

POLO FIELD LEASE

This POLO FIELD LEASE (“Lease”) is entered into by and between the **City of Littleton**, a municipal corporation of the State of Colorado (hereinafter referred to as the “City”), and the **Polo Reserve Metropolitan District**, a quasi-municipal corporation and political subdivision of the State of Colorado (hereinafter referred to as the “Lessee”) whose address is c/o Timothy J. Flynn, Collins, Cockrel & Cole, PC, 390 Union Boulevard, Suite 400, Denver, Colorado 80228. The City and Lessee shall hereinafter collectively be referred to below as the “Parties.”

RECITALS

WHEREAS, City and Lessee are parties to that certain Lease recorded upon the public records of Arapahoe County, Colorado on September 30, 1994 in Book 7724 Page 363 (“Original Lease”) entered into originally between the City and FTSC, a Colorado general partnership (“Original Lessee”) for the purpose of authorizing the Original Lessee to construct, operate, and maintain a practice polo field (“Polo Field”) on certain City owned property, legally described on Exhibit A as attached hereto and incorporated herein by this reference (hereinafter referred to as the “Leased Premises”); and

WHEREAS, concurrent with the Original Lease the Original Lessee conveyed to City a 20 year conservation easement over a 8.107 acre strip of land located along the Nevada Ditch to the west of Cooley Lake and on the north and south side of Mineral Avenue (the “Protected Property”), recorded upon the public records of Arapahoe County, Colorado on September 30, 1994 in Book 7724 Page 306; and

WHEREAS, Lessee subsequently acquired fee ownership of the Protected Property; and

WHEREAS, in connection with the approval of Lessee’s Service Plan, Lessee conveyed to City a permanent conservation easement over the Protected Property, which permanent conservation easement was recorded upon the public records of Arapahoe County, Colorado on December 19, 2003 at Reception No. B3269572; and

WHEREAS, the Original Lessee’s rights and obligations under the Original Lease were assigned to the Polo Ridge Land Company, LLC, a Colorado limited liability company by that certain Assignment and Assumption Agreement dated February 11, 2003 and recorded upon the public records of Arapahoe County, Colorado on February 24, 2003 at Reception No. B3040444; and

WHEREAS, Lessee is the successor in interest to the Polo Ridge Land Company by reason of that certain Assignment and Assumption Agreement dated February 21, 2003 and recorded upon the public records of Arapahoe County, Colorado on February 24, 2003 at Reception No. B3040445; and

WHEREAS, the Original Lease is for a term of 20-years that will expire on September 27, 2014; and

WHEREAS, the Original Lease, in and of itself, has been mutually beneficial to and in the interest of both Parties; and

WHEREAS, to provide for the continued use of the Leased Premises as the Polo Field, the Parties desire to enter into a new lease, the term of which will include the time remaining under the Original Lease plus an additional 20 years that will expire on September 27, 2034.

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

1. The City hereby leases to Lessee and Lessee hereby leases from the City the Leased Premises for the Polo Field and other incidental activities which are necessary to the maintenance of the Leased Premises and the Polo Field.

2. The Leased Premises may also be used for auxiliary parking and for polo matches and such other uses as may be permitted by the Planned Development Plan (the "Planned Development Plan") recorded in Book 116, Page 49 in the records of the Arapahoe County Clerk and Recorder's office which, from time to time, may occur on the Lessee's other polo fields located in the Polo Reserve, Polo Ridge Farms Subdivision. After any such parking, the Polo Field and Leased Premises shall be promptly returned, insofar as reasonably practical, to their original condition. Any debris or mud deposited on Mineral Avenue or on the adjoining public streets due to Lessee's activities shall also be cleaned off at the Lessee's sole expense.

3. Without intending to expand those uses specified in paragraphs 1 and 2 hereof, the Lessee agrees that no storage of any kind shall be allowed on the Leased Premises. Without intending to limit the generality of the foregoing, the Lessee agrees that no dangerous or "hazardous materials" shall be stored on the Leased Premises. For the purposes of this Lease, "hazardous materials" means (i) any substances defined as "hazardous substances," "pollutants," "contaminants," "hazardous materials," "hazardous wastes," or "hazardous or toxic substances" or related materials as now or hereafter defined in any Environmental Law, (ii) those substances listed or otherwise identified as substances of the type referred to in the preceding subsection (i) in the regulations adopted and issued pursuant to any Environmental Law, as the same may be amended, modified, or supplemented; (iii) any friable asbestos, or any substance or material containing asbestos; (iv) those substances listed or identified as medical waste in the Medical Waste Tracking Act, 42 USC §6992, et seq.; and (v) any substance the presence of which is prohibited by any applicable Environmental Law. For purposes of this Lease, "Environmental Laws" means any and all applicable federal, state, and local statutes, laws, rules, regulations, ordinances, judicial orders, administrative orders, consent

decrees, judgments, permits, licenses or other binding determinations of any judicial or regulatory authority, now or hereafter in effect, imposing liability, establishing standards of conduct or otherwise relating to protection of the environment (including natural resources, surface water, groundwater, soils, and indoor and ambient air), health and safety, land use matters or the presence, use, generation, treatment, storage, disposal, release or threatened release, transport or handling of hazardous substances.

4. The Lessee hereby agrees, to the extent permitted by law, to hold harmless and indemnify the City, its officers, agents, and employees from and against any and all claims resulting from the storage or unlawful use of any hazardous materials, as defined above, occurring after the date of the execution of the Original Lease.

5. If the City reasonably suspects that any violation of the Environmental Laws is occurring involving the Leased Premises, the City may conduct any reasonable tests or inspections at the sole expense of the Lessee, including, without limitation, soil and other tests, borings, sampling and monitoring in order to determine compliance with the provisions of this Lease and of the Environmental Laws or the presence thereon of any hazardous material and shall have access to the Leased Premises for such purposes.

6. The Lessee agrees to properly maintain and irrigate the Leased Premises.

7. The Lessee shall continue to properly maintain, repair and replace the existing living fence that was installed in connection with the Original Lease.

8. Except for the use of fertilizers, which the Parties agree is permitted under the Planned Development Plan, the Lessee agrees that the Leased Premises shall not be altered, deforested, nor shall the use of herbicides, insecticides or any other chemicals be used thereon, without the prior written consent of the City or as designated on the Planned Development Plan.

9. The Lessee shall not construct any structure on the Leased Premises, excepting Polo Field boarding at the east and west sides of the Polo Field without the prior written consent of the City.

10. The mutual covenants and conditions contained in this Lease are hereby acknowledged to be adequate consideration for each other and no rental or other fees for the execution of this Lease is required.

11. The term of this Lease shall include the time remaining under the Original Lease, which would otherwise remain in effect until September 27, 2014, plus an additional 20 years (the "Term"), so that the Term of this Lease shall expire on September 27, 2034, unless sooner terminated in accordance with the provisions of this paragraph 11. If any default occurs in the performance of or with the compliance of any terms or conditions hereof, this Lease, at the option of the City, shall terminate and be

forfeited, and the City may re-enter the Leased Premises and remove all persons and boarding therefrom. The Lessee shall be given written notice of any default or breach, and termination and forfeiture of this Lease shall not result, if within 30 days of receipt of such notice, Lessee has corrected the default or breach or has taken action reasonably likely to affect such correction within a reasonable time. In the event that the Lessee fails to take corrective action within a reasonable time, the City may bring the Leased Premises back into compliance, or cause the Leased Premises, to be brought into compliance with its original condition at the sole cost of the Lessee.

12. In the event that litigation becomes necessary to enforce the rights of either Party under this Lease, the Party who successfully enforces its rights shall be entitled to an award of its reasonable attorney's fees, expert witness fees and court costs.

13. The covenants and conditions contained herein shall run with the land and shall be binding upon the heirs, legal representatives, and assigns of the Parties hereto. Lessee agrees that it will not assign or sublet this Lease without the prior written consent of City.

14. The Lessee agrees that access to City property shall be given to qualified wildlife personnel on the north side of the Leased Premises in accordance with and for the purposes set forth in the South Platte Park Management Plan, pages 26 through 32, a copy of which is attached hereto as Exhibit B.

15. If any material provision of this Lease is deemed to be unlawful by a court of competent jurisdiction, then this Lease shall be deemed null and void and no damages or other remedies shall be available to the Parties. However, if any non-material provisions of this Lease is consequently declared by legislative authority to be unlawful, unenforceable, or not in accordance with applicable laws of the United States of America, the State of Colorado, or any local law, all remaining provisions of this Lease may, at the option and at the sole discretion of the City, remain in full force and effect.

16. At the expiration of the Lease Term, the Lessee shall quit and surrender the Leased Premises in as good a condition as the Leased Premises were in at the commencement of this Lease, however, Lessee shall not be required to re-grade the land to the condition it was in prior to its use as the Polo Field.

17. City and its agents shall have the right at all reasonable times during the Term of this Lease and any renewal to enter the Leased Premises for the purpose of inspecting the Leased Premises for conformance with the terms hereof.

18. This Lease, when executed by both Parties, shall supersede the Original Lease, which shall then terminate and be of no further force and effect.

Executed this ____ day of _____, 2014.

City of Littleton, Colorado

By: _____
President of the City Council

Attest:

City Clerk

APPROVED AS TO FORM:

City Attorney

Polo Reserve Metropolitan District

By: _____
Steven A. Wagner, President

Attest:

Glenn C. Lee, Treasurer

ACKNOWLEDGEMENT

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The above and foregoing instrument was acknowledged before me this ____ day
of _____, 2014 by _____ President of the
Littleton City Council.

Witness my hand and official seal.

My commission expires: _____

Notary Public

ACKNOWLEDGEMENT

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The above and foregoing instrument was acknowledged before me this ____ day of _____, 2014 by Steven A. Wagner, President of the Polo Reserve Metropolitan District.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A

EXHIBIT B