

MASTER LEASE AGREEMENT

THIS MASTER LEASE AGREEMENT (this “**Lease**”) is executed as of this 13th day of August, 2019 (the “**Effective Date**”) between EMPIRE WEST TITLE AGENCY LLC d/b/a/ Thomas Title and Escrow, acting not in its corporate capacity but solely as “Trustee” under its Trust No. 1305TRTAZ (“**Lessor**”) and LITTLETON ELEMENTARY SCHOOL DISTRICT, a political subdivision of the State of Arizona (“**Lessee**”).

RECITALS

A. Pursuant to that certain Trust No. 1305TRTAZ dated June 21, 2018 (the “**Trust Agreement**”) between Brookfield Lakin LLC, a Delaware limited liability company (“**Second Beneficiary**”), as second beneficiary, Lakin Cattle Company, an Arizona corporation (“**LCC**”) and Cashion Farm Limited Partnership, an Arizona limited partnership, (“**First Beneficiary**”), as first beneficiary and Lessor (“**Trustee**”), as Trustee, Second Beneficiary is the beneficial owner of certain real property in the City of Avondale, County of Maricopa, State of Arizona (the “**Alamar Property**”), being developed as a master planned community currently known as “Alamar,” which is located within the boundaries of the Littleton Elementary School District.

B. Trustee has been directed by First Beneficiary and Second Beneficiary to lease a portion of the Alamar property as contemplated hereby

C. Lessor leased a portion of the Alamar Property to LCC pursuant to that certain Agricultural Lease Agreement dated June 21, 2018 (the “**Agricultural Lease**”).

D. Second Beneficiary and Lessee have entered into that certain School Site Donation Agreement dated December 11, 2018 (the “**Donation Agreement**”) pursuant to which Second Beneficiary has reserved a portion of the Alamar Property described on Exhibit A to the Donation Agreement (the “**Leased Premises**”) for use as a school site and has granted Lessee the right to acquire the Leased Premises on the terms set forth in the Donation Agreement.

E. Pending Lessee’s election to acquire the Leased Premises, Second Beneficiary has agreed to direct Lessor to lease the Leased Premises to Lessee on the terms and conditions set forth herein subject, however, to the Agricultural Lease.

AGREEMENT

NOW, THEREFORE, In consideration of the mutual covenants and promises set forth herein, the parties agree as follows:

1. Definitions. Capitalized terms not defined herein shall have the meaning set forth in the Donation Agreement.

2. Leased Premises. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Leased Premises on the terms and conditions set forth in this Lease.

3. Term. The term of this Lease shall commence on the Effective Date and unless sooner terminated or extended pursuant the terms hereof shall terminate on the earlier of (a) the acquisition by Lessee of the Leased Premises pursuant to the Donation Agreement, (b) the Acquisition Notice Deadline if Lessee fails to timely provide Second Beneficiary with the Acquisition Notice, or (c) February 11, 2021 (the “**Term**”).

4. Rent. During the Term of this Lease, Lessee shall not be required to pay any rent hereunder, but shall comply with the terms and conditions of this Lease. If this Lease is terminated pursuant to item (b) or item (c) of Section 3 above or on account of a default by Lessee hereunder, and Lessee fails to execute a quitclaim deed or other document relinquishing any rights to the Leased Premises within three (3) business days following written request by Second Beneficiary, Lessee shall pay to Second Beneficiary rent in the amount of \$1,000 per day until it executes such document.

5. Use of the Leased Premises.

(a) Pursuant to the Donation Agreement, Lessee shall use the Leased Premises solely as an elementary school, provided, that Lessee shall not occupy, modify, improve or otherwise use the Leased Premises during the term of this Lease except to review, inspect and evaluate the Leased Premises as set forth on Exhibit B to the Donation Agreement and in preparation for its acquisition pursuant to the Donation Agreement. Such review, inspection and evaluation of the Leased Premises shall be subject to the rights of LCC under the Agricultural Lease.

(b) Lessor acknowledges that Lessee has no liability under the Agricultural Lease. The Agricultural Lease requires the tenant thereunder (the “**Farm Tenant**”) to (i) indemnify, defend and hold Lessor free and harmless for, from and against any and all claims, liability, loss, damage, or expense resulting from the Farm Tenant’s occupation and use of the Leased Premises (“**Farm Tenant Indemnity**”) and (ii) obtain commercial general liability insurance and to name Lessor as an additional insured. Lessor agrees to indemnify, defend and hold Lessee free and harmless for, from and against any and all claims, liability, loss, damage, or expense for matters covered by the Farm Tenant Indemnity; provided, however, that Lessor’s indemnity shall be limited to matters for which it receives actual compensation from the Farm Tenant or Farm Tenant’s insurer, and Lessee shall not be required to pay any damages, expenses or other amounts to Lessee unless and until it receives payment from the Farm Tenant or Farm Tenant’s insurer. As a condition to Lessee’s execution of this Lease, Lessor shall provide Lessee: (i) the written consent to the terms of this Lease by the Farm Tenant and (ii) a certificate of insurance (“**Certificate of Insurance**”) naming Lessee as an additional insured under Farm Tenant’s insurance policy as required by the Agricultural Lease on terms and conditions no less favorable than the coverage provided Lessor under such insurance policy. In the event of any amendment or termination of such insurance, prior to the effective date of such amendment or termination, Lessor shall provide Lessee replacement insurance coverage in the required form or otherwise reasonably acceptable to Lessee. If Lessee elects to acquire the Leased Premises pursuant to the Donation Agreement, the Agricultural Lease shall be terminated on or before the closing and conveyance to Lessee.

6. Notices and Filings. All notices, consents, approvals and other communications provided for herein or given in connection herewith shall in made in writing and delivered personally

or sent by registered or certified United States mail, postage prepaid, or by recognized overnight carrier for next business day delivery to:

Lessee: Littleton Elementary School District
1600 S. 107th Avenue
Avondale, AZ 85353
Attn: Dr. Roger Freeman, Superintendent
Email: roger.freeman@lesd.org

Lessor Empire West Title Agency LLC d/b/a/ Thomas Title and Escrow
7150 E. Camelback Road #195
Scottsdale, AZ 85251
Attn: Julie Herman
Email: jherman@thomastitle.com

And to: Brookfield Lakin LLC
14646 N. Kierland Boulevard, Suite 165
Scottsdale, AZ 85254
Attn: John L. Bradley
Email: john.bradley@brookfieldrp.com

or to such other addresses as either party hereto may from time to time designate in writing and deliver in a like manner. Notices shall be deemed delivered upon personal delivery, three (3) days after deposit in the U.S. mail, postage prepaid and addressed as set forth above, or the next business day after deposit with a recognized overnight carrier as evidenced by confirmable air bill or similar receipt.

7. General.

(a) Default. Failure or unreasonable delay by either party to perform any term or provision of this Lease for a period of five (5) days after written notice thereof from the other party shall constitute a default under this Lease. Said notice shall specify the nature of the alleged default and the manner in which said default may be satisfactorily cured, if possible. If a party to this Lease is in material default under any provision of this Lease that has not been cured (or is not capable of cure), the non-defaulting party shall be entitled, without prejudice to any other right or remedy that it may have under this Lease, at law or in equity, to terminate this Lease as if this Lease had expired in the normal course and to exercise any and all other remedies available to it at law or in equity. Notwithstanding any other provision in this Lease, neither party shall in any event be responsible or liable for consequential, special, or punitive damages as a result of any act or omission in connection with this Lease.

(b) Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by Lessor or Lessee of the breach of any covenant of this Lease shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Lease.

(c) Attorneys' Fees. In the event any party hereto finds it necessary to bring an action at law or other proceeding against the other party to enforce any of the terms, covenants or conditions hereof, or by reason of any breach or default hereunder, the party prevailing in any such action or other proceeding shall be paid all reasonable costs and reasonable attorneys' fees by the other party, and in the event any judgment is secured by said prevailing party, all such costs and attorneys' fees shall be included therein, such fees to be set by the court and not by jury.

(d) Counterparts. This Lease may be executed in one (1) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all parties may be physically attached to a single document.

(e) Headings and Recitals. The descriptive headings of the sections of this Lease are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof. The Recitals set forth at the beginning of this Lease are hereby acknowledged and incorporated herein and the parties hereby confirm the accuracy thereof.

(f) Exhibits. Any exhibit attached hereto shall be deemed to have been incorporated herein by this reference with the same force and effect as if fully set forth in the body hereof.

(g) Time. Time is of the essence of this Lease.

(h) Further Acts. Each of the parties hereto shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Lease.

(i) Assignment and Sublease. Lessee may not assign its interest hereunder nor sublease the Leased Premises without the prior written consent of Lessor, which consent may be given or withheld in Lessor's sole discretion. In no event shall Lessee be released on account of any such assignment or sublease.

(j) No Partnership and Third Parties. It is not intended by this Lease to, and nothing contained in this Lease shall, create any partnership, joint venture or other arrangement between the parties. No term or provision of this Lease is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

(k) Entire Agreement. This Lease constitutes the entire agreement and the reasonable expectations of the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understanding of the parties, oral or written, are hereby superseded and merged herein.

(l) Amendment. No change or addition may be made to this Lease, except by a written amendment executed by the parties hereto.

(m) Severability. If any provision of this Lease is declared void or unenforceable, such provision shall be severed from this Lease, which shall otherwise remain in full force and effect.

(n) Governing Law. This Lease is entered into in the State of Arizona and shall be construed and interpreted under the law of the State of Arizona. In particular, this Lease is subject to the provisions of A.R.S. §38-511. The parties acknowledge however, that to their knowledge, no such reason for cancellation currently exists. This Lease has been negotiated by separate legal counsel for the parties, and no party shall be deemed to have drafted this Lease for purposes of construing any portion of this Lease for or against any party.

-Signatures on the following page-

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the dates set forth below.


LESSOR:

EMPIRE WEST TITLE AGENCY LLC
d/b/a/ Thomas Title and Escrow, acting not in
its corporate capacity but solely as "Trustee"
under its Trust No. 1305TRTAZ

By: 
Name: LAURA NEJEDKY
Its: TRUST OFFICER

LESSEE:

LITTLETON ELEMENTARY SCHOOL
DISTRICT, a political subdivision of the
State of Arizona

By: 
Name: John Raeder III
Its: Governing Board President

ATTEST:

Clerk