferability or use of the premises under any Hazardous Materials Law.

Section 13.02 School’s Responsibility. As pertaining to the School Site, and only to the extent authorized by law for a New Mexico charter school, for the period covered by the Lease and after acceptance of the School Site by School according to the terms of this Agreement, School shall be solely responsible to pay or otherwise satisfy any claim, written notice or demand, penalty, fine, settlement, loss, damage, cost, expense or liability made against Lessor or School directly or indirectly arising out of or attributable to the violation by School of any Hazardous Materials Law, orders, written notice or demand of governmental authorities, or the use, generation, manufacture, storage, release, threatened release, discharge, disposal, production, abatement or presence of Hazardous Materials on, under or about the premises including, without limitation: the costs of any required or necessary investigation, repair, cleanup or detoxification of the School Site, and the preparation and implementation of any closure, abatement, containment, remedial or other required plan and shall to the extent allowable by law applicable to public schools, indemnify Lessor and hold Lessor harmless from any such claim, demand, penalty, fine, settlement, loss, damage, cost, expense or liability subject to the limitations and waivers contained in the New Mexico Tort Claims Act and any insurance coverage issued pursuant thereto.

Section 13.03 Remedial Action Required. Absent Lessor’s prior written consent, which shall not be unreasonably withheld, School shall not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the School Site, nor enter into any settlement agreement, consent decree, or other compromise in response to any Hazardous Materials claim, which remedial action, settlement, consent or compromise might, in Lessor’s reasonable judgment, impair the value of Lessor’s fee interest in the School Site; provided, however, that prior consent shall not be necessary in the event that: (i)(a) the presence of Hazardous Materials on, under, or about the School Site either poses an immediate threat or is of such a nature that an immediate remedial response is necessary; or (b) any delay in taking such remedial action would result in the imposition of periodic or daily fines; and (c) such action is required by government order; and (ii) it is not possible to obtain Lessor’s consent before taking such action; provided that in such event notice shall be given as soon as practicable of any action so taken. Lessor agrees not to withhold its consent, where such consent is required hereunder, if either (i) a particular remedial action is ordered by a court of competent jurisdiction, or (ii) School establishes to the reasonable satisfaction of Lessor that there is no reasonable alternative to such remedial action that would result in less impairment to the value of Lessor’s interest in the School Site.

Section 13.04 Survival of School’s Obligations and Liabilities. School’s obligations and liabilities hereunder with respect to Hazardous Materials Claims arising from School’s actions shall survive the termination

of this Agreement.

ARTICLE XIV
THIRD-PARTY RIGHTS

Section 14.01 Third-Party Rights. Unless otherwise expressly provided in this Agreement, nothing herein is intended to confer any rights or remedies on anyone other than the parties to this Agreement and their respective assignees for value. The provisions of this Agreement shall not entitle any person not a signatory to this Agreement to any rights as a third-party beneficiary, or otherwise, it being the specific intention of the parties to this Agreement to preclude any and all non-signatory parties from any such third-party beneficiary rights, or any other rights of any nature.

ARTICLE XV
ORDER OF PRECEDENCE; CONFLICT BETWEEN PROVISIONS

Section 15.01 Order of Precedence; Conflict between Provisions. Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, shall conflict with or result in a breach of the terms, conditions, or provisions of any agreement or instrument to which School is a party.

ARTICLE XVI
LIMITATION OF LIABILITY

Section 16.01 Limitation of Liability. Neither party shall be liable for special, indirect, incidental, punitive or consequential damages arising from a breach of this Agreement.

ARTICLE XVII
MISCELLANEOUS

Section 17.01 Notices. All notices and communications required or permitted under this Agreement (including change of address, telephone number, email addresses set forth below) shall be in writing and shall be deemed given to, and received by, the receiving party: (i) when hand-delivered to the street address of the receiving party set forth below; (ii) when sent by electronic mail to the email address set forth below with a receipt showing delivery; (iii) one day after deposit with a national overnight courier addressed to the receiving party at the street address set forth below; or (iv) three (3) days after deposit in the U. S. mail, certified mail, return receipt requested, postage prepaid, addressed to the receiving party at the mailing address set forth below.

If to School:	Larry Kennedy, Governing Council President Southwest Aeronautics, Mathematics & Science Academy 4100 Aerospace Parkway NW Albuquerque, NM 87120 lkennedy@samsacademy.com
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With a copy to: (which shall not be deemed notice)	R. Daniel Castille Cuddy McCarthy, LLP 1701 Old Pecos Trail Santa Fe, NM 87505 dcastille@cuddymccarthy.com
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If to Lessor:	Steven M. Nakamura RM SAMS, LLC
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P.O. Box 73
Corrales, NM 87048
steve@rachelmatthew.com

With a copy to:
(which shall not be
deemed notice)

Matthew A. Pullen
CRT Law & Professional Service, LLC
6608 Gulton Court NE
Albuquerque, NM 87109
mpullen@crtlawpro.com

Section 17.02 Further Assurances and Corrective Instruments. Lessor and School agree that so long as this Agreement is in full force and effect and no Event of Default shall have occurred, Lessor and School shall have full power to carry out the acts and agreements provided herein and they will, so far as it may be authorized by New Mexico law, 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 School Site hereby leased or intended so to be, or for otherwise carrying out the intention of or facilitating the performance of this Agreement.

Section 17.04 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and School and their respective successors and assigns.

Section 17.05 Severability. In the event that any provision of this Agreement, other than the requirement of School to pay Base Rent and Additional Rent, the requirement of Lessor to provide quiet enjoyment of the School Site, and the requirement that the obligations of School to pay Base Rent and Additional Rent under this Agreement are conditioned upon the prior specific appropriation by School of amounts for such purposes in accordance with the requirements of New Mexico law, shall be held invalid or unenforceable by any court of competent jurisdiction, such judicial determination shall not invalidate or render unenforceable any other provision hereof.

Section 17.06 Amendments, Changes, and Modifications. This Agreement may be amended or any of its terms modified only by a written amendment authorized and executed by both School and Lessor. Amendments to this Agreement, except amendments that would improve the building or other real property without additional financial obligations to the School, shall be approved by the Public Education Department pursuant to NMSA 1978, §22-26A-5(L).

Section 17.07 Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 17.08 Applicable Law. Each party shall perform its obligations hereunder in accordance with all applicable laws, rules, and regulations now or hereafter in effect. This Agreement shall be governed by the laws of New Mexico (without giving effect to New Mexico's choice of law provisions). All legal proceedings arising from unresolved disputes under this Agreement shall be brought in Albuquerque before the Second Judicial District Court of the State of New Mexico.

Section 17.09 Lessor and School Representatives. Whenever under the provisions of this Agreement the approval of Lessor or School is required, or Lessor or School is required to take some action at the request of the other, such approval or such request shall be given for Lessor by a Lessor Representative and for School by a School Representative, provided such approval has been given by School's Governing Council, and any party hereto shall be authorized to rely upon any such approval or request.

Section 17.10 Integration. This Agreement contains all of the agreements of School and Lessor respecting

the subject matters hereof, and all prior negotiations are merged herein.

Section 17.11 Incorporation. Each and all of the recitals set forth at the beginning of this instrument, and any exhibits referenced herein and attached hereto, are incorporated herein by this reference.

Section 17.12 Captions. The captions and paragraph headings of this Agreement are not necessarily descriptive, or intended or represented to be descriptive, of all the terms thereunder, and shall not be deemed to limit, define, or enlarge the terms of this Agreement. Whenever used herein, unless otherwise indicated by the context, the singular shall include the plural, the plural shall include the singular, the use of any gender shall include all genders, and the use of the words “include” and “including” shall be construed as if the phrases “without limitation” or “but not [be] limited to” were annexed thereafter. The parties were, or had ample opportunity to be, represented by counsel, and as such this Agreement shall not be interpreted for or against either party based on authorship.

Section 17.13 Calculation of Time. Any time period herein calculated by reference to “days” means calendar days, i.e., including Saturdays, Sundays, and holidays as observed by the State of New Mexico; provided, however, that if the last day for a given act falls on a Saturday, Sunday, or such observed holiday, the day for such act shall be first day following such Saturday, Sunday, or observed holiday that is not a Saturday, Sunday, or such observed holiday.

Section 17.14 No Individual Liability. All covenants, stipulations, promises, agreements, and obligations of School or Lessor, as the case may be, contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of School or Lessor, as the case may be, and not of any member, director, officer, employee, or other agent of School or Lessor in his or her individual capacity, and no recourse shall be had on account of any such covenant, stipulation, promise, agreement, or obligation, or for any claim based thereon or hereunder, against any member, director, officer, employee, or other agent of School or Lessor or any natural person executing this Agreement or any related document or instrument.

Section 17.15 Waiver. No term of this Agreement shall be deemed waived unless such waiver is in writing signed by the party making the waiver. No delay or omission by either party in exercising or enforcing any right or power hereof shall impair such right or power or be construed to be a waiver thereof. No custom or practice that may evolve between the parties shall be construed to lessen the right of a party to require the performance of the other party in strict accordance with the terms of this Agreement. A waiver by one party of a failure of the other party to fully comply with any of the terms of this Agreement shall not be construed to be a waiver of any subsequent failure to comply or any other failure to comply.

Section 17.16 Administrative Approval. Pursuant to NMSA 1978, §22-26A-4, the parties to this Agreement acknowledge that they have obtained the required statutory approval from both the Public Education Department and the Public School Facilities Authority.

[Signature pages follow]

LESSOR
RM SAMS, LLC

By: _____

Printed Name: Steven Nakamura

Title: Managing Member

ACKNOWLEDGEMENTS

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

The foregoing LEASE PURCHASE ARRANGEMENT was acknowledged before me this _____ day of _____, 2021, by Steven Nakamura, as Managing Member of RM SAMS, LLC a New Mexico limited liability company, on behalf of the company.

(Seal)

Notary Public

My Commission Expires:

SCHOOL
SOUTHWEST AERONAUTICS, MATHEMATICS & SCIENCE ACADEMY
A New Mexico Public School,

By: _____
Printed Name: _____
Title: _____

ACKNOWLEDGEMENTS

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

The foregoing LEASE PURCHASE ARRANGEMENT was acknowledged before me this _____ day of ____, 2021, by _____, as _____ of Southwest Aeronautics, Mathematics & Science Academy a New Mexico public school, on behalf of the school.

(Seal) _____
Notary Public

My Commission Expires:

EXHIBIT A
LEGAL DESCRIPTION OF THE LAND

All of Tract A-2 of the Plat of VENTANA RANCH, an Addition to the City of Albuquerque, Bernalillo County, New Mexico, as the same is shown and designated on the Plat thereof, filed in the office of the county clerk of Bernalillo County, New Mexico on March 22, 1999 in Volume 99C, folio 62.

EXHIBIT B
IMPROVEMENTS PLANS/LESSOR'S REQUIREMENTS

A. Improvements. Lessor shall deliver the Improvements as described generally below and with more specificity as shown and described in Attachment B-1 to this Exhibit B. Lessor's obligation to deliver the Improvement's according to the provisions of this Exhibit B shall be a material term of this Agreement.

1. General Description of Improvements: Lessor shall deliver a turn-key facility to be used as a public-school facility and sold to School pursuant to a Public Education Department approved Lease Purchase Arrangement as defined in Section 1.01 of this Agreement. The Improvements are generally described as follows:

a. The Improvements to be provided shall be an approximately 36,800 square foot public school facility as determined by the Approved Plans defined below and located on the Land.

b. The Improvements provided shall be built in accordance with all state, federal, and local laws and requirements for public school facilities, including but not limited to the ADA, Educational Occupancy requirements of the International Building Code, New Mexico Statewide Adequacy Standards applicable to charter schools as set forth in 6.27.30 NMAC in effect as of the date of the initial design and issuance of permits, saving that should changes be made to any such codes or standards that might be retroactively applied to the School Facility, the Parties hereto shall renegotiate this Agreement to the extent needed to address said modifications or changes, including issues of cost and deliverability deadlines. The Improvements, when delivered to School, shall meet the current weighted New Mexico condition index (wNMCI) as determined by PSFA.

c. The Improvements shall conform to all applicable City of Albuquerque standards and E occupancy requirements and all other legal requirements.

d. The School design was done with the School's involvement and was done to try to maximize the School's eligibility for lease reimbursement grants for "classroom facilities" as the term is defined by the Public Schools Capital Outlay Council or interpreted by the PSFA.

2. Approved Plans: Lessor has contracted with a licensed architect and such other design/construction professionals experienced in public school projects for design/buildout and construction of the Improvements. Lessor and School have approved preliminary plans for the Improvements as prepared by Lessor's architect (the "Preliminary Plans"). By no later than fifteen (15) days after the Commencement Date, Lessor shall provide School a copy of the permitted set of plans and specifications ("Permitted Plans") BASED on the Preliminary Plans. School shall have ten (10) days after receipt of the Permitted Plans to approve or disapprove of same by providing written notice thereof to Lessor. If School disapproves of the Permitted Plans, Lessor shall have five (5) days after the receipt of the disapproval to agree to cure all objections of School, or Lessor shall provide written notice to School that it elects not to cure some or all of School's objections to the Permitted Plans. Thereafter, School shall have five (5) days after the receipt of Lessor's election not to cure all of School's objections to waive the failure to cure and approve the Final Plans, with any modifications Lessor has approved, or to terminate this Agreement. If this Agreement is terminated pursuant to this paragraph, it shall be cancelled and neither party shall have any further obligations, except as to those matters which specifically survive termination of this Agreement, if any. Lessor shall be required to return the entire Advance Principal Payment (\$1,960,000.00) if the School or Lessor decides to terminate this Agreement according to this paragraph.

If this Agreement is terminated at the sole option of the School for reasons other than a failure of the Permitted Plans to reasonably conform to the Preliminary Plans, as set forth above, or default by Lessor, School agrees to reimburse Lessor for any out-of-pocket expenses to design and develop plans for the construction of the

School's facility, less Lessor's Deductions, however, the rights for any such work shall then be conveyed to the School for its future purpose and use. Nothing in this paragraph shall be construed to require reimbursement of Lessor's expenses to remove subdivision covenants from the Property.

The Final Plans, as the same may be modified pursuant to the foregoing paragraph, shall be the "Approved Plans." Lessor shall provide School with an "as built" set of plans thirty (30) days after the Certificate of Occupancy issued for the Property.

3. Lessor's Work. Lessor's Work shall be to complete the school facility as shown in the plans attached and pursuant to the specifications identified therein and in this Exhibit B.

4. Lessor's Cost of Work. The following costs and expenses shall be included in the Maximum Purchase Price as set forth in Section 6.03 of this Agreement (collectively "Cost of Work"):

a. Salaries or wages of all labor including foremen, mechanics, drivers, sub- contractors, laborers, and all others necessary for the proper conduct of the work and for the time employed on the work, together with any Social Security and taxes in connection with such labor;

b. Disbursements made and obligations incurred for or in connection with the delivery and installation of all materials, structural accessories, machinery, equipment and other items required to be furnished and done hereunder; also for and in connection with the construction equipment and maintenance at the site of the work, and elsewhere as required; and for or in connection with all insurance, bonds, fees, royalties and permits;

c. Disbursements made and obligations incurred pursuant to subcontracts made hereunder, less all counter charges collected from subcontractors;

d. All utilities utilized during the Lessor's Work;

e. All loading and unloading, express and freight delivery charges;

f. Disbursements for materials or supplies furnished from Lessor's stock which shall be charged to the work at a fair market price;

g. All costs of capital used, and money borrowed;

h. All surveys, inspections and tests of the Land; and

i. All necessary approvals, easements, assessments and charges required for the construction, use or occupancy of permanent structures or permanent changes in existing facilities, including but without limitations, TIDDs and PIDs;

j. Lessor's officers' and other salaries of any person employed in the office of Lessor, and fees for any of Lessor's other consultants and contractors, for which Lessor will be solely responsible;

k. Lessor's overhead or general expenses of any kind related to Lessor's Work.

5. Construction of Lessor's Work:

a. Lessor will cause substantial completion of Lessor's Work to occur on or before twelve (12) months from the date the Agreement is executed by the Lessor and School after the Department approves it, or twelve (12) months from the date the last permit required to commencement construction is issued by the required

authority (whichever is later), subject to satisfactory completion of the Punch List of repairs (described below) which shall not interfere with the School's Use of the School Site. Lessor's unreasonable delay in obtaining permits for construction shall not extend the twelve (12) month substantial completion date. Lessor shall apply for all required permits no later than five (5) business days after the Approved Plans are ready for application to the relevant governmental entity.

b. "Substantial Completion" of Lessor's Work shall be deemed to be on the date that a "certificate of occupancy" or comparable certificate has been issued for Lessor's Improvements according to all Requirements of Law including but not limited to the New Mexico Statewide Adequacy Standards applicable to charter schools as set forth in 6.27.30 NMAC. Lessor and School shall cooperate to obtain necessary approvals for the Substantial Completion of Lessor's Work.

c. Punch List Items. School shall deliver a written list of Punch List items to be repaired by Lessor. The list may be singular or multiple lists as repair requirements arise. School shall notify Lessor of all final Punch List Items by no later than thirty (30) days from the Rent Commencement Date. Lessor shall complete Punch List items to School's satisfaction by no later than thirty days (30) from the initial notification, unless repair of any Punch List item is required for operation of the School and in said event repairs shall be made as soon as practical. Lessor will complete the Punch List prior to the Rent Commencement Date, unless otherwise agreed by School, at its sole option.

B. Insurance: Lessor shall comply with the following requirements related to insurance during the construction of Lessor's Work and through the Rent Commencement Date:

1. General Requirements. Insurers must be authorized to do business (and have an agent for service of process) in the State and either (1) have an "A" policyholder's rating and a financial rating of at least Class XI in accordance with the most current Best's Rating; or (2) otherwise be acceptable to School as evidenced by School's written approval of such insurer. All policies shall name Lessor and School as an additional insured or loss payee, as applicable. Certificates of insurance (and endorsements) must be on forms acceptable to School delivered to School prior to commencement of the Lessor's Work. The Lessor shall furnish a certificate of insurance which shall include a thirty (30) day cancellation clause requiring the insurer to mail thirty (30) day written notice to School prior to any cancellation or termination of insurance. Lessor shall not commence nor continue to perform any of Lessor's Work unless Lessor, at its own expense, has in full force and effect all required insurance. All policies shall be on an occurrence (as opposed to claims made) basis. Certificates of insurance for all coverages required herein shall be provided to School and shall remain in effect until the Rent Commencement Date.

2. Worker's Compensation and Employer's Liability Insurance. Lessor shall procure and maintain during the life of the construction contract complete Worker's Compensation and Employer's Liability Insurance in accordance with the Requirements of Law. Lessor shall require each subcontractor similarly to provide such coverage (or qualify as a self-insured) for all the latter's employees to be engaged in Lessor's Work. Worker's Compensation coverage shall be carried in the amounts of the statutory limits. Lessor shall provide and Lessor shall cause each subcontractor to provide Employer's Liability coverage of not less than \$100,000 for each person.

3. Liability Insurance. Lessor shall procure and maintain commercial general liability insurance. The policy(ies) shall provide limits of not less than those shown below:

- \$ 2,000,000 General Aggregate
- \$ 2,000,000 Products/Completed Operations Aggregate
- \$ 2,000,000 Personal Injury
- \$100,000 Property Damage
- \$50,000 Medical Expense (any one person)

Excess insurance or umbrella liability insurance will be acceptable in obtaining the above limits. The Products and Completed Operations Liability Insurance must be maintained for a period of not less than one (1) year following Substantial Completion of Lessor's Work.

4. Builder's Risk. Lessor shall provide Builder's Risk insurance coverage for the Lessor's Work (for full insurable value to replace/repair up to \$7,500,000 (Seven Million Five Hundred Thousand Dollars). Such coverage shall include completed work in progress and insure against the perils of fire and "all risk" insurance for physical loss or damage including, theft, vandalism or malicious mischief.

5. Coverages. NMPSIA shall have the right to establish and adjust coverages and required amounts of insurance for Lessor.

C. Warranties: All of Lessor's Work shall include a one (1) year builder's limited warranty against defects in materials and workmanship commencing on the Rent Commencement Date. Further, School shall have the benefit of all extended warranties and manufacturer's warranties related to the Lessor's Work.

D. Entry by School: With prior notice to Lessor and Lessor's approval, which approval shall not be unreasonably withheld or delayed, School shall have the right to enter the School Site prior to the completion of Lessor's Work for the sole purpose of installing fixtures and equipment and the work shall be performed in such a manner and at such times as to not interfere with or delay the Lessor's Work, however, said entry shall be subject to accompaniment and oversight by Lessor or its representatives.

E. Change Orders: School may request changes to the Approved Plans. Any changes are subject to Lessor's consent, which may not be unreasonably withheld. Lessor shall charge a fee for each Change Order of \$1,000 (One Thousand Dollars), plus 12% of the total change order unless otherwise agreed to by the parties. The School shall not be required to pay for any Change Order that is a result of any change in the Approved Plan caused by Lessor's or any of Lessor's employees', contractors' or representatives', mistakes, errors, omissions, or negligence.

ATTACHMENT B-1 TO EXHIBIT B
(Plans and Specifications Describing Lessor's Work)



**Rachel Matthew Development
Building Scope Construction Proposal
SAMS Academy School
6441 Ventana RD NW
Albuquerque, NM 87114**

SCOPE OF WORK

- Construction of new 36,800 square foot charter school per preliminary plans provided dated 6/21/2021.

GENERAL REQUIREMENTS

- All labor, materials, equipment, temporary fencing, clean up, supervision, coordination of subcontractors, inspection coordination, special testing services, builders risk, payroll taxes and final cleaning for a complete project.
- We have provided an allowance of (\$35,000.00) for impact fees.
- We have provided an allowance of (\$50,000.00) for PNM new service fees.

SITE UTILITIES

- Furnish and install new fire riser in building for new fire line.
- Furnish and install one (1) each 2" Comcast and 4" Centurylink trunk conduit from Utility demark to IT Room.
- We have provided an allowance for New Mexico Gas to provide a new gas line of (\$5,000.00)
- We have provided an allowance for utility expansion charges (UEC) of (\$40,000.00).

LANDSCAPING

- Furnish and install landscaping and irrigation complete per plans.

CONCRETE

- Building concrete consist of monolithic turn down foundation, interior monolithic thickened footings and spot footings, slab on grade with reinforcing, concrete slab to be 5" thick.
- Site concrete to include exterior patio flatwork, sidewalks around building only, light pole bases, and trash enclosure pad. All other concrete is excluded.

STEEL

- Furnish and install structural columns, beams, ledger angles, joist and metal deck.
- Furnish and install site bike racks, bollards at trash enclosure, and side walk culverts.

CARPENTRY

- Miscellaneous wood backing and blocking.

ARCHITECTURAL WOODWORK (CASEWORK)

- Furnish and install plastic laminate casework and solid surface counter tops at reception, warm kitchen, conference room, restrooms, and standard shelving at storage rooms.

ROOFING

- Screw and plate two layer of 2.5 poly-iso, fully adhere 60 mil TPO, T-bar and flashings, 20 NDL warranty and metal coping, furnish and install splash blocks.

EXTERIOR INSULATION AND FINISH SYSTEM

- Furnish and install 2" EIFS system at exterior framed walls with acrylic finish in a sand texture, includes fluid applied air and weather barrier.

INSULATION & SEALANTS

- Furnish and install R-19 FSK at exterior wall and R-11 un-faced at interior walls Caulk exterior/interior hollow metal frames & doors and exterior wall pipe penetrations and caulk exterior concrete slab/walk expansion joints where abuts to building.

DOORS, FRAMES, AND HARDWARE

- Provide and install hollow metal frames with wood doors and standard commercial grade hardware

GLASS AND GLAZING

- Furnish and install aluminum thermally broken storefront framing, standard anodized finish, wide stile doors, clear low-e glazing at exterior, ¼" clear tempered at interior.

GYPSUM DRYWALL AND LIGHT GAUGE FRAMING

- Metal stud framing and interior drywall complete.
- Typical exterior 6" 18ga non load bearing with 5/8" DensGlass Sheathing.
- Typical interior walls 3 5/8" 20ga rocked to deck both sides with sealant.
- Drywall finished ready for paint.

ACOUSTICAL CEILING

- Furnish and install 2' x 4' ceiling tile and grid system.

FLOORING

- Furnish and install polished flooring at classrooms, corridors, lobby, storage, and commons areas.
- Furnish and install ceramic tile at floor and walls at restrooms.
- Furnish and install carpet flooring at offices.
- Furnish and install rubber flooring at weight room.
- Furnish and install VCT flooring with game lines at gym floor.
- Furnish and install 4" resilient base.

PAINTING

- Complete painting of all new exposed gypsum drywall and door jambs. Excludes and painting at trash gates and bollards.

SPECIALTIES

- Furnish and install toilet compartments, toilet accessories, fire extinguishers/cabinets, knox box, and code required signage.
- Furnish and install operable partition at weight room.
- Furnish and install exterior flagpole.
- Furnish and install monument sign as shown and noted on plans.

EQUIPMENT

- Furnish and install two (2) folding ceiling mounted basketball goals and wall safety padding behind goals.
- We have provided an allowance of \$3,500.00 for residential appliances.

FIRE SPRINKLER SYSTEM

- Furnish and install new wet-pipe sprinkler system to meet the requirements of NFPA 13 and City of Albuquerque Fire Rescue.

PLUMBING

- Complete design build of plumbing to include commercial grade fixtures.

HEATING, VENTILATION AND AIR CONDITIONING

- Complete design build of HVAC to include high efficiency packaged rooftop mounted units, standard air distribution, stand alone programmable thermostats to be zoned for similar spaces, Data and IT room will get a dedicated cooling only system.

ELECTRICAL / FIRE ALARM

- Complete design build of electrical and fire alarm system.
- Furnish and install conduit only for special systems.

EXCLUSIONS/CLARIFICATIONS:

1. Window coverings interior or exterior excluded.
2. We have provided allowances for New Mexico Gas, UEC fees, impact fees, and PNM new service fees. As these are allowances, actual costs will be added or credited as required.
3. We exclude furnishing and installing of patch cords, switching, routers, servers, UPS's and similar electronics.
4. We exclude the follow special systems; (Access Control/Security, CCTV, Voice/Data, structured cabling, and intercom systems)

RACHEL MATTHEW CIVIL SCOPE CONSTRUCTION PROPOSAL
SAMS Academy School
6441 Ventana RD NW
Albuquerque, NM 87114

ITEM	SPEC. NO.	DESCRIPTION	UNIT COST	PAY UNIT	EST. QNTY.	EXTENDED COST
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ONSITE & Bldg. PAD

GENERAL CONDITIONS

1	4.02	STAKING				
2	4.02	ASBUILT SURVEY				
3	6.05	MOB				
4	6.06	DEMOB				
5	30.02	NPDES NOI & BOOK				

EARTHWORK

1	201.010	SITE CLEAR & GRUB				
2	204.010	FILL, EXCAV, BF & COMP, U, >2'				
3	XXX.XXX	ROCK REMOVAL				
4	204.110	PAD OVER-EXCAVATION				
5	204.111	FINISH BLUE TOP PAD AND SWALES				

PARKING

1	301.020	SUBGRADE PREP, 12"				
2	336.024	RES ASP CONC, 3", M				
2.1	336.025	4"ABS				
3	340.100	SDWK, 4", PCC				
4	340.023	WLCHR ACC RAMP, 4" PCC				
5	340.060	C & G, MDN, PCC				
6	XXX.XXX	STRIPING, SIGNS, BUMPERS				
7	422.030	ST H/C SA 30' DOUBLE PARKING SPACE				

WATER

1	801.XXX	2" WL PIPE, w/o FIT				
2	801.003	6" WL PIPE, w/o FIT				
3	801.065	DI FIT, MJ, 4"-14", WL				
4	801.081	6" GATE VLV				
5	801.105	VLV BOX A				
6	801.113	FH, 4'				
7	801.114	METER VAULT				
8	801.115	IRRIGATION UEC 1"				

SANITARY SEWER

1	701.010	TRCH, BF, 4-15" SAS, <8'				
2	901.030	6" SAS PIPE				
	910.XXX	RKEXCVATE				

STORM DRAINAGE

1	910.005	6" PVC				
2	915.0XX	CTH BSN, D, SG				
3	XXX.XXX	OUTLET STRUCTURE				
4		OX BLD TESTING & INSPECTIONS				
SP3	XXXXX	SWPPP				

RACHEL MATTHEW CIVIL SCOPE CONSTRUCTION PROPOSAL
SAMS Academy School
6441 Ventana RD NW
Albuquerque, NM 87114

ITEM	SPEC. NO.	DESCRIPTION	UNIT COST	PAY UNIT	EST. QNTY.	EXTENDED COST
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OFFSITE

GENERAL CONDITIONS

1	4.02	STAKING				
2	4.02	ASBUILTS SURVEY				
8	4.06	MGR & COA INSPECT & CERT CLOSEOUT				
13	4.11	TRASH ENCLOSURE				
14	4.12	SPLASH BLOCKS				
	4.13	TRASH GATES & METELS				
	4.14	TRAFFIC CONTROL				

VENTANA RD.

1	301.020	SUBGRADE PREP, 12"				
2	336.024	RES ASP CONC, 3", M				
3	340.100	SDWK, 4", PCC				
4	340.023	WLCHR ACC RAMP, 4" PCC				
5	340.030	VLY GUT & CURB, PCC				
6	340.050	C & G, STD, PCC				
7	1005.310	GRAVEL MULCH, 1"				

IRVING BLVD.

1	301.020	SUBGRADE PREP, 12"				
2	336.024	RES ASP CONC, 3", M				
3	340.050	C & G, STD, PCC				
4	340.023	WLCHR ACC RAMP, 4" PCC				
5	340.030	VLY GUT & CURB, PCC				

WATER

1	801.003	6" WL PIPE, w/o FIT				
2	801.059	NON PRESS CONN, w/FIT, WL				
3	801.065	DI FIT, MJ, 4"-14", WL				
4	801.081	6" GATE VLV				
5	801.106	VLV BOX A				
6	802.400	2" WTR MTR BOX				
7	702.760	2" WTR SVC, SS				

EXHIBIT C
BASE RENT SCHEDULE (estimated based on an assumed interest rate of 7%)

PMT NO	Date	BEGINNING BALANCE	SCHEDULED PAYMENT	ADDITIONAL PRINCIPAL PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE
1	12/1/2022	\$8,943,704.06	\$59,502.69	\$0.00	\$59,502.69	\$7,331.08	\$52,171.61	\$8,936,372.98
2	1/1/2023	\$8,936,372.98	\$59,502.69	\$0.00	\$59,502.69	\$7,373.84	\$52,128.84	\$8,928,999.14
3	2/1/2023	\$8,928,999.14	\$59,502.69	\$0.00	\$59,502.69	\$7,416.86	\$52,085.83	\$8,921,582.28
4	3/1/2023	\$8,921,582.28	\$59,502.69	\$0.00	\$59,502.69	\$7,460.12	\$52,042.56	\$8,914,122.16
5	4/1/2023	\$8,914,122.16	\$59,502.69	\$0.00	\$59,502.69	\$7,503.64	\$51,999.05	\$8,906,618.52
6	5/1/2023	\$8,906,618.52	\$59,502.69	\$0.00	\$59,502.69	\$7,547.41	\$51,955.27	\$8,899,071.10
7	6/1/2023	\$8,899,071.10	\$59,502.69	\$0.00	\$59,502.69	\$7,591.44	\$51,911.25	\$8,891,479.67
8	7/1/2023	\$8,891,479.67	\$59,502.69	\$0.00	\$59,502.69	\$7,635.72	\$51,866.96	\$8,883,843.94
9	8/1/2023	\$8,883,843.94	\$59,502.69	\$0.00	\$59,502.69	\$7,680.26	\$51,822.42	\$8,876,163.68
10	9/1/2023	\$8,876,163.68	\$59,502.69	\$0.00	\$59,502.69	\$7,725.06	\$51,777.62	\$8,868,438.62
11	10/1/2023	\$8,868,438.62	\$59,502.69	\$0.00	\$59,502.69	\$7,770.13	\$51,732.56	\$8,860,668.49
12	11/1/2023	\$8,860,668.49	\$59,502.69	\$0.00	\$59,502.69	\$7,815.45	\$51,687.23	\$8,852,853.04
13	12/1/2023	\$8,852,853.04	\$59,502.69	\$0.00	\$59,502.69	\$7,861.04	\$51,641.64	\$8,844,991.99
14	1/1/2024	\$8,844,991.99	\$59,502.69	\$0.00	\$59,502.69	\$7,906.90	\$51,595.79	\$8,837,085.09
15	2/1/2024	\$8,837,085.09	\$59,502.69	\$0.00	\$59,502.69	\$7,953.02	\$51,549.66	\$8,829,132.07
16	3/1/2024	\$8,829,132.07	\$59,502.69	\$0.00	\$59,502.69	\$7,999.42	\$51,503.27	\$8,821,132.65
17	4/1/2024	\$8,821,132.65	\$59,502.69	\$0.00	\$59,502.69	\$8,046.08	\$51,456.61	\$8,813,086.57
18	5/1/2024	\$8,813,086.57	\$59,502.69	\$0.00	\$59,502.69	\$8,093.01	\$51,409.67	\$8,804,993.56
19	6/1/2024	\$8,804,993.56	\$59,502.69	\$0.00	\$59,502.69	\$8,140.22	\$51,362.46	\$8,796,853.34
20	7/1/2024	\$8,796,853.34	\$59,502.69	\$0.00	\$59,502.69	\$8,187.71	\$51,314.98	\$8,788,665.63
21	8/1/2024	\$8,788,665.63	\$59,502.69	\$0.00	\$59,502.69	\$8,235.47	\$51,267.22	\$8,780,430.16
22	9/1/2024	\$8,780,430.16	\$59,502.69	\$0.00	\$59,502.69	\$8,283.51	\$51,219.18	\$8,772,146.65
23	10/1/2024	\$8,772,146.65	\$59,502.69	\$0.00	\$59,502.69	\$8,331.83	\$51,170.86	\$8,763,814.82
24	11/1/2024	\$8,763,814.82	\$59,502.69	\$0.00	\$59,502.69	\$8,380.43	\$51,122.25	\$8,755,434.38
25	12/1/2024	\$8,755,434.38	\$59,502.69	\$0.00	\$59,502.69	\$8,429.32	\$51,073.37	\$8,747,005.06
26	1/1/2025	\$8,747,005.06	\$59,502.69	\$0.00	\$59,502.69	\$8,478.49	\$51,024.20	\$8,738,526.57
27	2/1/2025	\$8,738,526.57	\$59,502.69	\$0.00	\$59,502.69	\$8,527.95	\$50,974.74	\$8,729,998.63
28	3/1/2025	\$8,729,998.63	\$59,502.69	\$0.00	\$59,502.69	\$8,577.69	\$50,924.99	\$8,721,420.93
29	4/1/2025	\$8,721,420.93	\$59,502.69	\$0.00	\$59,502.69	\$8,627.73	\$50,874.96	\$8,712,793.20
30	5/1/2025	\$8,712,793.20	\$59,502.69	\$0.00	\$59,502.69	\$8,678.06	\$50,824.63	\$8,704,115.14
31	6/1/2025	\$8,704,115.14	\$59,502.69	\$0.00	\$59,502.69	\$8,728.68	\$50,774.00	\$8,695,386.46
32	7/1/2025	\$8,695,386.46	\$59,502.69	\$0.00	\$59,502.69	\$8,779.60	\$50,723.09	\$8,686,606.86
33	8/1/2025	\$8,686,606.86	\$59,502.69	\$0.00	\$59,502.69	\$8,830.81	\$50,671.87	\$8,677,776.05
34	9/1/2025	\$8,677,776.05	\$59,502.69	\$0.00	\$59,502.69	\$8,882.33	\$50,620.36	\$8,668,893.72
35	10/1/2025	\$8,668,893.72	\$59,502.69	\$0.00	\$59,502.69	\$8,934.14	\$50,568.55	\$8,659,959.58
36	11/1/2025	\$8,659,959.58	\$59,502.69	\$0.00	\$59,502.69	\$8,986.26	\$50,516.43	\$8,650,973.33
37	12/1/2025	\$8,650,973.33	\$59,502.69	\$0.00	\$59,502.69	\$9,038.68	\$50,464.01	\$8,641,934.65
38	1/1/2026	\$8,641,934.65	\$59,502.69	\$0.00	\$59,502.69	\$9,091.40	\$50,411.29	\$8,632,843.25
39	2/1/2026	\$8,632,843.25	\$59,502.69	\$0.00	\$59,502.69	\$9,144.43	\$50,358.25	\$8,623,698.82
40	3/1/2026	\$8,623,698.82	\$59,502.69	\$0.00	\$59,502.69	\$9,197.78	\$50,304.91	\$8,614,501.04
41	4/1/2026	\$8,614,501.04	\$59,502.69	\$0.00	\$59,502.69	\$9,251.43	\$50,251.26	\$8,605,249.61
42	5/1/2026	\$8,605,249.61	\$59,502.69	\$0.00	\$59,502.69	\$9,305.40	\$50,197.29	\$8,595,944.21
43	6/1/2026	\$8,595,944.21	\$59,502.69	\$0.00	\$59,502.69	\$9,359.68	\$50,143.01	\$8,586,584.54

44	7/1/2026	\$8,586,584.54	\$59,502.69	\$0.00	\$59,502.69	\$9,414.28	\$50,088.41	\$8,577,170.26
45	8/1/2026	\$8,577,170.26	\$59,502.69	\$0.00	\$59,502.69	\$9,469.19	\$50,033.49	\$8,567,701.07
46	9/1/2026	\$8,567,701.07	\$59,502.69	\$0.00	\$59,502.69	\$9,524.43	\$49,978.26	\$8,558,176.64
47	10/1/2026	\$8,558,176.64	\$59,502.69	\$0.00	\$59,502.69	\$9,579.99	\$49,922.70	\$8,548,596.65
48	11/1/2026	\$8,548,596.65	\$59,502.69	\$0.00	\$59,502.69	\$9,635.87	\$49,866.81	\$8,538,960.77
49	12/1/2026	\$8,538,960.77	\$59,502.69	\$0.00	\$59,502.69	\$9,692.08	\$49,810.60	\$8,529,268.69
50	1/1/2027	\$8,529,268.69	\$59,502.69	\$0.00	\$59,502.69	\$9,748.62	\$49,754.07	\$8,519,520.07
51	2/1/2027	\$8,519,520.07	\$59,502.69	\$0.00	\$59,502.69	\$9,805.49	\$49,697.20	\$8,509,714.59
52	3/1/2027	\$8,509,714.59	\$59,502.69	\$0.00	\$59,502.69	\$9,862.68	\$49,640.00	\$8,499,851.90
53	4/1/2027	\$8,499,851.90	\$59,502.69	\$0.00	\$59,502.69	\$9,920.22	\$49,582.47	\$8,489,931.69
54	5/1/2027	\$8,489,931.69	\$59,502.69	\$0.00	\$59,502.69	\$9,978.08	\$49,524.60	\$8,479,953.60
55	6/1/2027	\$8,479,953.60	\$59,502.69	\$0.00	\$59,502.69	\$10,036.29	\$49,466.40	\$8,469,917.31
56	7/1/2027	\$8,469,917.31	\$59,502.69	\$0.00	\$59,502.69	\$10,094.84	\$49,407.85	\$8,459,822.48
57	8/1/2027	\$8,459,822.48	\$59,502.69	\$0.00	\$59,502.69	\$10,153.72	\$49,348.96	\$8,449,668.75
58	9/1/2027	\$8,449,668.75	\$59,502.69	\$0.00	\$59,502.69	\$10,212.95	\$49,289.73	\$8,439,455.80
59	10/1/2027	\$8,439,455.80	\$59,502.69	\$0.00	\$59,502.69	\$10,272.53	\$49,230.16	\$8,429,183.27
60	11/1/2027	\$8,429,183.27	\$59,502.69	\$0.00	\$59,502.69	\$10,332.45	\$49,170.24	\$8,418,850.82
61	12/1/2027	\$8,418,850.82	\$59,502.69	\$100,000.00	\$159,502.69	\$110,392.72	\$49,109.96	\$8,308,458.10
62	1/1/2028	\$8,308,458.10	\$59,502.69	\$0.00	\$59,502.69	\$11,036.68	\$48,466.01	\$8,297,421.42
63	2/1/2028	\$8,297,421.42	\$59,502.69	\$0.00	\$59,502.69	\$11,101.06	\$48,401.62	\$8,286,320.36
64	3/1/2028	\$8,286,320.36	\$59,502.69	\$0.00	\$59,502.69	\$11,165.82	\$48,336.87	\$8,275,154.54
65	4/1/2028	\$8,275,154.54	\$59,502.69	\$0.00	\$59,502.69	\$11,230.95	\$48,271.73	\$8,263,923.59
66	5/1/2028	\$8,263,923.59	\$59,502.69	\$0.00	\$59,502.69	\$11,296.47	\$48,206.22	\$8,252,627.12
67	6/1/2028	\$8,252,627.12	\$59,502.69	\$0.00	\$59,502.69	\$11,362.36	\$48,140.32	\$8,241,264.76
68	7/1/2028	\$8,241,264.76	\$59,502.69	\$0.00	\$59,502.69	\$11,428.64	\$48,074.04	\$8,229,836.12
69	8/1/2028	\$8,229,836.12	\$59,502.69	\$0.00	\$59,502.69	\$11,495.31	\$48,007.38	\$8,218,340.81
70	9/1/2028	\$8,218,340.81	\$59,502.69	\$0.00	\$59,502.69	\$11,562.36	\$47,940.32	\$8,206,778.45
71	10/1/2028	\$8,206,778.45	\$59,502.69	\$0.00	\$59,502.69	\$11,629.81	\$47,872.87	\$8,195,148.64
72	11/1/2028	\$8,195,148.64	\$59,502.69	\$0.00	\$59,502.69	\$11,697.65	\$47,805.03	\$8,183,450.98
73	12/1/2028	\$8,183,450.98	\$59,502.69	\$100,000.00	\$159,502.69	\$111,765.89	\$47,736.80	\$8,071,685.09
74	1/1/2029	\$8,071,685.09	\$59,502.69	\$0.00	\$59,502.69	\$12,417.86	\$47,084.83	\$8,059,267.24
75	2/1/2029	\$8,059,267.24	\$59,502.69	\$0.00	\$59,502.69	\$12,490.29	\$47,012.39	\$8,046,776.94
76	3/1/2029	\$8,046,776.94	\$59,502.69	\$0.00	\$59,502.69	\$12,563.15	\$46,939.53	\$8,034,213.79
77	4/1/2029	\$8,034,213.79	\$59,502.69	\$0.00	\$59,502.69	\$12,636.44	\$46,866.25	\$8,021,577.35
78	5/1/2029	\$8,021,577.35	\$59,502.69	\$0.00	\$59,502.69	\$12,710.15	\$46,792.53	\$8,008,867.20
79	6/1/2029	\$8,008,867.20	\$59,502.69	\$0.00	\$59,502.69	\$12,784.29	\$46,718.39	\$7,996,082.90
80	7/1/2029	\$7,996,082.90	\$59,502.69	\$0.00	\$59,502.69	\$12,858.87	\$46,643.82	\$7,983,224.03
81	8/1/2029	\$7,983,224.03	\$59,502.69	\$0.00	\$59,502.69	\$12,933.88	\$46,568.81	\$7,970,290.16
82	9/1/2029	\$7,970,290.16	\$59,502.69	\$0.00	\$59,502.69	\$13,009.33	\$46,493.36	\$7,957,280.83
83	10/1/2029	\$7,957,280.83	\$59,502.69	\$0.00	\$59,502.69	\$13,085.21	\$46,417.47	\$7,944,195.61
84	11/1/2029	\$7,944,195.61	\$59,502.69	\$0.00	\$59,502.69	\$13,161.55	\$46,341.14	\$7,931,034.07
85	12/1/2029	\$7,931,034.07	\$59,502.69	\$100,000.00	\$159,502.69	\$113,238.32	\$46,264.37	\$7,817,795.75
86	1/1/2030	\$7,817,795.75	\$59,502.69	\$0.00	\$59,502.69	\$13,898.88	\$45,603.81	\$7,803,896.87
87	2/1/2030	\$7,803,896.87	\$59,502.69	\$0.00	\$59,502.69	\$13,979.95	\$45,522.73	\$7,789,916.92
88	3/1/2030	\$7,789,916.92	\$59,502.69	\$0.00	\$59,502.69	\$14,061.50	\$45,441.18	\$7,775,855.41
89	4/1/2030	\$7,775,855.41	\$59,502.69	\$0.00	\$59,502.69	\$14,143.53	\$45,359.16	\$7,761,711.88
90	5/1/2030	\$7,761,711.88	\$59,502.69	\$0.00	\$59,502.69	\$14,226.03	\$45,276.65	\$7,747,485.85
91	6/1/2030	\$7,747,485.85	\$59,502.69	\$0.00	\$59,502.69	\$14,309.02	\$45,193.67	\$7,733,176.83
92	7/1/2030	\$7,733,176.83	\$59,502.69	\$0.00	\$59,502.69	\$14,392.49	\$45,110.20	\$7,718,784.34
93	8/1/2030	\$7,718,784.34	\$59,502.69	\$0.00	\$59,502.69	\$14,476.44	\$45,026.24	\$7,704,307.90

94	9/1/2030	\$7,704,307.90	\$59,502.69	\$0.00	\$59,502.69	\$14,560.89	\$44,941.80	\$7,689,747.01
95	10/1/2030	\$7,689,747.01	\$59,502.69	\$0.00	\$59,502.69	\$14,645.83	\$44,856.86	\$7,675,101.18
96	11/1/2030	\$7,675,101.18	\$59,502.69	\$0.00	\$59,502.69	\$14,731.26	\$44,771.42	\$7,660,369.91
97	12/1/2030	\$7,660,369.91	\$59,502.69	\$100,000.00	\$159,502.69	\$114,817.20	\$44,685.49	\$7,545,552.72
98	1/1/2031	\$7,545,552.72	\$59,502.69	\$0.00	\$59,502.69	\$15,486.96	\$44,015.72	\$7,530,065.76
99	2/1/2031	\$7,530,065.76	\$59,502.69	\$0.00	\$59,502.69	\$15,577.30	\$43,925.38	\$7,514,488.45
100	3/1/2031	\$7,514,488.45	\$59,502.69	\$0.00	\$59,502.69	\$15,668.17	\$43,834.52	\$7,498,820.28
101	4/1/2031	\$7,498,820.28	\$59,502.69	\$0.00	\$59,502.69	\$15,759.57	\$43,743.12	\$7,483,060.72
102	5/1/2031	\$7,483,060.72	\$59,502.69	\$0.00	\$59,502.69	\$15,851.50	\$43,651.19	\$7,467,209.22
103	6/1/2031	\$7,467,209.22	\$59,502.69	\$0.00	\$59,502.69	\$15,943.97	\$43,558.72	\$7,451,265.25
104	7/1/2031	\$7,451,265.25	\$59,502.69	\$0.00	\$59,502.69	\$16,036.97	\$43,465.71	\$7,435,228.28
105	8/1/2031	\$7,435,228.28	\$59,502.69	\$0.00	\$59,502.69	\$16,130.52	\$43,372.16	\$7,419,097.76
106	9/1/2031	\$7,419,097.76	\$59,502.69	\$0.00	\$59,502.69	\$16,224.62	\$43,278.07	\$7,402,873.14
107	10/1/2031	\$7,402,873.14	\$59,502.69	\$0.00	\$59,502.69	\$16,319.26	\$43,183.43	\$7,386,553.88
108	11/1/2031	\$7,386,553.88	\$59,502.69	\$0.00	\$59,502.69	\$16,414.46	\$43,088.23	\$7,370,139.43
109	12/1/2031	\$7,370,139.43	\$59,502.69	\$100,000.00	\$159,502.69	\$116,510.21	\$42,992.48	\$7,253,629.22
110	1/1/2032	\$7,253,629.22	\$59,502.69	\$0.00	\$59,502.69	\$17,189.85	\$42,312.84	\$7,236,439.37
111	2/1/2032	\$7,236,439.37	\$59,502.69	\$0.00	\$59,502.69	\$17,290.12	\$42,212.56	\$7,219,149.25
112	3/1/2032	\$7,219,149.25	\$59,502.69	\$0.00	\$59,502.69	\$17,390.98	\$42,111.70	\$7,201,758.27
113	4/1/2032	\$7,201,758.27	\$59,502.69	\$0.00	\$59,502.69	\$17,492.43	\$42,010.26	\$7,184,265.84
114	5/1/2032	\$7,184,265.84	\$59,502.69	\$0.00	\$59,502.69	\$17,594.47	\$41,908.22	\$7,166,671.37
115	6/1/2032	\$7,166,671.37	\$59,502.69	\$0.00	\$59,502.69	\$17,697.10	\$41,805.58	\$7,148,974.26
116	7/1/2032	\$7,148,974.26	\$59,502.69	\$0.00	\$59,502.69	\$17,800.34	\$41,702.35	\$7,131,173.93
117	8/1/2032	\$7,131,173.93	\$59,502.69	\$0.00	\$59,502.69	\$17,904.17	\$41,598.51	\$7,113,269.76
118	9/1/2032	\$7,113,269.76	\$59,502.69	\$0.00	\$59,502.69	\$18,008.61	\$41,494.07	\$7,095,261.14
119	10/1/2032	\$7,095,261.14	\$59,502.69	\$0.00	\$59,502.69	\$18,113.66	\$41,389.02	\$7,077,147.48
120	11/1/2032	\$7,077,147.48	\$59,502.69	\$0.00	\$59,502.69	\$18,219.33	\$41,283.36	\$7,058,928.15
121	12/1/2032	\$7,058,928.15	\$59,502.69	\$100,000.00	\$159,502.69	\$118,325.61	\$41,177.08	\$6,940,602.55
122	1/1/2033	\$6,940,602.55	\$59,502.69	\$0.00	\$59,502.69	\$19,015.84	\$40,486.85	\$6,921,586.71
123	2/1/2033	\$6,921,586.71	\$59,502.69	\$0.00	\$59,502.69	\$19,126.76	\$40,375.92	\$6,902,459.95
124	3/1/2033	\$6,902,459.95	\$59,502.69	\$0.00	\$59,502.69	\$19,238.34	\$40,264.35	\$6,883,221.61
125	4/1/2033	\$6,883,221.61	\$59,502.69	\$0.00	\$59,502.69	\$19,350.56	\$40,152.13	\$6,863,871.05
126	5/1/2033	\$6,863,871.05	\$59,502.69	\$0.00	\$59,502.69	\$19,463.44	\$40,039.25	\$6,844,407.61
127	6/1/2033	\$6,844,407.61	\$59,502.69	\$0.00	\$59,502.69	\$19,576.98	\$39,925.71	\$6,824,830.64
128	7/1/2033	\$6,824,830.64	\$59,502.69	\$0.00	\$59,502.69	\$19,691.17	\$39,811.51	\$6,805,139.46
129	8/1/2033	\$6,805,139.46	\$59,502.69	\$0.00	\$59,502.69	\$19,806.04	\$39,696.65	\$6,785,333.42
130	9/1/2033	\$6,785,333.42	\$59,502.69	\$0.00	\$59,502.69	\$19,921.57	\$39,581.11	\$6,765,411.85
131	10/1/2033	\$6,765,411.85	\$59,502.69	\$0.00	\$59,502.69	\$20,037.78	\$39,464.90	\$6,745,374.07
132	11/1/2033	\$6,745,374.07	\$59,502.69	\$0.00	\$59,502.69	\$20,154.67	\$39,348.02	\$6,725,219.39
133	12/1/2033	\$6,725,219.39	\$59,502.69	\$100,000.00	\$159,502.69	\$120,272.24	\$39,230.45	\$6,604,947.15
134	1/1/2034	\$6,604,947.15	\$59,502.69	\$0.00	\$59,502.69	\$20,973.83	\$38,528.86	\$6,583,973.33
135	2/1/2034	\$6,583,973.33	\$59,502.69	\$0.00	\$59,502.69	\$21,096.18	\$38,406.51	\$6,562,877.15
136	3/1/2034	\$6,562,877.15	\$59,502.69	\$0.00	\$59,502.69	\$21,219.24	\$38,283.45	\$6,541,657.92
137	4/1/2034	\$6,541,657.92	\$59,502.69	\$0.00	\$59,502.69	\$21,343.02	\$38,159.67	\$6,520,314.90
138	5/1/2034	\$6,520,314.90	\$59,502.69	\$0.00	\$59,502.69	\$21,467.52	\$38,035.17	\$6,498,847.38
139	6/1/2034	\$6,498,847.38	\$59,502.69	\$0.00	\$59,502.69	\$21,592.74	\$37,909.94	\$6,477,254.64
140	7/1/2034	\$6,477,254.64	\$59,502.69	\$0.00	\$59,502.69	\$21,718.70	\$37,783.99	\$6,455,535.94
141	8/1/2034	\$6,455,535.94	\$59,502.69	\$0.00	\$59,502.69	\$21,845.39	\$37,657.29	\$6,433,690.55
142	9/1/2034	\$6,433,690.55	\$59,502.69	\$0.00	\$59,502.69	\$21,972.82	\$37,529.86	\$6,411,717.72
143	10/1/2034	\$6,411,717.72	\$59,502.69	\$0.00	\$59,502.69	\$22,101.00	\$37,401.69	\$6,389,616.72

144	11/1/2034	\$6,389,616.72	\$59,502.69	\$0.00	\$59,502.69	\$22,229.92	\$37,272.76	\$6,367,386.80
145	12/1/2034	\$6,367,386.80	\$59,502.69	\$100,000.00	\$159,502.69	\$122,359.60	\$37,143.09	\$6,245,027.20
146	1/1/2035	\$6,245,027.20	\$59,502.69	\$0.00	\$59,502.69	\$23,073.36	\$36,429.33	\$6,221,953.84
147	2/1/2035	\$6,221,953.84	\$59,502.69	\$0.00	\$59,502.69	\$23,207.96	\$36,294.73	\$6,198,745.89
148	3/1/2035	\$6,198,745.89	\$59,502.69	\$0.00	\$59,502.69	\$23,343.34	\$36,159.35	\$6,175,402.55
149	4/1/2035	\$6,175,402.55	\$59,502.69	\$0.00	\$59,502.69	\$23,479.50	\$36,023.18	\$6,151,923.05
150	5/1/2035	\$6,151,923.05	\$59,502.69	\$0.00	\$59,502.69	\$23,616.47	\$35,886.22	\$6,128,306.58
151	6/1/2035	\$6,128,306.58	\$59,502.69	\$0.00	\$59,502.69	\$23,754.23	\$35,748.46	\$6,104,552.35
152	7/1/2035	\$6,104,552.35	\$59,502.69	\$0.00	\$59,502.69	\$23,892.80	\$35,609.89	\$6,080,659.55
153	8/1/2035	\$6,080,659.55	\$59,502.69	\$0.00	\$59,502.69	\$24,032.17	\$35,470.51	\$6,056,627.38
154	9/1/2035	\$6,056,627.38	\$59,502.69	\$0.00	\$59,502.69	\$24,172.36	\$35,330.33	\$6,032,455.02
155	10/1/2035	\$6,032,455.02	\$59,502.69	\$0.00	\$59,502.69	\$24,313.37	\$35,189.32	\$6,008,141.65
156	11/1/2035	\$6,008,141.65	\$59,502.69	\$0.00	\$59,502.69	\$24,455.19	\$35,047.49	\$5,983,686.46
157	12/1/2035	\$5,983,686.46	\$59,502.69	\$100,000.00	\$159,502.69	\$124,597.85	\$34,904.84	\$5,859,088.61
158	1/1/2036	\$5,859,088.61	\$59,502.69	\$0.00	\$59,502.69	\$25,324.67	\$34,178.02	\$5,833,763.94
159	2/1/2036	\$5,833,763.94	\$59,502.69	\$0.00	\$59,502.69	\$25,472.40	\$34,030.29	\$5,808,291.54
160	3/1/2036	\$5,808,291.54	\$59,502.69	\$0.00	\$59,502.69	\$25,620.99	\$33,881.70	\$5,782,670.56
161	4/1/2036	\$5,782,670.56	\$59,502.69	\$0.00	\$59,502.69	\$25,770.44	\$33,732.24	\$5,756,900.12
162	5/1/2036	\$5,756,900.12	\$59,502.69	\$0.00	\$59,502.69	\$25,920.77	\$33,581.92	\$5,730,979.35
163	6/1/2036	\$5,730,979.35	\$59,502.69	\$0.00	\$59,502.69	\$26,071.97	\$33,430.71	\$5,704,907.38
164	7/1/2036	\$5,704,907.38	\$59,502.69	\$0.00	\$59,502.69	\$26,224.06	\$33,278.63	\$5,678,683.32
165	8/1/2036	\$5,678,683.32	\$59,502.69	\$0.00	\$59,502.69	\$26,377.03	\$33,125.65	\$5,652,306.28
166	9/1/2036	\$5,652,306.28	\$59,502.69	\$0.00	\$59,502.69	\$26,530.90	\$32,971.79	\$5,625,775.38
167	10/1/2036	\$5,625,775.38	\$59,502.69	\$0.00	\$59,502.69	\$26,685.66	\$32,817.02	\$5,599,089.72
168	11/1/2036	\$5,599,089.72	\$59,502.69	\$0.00	\$59,502.69	\$26,841.33	\$32,661.36	\$5,572,248.39
169	12/1/2036	\$5,572,248.39	\$59,502.69	\$100,000.00	\$159,502.69	\$126,997.90	\$32,504.78	\$5,445,250.49
170	1/1/2037	\$5,445,250.49	\$59,502.69	\$0.00	\$59,502.69	\$27,738.73	\$31,763.96	\$5,417,511.76
171	2/1/2037	\$5,417,511.76	\$59,502.69	\$0.00	\$59,502.69	\$27,900.53	\$31,602.15	\$5,389,611.23
172	3/1/2037	\$5,389,611.23	\$59,502.69	\$0.00	\$59,502.69	\$28,063.29	\$31,439.40	\$5,361,547.94
173	4/1/2037	\$5,361,547.94	\$59,502.69	\$0.00	\$59,502.69	\$28,226.99	\$31,275.70	\$5,333,320.95
174	5/1/2037	\$5,333,320.95	\$59,502.69	\$0.00	\$59,502.69	\$28,391.65	\$31,111.04	\$5,304,929.30
175	6/1/2037	\$5,304,929.30	\$59,502.69	\$0.00	\$59,502.69	\$28,557.27	\$30,945.42	\$5,276,372.04
176	7/1/2037	\$5,276,372.04	\$59,502.69	\$0.00	\$59,502.69	\$28,723.85	\$30,778.84	\$5,247,648.19
177	8/1/2037	\$5,247,648.19	\$59,502.69	\$0.00	\$59,502.69	\$28,891.41	\$30,611.28	\$5,218,756.78
178	9/1/2037	\$5,218,756.78	\$59,502.69	\$0.00	\$59,502.69	\$29,059.94	\$30,442.75	\$5,189,696.84
179	10/1/2037	\$5,189,696.84	\$59,502.69	\$0.00	\$59,502.69	\$29,229.45	\$30,273.23	\$5,160,467.39
180	11/1/2037	\$5,160,467.39	\$59,502.69	\$0.00	\$59,502.69	\$29,399.96	\$30,102.73	\$5,131,067.43
181	12/1/2037	\$5,131,067.43	\$59,502.69	\$100,000.00	\$159,502.69	\$129,571.46	\$29,931.23	\$5,001,495.97
182	1/1/2038	\$5,001,495.97	\$59,502.69	\$0.00	\$59,502.69	\$30,327.29	\$29,175.39	\$4,971,168.68
183	2/1/2038	\$4,971,168.68	\$59,502.69	\$0.00	\$59,502.69	\$30,504.20	\$28,998.48	\$4,940,664.47
184	3/1/2038	\$4,940,664.47	\$59,502.69	\$0.00	\$59,502.69	\$30,682.14	\$28,820.54	\$4,909,982.33
185	4/1/2038	\$4,909,982.33	\$59,502.69	\$0.00	\$59,502.69	\$30,861.12	\$28,641.56	\$4,879,121.21
186	5/1/2038	\$4,879,121.21	\$59,502.69	\$0.00	\$59,502.69	\$31,041.15	\$28,461.54	\$4,848,080.06
187	6/1/2038	\$4,848,080.06	\$59,502.69	\$0.00	\$59,502.69	\$31,222.22	\$28,280.47	\$4,816,857.84
188	7/1/2038	\$4,816,857.84	\$59,502.69	\$0.00	\$59,502.69	\$31,404.35	\$28,098.34	\$4,785,453.49
189	8/1/2038	\$4,785,453.49	\$59,502.69	\$0.00	\$59,502.69	\$31,587.54	\$27,915.15	\$4,753,865.95
190	9/1/2038	\$4,753,865.95	\$59,502.69	\$0.00	\$59,502.69	\$31,771.80	\$27,730.88	\$4,722,094.15
191	10/1/2038	\$4,722,094.15	\$59,502.69	\$0.00	\$59,502.69	\$31,957.14	\$27,545.55	\$4,690,137.01
192	11/1/2038	\$4,690,137.01	\$59,502.69	\$0.00	\$59,502.69	\$32,143.55	\$27,359.13	\$4,657,993.46
193	12/1/2038	\$4,657,993.46	\$59,502.69	\$100,000.00	\$159,502.69	\$132,331.06	\$27,171.63	\$4,525,662.40

194	1/1/2039	\$4,525,662.40	\$59,502.69	\$0.00	\$59,502.69	\$33,102.99	\$26,399.70	\$4,492,559.41
195	2/1/2039	\$4,492,559.41	\$59,502.69	\$0.00	\$59,502.69	\$33,296.09	\$26,206.60	\$4,459,263.32
196	3/1/2039	\$4,459,263.32	\$59,502.69	\$0.00	\$59,502.69	\$33,490.32	\$26,012.37	\$4,425,773.01
197	4/1/2039	\$4,425,773.01	\$59,502.69	\$0.00	\$59,502.69	\$33,685.68	\$25,817.01	\$4,392,087.33
198	5/1/2039	\$4,392,087.33	\$59,502.69	\$0.00	\$59,502.69	\$33,882.18	\$25,620.51	\$4,358,205.15
199	6/1/2039	\$4,358,205.15	\$59,502.69	\$0.00	\$59,502.69	\$34,079.82	\$25,422.86	\$4,324,125.33
200	7/1/2039	\$4,324,125.33	\$59,502.69	\$0.00	\$59,502.69	\$34,278.62	\$25,224.06	\$4,289,846.71
201	8/1/2039	\$4,289,846.71	\$59,502.69	\$0.00	\$59,502.69	\$34,478.58	\$25,024.11	\$4,255,368.13
202	9/1/2039	\$4,255,368.13	\$59,502.69	\$0.00	\$59,502.69	\$34,679.71	\$24,822.98	\$4,220,688.42
203	10/1/2039	\$4,220,688.42	\$59,502.69	\$0.00	\$59,502.69	\$34,882.00	\$24,620.68	\$4,185,806.42
204	11/1/2039	\$4,185,806.42	\$59,502.69	\$0.00	\$59,502.69	\$35,085.48	\$24,417.20	\$4,150,720.94
205	12/1/2039	\$4,150,720.94	\$59,502.69	\$100,000.00	\$159,502.69	\$135,290.15	\$24,212.54	\$4,015,430.79
206	1/1/2040	\$4,015,430.79	\$59,502.69	\$0.00	\$59,502.69	\$36,079.34	\$23,423.35	\$3,979,351.45
207	2/1/2040	\$3,979,351.45	\$59,502.69	\$0.00	\$59,502.69	\$36,289.80	\$23,212.88	\$3,943,061.65
208	3/1/2040	\$3,943,061.65	\$59,502.69	\$0.00	\$59,502.69	\$36,501.49	\$23,001.19	\$3,906,560.15
209	4/1/2040	\$3,906,560.15	\$59,502.69	\$0.00	\$59,502.69	\$36,714.42	\$22,788.27	\$3,869,845.73
210	5/1/2040	\$3,869,845.73	\$59,502.69	\$0.00	\$59,502.69	\$36,928.59	\$22,574.10	\$3,832,917.15
211	6/1/2040	\$3,832,917.15	\$59,502.69	\$0.00	\$59,502.69	\$37,144.00	\$22,358.68	\$3,795,773.14
212	7/1/2040	\$3,795,773.14	\$59,502.69	\$0.00	\$59,502.69	\$37,360.68	\$22,142.01	\$3,758,412.47
213	8/1/2040	\$3,758,412.47	\$59,502.69	\$0.00	\$59,502.69	\$37,578.61	\$21,924.07	\$3,720,833.85
214	9/1/2040	\$3,720,833.85	\$59,502.69	\$0.00	\$59,502.69	\$37,797.82	\$21,704.86	\$3,683,036.03
215	10/1/2040	\$3,683,036.03	\$59,502.69	\$0.00	\$59,502.69	\$38,018.31	\$21,484.38	\$3,645,017.72
216	11/1/2040	\$3,645,017.72	\$59,502.69	\$0.00	\$59,502.69	\$38,240.08	\$21,262.60	\$3,606,777.64
217	12/1/2040	\$3,606,777.64	\$59,502.69	\$100,000.00	\$159,502.69	\$138,463.15	\$21,039.54	\$3,468,314.49
218	1/1/2041	\$3,468,314.49	\$59,502.69	\$0.00	\$59,502.69	\$39,270.85	\$20,231.83	\$3,429,043.64
219	2/1/2041	\$3,429,043.64	\$59,502.69	\$0.00	\$59,502.69	\$39,499.93	\$20,002.75	\$3,389,543.71
220	3/1/2041	\$3,389,543.71	\$59,502.69	\$0.00	\$59,502.69	\$39,730.35	\$19,772.34	\$3,349,813.36
221	4/1/2041	\$3,349,813.36	\$59,502.69	\$0.00	\$59,502.69	\$39,962.11	\$19,540.58	\$3,309,851.25
222	5/1/2041	\$3,309,851.25	\$59,502.69	\$0.00	\$59,502.69	\$40,195.22	\$19,307.47	\$3,269,656.03
223	6/1/2041	\$3,269,656.03	\$59,502.69	\$0.00	\$59,502.69	\$40,429.69	\$19,072.99	\$3,229,226.34
224	7/1/2041	\$3,229,226.34	\$59,502.69	\$0.00	\$59,502.69	\$40,665.53	\$18,837.15	\$3,188,560.80
225	8/1/2041	\$3,188,560.80	\$59,502.69	\$0.00	\$59,502.69	\$40,902.75	\$18,599.94	\$3,147,658.06
226	9/1/2041	\$3,147,658.06	\$59,502.69	\$0.00	\$59,502.69	\$41,141.35	\$18,361.34	\$3,106,516.71
227	10/1/2041	\$3,106,516.71	\$59,502.69	\$0.00	\$59,502.69	\$41,381.34	\$18,121.35	\$3,065,135.37
228	11/1/2041	\$3,065,135.37	\$59,502.69	\$0.00	\$59,502.69	\$41,622.73	\$17,879.96	\$3,023,512.64
229	12/1/2041	\$3,023,512.64	\$59,502.69	\$100,000.00	\$159,502.69	\$141,865.53	\$17,637.16	\$2,881,647.11
230	1/1/2042	\$2,881,647.11	\$59,502.69	\$0.00	\$59,502.69	\$42,693.08	\$16,809.61	\$2,838,954.03
231	2/1/2042	\$2,838,954.03	\$59,502.69	\$0.00	\$59,502.69	\$42,942.12	\$16,560.57	\$2,796,011.91
232	3/1/2042	\$2,796,011.91	\$59,502.69	\$0.00	\$59,502.69	\$43,192.62	\$16,310.07	\$2,752,819.29
233	4/1/2042	\$2,752,819.29	\$59,502.69	\$0.00	\$59,502.69	\$43,444.57	\$16,058.11	\$2,709,374.72
234	5/1/2042	\$2,709,374.72	\$59,502.69	\$0.00	\$59,502.69	\$43,698.00	\$15,804.69	\$2,665,676.72
235	6/1/2042	\$2,665,676.72	\$59,502.69	\$0.00	\$59,502.69	\$43,952.91	\$15,549.78	\$2,621,723.82
236	7/1/2042	\$2,621,723.82	\$59,502.69	\$0.00	\$59,502.69	\$44,209.30	\$15,293.39	\$2,577,514.52
237	8/1/2042	\$2,577,514.52	\$59,502.69	\$0.00	\$59,502.69	\$44,467.18	\$15,035.50	\$2,533,047.33
238	9/1/2042	\$2,533,047.33	\$59,502.69	\$0.00	\$59,502.69	\$44,726.58	\$14,776.11	\$2,488,320.76
239	10/1/2042	\$2,488,320.76	\$59,502.69	\$0.00	\$59,502.69	\$44,987.48	\$14,515.20	\$2,443,333.27
240	11/1/2042	\$2,443,333.27	\$59,502.69	\$0.00	\$59,502.69	\$45,249.91	\$14,252.78	\$2,398,083.37
241	12/1/2042	\$2,398,083.37	\$59,502.69	\$100,000.00	\$159,502.69	\$145,513.87	\$13,988.82	\$2,252,569.50
242	1/1/2043	\$2,252,569.50	\$59,502.69	\$0.00	\$59,502.69	\$46,362.70	\$13,139.99	\$2,206,206.80
243	2/1/2043	\$2,206,206.80	\$59,502.69	\$0.00	\$59,502.69	\$46,633.15	\$12,869.54	\$2,159,573.65

244	3/1/2043	\$2,159,573.65	\$59,502.69	\$0.00	\$59,502.69	\$46,905.17	\$12,597.51	\$2,112,668.48
245	4/1/2043	\$2,112,668.48	\$59,502.69	\$0.00	\$59,502.69	\$47,178.79	\$12,323.90	\$2,065,489.69
246	5/1/2043	\$2,065,489.69	\$59,502.69	\$0.00	\$59,502.69	\$47,454.00	\$12,048.69	\$2,018,035.70
247	6/1/2043	\$2,018,035.70	\$59,502.69	\$0.00	\$59,502.69	\$47,730.81	\$11,771.87	\$1,970,304.89
248	7/1/2043	\$1,970,304.89	\$59,502.69	\$0.00	\$59,502.69	\$48,009.24	\$11,493.45	\$1,922,295.65
249	8/1/2043	\$1,922,295.65	\$59,502.69	\$0.00	\$59,502.69	\$48,289.30	\$11,213.39	\$1,874,006.35
250	9/1/2043	\$1,874,006.35	\$59,502.69	\$0.00	\$59,502.69	\$48,570.98	\$10,931.70	\$1,825,435.37
251	10/1/2043	\$1,825,435.37	\$59,502.69	\$0.00	\$59,502.69	\$48,854.31	\$10,648.37	\$1,776,581.05
252	11/1/2043	\$1,776,581.05	\$59,502.69	\$0.00	\$59,502.69	\$49,139.30	\$10,363.39	\$1,727,441.76
253	12/1/2043	\$1,727,441.76	\$59,502.69	\$100,000.00	\$159,502.69	\$149,425.94	\$10,076.74	\$1,578,015.82
254	1/1/2044	\$1,578,015.82	\$59,502.69	\$0.00	\$59,502.69	\$50,297.59	\$9,205.09	\$1,527,718.22
255	2/1/2044	\$1,527,718.22	\$59,502.69	\$0.00	\$59,502.69	\$50,591.00	\$8,911.69	\$1,477,127.22
256	3/1/2044	\$1,477,127.22	\$59,502.69	\$0.00	\$59,502.69	\$50,886.11	\$8,616.58	\$1,426,241.11
257	4/1/2044	\$1,426,241.11	\$59,502.69	\$0.00	\$59,502.69	\$51,182.95	\$8,319.74	\$1,375,058.17
258	5/1/2044	\$1,375,058.17	\$59,502.69	\$0.00	\$59,502.69	\$51,481.51	\$8,021.17	\$1,323,576.65
259	6/1/2044	\$1,323,576.65	\$59,502.69	\$0.00	\$59,502.69	\$51,781.82	\$7,720.86	\$1,271,794.83
260	7/1/2044	\$1,271,794.83	\$59,502.69	\$0.00	\$59,502.69	\$52,083.88	\$7,418.80	\$1,219,710.95
261	8/1/2044	\$1,219,710.95	\$59,502.69	\$0.00	\$59,502.69	\$52,387.71	\$7,114.98	\$1,167,323.24
262	9/1/2044	\$1,167,323.24	\$59,502.69	\$0.00	\$59,502.69	\$52,693.30	\$6,809.39	\$1,114,629.94
263	10/1/2044	\$1,114,629.94	\$59,502.69	\$0.00	\$59,502.69	\$53,000.68	\$6,502.01	\$1,061,629.26
264	11/1/2044	\$1,061,629.26	\$59,502.69	\$0.00	\$59,502.69	\$53,309.85	\$6,192.84	\$1,008,319.41
265	12/1/2044	\$1,008,319.41	\$59,502.69	\$100,000.00	\$159,502.69	\$153,620.82	\$5,881.86	\$854,698.59
266	1/1/2045	\$854,698.59	\$59,502.69	\$0.00	\$59,502.69	\$54,516.94	\$4,985.74	\$800,181.65
267	2/1/2045	\$800,181.65	\$59,502.69	\$0.00	\$59,502.69	\$54,834.96	\$4,667.73	\$745,346.69
268	3/1/2045	\$745,346.69	\$59,502.69	\$0.00	\$59,502.69	\$55,154.83	\$4,347.86	\$690,191.86
269	4/1/2045	\$690,191.86	\$59,502.69	\$0.00	\$59,502.69	\$55,476.57	\$4,026.12	\$634,715.29
270	5/1/2045	\$634,715.29	\$59,502.69	\$0.00	\$59,502.69	\$55,800.18	\$3,702.51	\$578,915.11
271	6/1/2045	\$578,915.11	\$59,502.69	\$0.00	\$59,502.69	\$56,125.68	\$3,377.00	\$522,789.43
272	7/1/2045	\$522,789.43	\$59,502.69	\$0.00	\$59,502.69	\$56,453.08	\$3,049.60	\$466,336.35
273	8/1/2045	\$466,336.35	\$59,502.69	\$0.00	\$59,502.69	\$56,782.39	\$2,720.30	\$409,553.96
274	9/1/2045	\$409,553.96	\$59,502.69	\$0.00	\$59,502.69	\$57,113.62	\$2,389.06	\$352,440.33
275	10/1/2045	\$352,440.33	\$59,502.69	\$0.00	\$59,502.69	\$57,446.78	\$2,055.90	\$294,993.55
276	11/1/2045	\$294,993.55	\$59,502.69	\$0.00	\$59,502.69	\$57,781.89	\$1,720.80	\$237,211.66
277	12/1/2045	\$237,211.66	\$59,502.69	\$100,000.00	\$159,502.69	\$158,118.95	\$1,383.73	\$79,092.71
278	1/1/2046	\$79,092.71	\$59,502.69	\$0.00	\$59,502.69	\$59,041.31	\$461.37	\$20,051.39
279	2/1/2046	\$20,051.39	\$59,502.69	\$0.00	\$20,051.39	\$19,934.43	\$116.97	\$0.00

EXHIBIT D

COPIES OF THE NEW MEXICO PUBLIC EDUCATION DEPARTMENT'S AND PUBLIC SCHOOL FACILITIES AUTHORITY'S RESPECTIVE APPROVALS OF THIS AGREEMENT

[TO BE COMPLETED AFTER PED APPROVES LPA]

State of New Mexico
Public School Facilities Authority

Jonathan Chamblin, Director



Martica Casias, Deputy Director

1312 Basehart Road, SE, Suite 200
Albuquerque, NM 87106
(505) 843-6272 (Phone); (505) 843-9681 (Fax)
Website: www.nmpsfa.org

August 11, 2020
Jill Brame, Director of Operations
Southwest Aeronautics, Mathematics, and Science Academy
4100 Aerospace Parkway NW
Albuquerque, NM 87120

RE: Proposed New Facility for the Southwest Aeronautics, Mathematics, and Science Academy

VIA E-MAIL

Ms. Brame,

The Public School Facilities Authority (PSFA) has reviewed the submitted construction drawings for the proposed new school facility for the Southwest Aeronautics, Mathematics, and Science Academy. The proposed new facility will be located at 6441 Ventana Ranch Road NW. PSFA understands that the charter school plans to obtain a lease purchase agreement for the land and proposed building to be constructed, and relocate to this facility.

The purpose of this plan review was to determine if the proposed facility is in concurrence with the requirements for a Lease Purchase Agreement, pursuant to 22-8B-4.2 NMSA 1978 and 22-20-1 NMSA 1978. The proposed building must have a weighted New Mexico Condition Index (wNMCI) score equal to or better than the current statewide average, meet the statewide adequacy standards, and meet Educational Occupancy standards.

The PSFA is pleased to advise you that the assumed wNMCI score for this new facility will be 0.0%. This score is better (lower is better) than the current wNMCI statewide average of 23.4%, as required by statute.

Analysis of the planned classroom space, for an assumed enrollment cap of 400, indicates the facility will meet the Statewide Adequacy Standards requirements issued by the PSCOC and set forth within 6.27.30 NMAC.

The construction drawings reflect an Educational Occupancy.

This letter confirms that the proposed facility for the Southwest Aeronautics, Mathematics, and Science Academy fulfills the required criteria for a charter school entering a Lease Purchase Agreement.

Please keep the PSFA apprised of the construction and relocation progress. The PSFA will conduct an assessment of the facility once construction is complete.

Please feel free to contact me if you have any questions or concerns regarding this correspondence.

Respectfully,

A handwritten signature in cursive script that reads "Alyce Ramos".

Alyce Ramos, Research Analyst
Public School Facilities Authority

Cc: Martica Casias, Deputy Director

Partnering with New Mexico's communities to provide quality, sustainable school facilities for our students and educators

EXHIBIT E

ADDENDUM TO LEASE PURCHASE AGREEMENT

THIS ADDENDUM TO LEASE PURCHASE ARRANGEMENT, dated as of _____, ____ 2021 (“Addendum”), is made and executed by and between RM SAMS, LLC, a New Mexico limited liability company as Lessor (“Lessor”), and Southwest Aeronautics, Mathematics & Science Academy, a New Mexico public school as Lessee (“School”).

School’s obligations to enter into or continue its obligations under LPA are contingent upon.

1. At the Closing, the Lessor shall cause to be issued to the School a standard ALTA form of leasehold owner’s title insurance policy with respect to the School Site in the amount of the Purchase Price. The leasehold title insurance policy shall contain only those exceptions consented to by the School pursuant to the provisions of this Agreement, plus any additional exceptions required by the Title Company after its review of the survey to be provided in connection with Lessor’s purchase of the Property and which are accepted by the School in writing (“Permitted Exceptions”). The Lessor shall pay the base cost of the leasehold owner’s title insurance policy and the School shall pay for the additional costs for extended title insurance coverage and title insurance endorsements required by the School, including the cost to remove standard exceptions 1 through 7. The leasehold title policy shall contain as few exceptions as possible related to Ventana Ranch. Notwithstanding that a leasehold title policy issued at closing may contain exceptions related to Ventana Ranch, Lessor agrees and affirms that it is currently and will continue efforts post-closing to remove any exceptions in the title policy for any recorded documents indicating that the Land and School Site are subject to any covenants, restrictions, assessments, charges, servitudes, liens, reservations and easements for Ventana Ranch or related to the Ventana Ranch subdivision. In the event the leasehold title policy cannot be issued without such exceptions, Lessor shall reimburse, or cause to be reimbursed, School for any costs associated with compliance therefor and intends to be responsible for any such costs until such time as said exceptions may or can be removed from the title policy at Lessor’s sole expense. Without limiting Lessor’s obligations, as set forth above, to make efforts to ensure that the School Site is not subject to any recorded documents indicating that the Land and School Site are subject to any covenants, restrictions, assessments, charges, servitudes, liens, reservations and easements for Ventana Ranch or related to the Ventana Ranch subdivision, Lessor will specifically do the following to ensure that School may receive a leasehold title insurance policy free of exceptions related to any subdivision or association including but not limited to the Ventana Ranch Subdivision or the Ventana Ranch Community Association (“Association”):
 - a. Lessor shall pay for all legal services required by the Association to amend the Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easement for Ventana Ranch recorded March 5, 1996 in Book 96-6, Page 6759-6804 in the records of Bernalillo County, New Mexico (“Declaration”) to remove the Land and School Site from the property subject to the Declaration and to vacate, rescind, or otherwise make void the Supplemental and Amended Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations, and Easements for Tracts A-2, Ventana Ranch recorded August 6, 2000 at Book A4, Page 3503 in the records of Bernalillo County, New Mexico (“Supplemental Declaration”);
 - b. In the event Lessor’s efforts to have the Declaration amended to remove the Land and School Site from the property subject to the Declaration and to vacate, rescind, or otherwise make void the Supplemental Declaration fail, Lessor shall at its expense, not later than December 1, 2021, initiate a quiet title action, naming all potential claimants and owners in La Ventana subdivision, and pursue the quiet title action to conclusion in an effort to remove the Land and School Site from the

property subject to the Declaration and to vacate, rescind, or otherwise make void the Supplemental Declaration; and

- c. As soon as reasonably possible upon the success of such efforts, cause the Title Company, at Lessor's expense, to issue a new leasehold title policy, or amendment to the existing one, free of exceptions related to the Declaration, Supplemental Declaration, or any subdivision or association including but not limited to the Ventana Ranch Subdivision or the Ventana Ranch Community Association.
 - d. Lessor shall provide a status report to School on Lessor's progress in removing any covenants, restrictions, assessments, charges, servitudes, liens, reservations and easements for Ventana Ranch or related to the Ventana Ranch subdivision upon the request of the School but not more frequently than once every 30 days.
2. No portion of the Purchase Price shall include costs associated with a Water and Wastewater Agreement between New Mexico Utilities, Inc. and Las Ventanas Limited Partnership recorded in Bernalillo County property records on February 24, 1998, Bk 9805, Page 8735, as Instrument 1998020196, or an Agreement between Las Ventanas Limited Partnership and New Mexico Utilities, Inc. recorded in Bernalillo County property records on February 24, 1998, Bk 9805, Page 8738, as Instrument 1998020199. Lessor will indemnify School for all costs associated with such agreements.
 3. School shall have obtained all required Public Agencies Approvals to purchase the School Site through an LPA. Said approvals shall include the following:
 - i. PED's approval of the LPA as provided by NMSA 1978, §22-26A-4 and PED requirements;
 - ii. PSFA's approval for the School to lease-purchase the School Site if constructed according to the Approved Plans; and
 - iii. PSFA's approve for the School to relocate its school to the Property in accordance with NMSA 1978 Section 22-8B-4.2(C), which requires that the Improvements as planned receive a condition rating equal to or better than the average condition for all New Mexico public schools and pursuant to NMSA 1978, §22-20-1(A).
 4. On or before Closing, Lessor shall have delivered to School and School's attorney, the following documents:
 - a) All surveys obtained by Lessor and/or provided to Lessor by Land Owner;
 - b) All construction and site plans related to the School Site and infrastructure improvements to be made on the Property by either the Lessor or as required by Land Owner in the Agreement to Purchase Real Property between Lessor and Land Owner;
 - c) All documents evidencing the physical conditions of the Property including the most recent Phase I Environmental Assessment and any related updates or expanded reports, all of which shall recite that School is an intended user of the report;
 - d) All studies, warranties and contracts related to the ownership of the Property;

- e) All inspections reports obtained by Lessor as part of acquisition of the Land Sale, and as obtained by Lessor to develop the Property as contemplated in this Agreement and the Pre-Development Services Agreement signed by Lessor on October 26, 2020. (“Inspection Reports”);
 - f) All notices or reports regarding the Property, including notices and reports that have been received from governmental authorities;
 - g) Copies of all actions, suits or proceedings pending or threatened before any court, governmental department, commission, board, bureau, agency, or instrumentality that would affect the Property, or the right or ability of the Lessor to comply with all of the terms of this Agreement;
 - h) The most recent appraisal of the Property;
 - i) Leasehold title policy commitment and title documents;
 - j) Any property tax history from the previous two (2) years; and
 - k) All other materials in Lessor’s possession reasonably relating to the Property or contemplated Improvements.
5. School’s Representations and Warranties. School hereby represents and warrants that the following are true statements of law and fact on the date hereof and shall be true statements of law and fact on the Closing Date.
- a. *Authority.* School is a New Mexico public school duly authorized by the New Mexico Public Education Commission and has all requisite authority to execute this Agreement and consummate the transactions contemplated hereunder.
 - b. *Lawsuits.* There are no actions, suits, or proceedings pending or threatened before any court, tribunal, governmental department, commission, board, bureau, agency, or instrumentality that would affect School’s right or ability to comply with all the terms of this Agreement.
6. Lessor’s Representations and Warranties. Lessor hereby represents and warrants that the following are true statements of law and fact on the date hereof and shall be true statements of law and fact on the Closing Date.
- a. *Title.* Lessor holds or will hold at or on the Closing Date good and marketable title to the Property, as free and clear of all liens, leases, restrictions, easements, and encumbrances, except the Permitted Exceptions, as Lessor can make it, subject to a continuing obligation, as set forth above, to try to remove any covenants or restrictions on the Property related to the Supplemental and Amended Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Tract A-2, Ventana Ranch recorded in the records of Bernalillo County New Mexico on April 6, 2000 as Book A4, Page 3503, as Document No. 2000033648.
 - b. *Authority.* Lessor is a New Mexico limited liability company and has all requisite authority to execute this Agreement and consummate the transactions contemplated hereunder.
 - c. *Lawsuits.* There are no actions, suits, or proceedings pending or threatened before any court, tribunal, governmental department, commission, board, bureau, agency, or instrumentality that

would affect the Property, the right or ability of any owner (including Land Owner if known by Lessor) to convey the Property, or the right or ability of Lessor to comply with all the terms of this Agreement;

- d. *Unpaid Repairs or Services.* No services, repairs or alterations have been contracted for or made that have not been paid for and no person or entity has lien claim rights on or against the Property. This warranty will survive Closing and completion of the Improvements as contemplated in the LPA;
 - e. *Bankruptcy.* Neither the Lessor nor the Property is the subject of a bankruptcy, insolvency, probate, receivership, or conservatorship proceeding; and
 - f. *Zoning.* The zoning for the Property contemplates use as a public school as intended pursuant to this Agreement.
 - g. *No Covenants.* The parties hereto believe that the Property is not subject to the Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Lines, Reservations and Easement for Ventana Ranch recorded in the records of Bernalillo County New Mexico on March 5, 1996 as Book 96-6, Page 6759-6805, the Supplemental and Amended Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Tract A-2, Ventana Ranch recorded in the records of Bernalillo County New Mexico on April 6, 2000 as Book A4, Page 3503, as Document No. 2000033648, or any other documents or covenants that would prohibit School's intended use of the Property, regulate the type or manner of construction of the Improvements, impose assessments on the owner of the Property, or encumber the Property in any manner. Lessor has already commenced and intends to continue its efforts to obtain a formal resolution of this issue needed to clear the Property of any title issues related thereto at its cost. In the interim, while said title issues are being resolved, and at all times during the term of the Agreement, Lessor shall indemnify School for all costs incurred by School, including reasonable attorneys' fees, as a result of any claims made by any person that the Property is subject to covenants or other matters contrary to the contents of this paragraph.
7. Environmental Matters. Except as set forth in any environmental assessment reports in Lessor's possession and disclosed to School or as otherwise disclosed to School in writing, Lessor has received no written notice from any governmental authority, or any other person, asserting, nor is Lessor aware of, any violation of Environmental Laws related to the Property and has no knowledge of the presence (except for the presence of Hazardous Materials used by Lessor or its agents, contractors or tenants in amounts necessary and appropriate for Lessor's use of the Property in the ordinary course of business and in compliance with Environmental Laws) or release (except for releases involving de minimis quantities of Hazardous Materials or releases authorized by and in compliance with Environmental Laws) of Hazardous Materials on or from the Property. The term "**Environmental Laws**" includes without limitation the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation, and Liability Act and other federal laws governing the environment as in effect on the date of this Agreement together with their implementing regulations as of the date of this Agreement applicable to the Property, and all applicable state, regional, county, municipal and other local laws, regulations and ordinances that are equivalent or similar to the federal laws recited above or that purport to regulate Hazardous Materials. The term "Hazardous Materials" includes petroleum (including crude oil or any fraction thereof) and any substance, material, waste, pollutant or contaminant, or similar term which is regulated by local authorities, the State of New Mexico and/or the federal government to protect the environment, including, but not limited to, any material, substance, waste or similar term which is listed

or defined as hazardous or toxic under any Environmental Law, in any case at levels or concentrations in the environment requiring remediation or removal in accordance with Environmental Laws.

8. Conditions Precedent.

- a. *Conditions Precedent to Lessor's Obligations.* Lessor's obligations to comply with the terms and conditions of this Agreement are subject to the following conditions to be satisfied by the Closing Date:
 - i. All of School's representations and warranties set forth in this Agreement are true and correct as of the date of Closing;
 - ii. School shall have complied with all applicable terms and conditions, covenants, and obligations under this Agreement as of the date of Closing;
 - iii. School will have provided documentation of the Public Agency Approvals as contemplated in Paragraph 8;
 - iv. School provides an LPA executed by its authorized representatives and delivers the advance principal payment contemplated thereby.
- b. *Conditions Precedent to School's Obligations.* School's obligations to comply with the terms and conditions of this Agreement are subject to the following conditions, to be satisfied by the Closing Date:
 - i. All of Lessor's representations and warranties set forth in this Agreement shall be true and correct;
 - ii. Lessor shall have complied with all applicable terms, conditions, covenants, and obligations under this Agreement to be performed or complied with prior to closing and Lessor has completed all requirements as contemplated under that certain Feasibility and Pre-Development Services Agreement dated October 20, 2020;
 - iii. School has obtained written Public Agency Approvals as contemplated above;
 - iv. Lessor provides evidence that Lessor holds legal title to the Property; and
 - v. Lessor's Lender shall have provided the non-disturbance agreement to School guaranteeing School's rights under the LPA, notwithstanding any default on any agreement between Lender and Lessor, provided School complies with the LPA.

9. Closing.

- a. *Closing Date.* Closing of the transaction contemplated hereunder (the "Closing") shall take place at the offices of Old Republic Title Company (with Karla Walker) at a mutually agreeable time within ten (10) days of receipt of the PED's approval of the LPA (the "Closing Date").
- b. *Deliveries of School.* On the Closing Date, School shall deliver to Lessor:

- i. the executed LPA and a memorandum of which shall be recorded in the real estate records of Bernalillo County, New Mexico;
 - ii. the advance principal payment of \$1,960,000.00 as set forth in Section 6.10 of the LPA; and
 - iii. execute and deliver such other instruments and documents as may reasonably be requested by Lessor or the Title Company.
- c. *Deliveries of Lessor.* On the Closing Date Lessor shall deliver to School:
- i. the executed LPA by its authorized representative(s);
 - ii. Certificates of insurance for the coverages and amounts contemplated in Section C of Exhibit B; and
 - iii. Such other documents, instruments, and considerations as may be reasonable requested by School or the Title Company.

10. Costs and Prorations.

- b. *Prorations.* All county and local real property taxes, all water, sewer, and other utility charges, and all other similar costs and expenses shall be prorated through the Closing Date. All assessments for municipal improvements shall be paid by Lessor.
- b. *Lessor's Costs.* Lessor shall pay: (i) the cost of the base cost of the leasehold title insurance policy; (ii) the Phase I Environmental Assessment report; (iii) any costs associated with environmental remediation and environmental follow-up testing, if any; (iv) an updated ALTA survey, if required by Title Company or Surveyor's Inspection Report; (v) Lessor's attorney fees; (vi) real estate brokerage commissions; and (vii) one-half of all other costs or expenses attributable or related to the Closing, unless otherwise provided herein.
- c. *School's Costs.* School shall pay: (i) all costs and expenses incurred by School for any inspection of the Property prior to the Closing Date and any appraisal needed or desired (ii) School's attorneys' fees, (iii) costs associated with obtaining Public Agencies Approvals and (iv) one-half of all other costs and expenses attributable to or related to the Closing, unless otherwise provided herein.

LESSOR
RM SAMS, LLC

By: _____

Printed Name: Steven Nakamura

Title: Managing Member

ACKNOWLEDGEMENTS

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

The foregoing LEASE PURCHASE ARRANGEMENT was acknowledged before me this _____ day of _____, 2021, by Steven Nakamura, as Managing Member of RM SAMS, LLC a New Mexico limited liability company, on behalf of the company.

(Seal)

Notary Public

My Commission Expires:

SCHOOL
SOUTHWEST AERONAUTICS, MATHEMATICS & SCIENCE ACADEMY
A New Mexico Public School,

By: _____
Printed Name: _____
Title: _____

ACKNOWLEDGEMENTS

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

The foregoing LEASE PURCHASE ARRANGEMENT was acknowledged before me this _____ day of ____, 2021, by _____, as _____ of Southwest Aeronautics, Mathematics & Science Academy a New Mexico public school, on behalf of the school.

(Seal)

Notary Public

My Commission Expires:

**SOUTHWEST AERONAUTICS, MATHEMATICS AND SCIENCE ACADEMY
GOVERNING COUNCIL
SOURCE OF FUNDS FOR
LEASE PURCHASE ARRANGEMENT
(BASED ON 30 YEAR AMORTIZATION)**

Purchase Price	\$ 10,903,704.06
SB9 – Advanced Principal	\$ 222,101.00
HB 33 Advanced Principal	\$ 888,000.00
Operational Advanced Principal	\$ 849,899.00
Balance of Purchase Price	\$ 8,943,704.06
Monthly Payment	\$ 59,502.69
Total Annual Payment (Fiscal Year)	\$ 714,032.28

DESCRIPTION OF FUNDING SOURCES <i>Based on FY21 Funding</i>	TOTAL (ASSUMING HIGHEST AMOUNT)	PROJECTED ANNUAL 80/120 MEM
¹ PSCOC Lease Assistance Award pursuant to NMSA 1978, §22-24-4(I)	\$ 189,498.00	350.00
Supplemental Payments from Operational (SEG)	\$302,502.00	
² Supplemental Payments from SB9 (Public School Capital Improvements Act, NMSA 1978, §22-25-1, <i>et seq.</i>)	\$ 95,000.00	
³ Supplemental Payments from HB33 (Public School Buildings Act, NMSA 1978, §22-26-1, <i>et seq.</i>)	\$ 190,000.00	
TOTAL FUNDS AVAILABLE	\$ 770,000.00	

¹The School received a Public School Capital Outlay Council Lease Assistance Award for FY2021 in the amount stated. This amount is based the PSCOC's revised formula for calculating charter school lease grants. The School anticipates that grant award eligibility will increase by adding classroom space and in the future the PSCOC lease assistance will increase. The Public School Capital Outlay Act, at NMSA 1978, §22-24-4(I) provides for an annual CPI adjustment to the per-member funding amount, however, the Lessee has not forecasted any potential increase or decrease.

²Based on 2021 mill levy proceeds (SB9) received, the Lessee estimates that \$95,000.00 per year will be available to supplement the Lease Assistance Award, to the extent required to cover the Base Rent obligation.

³Based on 20201 mill levy proceeds (HB33) received, the Lessee estimates that \$190,000.00 per year will be available to supplement the Lease Assistance Award, to the extent required to cover the Base Rent obligation. In addition, the School anticipates sufficient HB33 revenues to pay anticipated advanced principal payments as set forth in the LPA, i.e. \$100,000 per annum starting after 60 months.

The School plans to use additional capital funds in excess of those amounts required to pay Base Rent under the Lease Purchase Arrangement for purposes making additional principal payments each year (Public School Capital Improvements Act, NMSA 1978, §22-25-1, *et seq.*; Public School Buildings Act, NMSA 1978, §22-26-1, *et seq.*)

AFFIDAVIT OF BRIDGET BARRETT

I, Bridget Barrett, (“Affiant”), do hereby declare under penalty of perjury that the information given in this statement is true and correct to the best of my knowledge.

1. I am over the age of eighteen (18) and give this affidavit based on my personal knowledge.

2. My full name is Bridget Barrett. I am employed as the head administrator of Southwest Aeronautics, Mathematics & Science Academy (“School”), a New Mexico public charter school. The business address of the School is 4100 Aerospace Parkway NW, in the City of Albuquerque, County of Bernalillo, New Mexico 87120.

3. My statement was prepared and executed in conformance with NMSA 1978, §22-26A-6(A)(2015).

4. I am the head administrator of the School, as the term is defined in NMSA 1978, §22-1-2(N) and 6.80.4.7(K) NMAC [6/30/09]. My responsibilities as head administrator include posting notices and agendas of the governing body of the School for regular and special meetings in accordance with the Open Meetings Act, specifically at NMSA 1978, §10-15-1(D) and (F) (2015).

5. I have personal knowledge that notice of a special meeting of the governing body of the School, known as the “Governing Council”, that was held at 4:30 p.m. on August 10, 2021 via Zoom, along with the agenda were posted on or before 4:30 p.m. on August 6, 2021 on the door of the school. The notice for that meeting was also posted on the School website, <https://www.samsacademy.com/about-us/governing-council>, before 4:30 p.m. on August 6, 2021.

6. The scheduled special meeting included agenda items specifically for the purpose of considering the acquisition of real property through a lease purchase arrangement as defined by the Public School Lease Purchase Act. See NMSA 1978, Section 22-26A-6(B) (2015).

7. During this meeting the required resolution was duly approved and met all the notice requirements of the Open Meetings Act.

8. Pursuant to NMSA 1978, §10-15-1(F)(2013), the notice and agenda for the special meeting described in paragraph five (5) was available at least seventy-two (72) hours in advance at the administrative offices and online at the School’s website.

9. Pursuant to NMSA 1978, §10-15-1(D)(2013) and the School’s Open Meeting Resolution, notice shall be mailed to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings to School. No broadcast stations or newspapers of general circulation requested such notice, so none was provided.

10. My affidavit is being submitted as part of the request by School for approval from the New Mexico Public Education Department of the proposed lease purchase arrangement between RM SAMS, LLC. and the School under NMSA 1978, §22-26A-4 (2015).

11. My statements in this Affidavit are based upon my personal knowledge, or knowledge obtained directly from an examination of the official records of the School’s Governing Council, which are retained by the School’s record custodian and that pertain to the public meeting of the Governing Council that occurred on August 10, 2021.

The foregoing statements are true and correct to the best of my knowledge.


BRIDGET BARRETT

STATE OF NEW MEXICO)
)ss.
COUNTY OF BERNALILLO)

Signed and sworn to before me on this 10th of August 2021 by Bridget Barrett.


Notary Public



(Seal)

My commission expires: 6/8/22