

Grade Level Change to Contract Amendment Request Form

The Charter Contract, was entered into by and between the New Mexico Public Education Commission, and **EXPLORE ACADEMY** ("the School"), effective **1st of JULY, 2019**. The School was approved for a **FIVE-YEAR** Charter Contract.

The School's Charter Contract currently states:

AUTHORIZED GRADE LEVELS: 6-12

The School requests consideration from the Public Education Commission (PEC) to change the terms of its Charter Contract, Section 4.3, as follows:

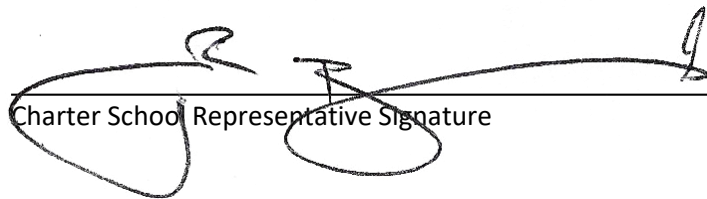
PROPOSED CHANGE TO GRADE LEVELS SERVED: K-12

EFFECTIVE DATE: 7/1/2021

GRADE LEVELS SERVED: ☒ **INCREASE** ☐ **DECREASE**

The School's Grade Level Change to Contract amendment request is hereby submitted by, **JUSTIN BAIARDO**, on **12/10/2021**, and affirms the school meets the following eligibility criteria:

- X The school must confer with the PEC to convert to the 2019 contract template within 30 days of a vote on this request; and
- X Received no lower than a "C" letter grade in SY16 through SY18, no lower than the top 75% in the NM School Accountability System, or in all of the past three years for which a Tier evaluation is available, have been identified as Tier 2 or better in the Academic Performance Framework; and
- X Has not had its board of finance revoked within the last three years; and
- X The school's governing board is in compliance with all reporting requirements.



Charter School Representative Signature

12/10/20

Date

EXPLORE ACADEMY'S Grade Level Change amendment request was reviewed and voted upon by the Public Education Commission and is hereby:

☐ **APPROVED**

☐ **DENIED**

Chair, Public Education Commission
cc: School File

Date

Certification of Board Vote

Highlight and replace all capitalized text below.

Certificate Of Governing Body Vote

This document certifies that on 11/10/20 at 5:30 PM a meeting of the Governing Body of EXPLORE ACADEMY a New Mexico public charter school, was held at 5100 MASTHEAD NE in ALBUQUERQUE, NM and virtually via Zoom. The meeting and all votes were conducted in compliance with the New Mexico Open Meetings Act.

A quorum of the Governing Body's members being present and voting, it was voted 5 in favor and 0 opposed to approval of an amendment application for: an increase of the Explore Academy student enrollment cap to a maximum of 1,700 students, an expansion of grade levels to add grades K-5, and the addition of square footage to include the campus at 5100 Masthead for the above expansion.

The members voting in favor were: Vigil, Barrera, Barton, Kulb, Garletts

The members voting in opposition were: None

I, the undersigned, certify that this is a true copy.



Signature of Individual Authorized To Certify the Vote (Secretary or Other Officer)

Ray Barton

Board Secretary

12/10/20

Attach a narrative that responds to the following prompts:

(Decrease and Increase) Describe the rationale for this request.

Explore Academy seeks to extend its grade level offering to include elementary program grade levels in order to apply its academic program to more fundamental learning levels and provide an innovative elementary program model to students, families, and teachers to increase educational achievement for elementary students and provide a more robust educational pipeline for Explore Academy's middle school program.

(Increase Only) Provide a detailed staffing plan consistent with each Staffing Chart submitted with this request.

STAFFING CHART

TEACHERS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
KINDER	6	6	6	6	7
1st GRADE	5	5	5	6	7
2nd GRADE	4	4	4	4	6
3rd GRADE	3	3	4	4	5
4th GRADE		3	4	4	5
5th GRADE			3	3	4
ELECTIVES	2	3	4	4	5
ADMIN	1	2	2	2	2
SPED	1	2	2	2	2
COUNSELOR	1	1	2	2	2
EDUC ASST	6	8	10	12	12
INTERVENTION	2	2	3	3	4

ENROLLMENT MATRIX

The school's projected enrollment chart is shown below:

GRADE BREAKDOWN	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
KINDER	90	90	95	95	105
1st GRADE	80	85	87	92	95
2nd GRADE	70	75	82	84	92
3rd GRADE	60	65	72	79	84
4th GRADE		55	62	69	79
5th GRADE			52	59	69
TOTAL	300	370	450	478	524

The school's existing grade level projections are shown below:

GRADE BREAKDOWN	YEAR 1	YEAR 2	YEAR 3
6th GRADE	220	220	200
7th GRADE	220	220	200
8th GRADE	150	200	200
9th GRADE	90	140	190
10th GRADE	90	80	130
11th GRADE	55	80	70
12th GRADE	55	50	70
TOTAL	880	990	1060

Describe how the staffing (administrative, instructional, and non-instructional), enrollment, and target population needs will be addressed by the following processes:

- **Recruitment**

To accommodate the kindergarten through fifth grade staffing needs, there will be an additional 31 staff members added starting in year 1. This will include content and specials

teachers for grades kindergarten through third as well as one administrator, one counselor, and one special education teacher. We also plan to hire two intervention specialists for reading and math as well as six educational assistants.

We will advertise openings for all grade levels and specialties through a multimodal approach, much like we are doing currently. We use Indeed.com and other recruiting sites, Facebook, and our website to announce open positions and provide resources for applicants. We also receive word of mouth recommendations from staff, students, parents, and community members that have brought some amazing educators to apply. We have seen a wealth of applications for our open positions each year and we are confident that we can expand the staff to include all grades K through 12 as well as the necessary support and specialty positions. We have already had many applicants for elementary grades, both classroom and intervention and specials teachers, and are very pleased with the high quality educators who seek to work at Explore Academy and embrace the educational model as it expands to include all grades kindergarten through twelve.

This hiring process can be easily adjusted to hire teachers in an order outside of what is described above if the need arises taking into account student enrollment, phase in grade adjustments, and specialty position needs. Additionally, we have dozens of applications for educational assistants each year, so increasing the number of EAs we have on campus is an achievable staffing goal.

- Hiring and training

For hiring and training, we have developed a detailed onboarding plan for new teachers and staff members. The paperwork and required documentation systems have been codified to streamline the hiring process and ensure that all staff members are aware of and comply with required documentation provision and hiring processes. This includes providing up to date transcripts and licenses, timely background checks and fingerprinting, check out procedures for technology and other supplies, etc. In order to accommodate the added elementary grade levels and the corresponding staffing needs, the school has expanded its team to include elementary experts in both content and special education to ensure its staffing, model, curriculum, and training development efforts are effective, inclusive, and of high quality.

Starting as soon as they are notified and welcomed to the team (a process in progress throughout the spring each year and through July), there are training sessions scheduled for new staff within their content team or grade level team to prepare them for the upcoming year. Using our employee handbook as well as customized, comprehensive training modules (digitally accessed anywhere through Google Classroom and Drive repositories), newly hired staff are given information on a steady basis that helps them begin their course and curriculum development as well as learn about the educational

model of Explore Academy and how it all functions including pedagogy, instructional practices, data collections, scheduling, etc.

There are staff orientation days planned for the beginning of the year before the students first day of school so that all staff have individual and group time to prepare for the school year. This also provides time for returning staff to assist and mentor new staff. These days will include training and activities specific to the elementary grade levels to ensure that all new staff in the added grade levels are prepared for the upcoming school year.

The elementary expert and the instructional coach have worked together to adapt all support and training practices to be responsive to and effective with all grade levels K-12. These two staff members, in addition to other administrative and support staff, will assist with mentoring, teacher training and support, and curriculum guidance. The instructional coach is an experienced Explore Academy teacher with years of experience in assessment, instruction, curriculum, mentorship programs, and the Explore Learning model. The elementary expert will transition into a director of elementary education position, allowing her to oversee the K-5 adaptation of the Explore Learning model as well as its implementation and progress monitoring.

Explore Academy values teacher training and preparation, so a lot of time and energy is devoted to properly training and supporting both new staff and returning staff each year. There are comprehensive staff training sessions built into the start of each school year to provide training to new and returning staff. New staff are given extra time to work one on one with administration, department/content experts, and the director of instruction. The new elementary staff will have dedicated time to work with the training team to address training and preparation needs as they arise on a group and individual basis. The training for new hires, especially for the elementary grades, will include some of the following training topics which will also be included within the comprehensive staff onboarding modules:

- Explore Learning model
- Flavor-based instruction and seminar design
- Introduction and incorporation of choice
- Frontloading and other instructional practices
- Seminar-style instruction
- Using thematic units
- Early literacy and math skills
- Closing achievement and learning gaps
- Inquiry teaching models
- Formative vs. summative assessment and exit exams
- Standards-based assessment at all grade levels

- Standards-based grading
- Student support systems
- Socio-emotional learning and instructional practices
- Google and other Explore Academy technology practices

(Increase Only) Provide a detailed description of how the Charter school will meet the enrollment targets identified in each Enrollment Matrix submitted. Include the following:

- A plan for meeting targets;
- Necessary advertising and/or promotion to meet the targets;
- Number of returning students; and
- Anticipated new student enrollment.

The school will meet its enrollment target through the following targeted action steps:

- General marketing
- Outreach to current families for sibling interest
- Outreach to staff members

General Marketing

The school has begun exploratory marketing to the general population to gauge interest in a potential expansion effort to include the addition of new grades levels K to 5. The school will utilize digital (social media) and paper-based (newspaper, flyers, mailers) means to provide general information about the upcoming expansion and addition of new students for its new grade level range. Having begun this process already, in order to gauge preliminary interest prior to submitting this request, the school will continue this upon approval for recruitment purposes. Based on the significant feedback in its exploratory investigation, the school is confident that it can meet its targets through these mechanisms.

Outreach to Current Families

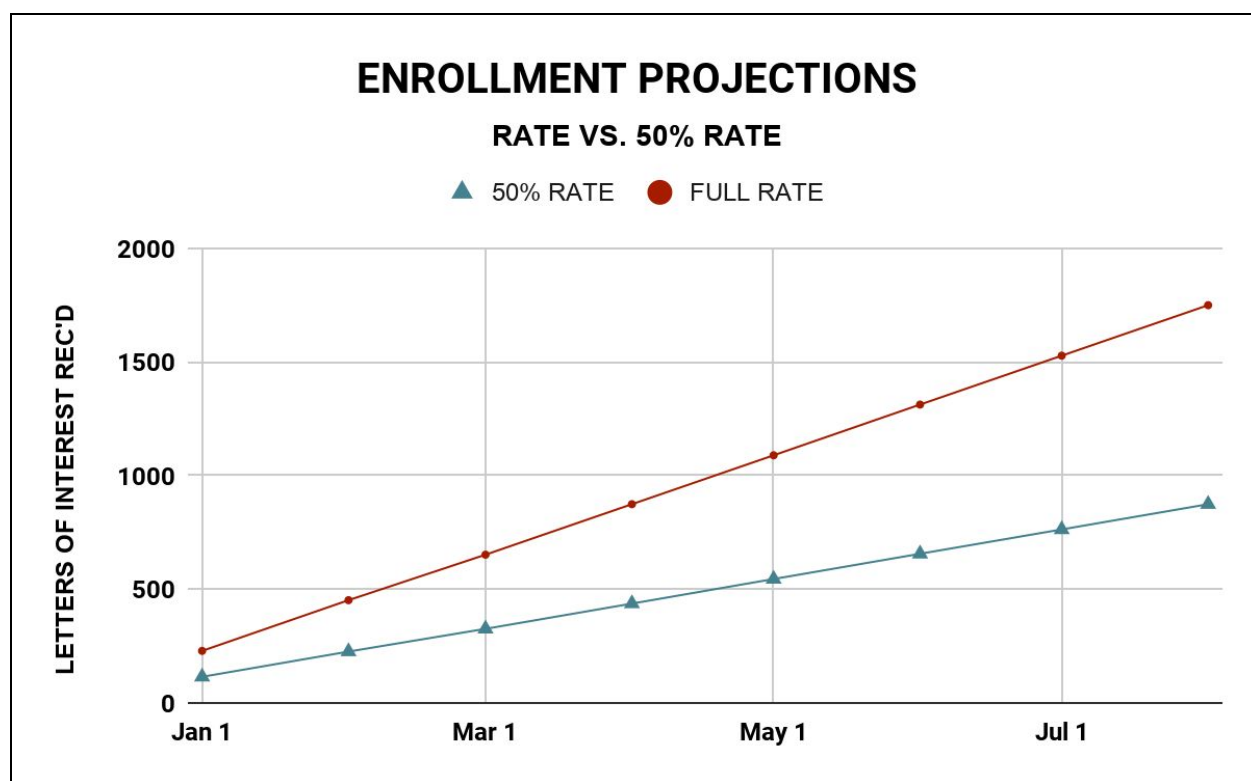
The school has already reached out to its current families (with students in grades 6-12) for potential siblings that may be interested in attending its K-5 program. Based on the feedback received, there is significant interest from current families to enroll their students in a potential Explore Academy elementary program in the fall of 2021.

Outreach to Current Staff Members

In addition to its current families, the school has reached out to its staff to see if there exists interest in the proposed program. For the sixty staff members at Explore Academy, there exist a small portion that have students of elementary school age.

Based on the above methods, the school is confident that it can meet its enrollment objectives for the upcoming school year. As stated above, the school has engaged the community in exploratory interest surveying through the above tactics to gauge the general level of interest before applying for this amendment. Through these steps it has compiled the following data to support this request:

At the time of this writing, 91 families have submitted letters of interest for siblings that would enroll in the fall of 2021 should the program come to exist. In addition, through its general marketing, the school has received exceptional support for its proposed program, certifying that **there is a strong desire for the program to expand to include elementary grades**. The chart below shows the rate at which letters of interest have been submitted. While it is assumed that the school will not maintain its current rate of interest (the red line illustrates the current rate of letters of interest being received), the projection below (blue line) demonstrates that it will have in excess of 800 letters of interest **even if the rate of interest is reduced by 50% over the course of the spring and summer months**. The school is willing to provide its interest lists as requested to support these projections.



The school's projected enrollment chart is shown below, aligning to the Enrollment Matrix attached to this request. The data illustrate a compelling justification that the enrollment targets are both reasonable and achievable for the upcoming fall semester

(2021). Because this proposal entails the expansion to new grade levels in addition to the request cap increase, there are no returning students to be considered in this calculation.

GRADE BREAKDOWN	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
KINDER	90	90	95	95	105
1st GRADE	80	85	87	92	95
2nd GRADE	70	75	82	84	92
3rd GRADE	60	65	72	79	84
4th GRADE		55	62	69	79
5th GRADE			52	59	69
TOTAL	300	370	450	478	524

(Increase Only) Identify the concrete resources, if any, needed for implementation.

The school recognizes the following expenditures as significant areas in which the school will have to commit funding for implementation of an elementary program:

- Facilities
- Furniture
- Classroom resources
- Support programs

Facilities

The school already possesses a E-Occupancy certified facility to house this program, and this facility will require minor re-configuration to modify it for a change in grade level enrollment, including adjustment of restroom fixtures and the addition of age-appropriate play structures in the building's exterior. Additional reconfiguration of the facility space is planned to rollout slowly over subsequent school years as needed.

Furniture

The school will need to purchase furniture for the addition of the younger students. The school has reached out to current elementary programs, as well as the Public Charter Schools of New Mexico in anticipation that some degree of excess furniture will be available. That said, it is assumed that the school will have to commit spending to the purchase of new furniture over the coming years as new grade levels are phased in.

Classroom Resources

The team acknowledges the significant expenditure required to purchase and adapt instructional materials to the needs of the program. Providing each teacher with the resources and materials they need to implement this innovative program in order to provide the immersive, thematic experience that aligns with the model. Until teachers begin their planning of their flavored thematic units, it is impossible to describe which specific curricular resources are needed, however the school anticipates this cost over the term of the phased-in enrollment described in the enrollment matrix. As has been the case to this point, the school is committed to funding teacher creativity to its fullest potential.

Support Programs

The school acknowledges age-specific support programs that will need to be additionally funded, including technology centers and a library. These will require their own expenditures to fulfill these programming requirements.

Consider the changes needed to curriculum, assessment, and instruction to implement this request. Provide the rationale for your response. If the response indicates that resources are not needed to implement the request, explain why.

With the addition of new grade levels to correspond with the request for an increased student cap, there is a significant need for resources required for an elementary program to be implemented and for the Explore Academy model to be adapted to grades K-5.

Curricular Planning

The school team has already commenced in planning an adapted instructional framework, utilizing the Explore Academy model, for implementation in grades K to 5. It has and will continue to consult with elementary educational specialists (elementary school instructional leaders, administrators, and teachers) within this process, and many of these individuals may come aboard as staff members should the proposed plan be approved. To the degree that the instructional framework exists with the vertical alignment of standards, the plan is sound, applicable, innovative, and aligns with the Explore Academy model. As teachers are hired and the school works toward launch, the specific details about the instructional program will be developed to be ready for students by August of 2021.

The school's plan maintains focus on thematic and "flavor"-based instruction. While many elementary teachers already utilize, to varying degrees, thematic units in their teaching, there will be formal training for teachers in the spring and summer leading up to the launch of school in August. This will allow teachers the ability to remain creative in

how they integrate the standards into immersive flavor units, aligning with the model of the school as a whole.

Within the adapted elementary model, the school will remain focused on mastery-based learning with students moving to higher level skill sets only when they have demonstrated mastery. This method of teaching is typically implemented in elementary models already, so it can be assumed that many of the newly hired teachers will have familiarity with this approach.

Assessment

Students in grades K-5 will participate in standards-based assessments in class that are aligned to be common across the humanities and STEM classes, measuring progress in specific standards addressed in all “flavors” of each grade level band. For example, students in Humanities (HUM) 021 and 022 will have the same standards-based assessment to measure their proficiency in the HUM 020 ELA and social studies standards, just as students in SCI 071 and 072 have the same common assessment covering the science standards for SCI 070. These will become increasingly complex, incorporating grade-level appropriate tools and formatting, allowing the students to prepare for a smooth transition from 5th grade into the Explore Academy grade 6-12 exit exams.

For grades K-3, the school plans to use the Istation systems of assessments for progress monitoring and screening. For grades 3-5, the school will utilize the interim and summative assessments for ELA and math, NM-MSSA. These are standards-based and align with the middle and high school model currently used at Explore Academy. Grade 5 will also take the NM-ASR each spring along with the 8th and 11th grade students.

(Adding Grades K–8 Only) Present clear criteria for promotion from one grade level to the next, to include the level of proficiency that students must obtain to demonstrate mastery of academic core content.

The Explore Academy elementary model will utilize mastery-based learning in alignment with its current mission and vision. Rather than maintain students in grade-level cohorts, students will be individually tracked based on their current state of proficiency. For the purposes of this proposal, “proficiency” will be rated at 70%-85% with “mastery” rated from 86% to 100%. Similar to Explore Academy’s current model, students will need to show proficiency on all standards before advancing.

Students will remain in age-appropriate cohort clusters for class, however, within that division they will be aligned within a ten-tier skill alignment to track their progression in individual skill areas from K through 5th grade. Similar to Explore Academy’s 100-800 level model, with students working from the 100-level in 6th grade to the 800-level in 12th grade, or as their rate of mastery would allow, students in the school’s K-5 program will work from levels 10 to 90 with the transition from level 90 representing a seamless

transitional step from 5th to 6th grade. All elementary-level standards have been divided and aligned within this system.

As an example, students will be required to demonstrate proficiency in MTH 60 (math, level 6) before advancing to MTH 70. It is predicted that teachers will be working with students within specific ranges within a skill. To cite the above example, a teacher will have students who are in both MTH 60 and MTH 70 and will be working with the needs of each individual student and subgroup. With class sizes estimated with an average of fifteen students per class, based on the budgetary plan the school has completed, this individual attention can be achieved and is similar to the school's focus on individual learning progress in its current 6-12 model.

- ☐ ~~(Adding Grades 9–12 Only) Describe the following:~~
 - ☐ ~~Course offerings;~~
 - ☐ ~~Process and criteria for awarding course credit;~~
 - ☐ ~~Policy on acceptance of transfer credit; and~~
 - ☐ ~~Graduation requirements that identify the number of credits in each content area and electives consistent with State requirements.~~
- ☐ ~~(Decrease Only) Identify the number of students displaced by the decrease in grade levels.~~
- ☐ ~~Decrease Only) Describe the plan to communicate the decrease in grades to the school community.~~
- ☐ ~~(Decrease Only) Describe the plan to provide displaced students assistance with:~~
 - ☐ ~~Identifying other educational options; and~~
 - ☐ ~~Enrolling in another school.~~

Occupancy Documentation (Increase Only)

For the proposed facility, clearly label and provide the following documents:

- **Documentation of the capacity load of the facility to document capacity that can sustain projected growth in enrollment. Hand-drawn images will not be accepted.**

The school is planning to utilize its former facility for this proposed expansion. This facility (5100 Masthead) was the home of the school until this current year, where it moved and expanded its enrollment into its facility at 6600 Gulton Ct. The two facilities, one of which will house its K-5 program and the other to house its 6-12 program, are one mile apart from one another.

Given that the school has occupied this building for the past four years, it already exists with the required educational certifications. At present, and without reconfiguration of the space, the proposed facility houses thirty (30) classrooms. It is expected that the space will require some configuration in future years, however as it currently exists it can support the proposed enrollment projection as described above. See attached document, "Explore Academy - Space Plan" for the current layout of the proposed facility.

- If an additional facility will be utilized:
- A Certificate of Occupancy, approved for educational use; OR An assurance that the school will not occupy any space until the school possesses a Certificate of Occupancy and provides the same to the PEC;
 Certificates of Occupancy (for all three phases of the Masthead facility) are provided. These show that the total capacity is 1,093, which should more than support the projected enrollment.
- NMCI letter from the PSFA; OR An assurance that the school will not occupy any space until the school possesses a NMCI letter from the PSFA and provides the same to the PEC;
 The NMCI letter from the PSFA is provided.
- Documentation of the capacity load of the facility to document capacity that can sustain enrollment requested (hand-drawn images will not be accepted) ; OR An assurance that the school will not occupy any space that does not have a sufficient capacity load to sustain the enrollment requested and provides documentation of the capacity load to the PEC; and
 The provided certificates of occupancy show the total capacity load allowance for the proposed facility at 5100 Masthead.
- Proposed lease (as relevant), lease purchase agreement (as relevant), or purchase contract (as relevant) and an affidavit verifying compliance with legal requirements of Section 22-8B-4.2 NMSA 1978; OR An assurance that the school will not occupy any space that does not meet the ownership and leasing requirements of Section 22-8B-4.2 NMSA 1978.
 The school entered into a lease purchase agreement and currently owns the facility in question. The lease purchase agreement and the PED LPA approval letter are both attached.

Additional Information (Increase Only)

Attach each of the following documents:

- **Enrollment Matrix**
 Attached
- **Detail the current and targeted number of students served per grade for the subsequent three Fiscal Years both in the grade levels currently served and the requested additional grade(s).**
 Attached in Enrollment Matrix, showing both projected enrollment for K-5 and current projections for grades 6-12

- Staffing Chart
- Identify the current and anticipated staffing information for the subsequent three Fiscal Years both in the grade levels currently served and the requested additional grade(s).

Staffing Chart is attached.

LEASE PURCHASE ARRANGEMENT

dated as of January 15th, 2019,

by and between

EXPLORE ACADEMY FOUNDATION,
A New Mexico non-profit corporation,

and

EXPLORE ACADEMY,
A New Mexico public charter school.

THIS LEASE PURCHASE ARRANGEMENT, dated as of January 15th, 2019 (“Agreement”), is made and executed by and between Explore Academy Foundation, a New Mexico non-profit corporation (“Foundation”) as Lessor, and Explore Academy, a New Mexico public charter school (“Charter School”) as Lessee.

RECITALS

A. Charter School is a charter school as defined in NMSA 1978, §22-8B-2(A), authorized by the 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. Charter School’s governing body has determined that it is necessary, desirable, and in Charter 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 acquire from Foundation through a lease purchase arrangement approximately 3.3 acres of land (“Land”), plus an approximately 35,122 square-foot, one-story building, equipment and improvements (“Improvements”) located at 5100 Masthead Street NE, Albuquerque, Bernalillo County, New Mexico (hereafter the Land and Improvements referred to together as the “School Facility”), and more particularly described in Exhibit A attached hereto.

C. Foundation is a non-profit corporation duly organized, in good standing, and existing under the Nonprofit Corporation Act, NMSA 1978, §53-8-1, *et seq.*, and is authorized by its articles of incorporation, bylaws, action of its board of directors, 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 Facility to Charter School, and to otherwise act in the manner set forth herein.

D. In order to, among other things, finance the cost of acquiring, renovating, expanding, and equipping the existing 23,398 square foot one story building located at 5100 Masthead Street NE, Albuquerque, New Mexico, for use as a public school facility, Foundation has entered into a Loan and Security Agreement, dated as of May 1, 2018 (“Loan and Security Agreement”), with the Wisconsin-based Public Finance Authority (“Authority”), pursuant to which the Authority has loaned to Foundation the proceeds from the issuance of its Educational Facility Revenue Bonds (Explore Academy Project) Series 2018A, in the aggregate principal amount of \$9,035,000, and its Taxable Educational Facility Revenue Bonds (Explore Academy Project) Series 2018B, in the aggregate principal amount of \$555,000, issued pursuant to an Indenture of Trust dated as of May 1, 2018 between the Authority and Wilmington Trust, National Association (“Wilmington Trust”). Charter School is not a party to or an obligor under the Loan and Security Agreement.

E. The Authority is a “commission” created in accordance with Section 66.0304 of the Wisconsin Statutes Annotated (2013) for the purpose of issuing conduit revenue bonds. The

Authority is a unit of government, and a body corporate and politic, separate and distinct from, and independent of, the State of Wisconsin and the political subdivisions which are parties to the agreement creating the Authority.

F. Foundation granted a Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated as of May 10, 2018, and filed of record as of the same date with the Bernalillo County Clerk's Office as Document #2018041009, ("Deed of Trust") to Stewart Title of Albuquerque, LLC., as trustee for the benefit of Wilmington Trust (also "Assignee" herein, as defined below), to secure Foundation's indebtedness and other obligations under the Loan and Security Agreement. Charter School is not a party to or a borrower/trustor under the Deed of Trust.

G. Under the Deed of Trust, Foundation (a) mortgaged, granted and conveyed to Stewart Title of Albuquerque, LLC, for the benefit of Wilmington Trust, the School Facility, and (b) assigned all leases including the Lease Agreement dated May 10, 2018 between Foundation and Charter School, and any subsequent Lease Purchase Arrangements, this Agreement included, to Wilmington Trust.

H. The Base Rent and Additional Rent (both as hereinafter defined) payable by Charter School under this Agreement shall constitute currently appropriated expenditures of Charter School, and Charter 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 Charter School, or a mandatory charge or requirement against Charter School in any Fiscal Year (as hereinafter defined), beyond the Fiscal Year for which legally available funds have been appropriated.

I. This Agreement, once fully executed by the parties, replaces and supersedes the Lease Agreement by and between Foundation and Charter School dated as of May 10, 2018 ("Lease").

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, Foundation and Charter School agree as follows:

ARTICLE I DEFINITIONS AND EXHIBITS

Section 1.1 Definitions. Unless otherwise specified in this Agreement, the capitalized terms used herein shall have the meanings specified below.

"ACH" or "Automated Clearing House" refers to an electronic funds-transfer system run by the National Automated Clearing House for financial transactions, including electronic debit payments from an originator's account into a receiver's account.

“ACH Authorization Agreement” means the electronic debit payment authorization executed by Charter School in favor of Wells Fargo Bank, National Association, attached hereto as Exhibit C.

“Additional Rent” means, as set forth in Section 5.3 of this Agreement, all amounts due by Charter School under the terms hereof, other than Base Rent.

“Agreement,” 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.

“Assignee” means Wilmington Trust, National Association, as the named beneficiary under the Deed of Trust executed by Foundation to secure Foundation’s indebtedness and other obligations under the Loan and Security Agreement.

“Base Rent” means the amounts shown on Exhibit B attached hereto for the Term of this Agreement.

“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.

“Capital Improvement” means any structure or other asset added to the School Facility or its structural components, including the surrounding public school grounds, that involves the expenditure of public funds, and that is distinguished from ordinary maintenance and repairs.

“Charter School’s Representative” means the chair of Charter School’s governing body or any other person duly authorized by Charter School to act on its behalf under or with respect to this Agreement.

“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, after which date the payment obligations hereunder will continue for a period not exceeding thirty (30) years after the date of execution, as prescribed by NMSA 1978, §22-26A-5(C).

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

“School Facility” has the meaning ascribed to it in Recital B herein, including furnishings and equipment, if any, leased by Foundation to Charter School under this Agreement and described in Exhibit A hereto.

“Fiscal Year” means Charter School’s fiscal year, which begins on July 1 of any year and ends on June 30 of the following calendar year.

“Foundation’s Representative” means Foundation’s chief executive officer or any other person duly authorized by Foundation to act on its behalf under or with respect to this

Agreement.

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

“Land” means the approximately 3.3 acres located at 5100 Masthead Street N.E., Albuquerque, New Mexico, as part of the School Facility described in Exhibit A to this Agreement.

“Lease Payments” means, collectively, any payments due from Charter School to Foundation under this Agreement and in accordance with Article V hereof, payable from funds specifically appropriated year to year by Charter 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.*

“Net Proceeds” means any insurance proceeds or condemnation award paid on the School Facility, 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 Charter School to purchase the School Facility 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 Education Commission” is the commission created pursuant to Article 12, Section XI of the New Mexico Constitution (NMSA 1978, §9-24-9), authorized under NMSA 1978, §22-8B-16 to, among other things, approve, deny, suspend or revoke the charter of a state charter school, in accordance with the provisions of the Charter Schools Act.

“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, pertaining to this Agreement and the matters hereunder.

“Statewide Adequacy Standards” mean the standards set forth in 6.27.30 NMAC (09/01/2002, as amended through 08/31/2005), and any subsequent amendments thereto promulgated by the Capital Outlay Council, applicable to the School Facility, and any variances from those standards granted to Charter 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 1.2 Exhibits. The following exhibits are attached to and by reference made a part of this Agreement:

Exhibit A - Legal Description, Description of Improvements, Floor Plan

Exhibit B - Base Rent Schedule

Exhibit C - ACH Authorization Agreement

Exhibit D - Reporting Requirements

Exhibit E - 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 2.1 Representations, Covenants, and Warranties of Charter School. Charter School represents, covenants, and warrants as follows:

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

(b) It has full power and authority to lease, operate, maintain, and acquire under an option to purchase the School Facility, 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 Charter 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 with regard to this Agreement and the acquisition of the School Facility through a lease purchase arrangement.

(e) It has immediate need for, and expects to make immediate use of, the School Facility 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) To the knowledge of Charter School, there is no litigation or proceeding currently pending or threatened against Charter School or any other person affecting the right of Charter School to execute and deliver this Agreement, the ability of Charter School to make the

payments required hereunder, or the ability of Charter School otherwise to comply with its obligations under this Agreement.

(g) It shall not transfer, lease, assign, mortgage, or encumber all or any portion of its interest under this Agreement, or the School Facility itself, 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 charter school; or (ii) the State of New Mexico or one of its institutions, instrumentalities or other political subdivisions

(h) It shall use and occupy the School Facility for the primary purpose of a public charter school and the activities directly related thereto, or for such other public school purposes as may be lawfully authorized or permitted by Charter School or Foundation under state or federal law.

(i) It shall conform to and comply with all applicable municipal, state, and federal laws, ordinances, rules and regulations in its use of the School Facility, and Charter School will not use or suffer to be used the School Facility 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.

(j) It shall use its best efforts to purchase the School Facility from Foundation 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 at the earliest possible time, 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.

(k) Notwithstanding any other provisions of this Agreement, Charter School's governing body represents, warrants and covenants that it has not directly or indirectly undertaken Foundation's debt under the Loan and Security Agreement, nor has Charter 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 Charter School from or through the State of New Mexico, for the purpose of securing the payment of Foundation's financial obligations under the Loan and Security Agreement, 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.

Section 2.2 Representations, Covenants, and Warranties of Foundation.
Foundation represents, covenants, and warrants as follows:

(a) It is a non-profit corporation 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 Facility to Charter 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 will use its best efforts to maintain, preserve, and renew its tax exempt status and all the rights and powers provided to it under its articles of incorporation, bylaws, action of its board of directors, and applicable federal and state law.

(c) This Agreement is enforceable against Foundation 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 constructed to educational occupancy standards and shall meet all applicable Statewide Adequacy Standards. The School Facility will be leased from Foundation in accordance with all Requirements of Law, specifically including those of New Mexico, and Foundation shall maintain the School Facility to all applicable Statewide Adequacy Standards at no additional cost to Charter School or the State 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 Foundation is now a party or by which Foundation is bound or constitutes a default under any of the foregoing.

(f) Except as specifically provided in this Agreement, and except as may otherwise be agreed to by the parties, Foundation shall not assign this Agreement, its rights to payments from Charter School or its duties and obligations hereunder or thereunder to any other person, firm, or corporation, provided such assignment does not impair or violate the representations, covenants, and warranties contained herein.

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

(h) To the knowledge of Foundation, Foundation has not received any notice that the School Facility 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 Facility.

(i) To the knowledge of Foundation: (i) the School Facility has at all times been operated in substantial compliance with all Requirements of Law; (ii) all permits required by Requirements of Law in respect of the School Facility have been obtained and are in full force

and effect and Charter 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 Facility and there are no grounds on which any such litigation, investigation or proceedings might be commenced; (iv) the School Facility 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 School Facility 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 Facility 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 Facility including the movement of any such items through or in the air, soil, surface water, ground water from, into, or out of the School Facility 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 Facility in violation of any Requirements of Law.

ARTICLE III AGREEMENT TO LEASE

Section 3.1 Agreement. Foundation hereby leases the School Facility to Charter School, and Charter School hereby leases the School Facility from Foundation 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 3.2 Possession and Enjoyment. During the Term of this Agreement, Foundation shall provide Charter School with quiet use and enjoyment of the School Facility and during such term Charter School shall peaceably and quietly have and hold and enjoy the School Facility, without suit, trouble, or hindrance from Foundation, except as expressly set forth herein. Foundation will, at the request of Charter School and at Charter School's cost, join in any legal action in which Charter School asserts its right to such possession and enjoyment to the extent Foundation may lawfully do so. Notwithstanding the foregoing, Foundation shall have the right to inspect the School Facility as provided in Section 3.4 hereof.

Section 3.3 Use of School Facility. The School Facility shall be used and occupied only for educational and related purposes, and for no other purpose. No portion of the School Facility shall be used primarily for pervasively sectarian purposes. Charter 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 3.4 Foundation's Access to School Facility. Charter School agrees that following the Commencement Date of this Agreement, Foundation shall have for the Term the right, during Charter School's normal working hours and regular business days, upon compliance with any security requirements imposed by Charter School and upon reasonable notice, to enter on and examine and inspect the School Facility for the purpose of assuring that it is being properly maintained, preserved, and kept in good repair and condition. Charter School further agrees that Foundation shall have such rights of access to the School Facility as may be reasonably necessary to cause the proper maintenance of the School Facility in the event of failure by Charter School to perform its obligations hereunder, provided that at no time shall Foundation be compelled or required to make any improvements, alterations, or additions to the School Facility.

ARTICLE IV TERM OF AGREEMENT

Section 4.1 Term of Agreement. The Term of this Agreement shall commence upon the Commencement Date, with a final lease payment date hereunder not exceeding thirty (30) years from the date of its execution by the parties ("Term"), unless this Agreement is terminated earlier pursuant to Section 4.2 hereof.

Section 4.2 Termination of Agreement. This Agreement shall terminate upon the occurrence of any one of the following events:

(a) the purchase of the School Facility by Charter School pursuant to Article VI hereof;

(b) a default by Charter School and Foundation's election to terminate this Agreement pursuant to Article XI hereof;

(c) a default by Foundation and Charter School's election to terminate this Agreement pursuant to Article XI hereof;

(d) a decision by Charter School's governing body, in any Fiscal Year, not to continue this Agreement from year to year or to purchase the School Facility in accordance with NMSA 1978, §22-26A-5(I);

(e) if sufficient money is not available to meet any current lease payment under this Agreement; or

(f) if Charter School's charter is revoked or not renewed by the 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 Charter School's governing body filed pursuant to NMSA 1978, §22-8B-7(F).

Section 4.3 Effect of Termination of Agreement. Upon termination of this Agreement:

(a) All unaccrued obligations of Charter School hereunder shall terminate, but all obligations of Charter 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); and

(b) If the termination occurs because of the occurrence of a non-appropriation under Section 4.5 hereof or an Event of Default as defined herein: (i) Charter School's right to possession of the School Facility shall terminate; and (ii) Charter School shall, within sixty (60) days, vacate the School Facility. If termination occurs because of non-renewal or revocation of Charter School's charter, Lease Payments shall be paid through the date of closure, subject to: (a) the supervisory authority of the Public Education Department under NMSA 1978, §22-2-2(C); and (b) NMSA 1978, §22-8B-12.1(C) which provides that when a charter school is closed, its assets shall be distributed first to satisfy outstanding payroll obligations for employees of the charter school, then to creditors of the charter school and then to the State of New Mexico's treasury to the credit of the current school fund.

Section 4.4 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 Charter School to continue this Agreement from year to year or to purchase the School Facility; and (b) this Agreement shall be terminated if sufficient money is not available to meet any current lease payment.

Section 4.5 Termination of Agreement due to Event of Non-appropriation.

(a) An "Event of Non-appropriation" shall mean: (i) a failure by the New Mexico Legislature to appropriate, or the Public Education Department to then distribute, sufficient money to Charter School to pay the Base Rent and Additional Rent required under this Agreement; or (ii) a failure by Charter School to appropriate sufficient amounts to proceed under Section 7.6(c)(ii) of this Agreement, following the occurrence of an event described in Section 7.6(a) hereof.

(b) In the event that Charter 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, Charter School shall give written notice within one (1) Business Day of such decision to Foundation. The exercise of Charter School's statutory right to not continue this Agreement shall be conclusively determined: (a) by Charter 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 Charter School's governing body, and not by any other Charter School agency or official, except as otherwise provided under the Public School Code, NMSA 1978, Chapter 22 [except Article 5A].

(d) If an Event of Non-appropriation occurs, Charter 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 Charter School's governing body for the Fiscal Year during which such Event of Non-appropriation occurs; provided, however, that Charter 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 Charter School continues to occupy or retain possession of the School Facility.

(e) The Charter School shall in all events vacate the School Facility and surrender it to Foundation, by June 30th following an Event of Non-appropriation.

ARTICLE V AGREEMENT LEASE PAYMENTS

Section 5.1 Lease Payments.

(a) Base Rent. Charter School agrees to pay Foundation, its successors and assigns, for the right to use, improve, and acquire by purchase the School Facility, and Foundation agrees to accept, as full lease payment for the School Facility a sum equal to the monthly Base Rent set forth in Exhibit B to this Agreement, the first one being due and payable on the twentieth (20th) day of the first month following the Commencement Date hereof and each succeeding month thereafter during the Term of this Agreement. Any partial month will be calculated on a *pro rata* basis.

(b) A portion of each Base Rent payment is paid as, and represents payment of, interest as shown on Exhibit B hereto, which sets forth 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, Foundation shall apply the amount of such payment to principal and interest as shown in Exhibit B, thereby reducing the purchase price to be paid on and after the Option Date hereof. 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 5.2 Budgeting. In any Fiscal Year that this Agreement is in effect, Charter School shall, to the extent permitted by New Mexico law, or by any rule, regulation, or standard duly issued or promulgated by the Public Education Department, 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 (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 Charter School's governing body. The Base Rent, Additional Rent, and other obligations payable by Charter School under this Agreement

shall constitute currently appropriated expenditures of Charter School and shall not constitute a debt or multiple Fiscal Year direct or indirect obligations whatsoever of Charter School or a mandatory charge or requirement against Charter School in any Fiscal Year beyond the Fiscal Year for which such payments have been approved.

Section 5.3 Additional Rent. In addition to the Base Rent, Charter School shall pay Additional Rent during the Term as herein provided. Additional Rent shall be estimated annually by Charter School and shall be in an amount sufficient to pay the following costs during the ensuing Fiscal Year, provided that Charter 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) the reasonable fees and expenses of Foundation related to the School Facility, including but without limitation, all reasonable fees and expenses related to administration and management as determined by Foundation; (ii) the cost of insurance premiums for insurance deemed necessary or desirable in Foundation's reasonable discretion; and (iii) all other costs expressly required to be paid by Foundation hereunder. The Additional Rent may be adjusted during the Term of this Agreement in the discretion of Foundation, subject to the consent of Charter School. If Charter School's governing body decides to continue this Agreement for the ensuing Fiscal Year, Charter 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 Charter School.

Section 5.4 Nature of Payment. Charter School and Foundation acknowledge and agree that the Base Rent and Additional Rent hereunder shall constitute currently appropriated expenditures of Charter School and may be paid from any legally available funds. Charter 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 Charter 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 Charter School within the meaning of any constitutional or statutory limitation or requirement. This Agreement does not directly or indirectly obligate the Charter School to make any payments beyond those appropriated for any Fiscal Year for which payments have been appropriated.

Section 5.5 Manner of Payment.

(a) The Base Rent and any Additional Rent shall be paid from the Commencement Date and continuing on the twentieth (20th) day of every month of the Term thereafter in lawful money of the United States of America. Charter School agrees to make payment of all Base Rent and Additional Rent to Foundation or its Assignee from legally available funds by an ACH debit according to the requirements of Section 5.6 hereof.

(b) The obligation of Charter 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. Charter 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 Charter 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 Charter School of any rights, claims, or defenses which Charter School may assert. No action or inaction on the part of Foundation shall affect Charter School's obligation to pay Base Rent and Additional Rent of this Agreement.

Section 5.6 ACH Debit Authorization Agreement. Charter School shall pay all Base Rent and Additional Rent to Foundation or its Assignee, c/o Manufacturers & Traders Trust Company, by means of electronic debit payments authorized under the ACH Authorization Agreement executed by Charter School in favor of Wells Fargo Bank, National Association, and attached hereto as Exhibit C. Upon execution of this Agreement, Charter School shall deliver to Foundation or its Assignee the completed ACH Authorization Agreement, together with a voided check for account verification, whereby payments of the Base Rent and Additional Rent are transferred by electronic debit to Foundation or its Assignee from the (transactional) depository account in which public school funds are customarily placed on deposit by Charter School.

Section 5.7 Funding of Improvements to School Facility. Charter School and Foundation agree that Charter School may use all legally available funds to acquire, construct, equip, install, or make improvements to the School Facility during the Term of this Agreement. Prior to any termination of this Agreement as provided hereunder, Foundation may require Charter School to remove at Charter School's own expense any improvements to the School Facility that were funded by Charter School.

Section 5.8 Taxes and Assessments. During the Term, if the School Facility or any portion thereof shall, for any reason, be deemed subject to taxation, assessments, or charges lawfully made by any governmental body, Charter 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, Charter School shall be obligated to provide only for such installments as are required to be paid during the Term of this Agreement. Charter School shall not allow any liens for taxes, assessments, or governmental charges to exist with respect to the School Facility 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 Facility or any portion thereof, or any interest therein, including the interest Foundation) or the rentals and revenues derived therefrom or hereunder. If Charter School shall first notify Foundation of the intention of Charter School to do so, Charter School may, at the expense and in the name of Charter 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 Foundation shall notify Charter School that, in the

opinion of independent counsel, whose reasonable fees shall be paid by Charter School, by nonpayment of any such items the School Facility or any portion thereof will be subject to loss or forfeiture, or Foundation 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 Foundation in form satisfactory to Foundation (provided, however, that such payment shall not constitute a waiver of the right to continue to contest such tax, assessment, or other charges). Foundation shall cooperate in any efforts by Charter School to contest any taxes or assessments.

Section 5.9 Utilities. During the Term, Charter 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 Facility and Charter School shall place all such utilities in its name.

ARTICLE VI OPTION TO PURCHASE

Section 6.1 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 Foundation acknowledges to be adequate, Foundation grants to Charter School the option to purchase the School Facility upon the terms and conditions set forth in this Agreement, and to the extent permitted by the Public School Lease Purchase Act.

Section 6.2 Purchase Price on Exercise of Option. The "Purchase Price" for the School Facility on Lessee's exercise of its 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 B hereto, plus any accrued and unpaid interest to that date, with any penalties for interest forbearance, as well as any associated closing costs. 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 6.3 Expenses, Mortgage. The Purchase Price to be paid by Charter School to Foundation shall be a net amount to Foundation, and all expenses in connection with the transfer of the School Facility, including title insurance, recording fees, documentary stamps, and any other closing costs, shall be paid by Charter School. The Purchase Price shall be paid by Charter School in cash to Foundation concurrent with Foundation's conveyance of the School Facility to Charter School by special warranty deed as provided in Section 6.4 hereof.

Section 6.4 Transfer of Title. Except as provided in Section 6.7 of this Agreement, at the closing of the transaction between the parties, Foundation shall convey the School Facility to Charter School free and clear of any mortgage, indenture, other encumbrances of record, except permitted exceptions. The conveyance shall be by a standard form special warranty deed from Foundation to Charter School.

Section 6.5 Agreement to Subordinate. Charter 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 Facility, or any part thereof, whether such mortgage, indenture, or deed of trust has heretofore been, or may hereafter be, placed upon the School Facility to secure Foundation'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 Facility, 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 securing any indebtedness which 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. Charter School shall, nevertheless, execute and deliver, from time to time, any instrument and certificate affirming and confirming such subordination that Foundation may reasonably request. Foundation will cause any such mortgage, indenture, or deed of trust to contain provisions requiring the holder of the indebtedness secured thereby to mail to Charter School by registered mail, addressed to Charter 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 Foundation. Charter 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 its option to purchase by paying the then-outstanding principal amount of the debt secured by mortgage, indenture, or deed of trust plus any accrued and unpaid interest and any amounts necessary to pay all amounts due to the first call date secured by the mortgage, indenture, or deed of trust.

Section 6.6 Performance of Option. The right to exercise the option to purchase as set forth herein is conditioned upon the faithful performance by Charter School of all its covenants, conditions, and agreements under this Agreement, and the payment by Charter School of all Base Rent and Additional Rent, and other special payments expressly provided for in this Agreement, to the date of the completion of the purchase of the School Facility by Charter School.

Section 6.7 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 6.8 Security Deposit. The parties stipulate that no security deposit was paid by Charter School as part of this Agreement and that none is required.

Section 6.9 Priority. The option to purchase under this Agreement shall be a covenant running with the land, and no conveyance, transfer, easement, or encumbrance thereof shall defeat or adversely affect the option to purchase hereunder.

ARTICLE VII MAINTENANCE AND INSURANCE

Section 7.1 Maintenance and School Facility Costs. After the Commencement Date hereof, Charter School shall, for the remainder of the Term hereunder, maintain, preserve, and keep the entire School Facility or cause the School Facility 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 Charter School will from time to time make or cause to be made all necessary and proper repairs; provided, however, that during the Term of this Agreement, Foundation shall make all extraordinary repairs and replacements considered to be Capital Improvements in an amount not to exceed the balance in Foundation's repair and replacement reserve funds maintained pursuant to its financing obligations under the Authority's Explore Academy Project Educational Facility Revenue, Series 2018A and Series 2018B, limited placement bond documents. Except as expressly set forth in this Agreement, Foundation shall not have any other responsibility for the making of any additions, modifications, or replacements to the School Facility during the Term of this Agreement.

Section 7.2 Removal of Improvements. Except as provided in Subsection 4.3(c) and Section 9.3 of this Agreement, Charter School agrees and covenants with Foundation that any and all alterations, additions, and improvements, except 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 Facility at the termination of this Agreement, if not removed by Charter School. Charter 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 Charter 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 7.3 Liens. Except as otherwise expressly provided in this Agreement, neither Charter School nor Foundation 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, other than the individual rights of Foundation and Charter School as herein provided. Foundation and Charter 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 Facility 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 Facility. Nothing herein shall limit Foundation's right to refinance or restructure debt against the School Facility; however, no refinance or restructure shall impair Charter School's rights under the terms of this Agreement. Charter 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 Foundation and any mortgagees or proposed mortgagees,

provided such documents contain commercially reasonable non-disturbance agreements. Foundation, within thirty (30) days of refinancing or restructuring, shall provide notification to Charter School with certification from the financial institution that this Agreement does not violate any term or condition of the restructured or refinanced obligation and Foundation shall pay for any of Charter School's costs associated with said refinancing.

Section 7.4 Charter School's Insurance Obligations.

(a) Liability Insurance. Beginning on the Commencement Date hereof, Charter School shall procure and maintain or cause to be carried and maintained in full force and effect during the Term hereof at Charter School's sole cost and expense and as Additional Rent above the Base Rent hereunder, 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 \$100,000 for each accident for property damage liability for the benefit of both Charter School and Foundation as protection against all liability claims arising from activities on the School Facility, causing Foundation to be named as an additional-named insured on such policy of insurance, and delivering a copy thereof to Foundation upon the commencement of the Term hereof. Charter 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, Charter School shall also carry and maintain or cause to be carried and maintained in full force and effect during the Term hereof, at Charter School's sole cost and expense, fire and extended coverage insurance upon the School Facility, including all buildings, alterations, additions, and improvements in an amount equal to their replacement values. Foundation and any lending institution(s) of record shall be named as additional insureds and 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 Facility should be destroyed or substantially damaged in whole or in part, and such loss is covered by fire and extended coverage insurance, Charter School shall have the option to either continue this Agreement and use the insurance proceeds to replace or repair the School Facility and on Foundation's behalf, or terminate this Agreement and tender to Foundation all such insurance proceeds attributable to the loss or damage to the School Facility. If for any reason Charter School is prohibited by law or regulation from carrying such insurance, Foundation may obtain such insurance, and Charter School shall pay the premiums of such insurance as Operating Expenses, to the extent permitted by New Mexico law.

(c) Business Personal Property Insurance. Subject to the availability of such coverage from NMPSIA, Charter School shall also carry and maintain Business Personal School Facility Insurance. Special form insurance for perils on all business personal property

on the School Facility including fixtures, machinery and equipment installed by Charter School, and such other insurance as Foundation may require if available to Charter 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) Business Interruption Insurance. Charter School shall obtain Business Interruption Insurance with sufficient coverage to provide for payment of Base Rent and other fixed costs during any interruption of Charter School's operations by reason of fire or other casualties contemplated in Section 7.6(a) hereof.

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

Section 7.5 Foundation's Insurance. Foundation 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.

Section 7.6 Damage, Destruction, or Condemnation; Use of Net Proceeds.

(a) Damage, Destruction, or Condemnation. If, during the Term of this Agreement, (i) the School Facility, Improvements, or any portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; (ii) title to, or the temporary or permanent use of the School Facility or any portion thereof, or the estate of Charter School or the estate of Foundation in the School Facility or any portion thereof, shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm, or corporation acting under governmental authority; (iii) a breach of warranty or any material defect with respect to the School Facility shall become apparent; or (iv) title to or the use of all or any portion of the School Facility shall be lost by reason of defect in the title thereto, then, Charter School shall be obligated, subject to the provisions of Subsection (c) hereof, to continue to pay the amounts specified in Subsection (b) hereof and, to the extent of amounts specifically appropriated by Charter School, to pay Base Rent and Additional Rent.

(b) Repair and Replacement. To the extent not contrary to applicable New Mexico law, Charter School and, to the extent such Net Proceeds are within its control, Foundation shall cause such Net Proceeds to be deposited in a separate trust fund held by Foundation. Except as set forth in Subsection (c) hereof, all Net Proceeds of any insurance, performance bonds, or condemnation awards owed to either Charter School or Foundation shall be applied to the prompt repair, restoration, modification, improvement, or replacement of the School Facility, as the case may be, by Charter School upon receipt of requisitions acceptable to Foundation 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; and (iv) 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. Foundation shall cooperate with Charter 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 Facility paid for in whole or in part out of Net Proceeds of Charter School's insurance as described in Section 7.4 hereof shall be the property of Foundation, subject to this Agreement, and shall be included as part of the School Facility under this Agreement.

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

(i) Charter School may, to the extent permitted by New Mexico law, in accordance with Subsection (b) hereof, repair, restore, modify, or improve the School Facility or replace the School Facility (or portion thereof) with property of a value equal to or in excess of the School Facility, 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 Charter School, are available for the payment of such costs, and Charter School agrees to make Additional Rental payments pursuant to the provisions of this paragraph and to the extent permitted by law, Charter School shall not be entitled to any reimbursement therefor from Foundation, nor shall Charter 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 Facility become apparent), Charter School has not appropriated amounts sufficient to proceed under clause (i) of this Subsection, Charter School may make demand on Foundation to make up the insufficiency in the Net Proceeds and if Foundation refuses, Charter 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 the prosecution or defense of any prospective or pending condemnation proceeding with respect to the School Facility or any portion thereof, and in the prosecution of any action relating to defaults or breaches of warranty under any contract relating to the School Facility. 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, prospective or pending condemnation proceeding, or any action relating to defaults or breaches of warranty under any contract relating to the School

Facility 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 8.1 Condemnation. In the event that all or any portion of the School Facility 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 Charter School's purchase of the School Facility, Foundation shall be entitled to all compensation awarded, less an amount equal to Charter School's principal payments made to date in accordance with Article VI hereof, plus the value of any improvements placed on the School Facility by Charter School pursuant to Article IX herein, which portions of the compensation awarded shall be paid to Charter School.

Section 8.2 Condemnation of Other Property Owned by Charter School. Charter 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 not included in the School Facility. Foundation agrees that Charter School shall have the option, upon written notice to Foundation, to enter an appearance and defend in any condemnation action as to both the School Facility and the Charter School's improvements made pursuant to Article IX, and upon such election, Foundation shall not be obligated to provide a defense as to the Charter School's improvements, but may do so at Foundation's sole expense. In consideration for such option granted in this paragraph, Charter 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 Charter School's improvements without Foundation's prior written consent, which consent shall not be unreasonably withheld.

ARTICLE IX LESSEE'S IMPROVEMENTS, EQUIPMENT, AND WARRANTIES

Section 9.1 Improvements to School Facility. Charter School, at its own expense, may remodel, or make additions, modifications, or improvements to the School Facility, provided that (i) such remodeling, modifications and additions shall not in any way damage the School Facility as it existed prior thereto, and shall become part of the School Facility, subject to the provisions of Section 4.3(d) hereof; (ii) the value of the School Facility after such remodeling, modifications, and additions shall be at least as great as the value of the School Facility prior thereto; and (iii) the School Facility, 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 Charter School makes and pays for improvements to the School Facility, there shall be no additional financial obligations to Charter School without written approval by the Public Education Department, in accordance with NMSA 1978, §22-26A-5(L).

Section 9.2 Lien on Improvements by Charter School. If State of New Mexico or Charter 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 Facility in favor of Charter 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 Charter School: (1) Charter School may foreclose the real estate lien; or (2) the current market value of the School Facility 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 Charter 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 9.3 Installation of Charter School's Equipment. Charter School 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 Charter School's judgment be necessary for its purposes in or upon the School Facility. All such items shall remain the sole property of Charter School, in which Foundation shall have no interest, and may be modified or removed by Charter School at any time provided that Charter School shall repair and restore any and all damage to the School Facility 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 Facility by Charter School. Nothing in this Agreement shall prevent Charter 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 Facility.

Section 9.4 Warranties. Upon acceptance and purchase of the School Facility by Charter School pursuant to Article VI hereof, Foundation shall assign to Charter 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 Facility, express or implied, issued on or applicable to the School Facility, and Foundation hereby authorizes Charter School to obtain the customary services furnished in connection with such warranties and guarantees at Charter School's expense. Charter School's sole remedy for the breach of such warranties and guarantees shall be against the provider of such work, service, equipment or materials made to or on the School Facility and not against Foundation, nor shall such matter have any effect whatsoever on the rights of Foundation with respect to this Agreement, including the right to receive full and timely payments hereunder.

Section 9.5 Disclaimer of Warranties. Upon acceptance of the School Facility by Charter School, Foundation makes no warranty or representation except as stated in Section 9.3 hereof, either express or implied, as to the value, design, condition, merchantability, or fitness for any particular purpose or fitness for the use contemplated by Charter School of the School Facility, or any other representation or warranty with respect to the School Facility. In no event shall Foundation be liable for any incidental, indirect, special or consequential damage in

connection with or arising out of this Agreement or the existence, furnishing, functioning or Charter School's use of any portion of the School Facility provided for in this Agreement.

ARTICLE X ASSIGNMENT, MORTGAGING, AND SELLING

Section 10.1 Assignment. 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 Section 10.1 hereof. 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 for the remainder of the then current term. Charter School acknowledges and agrees that any assignment of this Agreement that violates the terms of Foundation's financial obligations under the Loan and Security 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 Foundation, which shall not be unreasonably withheld, this Agreement is assignable by Charter School, without cost to Charter School and with all of the rights and benefits of its predecessor in interest in being transferred to the assignee to: (a) a 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).

Section 10.2 Restriction on Mortgage or Sale of School Facility by Charter School. Prior to closing on the purchase of the School Facility, Charter School shall not mortgage, sell, assign, transfer, lease, or convey the School Facility or any portion thereof without the written consent of Foundation, which consent shall not be unreasonably withheld or delayed, and subject to the applicable provisions of the Public School Lease Purchase Act. Charter School agrees that Foundation has good cause to refuse consent of any such mortgage, sale, assignment, transfer, lease or conveyance, if it affects Foundation's underlying financial obligations related to acquisition of the School Facility.

Section 10.3 Conditional Consent to Assignment; Subordination of Statutory Lien. Charter School consents to the assignment by Foundation to Stewart Title of Albuquerque, LLC, pursuant to the Loan and Security Agreement and the Deed of Trust, respectively, of all rights, title and interest of Foundation in, to and under this Agreement; provided, however, that in the event that Foundation's consent under this section is in conflict with or contrary to any provision of this Agreement, the Public School Lease Purchase Act or other applicable statutory or common law in the State of New Mexico, Charter School's consent hereunder shall be null and void in all respects, and shall be of no further force or effect, either at law or in equity.

ARTICLE XI EVENTS OF DEFAULT AND REMEDIES

Section 11.1 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 Charter School to pay any specifically appropriated Base Rent during the Term of this Agreement on, before, or within five (5) days of the applicable due date or to pay Additional Rent which become 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;

(b) Failure by Charter School or Foundation 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 Charter School or Foundation of a voluntary petition in bankruptcy, or failure by Charter School promptly to lift any execution, garnishment, or attachment of such consequence as would impair Charter School’s ability to carry on its school charter obligations at the School Facility, or adjudication of Charter School or Foundation as a bankrupt, or assignment by Charter School Foundation for the benefit of creditors, or the entry by Charter School or Foundation into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to Charter School or Foundation 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 Charter School’s charter by the 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 Charter School’s governing body filed pursuant to NMSA 1978, §22-8B-7(F).

Section 11.2 Remedies of Foundation upon Event of Default. Upon the happening and continuance of any event of default by Charter School specified in Article XI of this Agreement, Foundation or its Assignee may, without any further demand or notice to Charter School, take one or any combination of the following remedial steps:

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

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

(c) Recover from Charter School: (i) to the extent the recovery thereof is permitted by New Mexico law, the fair rental value of the use of the School Facility 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 Charter School hereunder during the remainder, after Charter School vacates the School Facility, of the Fiscal Year in which such Event of Default occurs.

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

Section 11.3 Remedies of Charter School upon Event of Default. Upon the happening and continuance of any event of default by Foundation specified in Article XI of this Agreement, Charter School or its assignee for value may, without any further demand or notice to Foundation, take one or any combination of the following remedial steps:

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

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

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

Section 11.4 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* Charter School or Foundation is unable in whole or in part to carry out its obligations under this Agreement, Foundation or Charter 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; 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 Charter School or Foundation; 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 Foundation or Charter School and not resulting from the negligence of the party claiming a force majeure event. Foundation and Charter 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 11.5 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 11.6 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. 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.

ARTICLE XII TITLE

Section 12.1 Title to School Facility. During the Term hereof, Foundation shall hold legal title to the School Facility and any and all additions which comprise repairs, replacements, substitutions, or modifications, subject to Charter School's rights, both legal and equitable, under New Mexico statutory and common law.

Section 12.2 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 Facility shall be considered to be a public property pursuant to NMSA 1978, §22-26A-5.1(B).

ARTICLE XIII HAZARDOUS MATERIALS LAWS

Section 13.1 Compliance with all Hazardous Materials Laws. As of the Commencement Date, Charter School, shall at all times keep and maintain the School Facility in compliance with and shall not cause or permit the School Facility 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 Facility, including, but not limited to, air, soil, subsurface and ground

water conditions. Charter School shall not permit any subtenant or other occupant of the School Facility, 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 Facility 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 Foundation, Charter School will prepare and provide such reports as will evidence compliance by Charter School with Hazardous Materials Laws, and which will evidence that the School Facility 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 Facility ("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 Facility; (iii) all claims made or threatened by any third party against a party or the School Facility 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 Facility that could cause the School Facility to be subject to any restrictions on the ownership, Completion, transferability or use of the premises under any Hazardous Materials Law.

Section 13.2 Charter School's Responsibility. Upon and after acceptance of the School Facility by Charter School, Charter 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 Foundation or Charter School directly or indirectly arising out of or attributable to the violation by Charter 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 Facility, 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 Foundation and hold Foundation 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 13.3 Remedial Action Required. Without Foundation's prior written consent, which shall not be unreasonably withheld, Charter School shall not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the School Facility, 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 Foundation's reasonable judgment, impair the value of Foundation's fee interest in the School Facility; 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 Facility 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 Foundation's consent before taking such action; provided that in such event notice shall be given as soon as practicable of any action so taken. Foundation 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) Charter School establishes to the reasonable satisfaction of Foundation that there is no reasonable alternative to such remedial action that would result in less impairment to the value of Foundation's interest in the School Facility.

Section 13.4 Survival of Charter School's Obligations and Liabilities. Charter School's obligations and liabilities hereunder with respect to Hazardous Materials Claims arising from Charter School's actions shall survive the termination of this Agreement.

ARTICLE XIV THIRD-PARTY RIGHTS

Section 14.1 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 15.1 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 material restriction or any agreement or instrument to which Charter School is a party; provided, however, that in the event of any conflict or inconsistency between the provisions of this Agreement and those in any of the limited placement bond documents related to the issuance and repayment of the Public Finance Authority's Educational Facility Revenue Bonds (Explore Academy Project) Series 2018A, in the aggregate principal amount of \$9,035,000, and its Taxable Educational

Facility Revenue Bonds (Explore Academy Project) Series 2018B, the provisions of this Agreement shall govern in all respects, and shall be construed as to not result in any material breach by Charter School of the terms and conditions of this Agreement.

Section 15.2 Nothing in this Agreement shall be construed as diminishing, unlawfully delegating, or otherwise restricting any legal authority of Charter School or its governing body under the laws of the New Mexico, including the Public School Lease Purchase Act and the Charter Schools Act.

ARTICLE XVI LIMITATION OF LIABILITY

Section 16.1 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 17.1 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 (1) 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.

Foundation: Explore Academy
5100 Masthead Street, N.E.
Albuquerque, NM 87109
Attn: Justin Baiardo
Telephone: (505) 336-1466
baiardo@exploreacademy.org

With a copy to: Modrall Sperling
500 4th St. NW
Albuquerque, NM 87102
Attn: Margaret L. Meister
Telephone: (505) 848-1800
mmeister@modrall.com

The Charter School: Explore Academy
5100 Masthead St. NE
Albuquerque, NM 8710
Attn: Head Administrator
Telephone: (505) 336-1466
baiardo@exploreacademy.org

With a copy to: Matthews Fox, P.C.
1925 Aspen Drive, Suite 301A
Santa Fe, New Mexico 87505
Attn: Patricia Matthews
Telephone: (505)473-3020
pmatthews@matthewsfox.com

Section 17.2 Reporting Requirements; Access to Records. Charter School shall comply with the reporting requirements set forth in Exhibit D hereto and provide such reporting to Foundation or its Assignee. In addition, to the extent not prohibited by federal statute or New Mexico law, Charter School shall permit Foundation or its Assignee, so long as this Agreement is in full force and effect, to have access to its books and records during normal business hours upon reasonable prior notice of no more than five (5) Business Days, unless Foundation or its Assignee reasonably believes there is an emergent situation, in which case no such notice shall be required. For purposes of this Section “books and records” means the public records maintained by Charter School in the regular course of its business, and excludes those records which are not subject to public inspection under NMSA 1978, §14-2-1(A) specifically, and under federal statute or New Mexico law, including without limitation the Family Educational Records Privacy Act, 20 U.S.C. §1232g, 34 CFR Part 99. If Charter School fails to comply with the Reporting Requirements as described herein and in Exhibit D, Charter School shall, within ten (10) business days thereof, make all books and records available to Foundation or its Assignee, as necessary to comply with the reporting requirements herein. Charter School shall be responsible for all costs, fees and other associated expenses of Foundation or its Assignee in performing the reporting requirements contemplated as Charter School’s responsibility hereunder and in Exhibit D. If Charter School refuses to permit Foundation access to Charter School’s books and records and Foundation must initiate enforcement actions to obtain the books and records, whether through a judicial or administrative process, Charter School hereby waives any objection to the said enforcement actions or such other remedies Foundation determines to be in its best interest. To the extent permitted by law, Charter School shall be responsible for all fees, costs, and other associated expenses related to Foundation’s enforcement actions.

Section 17.3 Further Assurances and Corrective Instruments. Foundation and Charter School agree that so long as this Agreement is in full force and effect and no Event of Default shall have occurred, Foundation and Charter 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 Facility hereby leased or intended so to be, or for otherwise carrying out the intention of or facilitating the performance of this Agreement.

Section 17.4 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Foundation and Charter School and their respective successors and assigns.

Section 17.5 Severability. In the event that any provision of this Agreement, other than the requirement of Charter School to pay Base Rent and Additional Rent, the requirement of Foundation to provide quiet enjoyment of the School Facility, and the requirement that the obligations of Charter School to pay Base Rent and Additional Rent under this Agreement are conditioned upon the prior specific appropriation by Charter 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 17.6 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 Charter School and Foundation. Amendments to this Agreement, except amendments that would improve the building or other real property without additional financial obligations to the Charter School, shall be approved by the Public Education Department pursuant to NMSA 1978, §22-26A-5(L).

Section 17.7 Further Assurances and Corrective Instruments. Foundation and Charter School agree that they will, if necessary, 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 carrying out the expressed intention of this Agreement.

Section 17.8 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 17.9 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 17.10 Foundation and Charter School Representatives. Whenever under the provisions of this Agreement the approval of Foundation or Charter School is required, or Foundation or Charter School is required to take some action at the request of the other, such approval or such request shall be given for Foundation by a Foundation Representative and for Charter School by a Charter School Representative, and any party hereto shall be authorized to rely upon any such approval or request.

Section 17.11 Integration. This Agreement contains all of the agreements of Charter School and Foundation respecting the subject matters hereof, and all prior negotiations are merged herein.

Section 17.12 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 17.13 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 17.14 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 17.15 No Individual Liability. All covenants, stipulations, promises, agreements, and obligations of Charter School or Foundation, as the case may be, contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of Charter School or Foundation, as the case may be, and not of any member, director, officer, employee, or other agent of Charter School or Foundation 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 Charter School or Foundation or any natural person executing this Agreement or any related document or instrument.

Section 17.16 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.

[illegible]

The foregoing LEASE PURCHASE ARRANGEMENT was acknowledged before me this _____ day of _____, 201__, by _____, as chair of the governing body of Explore Academy, a New Mexico public charter school.

(Seal)

Notary Public

EXHIBIT A
LEGAL DESCRIPTION, FLOOR PLAN

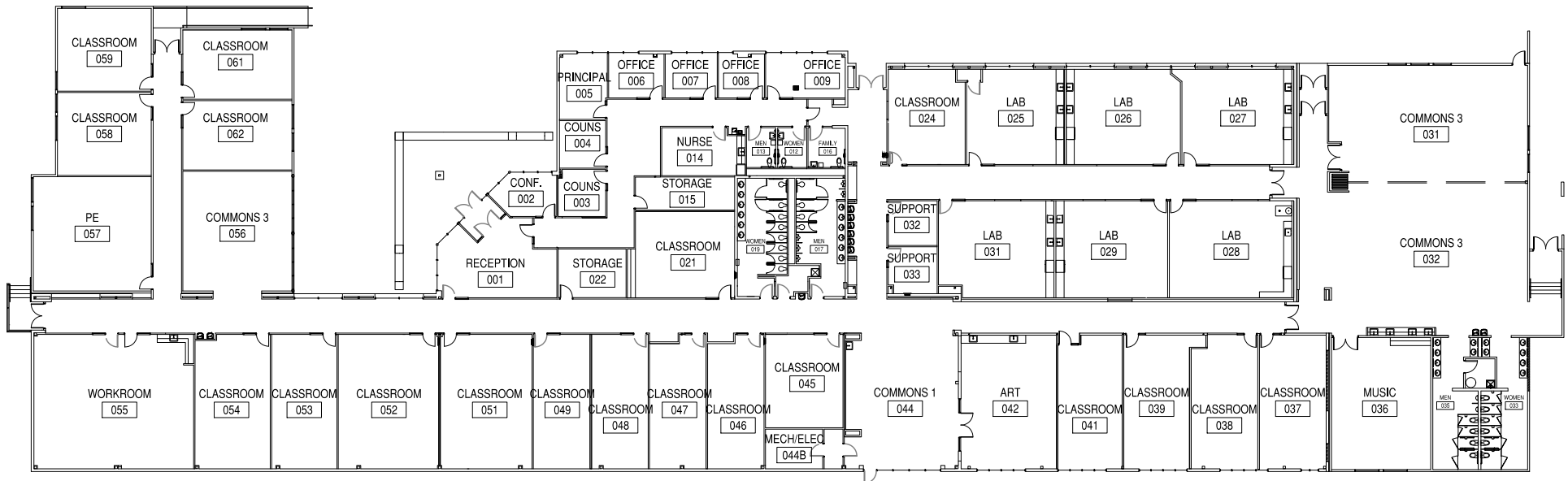
LEGAL DESCRIPTION (LAND):

Tract "4AA-5A-1" of Journal Center, Albuquerque, New Mexico, as the same is shown and designated on the Replat thereof, for Tracts 4AA-5A-1 and 4AA-5A-2 of said Addition filed in the Office of the County Clerk of Bernalillo County, New Mexico, on November 21, 1989 in Plat Book C40, Page 48.

FLOOR PLAN SHOWING BUILDING AND IMPROVEMENTS (SCHOOL FACILITY):

See Attached.

EXHIBIT A - IMPROVEMENTS



EXPLORE ACADEMY

3.19.2018

AS COMPLETED CONSTRUCTION
APPROXIMATELY 35,398 SF

EXHIBIT B
BASE RENT SCHEDULE

Exhibit B
EXPLORE ACADEMY BASE RENT SCHEDULE

INTEREST RATE: 7.990%

PURCHASE PRICE: (\$8,881,637.50)

TERM: 29 years 6 months

PMT NO	PAYMENT DATE	BEGINNING BALANCE	BASE RENT	PRINCIPAL	INTEREST	ENDING BALANCE
1	7/20/2018	\$8,881,637.50	\$0.00	\$0.00	\$0.00	\$8,881,637.50
2	8/20/2018	\$8,881,637.50	\$0.00	\$0.00	\$0.00	\$8,881,637.50
3	9/20/2018	\$8,881,637.50	\$0.00	\$0.00	\$0.00	\$8,881,637.50
4	10/20/2018	\$8,881,637.50	\$0.00	\$0.00	\$0.00	\$8,881,637.50
5	11/20/2018	\$8,881,637.50	\$0.00	\$0.00	\$0.00	\$8,881,637.50
6	12/20/2018	\$8,881,637.50	\$0.00	\$0.00	\$0.00	\$8,881,637.50
7	1/20/2019	\$8,881,637.50	\$0.00	\$0.00	\$0.00	\$8,881,637.50
8	2/20/2019	\$8,881,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,871,637.50
9	3/20/2019	\$8,871,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,861,637.50
10	4/20/2019	\$8,861,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,851,637.50
11	5/20/2019	\$8,851,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,841,637.50
12	6/20/2019	\$8,841,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,831,637.50
13	7/20/2019	\$8,831,637.50	\$68,891.18	\$10,000.00	\$58,891.18	\$8,821,637.50
14	8/20/2019	\$8,821,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,811,637.50
15	9/20/2019	\$8,811,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,801,637.50
16	10/20/2019	\$8,801,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,791,637.50
17	11/20/2019	\$8,791,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,781,637.50
18	12/20/2019	\$8,781,637.50	\$68,891.14	\$10,000.00	\$58,891.14	\$8,771,637.50
19	1/20/2020	\$8,771,637.50	\$68,891.18	\$10,000.00	\$58,891.18	\$8,761,637.50
20	2/20/2020	\$8,761,637.50	\$68,707.80	\$10,416.66	\$58,291.14	\$8,751,220.84
21	3/20/2020	\$8,751,220.84	\$68,707.80	\$10,416.66	\$58,291.14	\$8,740,804.18
22	4/20/2020	\$8,740,804.18	\$68,707.80	\$10,416.66	\$58,291.14	\$8,730,387.52
23	5/20/2020	\$8,730,387.52	\$68,707.80	\$10,416.66	\$58,291.14	\$8,719,970.86
24	6/20/2020	\$8,719,970.86	\$68,707.80	\$10,416.66	\$58,291.14	\$8,709,554.20
25	7/20/2020	\$8,709,554.20	\$68,707.84	\$10,416.66	\$58,291.18	\$8,699,137.54
26	8/20/2020	\$8,699,137.54	\$68,707.80	\$10,416.66	\$58,291.14	\$8,688,720.88
27	9/20/2020	\$8,688,720.88	\$68,707.80	\$10,416.66	\$58,291.14	\$8,678,304.22
28	10/20/2020	\$8,678,304.22	\$68,707.80	\$10,416.66	\$58,291.14	\$8,667,887.56
29	11/20/2020	\$8,667,887.56	\$68,707.80	\$10,416.66	\$58,291.14	\$8,657,470.90
30	12/20/2020	\$8,657,470.90	\$68,707.80	\$10,416.66	\$58,291.14	\$8,647,054.24
31	1/20/2021	\$8,647,054.24	\$68,707.92	\$10,416.74	\$58,291.18	\$8,636,637.50
32	2/20/2021	\$8,636,637.50	\$68,499.47	\$10,833.33	\$57,666.14	\$8,625,804.17
33	3/20/2021	\$8,625,804.17	\$68,499.47	\$10,833.33	\$57,666.14	\$8,614,970.84
34	4/20/2021	\$8,614,970.84	\$68,499.47	\$10,833.33	\$57,666.14	\$8,604,137.51
35	5/20/2021	\$8,604,137.51	\$68,499.47	\$10,833.33	\$57,666.14	\$8,593,304.18
36	6/20/2021	\$8,593,304.18	\$68,499.47	\$10,833.33	\$57,666.14	\$8,582,470.85
37	7/20/2021	\$8,582,470.85	\$68,499.51	\$10,833.33	\$57,666.18	\$8,571,637.52
38	8/20/2021	\$8,571,637.52	\$68,499.47	\$10,833.33	\$57,666.14	\$8,560,804.19
39	9/20/2021	\$8,560,804.19	\$68,499.47	\$10,833.33	\$57,666.14	\$8,549,970.86
40	10/20/2021	\$8,549,970.86	\$68,499.47	\$10,833.33	\$57,666.14	\$8,539,137.53
41	11/20/2021	\$8,539,137.53	\$68,499.47	\$10,833.33	\$57,666.14	\$8,528,304.20
42	12/20/2021	\$8,528,304.20	\$68,499.47	\$10,833.33	\$57,666.14	\$8,517,470.87
43	1/20/2022	\$8,517,470.87	\$68,499.55	\$10,833.37	\$57,666.18	\$8,506,637.50
44	2/20/2022	\$8,506,637.50	\$68,682.80	\$11,666.66	\$57,016.14	\$8,494,970.84

PMT NO	PAYMENT DATE	BEGINNING BALANCE	BASE RENT	PRINCIPAL	INTEREST	ENDING BALANCE
45	3/20/2022	\$8,494,970.84	\$68,682.80	\$11,666.66	\$57,016.14	\$8,483,304.18
46	4/20/2022	\$8,483,304.18	\$68,682.80	\$11,666.66	\$57,016.14	\$8,471,637.52
47	5/20/2022	\$8,471,637.52	\$68,682.80	\$11,666.66	\$57,016.14	\$8,459,970.86
48	6/20/2022	\$8,459,970.86	\$68,682.80	\$11,666.66	\$57,016.14	\$8,448,304.20
49	7/20/2022	\$8,448,304.20	\$68,682.84	\$11,666.66	\$57,016.18	\$8,436,637.54
50	8/20/2022	\$8,436,637.54	\$68,682.80	\$11,666.66	\$57,016.14	\$8,424,970.88
51	9/20/2022	\$8,424,970.88	\$68,682.80	\$11,666.66	\$57,016.14	\$8,413,304.22
52	10/20/2022	\$8,413,304.22	\$68,682.80	\$11,666.66	\$57,016.14	\$8,401,637.56
53	11/20/2022	\$8,401,637.56	\$68,682.80	\$11,666.66	\$57,016.14	\$8,389,970.90
54	12/20/2022	\$8,389,970.90	\$68,682.80	\$11,666.66	\$57,016.14	\$8,378,304.24
55	1/20/2023	\$8,378,304.24	\$68,682.92	\$11,666.74	\$57,016.18	\$8,366,637.50
56	2/20/2023	\$8,366,637.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,354,137.50
57	3/20/2023	\$8,354,137.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,341,637.50
58	4/20/2023	\$8,341,637.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,329,137.50
59	5/20/2023	\$8,329,137.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,316,637.50
60	6/20/2023	\$8,316,637.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,304,137.50
61	7/20/2023	\$8,304,137.50	\$68,816.18	\$12,500.00	\$56,316.18	\$8,291,637.50
62	8/20/2023	\$8,291,637.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,279,137.50
63	9/20/2023	\$8,279,137.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,266,637.50
64	10/20/2023	\$8,266,637.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,254,137.50
65	11/20/2023	\$8,254,137.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,241,637.50
66	12/20/2023	\$8,241,637.50	\$68,816.14	\$12,500.00	\$56,316.14	\$8,229,137.50
67	1/20/2024	\$8,229,137.50	\$68,816.18	\$12,500.00	\$56,316.18	\$8,216,637.50
68	2/20/2024	\$8,216,637.50	\$68,888.01	\$13,333.33	\$55,554.68	\$8,203,304.17
69	3/20/2024	\$8,203,304.17	\$68,888.01	\$13,333.33	\$55,554.68	\$8,189,970.84
70	4/20/2024	\$8,189,970.84	\$68,888.01	\$13,333.33	\$55,554.68	\$8,176,637.51
71	5/20/2024	\$8,176,637.51	\$68,888.01	\$13,333.33	\$55,554.68	\$8,163,304.18
72	6/20/2024	\$8,163,304.18	\$68,888.01	\$13,333.33	\$55,554.68	\$8,149,970.85
73	7/20/2024	\$8,149,970.85	\$68,888.06	\$13,333.33	\$55,554.73	\$8,136,637.52
74	8/20/2024	\$8,136,637.52	\$68,888.01	\$13,333.33	\$55,554.68	\$8,123,304.19
75	9/20/2024	\$8,123,304.19	\$68,888.01	\$13,333.33	\$55,554.68	\$8,109,970.86
76	10/20/2024	\$8,109,970.86	\$68,888.01	\$13,333.33	\$55,554.68	\$8,096,637.53
77	11/20/2024	\$8,096,637.53	\$68,888.01	\$13,333.33	\$55,554.68	\$8,083,304.20
78	12/20/2024	\$8,083,304.20	\$68,888.01	\$13,333.33	\$55,554.68	\$8,069,970.87
79	1/20/2025	\$8,069,970.87	\$68,888.10	\$13,333.37	\$55,554.73	\$8,056,637.50
80	2/20/2025	\$8,056,637.50	\$68,904.68	\$14,166.66	\$54,738.02	\$8,042,470.84
81	3/20/2025	\$8,042,470.84	\$68,904.68	\$14,166.66	\$54,738.02	\$8,028,304.18
82	4/20/2025	\$8,028,304.18	\$68,904.68	\$14,166.66	\$54,738.02	\$8,014,137.52
83	5/20/2025	\$8,014,137.52	\$68,904.68	\$14,166.66	\$54,738.02	\$7,999,970.86
84	6/20/2025	\$7,999,970.86	\$68,904.68	\$14,166.66	\$54,738.02	\$7,985,804.20
85	7/20/2025	\$7,985,804.20	\$68,904.69	\$14,166.66	\$54,738.03	\$7,971,637.54
86	8/20/2025	\$7,971,637.54	\$68,904.68	\$14,166.66	\$54,738.02	\$7,957,470.88
87	9/20/2025	\$7,957,470.88	\$68,904.68	\$14,166.66	\$54,738.02	\$7,943,304.22
88	10/20/2025	\$7,943,304.22	\$68,904.68	\$14,166.66	\$54,738.02	\$7,929,137.56
89	11/20/2025	\$7,929,137.56	\$68,904.68	\$14,166.66	\$54,738.02	\$7,914,970.90
90	12/20/2025	\$7,914,970.90	\$68,904.68	\$14,166.66	\$54,738.02	\$7,900,804.24
91	1/20/2026	\$7,900,804.24	\$68,904.77	\$14,166.74	\$54,738.03	\$7,886,637.50
92	2/20/2026	\$7,886,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,871,637.50
93	3/20/2026	\$7,871,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,856,637.50
94	4/20/2026	\$7,856,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,841,637.50

PMT NO	PAYMENT DATE	BEGINNING BALANCE	BASE RENT	PRINCIPAL	INTEREST	ENDING BALANCE
95	5/20/2026	\$7,841,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,826,637.50
96	6/20/2026	\$7,826,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,811,637.50
97	7/20/2026	\$7,811,637.50	\$68,870.33	\$15,000.00	\$53,870.33	\$7,796,637.50
98	8/20/2026	\$7,796,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,781,637.50
99	9/20/2026	\$7,781,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,766,637.50
100	10/20/2026	\$7,766,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,751,637.50
101	11/20/2026	\$7,751,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,736,637.50
102	12/20/2026	\$7,736,637.50	\$68,870.31	\$15,000.00	\$53,870.31	\$7,721,637.50
103	1/20/2027	\$7,721,637.50	\$68,870.33	\$15,000.00	\$53,870.33	\$7,706,637.50
104	2/20/2027	\$7,706,637.50	\$68,784.89	\$15,833.33	\$52,951.56	\$7,690,804.17
105	3/20/2027	\$7,690,804.17	\$68,784.89	\$15,833.33	\$52,951.56	\$7,674,970.84
106	4/20/2027	\$7,674,970.84	\$68,784.89	\$15,833.33	\$52,951.56	\$7,659,137.51
107	5/20/2027	\$7,659,137.51	\$68,784.89	\$15,833.33	\$52,951.56	\$7,643,304.18
108	6/20/2027	\$7,643,304.18	\$68,784.89	\$15,833.33	\$52,951.56	\$7,627,470.85
109	7/20/2027	\$7,627,470.85	\$68,784.91	\$15,833.33	\$52,951.58	\$7,611,637.52
110	8/20/2027	\$7,611,637.52	\$68,784.89	\$15,833.33	\$52,951.56	\$7,595,804.19
111	9/20/2027	\$7,595,804.19	\$68,784.89	\$15,833.33	\$52,951.56	\$7,579,970.86
112	10/20/2027	\$7,579,970.86	\$68,784.89	\$15,833.33	\$52,951.56	\$7,564,137.53
113	11/20/2027	\$7,564,137.53	\$68,784.89	\$15,833.33	\$52,951.56	\$7,548,304.20
114	12/20/2027	\$7,548,304.20	\$68,784.89	\$15,833.33	\$52,951.56	\$7,532,470.87
115	1/20/2028	\$7,532,470.87	\$68,784.95	\$15,833.37	\$52,951.58	\$7,516,637.50
116	2/20/2028	\$7,516,637.50	\$68,648.43	\$16,666.66	\$51,981.77	\$7,499,970.84
117	3/20/2028	\$7,499,970.84	\$68,648.43	\$16,666.66	\$51,981.77	\$7,483,304.18
118	4/20/2028	\$7,483,304.18	\$68,648.43	\$16,666.66	\$51,981.77	\$7,466,637.52
119	5/20/2028	\$7,466,637.52	\$68,648.43	\$16,666.66	\$51,981.77	\$7,449,970.86
120	6/20/2028	\$7,449,970.86	\$68,648.43	\$16,666.66	\$51,981.77	\$7,433,304.20
121	7/20/2028	\$7,433,304.20	\$68,648.44	\$16,666.66	\$51,981.78	\$7,416,637.54
122	8/20/2028	\$7,416,637.54	\$68,648.43	\$16,666.66	\$51,981.77	\$7,399,970.88
123	9/20/2028	\$7,399,970.88	\$68,648.43	\$16,666.66	\$51,981.77	\$7,383,304.22
124	10/20/2028	\$7,383,304.22	\$68,648.43	\$16,666.66	\$51,981.77	\$7,366,637.56
125	11/20/2028	\$7,366,637.56	\$68,648.43	\$16,666.66	\$51,981.77	\$7,349,970.90
126	12/20/2028	\$7,349,970.90	\$68,648.43	\$16,666.66	\$51,981.77	\$7,333,304.24
127	1/20/2029	\$7,333,304.24	\$68,648.52	\$16,666.74	\$51,981.78	\$7,316,637.50
128	2/20/2029	\$7,316,637.50	\$68,877.59	\$17,916.66	\$50,960.93	\$7,298,720.84
129	3/20/2029	\$7,298,720.84	\$68,877.59	\$17,916.66	\$50,960.93	\$7,280,804.18
130	4/20/2029	\$7,280,804.18	\$68,877.59	\$17,916.66	\$50,960.93	\$7,262,887.52
131	5/20/2029	\$7,262,887.52	\$68,877.59	\$17,916.66	\$50,960.93	\$7,244,970.86
132	6/20/2029	\$7,244,970.86	\$68,877.59	\$17,916.66	\$50,960.93	\$7,227,054.20
133	7/20/2029	\$7,227,054.20	\$68,877.64	\$17,916.66	\$50,960.98	\$7,209,137.54
134	8/20/2029	\$7,209,137.54	\$68,877.59	\$17,916.66	\$50,960.93	\$7,191,220.88
135	9/20/2029	\$7,191,220.88	\$68,877.59	\$17,916.66	\$50,960.93	\$7,173,304.22
136	10/20/2029	\$7,173,304.22	\$68,877.59	\$17,916.66	\$50,960.93	\$7,155,387.56
137	11/20/2029	\$7,155,387.56	\$68,877.59	\$17,916.66	\$50,960.93	\$7,137,470.90
138	12/20/2029	\$7,137,470.90	\$68,877.59	\$17,916.66	\$50,960.93	\$7,119,554.24
139	1/20/2030	\$7,119,554.24	\$68,877.72	\$17,916.74	\$50,960.98	\$7,101,637.50
140	2/20/2030	\$7,101,637.50	\$69,030.20	\$19,166.66	\$49,863.54	\$7,082,470.84
141	3/20/2030	\$7,082,470.84	\$69,030.20	\$19,166.66	\$49,863.54	\$7,063,304.18
142	4/20/2030	\$7,063,304.18	\$69,030.20	\$19,166.66	\$49,863.54	\$7,044,137.52
143	5/20/2030	\$7,044,137.52	\$69,030.20	\$19,166.66	\$49,863.54	\$7,024,970.86
144	6/20/2030	\$7,024,970.86	\$69,030.20	\$19,166.66	\$49,863.54	\$7,005,804.20

PMT NO	PAYMENT DATE	BEGINNING BALANCE	BASE RENT	PRINCIPAL	INTEREST	ENDING BALANCE
145	7/20/2030	\$7,005,804.20	\$69,030.21	\$19,166.66	\$49,863.55	\$6,986,637.54
146	8/20/2030	\$6,986,637.54	\$69,030.20	\$19,166.66	\$49,863.54	\$6,967,470.88
147	9/20/2030	\$6,967,470.88	\$69,030.20	\$19,166.66	\$49,863.54	\$6,948,304.22
148	10/20/2030	\$6,948,304.22	\$69,030.20	\$19,166.66	\$49,863.54	\$6,929,137.56
149	11/20/2030	\$6,929,137.56	\$69,030.20	\$19,166.66	\$49,863.54	\$6,909,970.90
150	12/20/2030	\$6,909,970.90	\$69,030.20	\$19,166.66	\$49,863.54	\$6,890,804.24
151	1/20/2031	\$6,890,804.24	\$69,030.29	\$19,166.74	\$49,863.55	\$6,871,637.50
152	2/20/2031	\$6,871,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,851,637.50
153	3/20/2031	\$6,851,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,831,637.50
154	4/20/2031	\$6,831,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,811,637.50
155	5/20/2031	\$6,811,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,791,637.50
156	6/20/2031	\$6,791,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,771,637.50
157	7/20/2031	\$6,771,637.50	\$68,689.60	\$20,000.00	\$48,689.60	\$6,751,637.50
158	8/20/2031	\$6,751,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,731,637.50
159	9/20/2031	\$6,731,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,711,637.50
160	10/20/2031	\$6,711,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,691,637.50
161	11/20/2031	\$6,691,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,671,637.50
162	12/20/2031	\$6,671,637.50	\$68,689.58	\$20,000.00	\$48,689.58	\$6,651,637.50
163	1/20/2032	\$6,651,637.50	\$68,689.60	\$20,000.00	\$48,689.60	\$6,631,637.50
164	2/20/2032	\$6,631,637.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,610,387.50
165	3/20/2032	\$6,610,387.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,589,137.50
166	4/20/2032	\$6,589,137.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,567,887.50
167	5/20/2032	\$6,567,887.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,546,637.50
168	6/20/2032	\$6,546,637.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,525,387.50
169	7/20/2032	\$6,525,387.50	\$68,714.60	\$21,250.00	\$47,464.60	\$6,504,137.50
170	8/20/2032	\$6,504,137.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,482,887.50
171	9/20/2032	\$6,482,887.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,461,637.50
172	10/20/2032	\$6,461,637.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,440,387.50
173	11/20/2032	\$6,440,387.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,419,137.50
174	12/20/2032	\$6,419,137.50	\$68,714.58	\$21,250.00	\$47,464.58	\$6,397,887.50
175	1/20/2033	\$6,397,887.50	\$68,714.60	\$21,250.00	\$47,464.60	\$6,376,637.50
176	2/20/2033	\$6,376,637.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,354,137.50
177	3/20/2033	\$6,354,137.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,331,637.50
178	4/20/2033	\$6,331,637.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,309,137.50
179	5/20/2033	\$6,309,137.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,286,637.50
180	6/20/2033	\$6,286,637.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,264,137.50
181	7/20/2033	\$6,264,137.50	\$68,663.03	\$22,500.00	\$46,163.03	\$6,241,637.50
182	8/20/2033	\$6,241,637.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,219,137.50
183	9/20/2033	\$6,219,137.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,196,637.50
184	10/20/2033	\$6,196,637.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,174,137.50
185	11/20/2033	\$6,174,137.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,151,637.50
186	12/20/2033	\$6,151,637.50	\$68,663.02	\$22,500.00	\$46,163.02	\$6,129,137.50
187	1/20/2034	\$6,129,137.50	\$68,663.03	\$22,500.00	\$46,163.03	\$6,106,637.50
188	2/20/2034	\$6,106,637.50	\$68,951.55	\$24,166.66	\$44,784.89	\$6,082,470.84
189	3/20/2034	\$6,082,470.84	\$68,951.55	\$24,166.66	\$44,784.89	\$6,058,304.18
190	4/20/2034	\$6,058,304.18	\$68,951.55	\$24,166.66	\$44,784.89	\$6,034,137.52
191	5/20/2034	\$6,034,137.52	\$68,951.55	\$24,166.66	\$44,784.89	\$6,009,970.86
192	6/20/2034	\$6,009,970.86	\$68,951.55	\$24,166.66	\$44,784.89	\$5,985,804.20
193	7/20/2034	\$5,985,804.20	\$68,951.59	\$24,166.66	\$44,784.93	\$5,961,637.54
194	8/20/2034	\$5,961,637.54	\$68,951.55	\$24,166.66	\$44,784.89	\$5,937,470.88

PMT NO	PAYMENT DATE	BEGINNING BALANCE	BASE RENT	PRINCIPAL	INTEREST	ENDING BALANCE
195	9/20/2034	\$5,937,470.88	\$68,951.55	\$24,166.66	\$44,784.89	\$5,913,304.22
196	10/20/2034	\$5,913,304.22	\$68,951.55	\$24,166.66	\$44,784.89	\$5,889,137.56
197	11/20/2034	\$5,889,137.56	\$68,951.55	\$24,166.66	\$44,784.89	\$5,864,970.90
198	12/20/2034	\$5,864,970.90	\$68,951.55	\$24,166.66	\$44,784.89	\$5,840,804.24
199	1/20/2035	\$5,840,804.24	\$68,951.67	\$24,166.74	\$44,784.93	\$5,816,637.50
200	2/20/2035	\$5,816,637.50	\$68,721.34	\$25,416.66	\$43,304.68	\$5,791,220.84
201	3/20/2035	\$5,791,220.84	\$68,721.34	\$25,416.66	\$43,304.68	\$5,765,804.18
202	4/20/2035	\$5,765,804.18	\$68,721.34	\$25,416.66	\$43,304.68	\$5,740,387.52
203	5/20/2035	\$5,740,387.52	\$68,721.34	\$25,416.66	\$43,304.68	\$5,714,970.86
204	6/20/2035	\$5,714,970.86	\$68,721.34	\$25,416.66	\$43,304.68	\$5,689,554.20
205	7/20/2035	\$5,689,554.20	\$68,721.39	\$25,416.66	\$43,304.73	\$5,664,137.54
206	8/20/2035	\$5,664,137.54	\$68,721.34	\$25,416.66	\$43,304.68	\$5,638,720.88
207	9/20/2035	\$5,638,720.88	\$68,721.34	\$25,416.66	\$43,304.68	\$5,613,304.22
208	10/20/2035	\$5,613,304.22	\$68,721.34	\$25,416.66	\$43,304.68	\$5,587,887.56
209	11/20/2035	\$5,587,887.56	\$68,721.34	\$25,416.66	\$43,304.68	\$5,562,470.90
210	12/20/2035	\$5,562,470.90	\$68,721.34	\$25,416.66	\$43,304.68	\$5,537,054.24
211	1/20/2036	\$5,537,054.24	\$68,721.47	\$25,416.74	\$43,304.73	\$5,511,637.50
212	2/20/2036	\$5,511,637.50	\$68,831.24	\$27,083.33	\$41,747.91	\$5,484,554.17
213	3/20/2036	\$5,484,554.17	\$68,831.24	\$27,083.33	\$41,747.91	\$5,457,470.84
214	4/20/2036	\$5,457,470.84	\$68,831.24	\$27,083.33	\$41,747.91	\$5,430,387.51
215	5/20/2036	\$5,430,387.51	\$68,831.24	\$27,083.33	\$41,747.91	\$5,403,304.18
216	6/20/2036	\$5,403,304.18	\$68,831.24	\$27,083.33	\$41,747.91	\$5,376,220.85
217	7/20/2036	\$5,376,220.85	\$68,831.28	\$27,083.33	\$41,747.95	\$5,349,137.52
218	8/20/2036	\$5,349,137.52	\$68,831.24	\$27,083.33	\$41,747.91	\$5,322,054.19
219	9/20/2036	\$5,322,054.19	\$68,831.24	\$27,083.33	\$41,747.91	\$5,294,970.86
220	10/20/2036	\$5,294,970.86	\$68,831.24	\$27,083.33	\$41,747.91	\$5,267,887.53
221	11/20/2036	\$5,267,887.53	\$68,831.24	\$27,083.33	\$41,747.91	\$5,240,804.20
222	12/20/2036	\$5,240,804.20	\$68,831.24	\$27,083.33	\$41,747.91	\$5,213,720.87
223	1/20/2037	\$5,213,720.87	\$68,831.32	\$27,083.37	\$41,747.95	\$5,186,637.50
224	2/20/2037	\$5,186,637.50	\$68,839.06	\$28,750.00	\$40,089.06	\$5,157,887.50
225	3/20/2037	\$5,157,887.50	\$68,839.06	\$28,750.00	\$40,089.06	\$5,129,137.50
226	4/20/2037	\$5,129,137.50	\$68,839.06	\$28,750.00	\$40,089.06	\$5,100,387.50
227	5/20/2037	\$5,100,387.50	\$68,839.06	\$28,750.00	\$40,089.06	\$5,071,637.50
228	6/20/2037	\$5,071,637.50	\$68,839.06	\$28,750.00	\$40,089.06	\$5,042,887.50
229	7/20/2037	\$5,042,887.50	\$68,839.08	\$28,750.00	\$40,089.08	\$5,014,137.50
230	8/20/2037	\$5,014,137.50	\$68,839.06	\$28,750.00	\$40,089.06	\$4,985,387.50
231	9/20/2037	\$4,985,387.50	\$68,839.06	\$28,750.00	\$40,089.06	\$4,956,637.50
232	10/20/2037	\$4,956,637.50	\$68,839.06	\$28,750.00	\$40,089.06	\$4,927,887.50
233	11/20/2037	\$4,927,887.50	\$68,839.06	\$28,750.00	\$40,089.06	\$4,899,137.50
234	12/20/2037	\$4,899,137.50	\$68,839.06	\$28,750.00	\$40,089.06	\$4,870,387.50
235	1/20/2038	\$4,870,387.50	\$68,839.08	\$28,750.00	\$40,089.08	\$4,841,637.50
236	2/20/2038	\$4,841,637.50	\$68,744.78	\$30,416.66	\$38,328.12	\$4,811,220.84
237	3/20/2038	\$4,811,220.84	\$68,744.78	\$30,416.66	\$38,328.12	\$4,780,804.18
238	4/20/2038	\$4,780,804.18	\$68,744.78	\$30,416.66	\$38,328.12	\$4,750,387.52
239	5/20/2038	\$4,750,387.52	\$68,744.78	\$30,416.66	\$38,328.12	\$4,719,970.86
240	6/20/2038	\$4,719,970.86	\$68,744.78	\$30,416.66	\$38,328.12	\$4,689,554.20
241	7/20/2038	\$4,689,554.20	\$68,744.81	\$30,416.66	\$38,328.15	\$4,659,137.54
242	8/20/2038	\$4,659,137.54	\$68,744.78	\$30,416.66	\$38,328.12	\$4,628,720.88
243	9/20/2038	\$4,628,720.88	\$68,744.78	\$30,416.66	\$38,328.12	\$4,598,304.22
244	10/20/2038	\$4,598,304.22	\$68,744.78	\$30,416.66	\$38,328.12	\$4,567,887.56

PMT NO	PAYMENT DATE	BEGINNING BALANCE	BASE RENT	PRINCIPAL	INTEREST	ENDING BALANCE
245	11/20/2038	\$4,567,887.56	\$68,744.78	\$30,416.66	\$38,328.12	\$4,537,470.90
246	12/20/2038	\$4,537,470.90	\$68,744.78	\$30,416.66	\$38,328.12	\$4,507,054.24
247	1/20/2039	\$4,507,054.24	\$68,744.89	\$30,416.74	\$38,328.15	\$4,476,637.50
248	2/20/2039	\$4,476,637.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,444,137.50
249	3/20/2039	\$4,444,137.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,411,637.50
250	4/20/2039	\$4,411,637.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,379,137.50
251	5/20/2039	\$4,379,137.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,346,637.50
252	6/20/2039	\$4,346,637.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,314,137.50
253	7/20/2039	\$4,314,137.50	\$68,965.13	\$32,500.00	\$36,465.13	\$4,281,637.50
254	8/20/2039	\$4,281,637.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,249,137.50
255	9/20/2039	\$4,249,137.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,216,637.50
256	10/20/2039	\$4,216,637.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,184,137.50
257	11/20/2039	\$4,184,137.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,151,637.50
258	12/20/2039	\$4,151,637.50	\$68,965.10	\$32,500.00	\$36,465.10	\$4,119,137.50
259	1/20/2040	\$4,119,137.50	\$68,965.13	\$32,500.00	\$36,465.13	\$4,086,637.50
260	2/20/2040	\$4,086,637.50	\$68,641.14	\$34,166.66	\$34,474.48	\$4,052,470.84
261	3/20/2040	\$4,052,470.84	\$68,641.14	\$34,166.66	\$34,474.48	\$4,018,304.18
262	4/20/2040	\$4,018,304.18	\$68,641.14	\$34,166.66	\$34,474.48	\$3,984,137.52
263	5/20/2040	\$3,984,137.52	\$68,641.14	\$34,166.66	\$34,474.48	\$3,949,970.86
264	6/20/2040	\$3,949,970.86	\$68,641.14	\$34,166.66	\$34,474.48	\$3,915,804.20
265	7/20/2040	\$3,915,804.20	\$68,641.14	\$34,166.66	\$34,474.48	\$3,881,637.54
266	8/20/2040	\$3,881,637.54	\$68,641.14	\$34,166.66	\$34,474.48	\$3,847,470.88
267	9/20/2040	\$3,847,470.88	\$68,641.14	\$34,166.66	\$34,474.48	\$3,813,304.22
268	10/20/2040	\$3,813,304.22	\$68,641.14	\$34,166.66	\$34,474.48	\$3,779,137.56
269	11/20/2040	\$3,779,137.56	\$68,641.14	\$34,166.66	\$34,474.48	\$3,744,970.90
270	12/20/2040	\$3,744,970.90	\$68,641.14	\$34,166.66	\$34,474.48	\$3,710,804.24
271	1/20/2041	\$3,710,804.24	\$68,641.22	\$34,166.74	\$34,474.48	\$3,676,637.50
272	2/20/2041	\$3,676,637.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,640,387.50
273	3/20/2041	\$3,640,387.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,604,137.50
274	4/20/2041	\$3,604,137.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,567,887.50
275	5/20/2041	\$3,567,887.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,531,637.50
276	6/20/2041	\$3,531,637.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,495,387.50
277	7/20/2041	\$3,495,387.50	\$68,631.78	\$36,250.00	\$32,381.78	\$3,459,137.50
278	8/20/2041	\$3,459,137.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,422,887.50
279	9/20/2041	\$3,422,887.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,386,637.50
280	10/20/2041	\$3,386,637.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,350,387.50
281	11/20/2041	\$3,350,387.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,314,137.50
282	12/20/2041	\$3,314,137.50	\$68,631.77	\$36,250.00	\$32,381.77	\$3,277,887.50
283	1/20/2042	\$3,277,887.50	\$68,631.78	\$36,250.00	\$32,381.78	\$3,241,637.50
284	2/20/2042	\$3,241,637.50	\$68,911.45	\$38,750.00	\$30,161.45	\$3,202,887.50
285	3/20/2042	\$3,202,887.50	\$68,911.45	\$38,750.00	\$30,161.45	\$3,164,137.50
286	4/20/2042	\$3,164,137.50	\$68,911.45	\$38,750.00	\$30,161.45	\$3,125,387.50
287	5/20/2042	\$3,125,387.50	\$68,911.45	\$38,750.00	\$30,161.45	\$3,086,637.50
288	6/20/2042	\$3,086,637.50	\$68,911.45	\$38,750.00	\$30,161.45	\$3,047,887.50
289	7/20/2042	\$3,047,887.50	\$68,911.50	\$38,750.00	\$30,161.50	\$3,009,137.50
290	8/20/2042	\$3,009,137.50	\$68,911.45	\$38,750.00	\$30,161.45	\$2,970,387.50
291	9/20/2042	\$2,970,387.50	\$68,911.45	\$38,750.00	\$30,161.45	\$2,931,637.50
292	10/20/2042	\$2,931,637.50	\$68,911.45	\$38,750.00	\$30,161.45	\$2,892,887.50
293	11/20/2042	\$2,892,887.50	\$68,911.45	\$38,750.00	\$30,161.45	\$2,854,137.50
294	12/20/2042	\$2,854,137.50	\$68,911.45	\$38,750.00	\$30,161.45	\$2,815,387.50

PMT NO	PAYMENT DATE	BEGINNING BALANCE	BASE RENT	PRINCIPAL	INTEREST	ENDING BALANCE
295	1/20/2043	\$2,815,387.50	\$68,911.50	\$38,750.00	\$30,161.50	\$2,776,637.50
296	2/20/2043	\$2,776,637.50	\$68,621.35	\$40,833.33	\$27,788.02	\$2,735,804.17
297	3/20/2043	\$2,735,804.17	\$68,621.35	\$40,833.33	\$27,788.02	\$2,694,970.84
298	4/20/2043	\$2,694,970.84	\$68,621.35	\$40,833.33	\$27,788.02	\$2,654,137.51
299	5/20/2043	\$2,654,137.51	\$68,621.35	\$40,833.33	\$27,788.02	\$2,613,304.18
300	6/20/2043	\$2,613,304.18	\$68,621.35	\$40,833.33	\$27,788.02	\$2,572,470.85
301	7/20/2043	\$2,572,470.85	\$68,621.36	\$40,833.33	\$27,788.03	\$2,531,637.52
302	8/20/2043	\$2,531,637.52	\$68,621.35	\$40,833.33	\$27,788.02	\$2,490,804.19
303	9/20/2043	\$2,490,804.19	\$68,621.35	\$40,833.33	\$27,788.02	\$2,449,970.86
304	10/20/2043	\$2,449,970.86	\$68,621.35	\$40,833.33	\$27,788.02	\$2,409,137.53
305	11/20/2043	\$2,409,137.53	\$68,621.35	\$40,833.33	\$27,788.02	\$2,368,304.20
306	12/20/2043	\$2,368,304.20	\$68,621.35	\$40,833.33	\$27,788.02	\$2,327,470.87
307	1/20/2044	\$2,327,470.87	\$68,621.40	\$40,833.37	\$27,788.03	\$2,286,637.50
308	2/20/2044	\$2,286,637.50	\$68,620.31	\$43,333.33	\$25,286.98	\$2,243,304.17
309	3/20/2044	\$2,243,304.17	\$68,620.31	\$43,333.33	\$25,286.98	\$2,199,970.84
310	4/20/2044	\$2,199,970.84	\$68,620.31	\$43,333.33	\$25,286.98	\$2,156,637.51
311	5/20/2044	\$2,156,637.51	\$68,620.31	\$43,333.33	\$25,286.98	\$2,113,304.18
312	6/20/2044	\$2,113,304.18	\$68,620.31	\$43,333.33	\$25,286.98	\$2,069,970.85
313	7/20/2044	\$2,069,970.85	\$68,620.31	\$43,333.33	\$25,286.98	\$2,026,637.52
314	8/20/2044	\$2,026,637.52	\$68,620.31	\$43,333.33	\$25,286.98	\$1,983,304.19
315	9/20/2044	\$1,983,304.19	\$68,620.31	\$43,333.33	\$25,286.98	\$1,939,970.86
316	10/20/2044	\$1,939,970.86	\$68,620.31	\$43,333.33	\$25,286.98	\$1,896,637.53
317	11/20/2044	\$1,896,637.53	\$68,620.31	\$43,333.33	\$25,286.98	\$1,853,304.20
318	12/20/2044	\$1,853,304.20	\$68,620.31	\$43,333.33	\$25,286.98	\$1,809,970.87
319	1/20/2045	\$1,809,970.87	\$68,620.35	\$43,333.37	\$25,286.98	\$1,766,637.50
320	2/20/2045	\$1,766,637.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,720,387.50
321	3/20/2045	\$1,720,387.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,674,137.50
322	4/20/2045	\$1,674,137.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,627,887.50
323	5/20/2045	\$1,627,887.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,581,637.50
324	6/20/2045	\$1,581,637.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,535,387.50
325	7/20/2045	\$1,535,387.50	\$68,882.83	\$46,250.00	\$22,632.83	\$1,489,137.50
326	8/20/2045	\$1,489,137.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,442,887.50
327	9/20/2045	\$1,442,887.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,396,637.50
328	10/20/2045	\$1,396,637.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,350,387.50
329	11/20/2045	\$1,350,387.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,304,137.50
330	12/20/2045	\$1,304,137.50	\$68,882.81	\$46,250.00	\$22,632.81	\$1,257,887.50
331	1/20/2046	\$1,257,887.50	\$68,882.83	\$46,250.00	\$22,632.83	\$1,211,637.50
332	2/20/2046	\$1,211,637.50	\$68,966.66	\$49,166.66	\$19,800.00	\$1,162,470.84
333	3/20/2046	\$1,162,470.84	\$68,966.66	\$49,166.66	\$19,800.00	\$1,113,304.18
334	4/20/2046	\$1,113,304.18	\$68,966.66	\$49,166.66	\$19,800.00	\$1,064,137.52
335	5/20/2046	\$1,064,137.52	\$68,966.66	\$49,166.66	\$19,800.00	\$1,014,970.86
336	6/20/2046	\$1,014,970.86	\$68,966.66	\$49,166.66	\$19,800.00	\$965,804.20
337	7/20/2046	\$965,804.20	\$68,966.66	\$49,166.66	\$19,800.00	\$916,637.54
338	8/20/2046	\$916,637.54	\$68,966.66	\$49,166.66	\$19,800.00	\$867,470.88
339	9/20/2046	\$867,470.88	\$68,966.66	\$49,166.66	\$19,800.00	\$818,304.22
340	10/20/2046	\$818,304.22	\$68,966.66	\$49,166.66	\$19,800.00	\$769,137.56
341	11/20/2046	\$769,137.56	\$68,966.66	\$49,166.66	\$19,800.00	\$719,970.90
342	12/20/2046	\$719,970.90	\$68,966.66	\$49,166.66	\$19,800.00	\$670,804.24
343	1/20/2047	\$670,804.24	\$68,966.74	\$49,166.74	\$19,800.00	\$621,637.50
344	2/20/2047	\$621,637.50	\$68,591.66	\$51,803.12	\$16,788.54	\$569,834.38

PMT NO	PAYMENT DATE	BEGINNING BALANCE	BASE RENT	PRINCIPAL	INTEREST	ENDING BALANCE
345	3/20/2047	\$569,834.38	\$68,591.66	\$51,803.12	\$16,788.54	\$518,031.26
346	4/20/2047	\$518,031.26	\$68,591.66	\$51,803.12	\$16,788.54	\$466,228.14
347	5/20/2047	\$466,228.14	\$68,591.66	\$51,803.12	\$16,788.54	\$414,425.02
348	6/20/2047	\$414,425.02	\$68,591.66	\$51,803.12	\$16,788.54	\$362,621.90
349	7/20/2047	\$362,621.90	\$68,591.67	\$51,803.12	\$16,788.55	\$310,818.78
350	8/20/2047	\$310,818.78	\$68,591.66	\$51,803.12	\$16,788.54	\$259,015.66
351	9/20/2047	\$259,015.66	\$68,591.66	\$51,803.12	\$16,788.54	\$207,212.54
352	10/20/2047	\$207,212.54	\$68,591.66	\$51,803.12	\$16,788.54	\$155,409.42
353	11/20/2047	\$155,409.42	\$68,591.66	\$51,803.12	\$16,788.54	\$103,606.30
354	12/20/2047	\$103,606.30	\$68,591.66	\$51,803.12	\$16,788.54	\$51,803.18
355	1/20/2048	\$51,803.18	\$68,591.73	\$51,803.18	\$16,788.55	\$0.00

23,935,068.96

EXHIBIT C
ACH AUTHORIZATION AGREEMENT
See Attached

ACH AUTHORIZATION AGREEMENT

Explore Academy, a New Mexico Public Charter School, authorizes Wells Fargo Bank, N.A. to make the following ACH debits from its checking account as herein described.

1. Explore Academy Checking Account number: 3497393805
2. Explore Academy-Routing Number: 107002192
3. Bank Name: Wells Fargo, N.A.
4. Payee: Manufacturers & Traders Trust Company, ABA # 031100092, Credit to Account No. 128289-000, Ref. Explore 2018AB, Attn: Corporate Trust.
5. Date and Amount of ACH debit: As set forth in the attached Base Rent Schedule.
6. Commencement Date of ACH payments: July 1, 2018
7. Purpose: Making all rent payments due and owing according to that certain Lease Agreement by and between Explore Academy and Explore Academy Foundation, a New Mexico nonprofit corporation, dated May 10, 2018.

Explore Academy understands that this authorization will remain in effect until cancelled by an authorized representative of Explore Academy, which authorization shall be evidenced by a signed resolution of Explore Academy's governing body. Explore Academy shall provide no less than thirty (30) days' notice to the Bank prior to the next transfer date of its intent to terminate this ACH Authorization Agreement. If the above noted payment date falls on a weekend or holiday, Explore Academy understands that the payments may be executed on the preceding business day. For each ACH debit from Explore Academy's checking account, Explore Academy authorizes the transfer to be made on the above noted periodic transaction dates. Explore Academy acknowledges that the origination of ACH transactions to its account must comply with the provisions of United States laws. The undersigned certifies that he/she is an authorized agent for Explore Academy's Bank Account as described above.

EXPLORE ACADEMY

By: _____
_____, its Authorized Representative

Accepted by:
WELLS FARGO, N.A.

By: _____
_____, its Authorized Representative

EXHIBIT D

REPORTING REQUIREMENTS

- Quarterly financial statements prepared by the School's designated financial consultant, within 30 days of the end of each fiscal quarter;
- Certain financial statements as follows: (i) by no later than December 15 of each year, the School shall submit a copy of the School's draft financial statements which are required pursuant to New Mexico State law to be submitted to the New Mexico State Auditor for preparation of the audited financial statements of the School, and (ii) within ten (10) business days after they are distributed by the New Mexico State Auditor pursuant to New Mexico State law, a copy of the audited financial statements required of the School under State law for the preceding Fiscal Year, including a balance sheet and operating statements, or, alternatively, a notice that such audited financial statements of the School have been posted and are publicly available on the website of the New Mexico State Auditor. The School and the Foundation acknowledge that the School's audited financial statements are prepared by the New Mexico State Auditor as a component part of the financial statements of the New Mexico Public Education Department, and as such are not under the control of the School. The School shall be deemed to have complied with this reporting and disclosure requirement so long as the School provides (i) its draft financial statements by December 15 of each year, and (ii) its annual audited financial statements (or notice that such audited financial statements of the School have been posted and are publicly available on the website of the New Mexico State Auditor) to the Trustee within ten (5) business days of when such audited financial statements are distributed by the New Mexico State Auditor.
- Annual capital and operating budgets within 5 days of final approval by the Charter School's governing body; and
- Notice of changes in the Charter School's governing body and senior management.

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



STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
300 DON GASPAR
SANTA FE, NEW MEXICO 87501-2786
Telephone (505) 827-5800
www.ped.state.nm.us

CHRISTOPHER N. RUSZKOWSKI
SECRETARY OF EDUCATION

SUSANA MARTINEZ
GOVERNOR

December 28, 2018

SENT BY USPS FIRST-CLASS MAIL AND ELECTRONIC MAIL

Patricia Matthews
Attorney at Law
Matthews Fox, PC
1925 Aspen Drive, Suite 301A
Santa Fe, New Mexico 87505

Re: Revised Lease Purchase Arrangement between Explore Academy Foundation and Explore Academy

Ms. Matthews:

The Public Education Department has reviewed the revised Lease Purchase Arrangement between Explore Academy Foundation and Explore Academy, together with the appertaining exhibits and referenced documents (referred to together in this letter as the "Lease Purchase Arrangement"), for compliance with the pertinent sections of the Public School Lease Purchase Act, Chapter 22, Article 26A NMSA 1978, and with the applicable provisions of other New Mexico statutes.

The specific Lease Purchase Arrangement the Public Education Department reviewed was the revised version of the financing agreement Robert F. Sánchez, Public Education Department Assistant General Counsel, sent you on December 6, 2018, with the additional changes both of you agreed to in the subsequent electronic communications. For reference purposes, a copy of the rewritten Lease Purchase Arrangement is enclosed with this letter.

The Public Education Department's position in having reviewed and approved the Lease Purchase Arrangement was that formation of the financing agreement was left to the arms-length negotiations between Explore Academy Foundation, as the owner-lessor, and Explore Academy, as the charter school-lessee, with the advice and assistance of their respective attorneys, and that such matters were beyond the purview or authority of our state agency under the relevant New Mexico laws.

Patricia Matthews
December 28, 2018
Page 2

The Public Education Department by this letter informs Explore Academy's governing body that, based on our state agency's review, the Lease Purchase Arrangement identified above has been approved in accordance with Section 22-26A-4(B) NMSA 1978.

As is provided in the Lease Purchase Arrangement itself, the financing agreement is subject to approval by the Public School Facilities Authority, pursuant to Section 22-20-1(A)(2) NMSA 1978.

Please send Pamela Jones, with the Public Education Department's Office of General Counsel, a fully executed copy of the Lease Purchase Arrangement, as well as complete copies of all accompanying exhibits and related documents, when those become available to you.

Thank you for your attention to this letter, and please contact Mr. Sánchez if you have any questions about its contents.

Regards,



Marian K. Rael
Acting Deputy Secretary of Finance & Operations

MKR/aar/rfs

Enclosure: as stated

E-copies: Christopher N. Ruszkowski, Secretary of Education
Aaron A. Rodriguez, Deputy General Counsel
David Craig, School Budget & Finance Analysis Bureau Director
Antonio Ortiz, Capital Outlay Bureau Director
Justin Baiardo, Explore Academy Principal
Denise Irion, Public School Facilities Authority CFO (w/ enclosure)

**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**

June 29, 2018

Justin Baiardo, Director
Explore Academy
5100 Masthead St. NE
Albuquerque, NM 87109

RE: Proposed Facility for Explore Academy Charter School located at 5100 Masthead St. NE Albuquerque, NM 87109

VIA E-MAIL

Mr. Baiardo,

Public School Facilities Authority (PSFA) has assessed the proposed facilities for Explore Academy, as you are considering entering into a lease-purchase agreement for this facility. This assessment was conducted pursuant to 22-8B-4.2 NMSA 1978 and 22-20-1(A) (2)NMSA 1978.

Per your request on June 19, 2018 PSFA performed an assessment/review of the Construction Drawings and existing facility on June 25, 2018 for the proposed Charter School indicated above.

PSFA is pleased to advise you that this assessment combined with the proposed construction drawings has resulted in a weighted New Mexico Condition Index (wNMCI) score of 12.84% which is better (lower is better) than the current wNMCI statewide average of 23.78% as required by this statute. PSFA understands that 100% construction drawings will be produced by a licensed architect registered in the state of New Mexico. These plans will demonstrate the required Educational Occupancy, which must be acquired prior to occupancy. Please provide PSFA with copy of Certificate of Occupancy denoting "E" Educational Occupancy.

This assessment combined with the proposed construction drawings concludes this facility located at 5100 Masthead St. NE Albuquerque, NM 87109 meets the requirements of 22-8B-4.2 NMSA 1978 and 22-20-1(A)(2)NMSA 1978.

Based on the above information the Public School Facilities Authority is pleased to indicate this facility meets the requirements stated above. Please contact the Public Education Department and provide them with this information as they are the Agency that approves the lease purchase agreement.

Please feel free to contact me if you have any questions or concerns regarding this correspondence. I can be reached at (505) 468-0295.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Tio' with a stylized flourish at the end.

Timothy Rybarczyk, Facilities Specialist
Public School Facilities Authority

Cc; Norma Ahlskog, PSFA Financial Specialist
Martica Casias, Planning & Design Manager

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 5100 Masthead St NE

Zip 87109

Portion of Building Tenant Improvement – Phase 1

Use Classification

Commercial Project

Bldg. Permit No. 2018-09918

Occupancy Group E

Type of Construction

II-B Fully Sprinkled

Land Use Zone N/A

Owner of Building

Justin Baiardo

Address: 5100 Masthead St NE, Albuquerque NM 87109



By: Victoria Tena

V Land Clark
Chief Building Official

Date: August 20, 2018

IBC Code Year: 2015

POST IN A CONSPICUOUS PLACE

MAXIMUM OCCUPANT LOAD: 655

Certificate of Occupancy

City of Albuquerque
Planning Department
Building Safety Division

This Certificate, issued pursuant to the requirements of Section 15.3 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 5100 Masthead St NE

Zip 87109

Portion of Building Addition – Phase II

Use Classification Commercial Project Bldg. Permit No. 2018-28855

Occupancy Group E Type of Construction II-B Fully Sprinkled Land Use Zone N/A

Owner of Building Justin Baiardo Address: 5100 Masthead St NE, Albuquerque NM 87109

By: Victoria Tena

Date: December 21, 2018

V Land Clark
Chief Building Official

IBC Code Year: 2015

POST IN A CONSPICUOUS PLACE

MAXIMUM OCCUPANT LOAD: 178

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 5100 Masthead St NE

Zip 87109

Portion of Building Commercial Renovations – Phase III

Use Classification

Commercial Project

Bldg. Permit No. 2018-42853

Occupancy Group E

Type of Construction

II-B Fully Sprinkled

Land Use Zone N/A

Owner of Building

Justin Baiardo

Address: 5100 Masthead St NE, Albuquerque NM 87109



By: Victoria Tena

V Land Clark
Chief Building Official

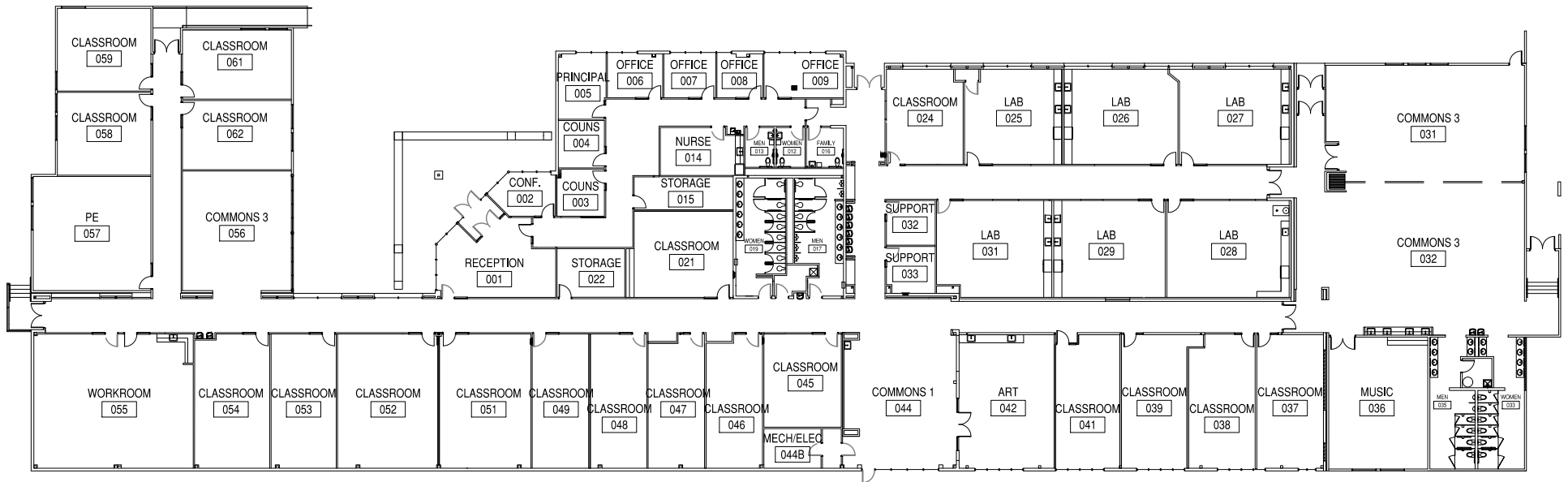
Date:

December 28, 2018

IBC Code Year: 2015

POST IN A CONSPICUOUS PLACE

MAXIMUM OCCUPANT LOAD: 260



EXPLORE ACADEMY

3.19.2018



CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
7/7/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

PRODUCER Poms & Associates Insurance Brokers CA License #0814733 5700 Canoga Ave. #400 Woodland Hills CA 91367	CONTACT NAME: Risk Services PHONE: (800) 578-8802 (A/C, No. Ext): E-MAIL: rservices@pomsassoc.com ADDRESS: PRODUCER CUSTOMER ID: 00016280	FAX (818) 449-9449 (A/C, No):
INSURED New Mexico Public Schools Insurance Authority Member: Explore Academy 410 Old Taos Highway Santa Fe NM 87501	INSURER(S) AFFORDING COVERAGE INSURER A: Berkley Regional Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS
	<input type="checkbox"/> PROPERTY CAUSES OF LOSS <input type="checkbox"/> BASIC <input type="checkbox"/> BROAD <input type="checkbox"/> SPECIAL <input type="checkbox"/> EARTHQUAKE <input type="checkbox"/> WIND <input type="checkbox"/> FLOOD	DEDUCTIBLES BUILDING CONTENTS			<input type="checkbox"/> BUILDING <input type="checkbox"/> PERSONAL PROPERTY <input type="checkbox"/> BUSINESS INCOME <input type="checkbox"/> EXTRA EXPENSE <input type="checkbox"/> RENTAL VALUE <input type="checkbox"/> BLANKET BUILDING <input type="checkbox"/> BLANKET PERS PROP <input type="checkbox"/> BLANKET BLDG & PP <input type="checkbox"/> CONTENTS	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
	<input type="checkbox"/> INLAND MARINE CAUSES OF LOSS <input type="checkbox"/> NAMED PERILS	TYPE OF POLICY POLICY NUMBER				\$ \$ \$ \$
A	<input checked="" type="checkbox"/> CRIME TYPE OF POLICY	BGOV-45001509-25	07/01/2020	07/01/2021	<input checked="" type="checkbox"/> Employee Theft <input checked="" type="checkbox"/> Forgery or Altercation <input checked="" type="checkbox"/> Faithful Performance	\$ 2,000,000 \$ 2,000,000 \$ 1,000,000
	<input type="checkbox"/> BOILER & MACHINERY/EQUIPMENT BREAKDOWN					\$ \$ \$ \$

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

Evidence of Insurance

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/7/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT Risk Services	
Poms & Associates Insurance Brokers	NAME:	
CA License #0814733	PHONE (800) 578-8802	FAX (818) 449-9449
5700 Canoga Ave. #400	(A/C, No. Ext):	
Woodland Hills CA 91367	E-MAIL rservices@pomsassoc.com	
	ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: New Mexico Public Schools Insurance Authority	N/A
INSURED	INSURER B: Safety National	
New Mexico Public Schools Insurance Authority	INSURER C:	
Member: Explore Academy	INSURER D:	
410 Old Taos Highway	INSURER E:	
Santa Fe NM 87501	INSURER F:	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Owners Contractors <input type="checkbox"/> Protective Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			MOC NO. L0023	07/01/2020	07/01/2021	EACH OCCURRENCE \$ Tort Limit DAMAGE TO RENTED PREMISES (Ea occurrence) \$ Tort Limit MED EXP (Any one person) \$ Tort Limit PERSONAL & ADV INJURY \$ Tort Limit GENERAL AGGREGATE \$ Tort Limit PRODUCTS - COMP/OPAGG \$ Tort Limit Maximum Liability \$ 1,050,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			MOC NO. L0023	07/01/2020	07/01/2021	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ Tort Limit BODILY INJURY (Per accident) \$ Tort Limit PROPERTY DAMAGE (Per accident) \$ Tort Limit Maximum Liability \$ 1,050,000
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A	SP4060618	07/01/2020	07/01/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	PROFESSIONAL LIABILITY			MOC NO. L0023	07/01/2020	07/01/2021	Each Occurrence Tort Limit Maximum Liability 1,050,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Self-Insured Retention for Liability: \$750,000. See attached New Mexico Tort Claims Act Section 41-4-19: Maximum Liability Summary.

CERTIFICATE HOLDER

CANCELLATION

Evidence of Insurance	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

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AGENCY CUSTOMERID: _____

LOC #: _____

ADDITIONAL REMARKS SCHEDULE

Page ____ of ____

AGENCY Poms & Associates Insurance Brokers		NAMED INSURED New Mexico Public Schools Insurance Authority
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: _____ FORM TITLE: : Notes

Summary of New Mexico Tort Claims Act Section 41-4-19: Maximum Liability
Governmental entities and agencies, including public schools, public charter schools and community colleges and universities are granted immunity from liability.
Commercial General Liability
Products and Completed Operations
Professional Liability
Contractual Liability
Imposed by New Mexico Tort Claims Act [NMPSIA 1975 §41-4-1 through 41-4-29]
\$400,000 Bodily Injury Per Person
\$200,000 Property Damage Per Property Address
\$300,000 Medical
\$750,000 Per Occurrence
\$1,050,000 Combined Limit/Maximum Liability

State of New Mexico
Public School Capital Outlay Council

Chair:

David Abbey, LFC

Members:

Antonio Ortiz, PED
Rachel Gudgel, LESC
Gilbert Peralta, PEC
Sara Fitzgerald, Governor's Office



Vice Chair:

Pat McMurray, RLD

Members:

Joe Guillen, NMSBA
Raul Burciaga, LCS
Nina Carranco, DFA

Public School Facilities Authority
Jonathan Chamblin, Director
1312 Basehart Road, SE, Suite 200
Albuquerque, NM 87106
(505) 843-6272 (Phone); (505) 843-9681 (Fax)
Website: www.nmpsfa.org
October 15, 2018

Justin Baiardo, Principal
and Ashley Wolfel, Business Manager
Explore Academy
5100 Masthead NW
Albuquerque, NM 87107

Re: 2018-2019 Public School Capital Outlay Lease Assistance Awards

Dear Principal Baiardo and Business Manager Ashley Wolfel:

At its September 19, 2018 meeting, the Public School Capital Outlay Council (PSCOC) awarded approximately **\$15,720,648.00** million in Lease Payment Assistance grants from the Public School Capital Outlay Fund. These grants were awarded to 100 applicant charter schools in 20 school districts throughout the State.

We are pleased to inform you that the Public School Capital Outlay Council (PSCOC) has approved a total net award of **\$109,053.00** from the 2018-2019 Lease Assistance Grant Award Program for leases at **Explore Academy**. This award is contingent upon the acceptance by the school district and charter authority for locally chartered charter schools. Awards will be distributed by the Public School Facilities Authority (PSFA) on a quarterly reimbursement basis payable to the district or charter school.

The Public Education Department (PED) requires that districts or charter schools submit a Budget Adjustment Request (BAR) to their PED analyst for budget authority for FY 2019. The adjusted funded amount would be the total amount of the district award(s). **PED also requests that districts or charter schools use fund 31200, revenue code 43209 and object code 54610 for rental/land and buildings (lease assistance) or 54640 rental/lease to purchase (lease purchase agreements)**, which are specifically designated for the PSCOC Lease Payment Assistance grants. Should you have any questions concerning PED's requirements, please contact your PED budget analyst.

Reductions to award amounts result from a condition that warrants an award adjustment or suspension, which may include: school closure, charter revocation, financial violations or irregularities, adjustments to certified attendance numbers (MEM counts), lease termination, lease amendment, or operational use changes of leased space from classroom to non-classroom.

Payments will require an invoice to PSFA in addition to proof of lease payments made for the reimbursement period, the first of which is July 1 through September 30, 2018. Proof of payment may be a copy of the check issued to the leasing entity or proof of wire transfer to leasing entity, an official payment voucher issued for that purpose that has the approval signatures of the fiscal officer of the charter entity, the school districts central purchasing agent, or their designee. Subsequent reimbursement request periods for lease payments shall be from October 1 through December 31, 2018; January 1 through March 31, 2019; and April 1 through June 30, 2019.

PSFA is currently revising procedures related to eligible classroom space and facilities. Future communications regarding these policy changes in eligible net square footage are forthcoming. PSFA encourages the charter school(s) participation and feedback.

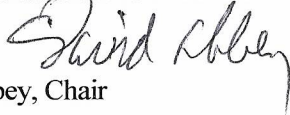
Please submit this letter indicating acceptance of the award by signature of the charter authority for **Explore Academy** to: Public School Facilities Authority, Attn: Charter School Leases, 1312 Basehart SE, Suite 200 Albuquerque, New Mexico 87106. Deadline for the acceptance of this grant is October 29, 2018.

If you have questions concerning the award, please contact Ms. Denise Irion or Norma Ahlskog at 505-843-6272.

Once more, we would like to extend our congratulations. We look forward to working with you on behalf of the children of New Mexico.

Sincerely,

PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL


David Abbey, Chair

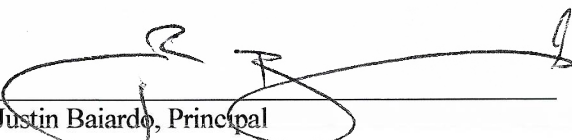
DA/na

cc: Jonathan Chamblin, Deputy Director, PSFA
Norma Ahlskog, Financial Specialist, PSFA

DECLARATION OF AWARD ACCEPTANCE:

The undersigned hereby certifies that the 2018-2019 Lease Payment Assistance grant award to **Explore Academy** is accepted and that all PED and PSFA requirements are understood and accepted.

ACCEPTED BY:


Justin Baiardo, Principal

DATE: 12/17/18

SIGNATURE OF DISTRICT SUPERINTENDENT (if applicable)

Print Name: _____
School District: _____

DATE: _____

**State of New Mexico
Public School Facilities Authority**



Robert A. Gorrell, Director

Rocky Kearney, Deputy Director

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

January 5, 2017

Justin Baiardo, Director
Explore Academy
6900 Los Volcanes NW
Albuquerque, NM 87121

RE: wNMCI assessment of Explore Academy Charter School located at 5100 Masthead St. NE Albuquerque, NM 87109

VIA E-MAIL

Ms. Baiardo,

On October 14th, 2016 at the location indicated above the Public School Facilities Authority (PSFA) assessed the proposed facilities for the Explore Academy. This assessment was conducted pursuant to NMAC 22-8B-4.2 (C) and (D). The results of this assessment determined this facility meets the requirements for lease purchase. This facility meets the applicable statewide adequacy standards promulgated by the Public School Capital Outlay Council and set forth in 6.27.30 NMAC (9/01/2002); and has, as measured by the New Mexico condition index, a condition rating of 11.0% which is equal to or better than the average condition for all New Mexico public schools for the applicable year. The current average wNMCI is 16.79%. I have reviewed the construction drawings for this facility and it will achieve an E Occupancy.

Please feel free to contact me if you have any questions or concerns regarding this correspondence. I can be reached at (505) 468-0295.

Respectfully Submitted,

Timothy Rybarczyk
Facilities Specialist
Public School Facilities Authority

cc: Martica Casias
Norma Ahlskog