

EXHIBIT

NOTICE OF PROPOSED LEASE OF LAND AND BUILDINGS BY, AND LEASE-PURCHASE BACK OF SUCH LAND AND BUILDINGS TO, THE CITY OF FLAGSTAFF, ARIZONA, AND REQUEST FOR BIDS IN CONNECTION THEREWITH

NOTICE IS HEREBY GIVEN THAT the parcel of land owned by the City of Flagstaff, Arizona (the "City"), and described as in Document recorded in the records of the Recorder of Coconino County, Arizona, containing approximately acres, and the buildings located thereon which comprises [or will comprise] the municipal court facility of the City (collectively, the "Property"), will be leased to the highest responsible bidder therefor. Bids must be submitted to the Mayor and Council of the City c/o the Clerk of the City, 211 West Aspen Avenue, Flagstaff, Arizona 86001-5399 by:00m., Mountain Standard Time, on, 2019, pursuant to the Charter of the City. The lessee of the Property will be required to lease the Property from the City pursuant to a ground lease (the "Ground Lease") and to lease-purchase back the Property to the City pursuant to a Lease-Purchase Agreement (the "Lease"). The Lease will be for a period commencing on or about 1, 2019, and ending on or about July 2, 20..... The successful bidder must cause not less than \$____,000 to be paid to the City as a result of entering into the Ground Lease. The amount paid under the Ground Lease will be used in the financing of a portion of a municipal court facility in the City (the "Projects").

The City reserves the right to reject any and all bids at the discretion of the Mayor and Council of the City and to waive any informality in any bid. Unless all bids are rejected, the Mayor and Council of the City will award the lease of the Property pursuant to the Ground Lease to the highest responsible bidder offering to lease the Property pursuant to the Ground Lease and agreeing to lease-purchase back the Property to the City pursuant to the Lease at the price most favorable to the City as described above before 5:00 p.m. Mountain Standard Time on, 2019. The award of the lease of the Property pursuant to the Ground Lease and the Lease will be contingent upon provision for the construction of the Projects on the date of the execution and delivery of the Lease with respect to the lease and lease-purchase back of the Property.

Bidders are to take note that, pursuant to Arizona law, if within three years from the award of the Ground Lease or the Lease, any person who was significantly involved in initiating, negotiating, securing, drafting, or creating the Ground Lease or the Lease on behalf of the City becomes an employee or agent of the winning bidder in any capacity or a consultant to the winning bidder with respect to the Ground Lease or the Lease, the City may cancel the award of the Ground Lease or the Lease without penalty or further obligation by the City. In addition to such cancellation, if such person becomes an employee or agent of the winning bidder with respect to the Ground Lease or the Lease, the City may recoup any fees or commissions paid or due to said winning bidder with respect to the award to said bidder and the actual lease of the Property pursuant to the Ground Lease or the Lease.

Further information may be obtained from the Clerk of the City, 211 West Aspen Avenue, Flagstaff, Arizona 86001-5399.

CITY OF FLAGSTAFF, ARIZONA

By /s/ Stacy Saltzburg.....
City Clerk, City of Flagstaff, Arizona

DATED: _____, 2019

ATTACHMENT

[Attach Affidavit of Publication of Notice]