

BOARD OF COUNTY COMMISSIONERS FOR  
ADAMS COUNTY, STATE OF COLORADO

RESOLUTION APPROVING OFFICE SPACE LEASE BETWEEN ADAMS COUNTY AND  
METRO NORTH, LTD., FOR PREMISES AT 11990 GRANT STREET

**Resolution 2014-190**

WHEREAS, Adams County wishes to lease office space for the Adams County Human Services Department that is conveniently located for staff and clients; and,

WHEREAS, Metro North, Ltd., owns suitable office space located at 11990 Grant Street, Suite 216 that it is willing to lease to Adams County upon the terms and conditions of the attached Office Space Lease; and,

WHEREAS, the Office Space Lease is for an initial term of five years, with a five-year renewal option, at a current monthly rent of \$8,944.00.

NOW THEREFORE BE IT RESOLVED, by the Board of County Commissioners of the County of Adams, State of Colorado, that the Office Space Lease between Adams County and Metro North, Ltd., a copy of which is attached hereto, be and hereby is approved.

BE IT FURTHER RESOLVED that the Chairman is authorized to execute said Office Space Lease on behalf of Adams County.

Upon motion duly made and seconded the foregoing resolution was adopted by the following vote:

Henry	_____	Aye
Tedesco	_____	Aye
Hansen	_____	Aye
Commissioners		

STATE OF COLORADO     )  
County of Adams         )

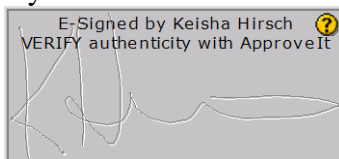
I, Karen Long, County Clerk and ex-officio Clerk of the Board of County Commissioners in and for the County and State aforesaid do hereby certify that the annexed and foregoing Order is truly copied from the Records of the Proceedings of the Board of County Commissioners for said Adams County, now in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County, at Brighton, Colorado this 28<sup>th</sup> day of April, A.D. 2014.

County Clerk and ex-officio Clerk of the Board of County Commissioners  
Karen Long:



By:



Deputy

## OFFICE SPACE LEASE

THIS LEASE, dated April 11, 2014, for reference purposes only, is made by and between METRO NORTH, LTD., a California Limited Partnership ("Landlord"), and ADAMS COUNTY, COLORADO, ("Tenant"), to be effective and binding upon the parties as of the date the last of the designated signatories to this Lease shall have executed this Lease ("Effective Date").

### ARTICLE 1 REFERENCES

1.1 **REFERENCES:** All references in this Lease (subject to any further clarifications contained herein) to the following terms shall have the following meaning or reference as below set forth:

**A. Tenant's Address for Notices:** 11990 Grant Street  
Suite 216  
Northglenn, Colorado 80233

**B. Tenant's Representative:** Mr. Mike Goins, Director, Facility Planning & Operations Dept.  
**Phone Number:** 720-523-6303  
**Fax Number:** 720-523-6008  
**E-mail address:** mgoins@adcogov.org

**C. Landlord's Address for Notices:** 3234-A South Wadsworth Blvd.  
Lakewood, CO 80227

**D. Landlord's Representative:** Phil Hiemer, Property Manager  
Phone No.: 303.985.8701, ext. 102; Fax No.: 303.980.7037; E-mail address: phiemer@summitgroupdenver.com

**E. Intended Commencement Date:** June 1, 2014

**F. Intended Term:** Five (5) years and one (1) month

**G. Intended Lease Expiration Date:** June 30, 2019

**H. Tenant's Punchlist Period:** June 1-31, 2014

**I. Second Month's Prepaid Rent:** \$8,944.00

**J. Last Month's Prepaid Rent:** N/A

**K. Tenant's Security Deposit:** \$0.00

**L. Late Charge Percentage:** 7.5% of the amount due

**M. Building Expense Base Year:** 2014

**N.** N/A

**O.** N/A

**P. Tenant's Number of Parking Spaces:** 19 unassigned

**Q. Brokers:** Landlord: Emeric R. Holderith, The Summit Group, Inc.  
Tenant: Norman De Hart, Guidance Corporate Realty Advisors

**R. Project:** The certain real property situated in the City of Northglenn, County of Adams, State of Colorado as presently improved with and including one (1) building, commonly known as or otherwise described as follows:

11990 Grant Street  
Northglenn, Colorado 80233

**S. Building:** That certain Building within the Project in which the Premises are located, which Building is shown highlighted on Exhibit "A" hereto.

**T. Common Areas:** The "Common Areas" shall mean those areas and facilities within the Building that are designated by Landlord from time to time for the general use of the tenants of the Building including the entryway, lobbies, elevators, corridors and restrooms, together with those areas located outside the Building but within the Project that are designated by Landlord from time to time for general use by tenants of the Project including the driveways, pedestrian walkways, parking

spaces, landscaped areas and enclosed trash disposal areas.

**U. Premises:** That certain interior space within the Building, which space is shown highlighted on the Floor Plan attached hereto as Exhibit "B" consisting of approximately 4,992 rentable square feet. Tenant's Proportionate Share as defined in Article 13.13E is 5.8 %. Tenant has had the opportunity to measure the Premises. The computation of the rentable area of the Premises includes an agreed upon common area factor ("CAF") representing Tenant's allocable share of common areas. The rentable area of the Premises may be different, but have been stipulated and agreed to by the parties and the (i) Base Monthly Rent and (ii) Tenant's Proportionate Share shall not be changed (unless the rentable area of the Project has been enlarged or reduced, or if the parties agree to expand or contract the Premises, all as reasonably determined by Landlord, and in either such case Tenant's Proportionate Share shall be reasonably adjusted or changed by Landlord ), even if it is determined that the Premises contains either a larger or smaller area than indicated. The Premises are commonly known as or otherwise described as follows:

11990 Grant Street  
Suite 216  
Northglenn, Colorado 80233

**V. Base Monthly Rent:** The term "Base Monthly Rent" shall mean the following:

06/01/14 to 06/30/14	FREE RENT
07/01/14 to 06/30/15	$\$21.50/\text{RSF}/\text{YR} \times 4992 \text{ RSF} \div 12 \text{ Mo.} = \$8,944.00/\text{Month}$
07/01/15 to 06/30/16	$\$22.00/\text{RSF}/\text{YR} \times 4992 \text{ RSF} \div 12 \text{ Mo.} = \$9,152.00/\text{Month}$
07/01/16 to 06/30/17	$\$22.50/\text{RSF}/\text{YR} \times 4992 \text{ RSF} \div 12 \text{ Mo.} = \$9,360.00/\text{Month}$
07/01/17 to 06/30/18	$\$23.00/\text{RSF}/\text{YR} \times 4992 \text{ RSF} \div 12 \text{ Mo.} = \$9,568.00/\text{Month}$
07/01/18 to 06/30/19	$\$23.50/\text{RSF}/\text{YR} \times 4992 \text{ RSF} \div 12 \text{ Mo.} = \$9,776.00/\text{Month}$

**W. Permitted Use:** The term "Permitted Use" shall mean the following: Adams County Children and Family Services Administrative office only including only the use of conferences, family meetings and family facilitations, and no other use and no other agency or unit of Adams County, unless Landlord provides prior written consent for other use, agency or unit. (See Article 15)

**X. Exhibits:** The term "Exhibits" shall mean the Exhibits to this Lease which are described as follows:

**Exhibit "A"** - Site Plan showing the Project and delineating the Building in which the Premises are located.

**Exhibit "B"** - Floor Plan outlining the Premises.

**Exhibit "C"** - Rules and Regulations.

**Exhibit "D"** - Broker Relationships Disclosure.

**Exhibit "E"** - Option to Renew.

**Exhibit "F"** - Exclusions from Expenses

**Y. Addenda:** The term "Addenda" shall mean the Addendum (or Addenda) to this Lease that is (or are) described as follows: None.

## ARTICLE 2 LEASED PREMISES, TERM AND POSSESSION

**2.1 DEMISE OF LEASED PREMISES:** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, for the Term and upon the terms and subject to the conditions of this Lease, the Premises, reserving and excepting to Landlord the exclusive use of the exterior of the exterior walls, the roof and the area beneath the floor and above the ceiling of the Premises which Tenant may not use. Landlord further reserves the right to install, maintain, use and replace ducts, wires, conduits and pipes and other items leading through the Premises in locations that will not materially interfere with Tenant's use of the Premises. Tenant's lease of the Premises, together with the appurtenant right to use the Common Areas as described in Paragraph 2.2 below, shall be conditioned upon and be subject to the continuing compliance by Tenant with (i) all the terms and conditions of this Lease, (ii) all Laws governing the use of the Premises and the Project, (iii) all Private Restrictions, easements and other matters now or hereafter of public record restricting the use of the Premises and the Project, and (iv) all reasonable rules and regulations from time to time established by Landlord

**2.2 RIGHT TO USE COMMON AREAS:** Tenant shall have the non-exclusive right, which shall terminate with any termination of this Lease, to use the Common Areas in conjunction with other tenants of the Project and their invitees, subject to the limitations on such use as set forth in Article 4, and solely for the purpose for which they were designed

and intended.

**2.3 LEASE COMMENCEMENT DATE AND LEASE TERM:** The term, and Lease Commencement Date shall be deemed to have occurred, on the Intended Commencement Date (set forth in Article 1) unless either (i) Landlord is unable to deliver possession of the Premises to Tenant on the Intended Commencement Date, in which case the Lease Commencement Date shall be as stated in Paragraph 2.4 below, or (ii) Tenant enters into possession of the Premises prior to the Intended Commencement Date, in which case the Lease Commencement Date shall be as stated in Paragraph 2.7 below ("Lease Commencement Date"). The term of this Lease shall end on the date that is sixty one (61) full calendar months from the actual Lease Commencement Date. The Term shall be that period in time commencing on the Lease Commencement Date and ending sixty one (61) full calendar months thereafter ("Term").

**2.4 DELIVERY OF POSSESSION:** Landlord shall deliver to Tenant possession of the Premises on or before the Intended Commencement Date (set forth in Article 1) in their present condition, clean, unless Landlord shall have agreed in writing, as a condition to Tenant's obligation to accept possession of the Premises, pursuant to Exhibit "B" attached hereto to construct or install or modify specified improvements within the Premises, in which case Landlord shall deliver to Tenant possession of the Premises on or before the Intended Commencement Date as so modified and/or improved. If Landlord is unable to so deliver possession of the Premises to Tenant on or before the Intended Commencement Date, for whatever reason, Landlord shall not be in default under this Lease nor shall this Lease be void, voidable or cancelable by Tenant until the lapse of ninety (90) days after the Intended Commencement Date ("delivery grace period"); however, the Lease Commencement Date shall not be deemed to have occurred until such date as Landlord notifies Tenant that the Premises are Ready for Occupancy. If based upon any act or omission of Tenant or its agents including but not limited to any change or modification to the attached Exhibit "B" requested by Tenant and consented to by Landlord in writing (which consent shall be in Landlord's sole discretion) there is a delay in Landlord having the Premises Ready for Occupancy, then the Lease Commencement Date shall be the date the Premises would have been Ready for Occupancy without such delay, provided however the Lease Commencement Date shall not be earlier than the Intended Commencement Date. Additionally, the delivery grace period shall be extended by reason of Force Majeure or the actions of Tenant, its agents, invitees or contractors. If Landlord is unable to deliver possession of the Premises to Tenant within the described delivery grace period (including any extensions thereof by reason of Force Majeure or the actions of Tenant), then Tenant's sole remedy shall be to cancel and terminate this Lease by written notice to Landlord, and in no event shall Landlord be liable to Tenant for such delay. In the event that the date Landlord notifies Tenant that the Premises are Ready for Occupancy (i) is after the delivery grace period and (ii) if Tenant has not previously canceled and terminated this Lease as provided for in this Paragraph, then Tenant shall no longer have the right to cancel and terminate this Lease.

**2.5 ACCEPTANCE OF POSSESSION:** Tenant has inspected the Premises and accepts them in their existing condition, clean, unless Landlord has agreed, as a condition to Tenant's obligation to accept possession of the Premises, pursuant to Exhibit "B" to construct, install or modify specified improvements within the Premises, in which case Tenant agrees to accept possession of the Premises when Landlord has substantially completed such modifications or improvements and the Premises are Ready for Occupancy. If Landlord shall have so constructed, installed or modified existing improvements in the Premises for Tenant, Tenant shall, within Tenant's Punchlist Period (set forth in Article 1) which shall commence on the date that Landlord notifies Tenant that the Premises are Ready for Occupancy, submit to Landlord a punchlist of all incomplete and/or improper work performed by Landlord. Upon the expiration of Tenant's Punchlist Period, Tenant shall be conclusively deemed to have accepted the Premises in their then existing condition as so delivered by Landlord to Tenant, except as to those items reasonably set forth in the punchlist submitted to Landlord prior to the expiration of said period. Landlord agrees to correct all items reasonably set forth in Tenant's punchlist, provided that such punchlist was submitted to Landlord within Tenant's Punchlist Period.

**2.6 SURRENDER OF POSSESSION:** Immediately prior to the expiration or sooner termination of this Lease, Tenant shall remove all of Tenant's signs from the exterior of the Premises and/or the Building and shall remove all of Tenant's equipment, trade fixtures, furniture, supplies, wall decorations and other personal property from the Premises and shall remove Alterations if required hereunder, and shall vacate and surrender the Premises to Landlord in the same condition, clean, as existed at the Lease Commencement Date, reasonable wear and tear excepted. Tenant shall repair all damage to the Premises caused by Tenant's removal of Tenant's property and Alterations (if required hereunder) including but not limited to spackling holes in walls and uniformly painting such, and all damage to the exterior of the Premises and/or the Building caused by Tenant's removal of Tenant's signs. Tenant shall patch and refinish, to Landlord's reasonable satisfaction, all penetrations made by Tenant or its employees to the floor, walls or ceiling of the Premises, whether such penetrations were made with Landlord's approval or not. Tenant shall repair (or replace when the damage cannot be repaired to the reasonable satisfaction of Landlord), all stained or damaged ceiling tiles, movable wall partition panels, counter tops, wall coverings and floor coverings to the reasonable satisfaction of Landlord (for example, damage caused by moly bolts, wall fasteners or other damage to walls). Tenant shall repair all damage caused by Tenant to the exterior surface of the Building and the paved surfaces of the outside areas adjoining the Premises and, where necessary, replace or resurface same. Additionally, Tenant shall, prior to the expiration or sooner termination of this Lease, remove any improvements constructed or installed pursuant to Exhibit "B", or by Tenant, including but not limited to all cabling and wiring, which Landlord requests be so removed by Tenant and repair all damage caused by such removal. If the Premises are not surrendered to Landlord in the condition required by this Paragraph, Landlord may, at Tenant's expense, so remove Tenant's signs, property and/or improvements not so removed and make such repairs and replacements not so made. Tenant shall be liable to Landlord for all costs incurred by Landlord in returning the Premises to the required condition. If any personal property remains, or is left, at the Premises after the expiration or sooner termination of this Lease, then Landlord may, in its sole discretion, sell such personal property upon such terms and conditions as Landlord shall in its sole discretion decide, and shall have all rights to the proceeds from said sale.

Landlord may also discard, or otherwise dispose of such personal property and Landlord shall have no liability to Tenant or any other third party regarding such personal property. Tenant shall reimburse Landlord for any costs incurred in discarding such personal property. No act or thing done by Landlord or its agents during the term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises shall be valid unless the same is made in writing and signed by Landlord.

**2.7 EARLY OCCUPANCY:** If Tenant enters into possession of the Premises prior to the Intended Commencement Date (or permits its contractors to enter the Premises prior to the Intended Commencement Date), unless otherwise agreed in writing by Landlord, the Lease Commencement Date shall be deemed to have occurred on such sooner date, and Tenant shall be obligated to perform all its obligations under this Lease, including the obligation to pay rent at the rate of \$21.50 RSF/per year, from that sooner date to the Intended Commencement Date.

### **ARTICLE 3 RENT, LATE CHARGES AND SECURITY DEPOSITS**

**3.1 BASE MONTHLY RENT:** Throughout the Term, Tenant shall pay to Landlord, without prior demand or right to setoff, in advance on the first day of each calendar month, as base monthly rent, the amount set forth as "Base Monthly Rent" in Article 1.

**3.2 ADDITIONAL RENT:** Throughout the Term, in addition to the Base Monthly Rent, Tenant shall pay to Landlord as additional rent ("Additional Rent") the following amounts:

A. Tenant's Proportionate Share of all increases in "Building Operating Expenses" (defined in Article 13) over those paid during the "Building Expense Base Year". Payment shall be made by the following method Landlord may deliver to Tenant Landlord's reasonable estimate of the increase in the Building Operating Expenses it anticipates will be paid or incurred for the ensuing calendar year over those paid or incurred during the Building Expense Base Year, and Tenant shall pay its Proportionate Share of the estimated increase in Building Operating Expenses for such year in equal monthly installments during such year with the installments of Base Monthly Rent. Landlord reserves the right to reasonably change from time to time said estimate.

B. Landlord's share of the consideration received by Tenant upon certain assignments and sublettings as required by Article 7; and

C. Any legal fees, costs that Tenant is obligated to pay or reimburse to Landlord and any other charges or reimbursements due Landlord from Tenant pursuant to the terms of this Lease.

D. Notwithstanding the foregoing, in no event shall Tenant's Proportionate Share of the controllable portion of the Project Maintenance Cost which shall be defined as that portion of the Project Maintenance Cost not including utilities, snow removal, property taxes and insurance increase by more than five percent (5%) per year on a compounded cumulative basis

**3.3 YEAR-END ADJUSTMENTS:** On or before April 1st of each calendar year, or as soon as is reasonably possible thereafter, Landlord shall furnish to Tenant a statement setting forth the Building Operating Expenses paid or incurred during the previous calendar year and the Building Operating Expenses paid or incurred during the Building Expense Base Year, and to the extent Tenant shall have paid more than its Proportionate Share of any increases in the Building Operating Expenses for the previous year over those paid or incurred in the Building Expense Base Year, Landlord shall, at its election, (i) credit the amount of such over-payment toward the next ensuing payment(s) of Additional Rent (ii) refund the amount of such over-payment, or (iii) credit the amount to any past due amounts owed by Tenant. If Tenant did not pay its Proportionate Share of any such increases in full, then Tenant shall pay to Landlord the amount of such underpayment within ten (10) days from Landlord's billing. The provisions of this Paragraph shall survive the expiration or sooner termination of this Lease.

**3.4 LATE CHARGE AND INTEREST ON RENT IN DEFAULT:** Tenant acknowledges that the late payment by Tenant of any monthly installment of Base Monthly Rent or any Additional Rent will cause Landlord to incur certain costs and expenses not contemplated under this Lease, the exact amounts of which are difficult or impractical to fix. Such costs and expenses will include, without limitation, administration, collection costs and processing and accounting expenses. Therefore, if any installment of Base Monthly Rent or Additional Rent is not received by Landlord from Tenant within ten (10) days after due, Tenant shall immediately pay a late charge equal the percentage set forth in Article 1 I.L. "Late Charge Percentage" of the amount not received. Landlord and Tenant agree that this late charge represents a reasonable estimate of compensation to Landlord for its damages. This provision shall not be deemed to grant Tenant a grace period or extension of time to pay any rental installment or prevent Landlord from exercising any right or remedy based on failure to pay each rental installment when due. If any rent is not paid when due then, in addition to such late charge, Tenant shall pay to Landlord interest on any rent that is not so paid from the date due at the interest rate of ten percent (10%) per annum until paid. If there are any amounts owed by Tenant, in addition to current amounts owed, Landlord may allocate any current payments made by Tenant to such past due amounts as Landlord desires in Landlord's sole discretion. Tenant will pay Landlord \$100.00 if Landlord receives a returned check for non-sufficient funds. Tenant will pay Landlord \$150, if Landlord serves Tenant a Demand for Payment of Rent or Possession of Premises.

**3.5 PAYMENT OF RENT:** All rent shall be paid in lawful money of the United States, without any abatement, deduction or offset for any reason whatsoever, to Landlord at such address as Landlord may designate from time to time. Should Tenant make a payment in which the Bank notifies Landlord that there are insufficient funds, or that the account is closed, or should Tenant not make any payment in a timely manner as set forth in Paragraph 3.4. Tenant shall, after written

notice from Landlord, pay all future payments of Rent and any Additional Rent with a money order, cashier's check, or certified funds. In the event that the commencement and/or expiration dates occur on any date other than the first or last day of the month respectively, Tenant's obligation to pay Base Monthly Rent and all Additional Rent shall be prorated to the actual occurrence dates for the month(s) in which the commencement and/or expiration dates of the Lease so occur.

**3.6 PREPAID RENT:** Tenant has paid to Landlord the amount set forth in Article 1 as "First Month's Prepaid Rent" as prepayment of rent against the first installment(s) of Base Monthly Rent due. Tenant has also paid to Landlord the amount set forth in Article 1 as "Last Month's Prepaid Rent" as prepayment of rent against the last installment(s) of Base Monthly Rent due, subject, however, to the provisions of Paragraph 3.7 below.

**3.7 SECURITY DEPOSIT:** Tenant is not required to provide a Security Deposit. This section is intentionally deleted.

#### **ARTICLE 4 USE OF LEASED PREMISES AND COMMON AREAS**

**4.1 PERMITTED USE:** Tenant shall be entitled to use the Premises solely for the "Permitted Use" as set forth in Article 1 and for no other purpose.

**4.2 GENERAL LIMITATIONS ON USE:** Tenant shall not use the Premises for the display, sale, lease or use of any erotic, salacious or sexually oriented material of any sort as reasonably determined by Landlord. Tenant shall not use the Premises for (i) any drug, alcohol or addiction counseling, (ii) any drug or alcohol testing, or (iii) parole or related monitoring services of individuals with criminal pasts. Tenant shall not do or permit anything to be done in or about the Premises, the Building, the Common Areas or the Project which does or could (i) interfere with the rights of, or annoy, other tenants, their invitees, or occupants of the Building or the Project, including but not limited to (a) interference due to use of wireless or other telecommunication devices, or (b) use of Common Areas for conferences, or meetings. (ii) jeopardize the structural integrity of the Building or any Building or structure in the Project, or (iii) cause damage to any part of the Building or the Project. Tenant shall not operate any equipment within the Premises which does or could (i) injure, vibrate or shake the Premises or the Building, (ii) damage, overload or impair the efficient operation of any electrical, plumbing, heating, ventilating or air conditioning systems within or servicing the Premises or the Building, or (iii) damage or impair the efficient operation of the sprinkler system (if any) within or servicing the Premises or the Building. Tenant shall not install any equipment or antennas on or make any penetrations of the exterior walls or roof of the Building. Tenant shall not have any access to and shall not be allowed on the roof of Building. Tenant shall not affix any equipment to or make any penetrations or cuts in the floor, ceiling or walls of the Premises. Tenant shall not place any loads upon the floors, walls, ceiling or roof systems which could endanger the structural integrity of the Building or damage its floors, foundations or supporting structural components. Tenant shall not place any explosive, flammable or harmful fluids or other waste materials in the drainage systems of the Building or the Project. Tenant shall not drain or discharge any fluids in the landscaped areas or across the paved areas of the Project. Tenant shall not use any area located outside the Premises for the storage or display (including but not limited to, any temporary storage, or display at any time) or sale of its materials, supplies, inventory or equipment, and all such materials, supplies, inventory and equipment shall at all times be stored within the Premises. All noise generated by Tenant's use of the Premises, including, without limitation, music systems and intercom systems, shall be confined or muffled so that it does not interfere with the businesses of or annoy other tenants or their invitees of the Building or the Project. Tenant shall not allow any waste materials to remain within the Premises or in the Common Areas except in (not near or adjacent to) trash containers provided within the Project for that purpose. Tenant shall keep the Premises in a neat, clean, attractive and orderly condition, free of any objectionable noises, odors, dust or nuisances which may disturb the quiet enjoyment of other tenants or occupants of the Building or the Project. Tenant shall not commit nor permit to be committed any waste or any nuisance in or about the Premises, the Common Areas or the Project. Notwithstanding anything to the contrary, if Tenant uses the Premises or Project for storage in violation of this Section 4.2, the Landlord shall, after giving Tenant ten (10) days written notice, have the right, but not obligation, to remove and discard such stored materials, supplies, inventory and equipment at Tenant's cost and Landlord shall have no liability to Tenant for such action.

**4.3 PARKING:** Tenant its employees and invitees shall have the non-exclusive right to use, not more than the number of parking spaces set forth in Article 1 as "Tenant's Number of Parking Spaces." Tenant shall not, at any time, use or permit its employees or invitees to use more parking spaces than the number so allocated to Tenant. Tenant shall not have the exclusive right to use any specific parking space, and Landlord reserves the right to designate from time to time the location of the parking spaces allocated for Tenant's use. In the event Landlord elects or is required by any Law to limit or control parking within the Project, whether by validation of parking tickets or any other method, Tenant agrees to participate in such validation or other program and to cause employees and invitees to so participate. Tenant shall not, at any time, park or permit to be parked, any trucks or vehicles adjacent to entryways or loading areas within the Project so as to interfere in any way with the use of such areas, nor shall Tenant, at any time, park or permit the parking of Tenant's trucks or other vehicles, or the trucks or other vehicles of Tenant's suppliers or others, in any portion of the Common Areas not designated by Landlord for such use by Tenant. Tenant shall not, at any time, park or permit to be parked, any recreational vehicles, inoperative vehicles or equipment on any portion of the common parking area or other Common Areas of the Project. Tenant agrees to assume responsibility for compliance by its employees and invitees with the parking provisions contained herein. If Tenant or its employees park any vehicle within the Project in violation of these provisions, then Landlord may charge Tenant, as Additional Rent, and Tenant agrees to pay as Additional Rent, Fifty Dollars (\$50.00) per day for each day or partial day that each such vehicle is parked in violation. Tenant hereby authorizes Landlord, at Tenant's sole expense, to tow away from the Project and store until redeemed by its owner any vehicle belonging to Tenant or Tenant's employees parked in violation of these provisions.

**4.4 SIGNS:** Tenant shall not place or install on or within the Premises, the Building, the Common Areas or the Project any sign, business identification sign, advertisements, banners, placards or pictures which are visible from the exterior of the Premises ("Sign") without Landlord's prior written approval, and then not until Landlord shall have first approved in writing the location, size, content, design, method of attachment and material to be used in the making of such Sign. Any Signs, once approved by Landlord, shall be installed only in strict compliance with Landlord's approval, at Tenant's expense, using a person or company first approved in writing by Landlord to install such signage. Notwithstanding the foregoing, Tenant's facilities department personnel shall be allowed to install Signs. Landlord may, without any liability for trespass or otherwise, remove any Signs (not first approved all aspects of the Sign and its attachment as stated above in writing by Landlord) and charge to Tenant the cost of such removal, together with any costs incurred by Landlord to repair any damage caused thereby, including any cost incurred to restore the surface upon which such Sign was so affixed to its original condition. Tenant shall remove any such signs, repair any damage caused thereby, and restore the surface upon which the sign was affixed to its original condition, all to Landlord's reasonable satisfaction, upon the termination of this Lease. It shall be solely Tenant's obligation to ensure that all Signs are in compliance with all Laws.

**4.5 COMPLIANCE WITH LAWS AND PRIVATE RESTRICTIONS:** Tenant shall not use or permit any person to use the Premises in any manner that violates any Laws or Private Restrictions. Tenant shall abide by and shall promptly observe and comply with, at its sole cost and expense, all Laws and Private Restrictions respecting the use and occupancy of the Premises, the Building, the Common Areas or the Project and shall defend with competent counsel, indemnify and hold Landlord harmless from any claims, damages or liability including but not limited to, attorneys' fees, court costs and expert witness fees resulting from Tenant's failure to do so. See Additional Provisions 15.8 Indemnification.

**4.6 COMPLIANCE WITH INSURANCE REQUIREMENTS:** Tenant shall not conduct (nor permit any other person to conduct) any activities within the Premises, or store, keep or use anything within the Premises which (i) is prohibited under the terms of any insurance policies carried by Landlord, (ii) could result in the termination of the coverage afforded under any of such policies, (iii) could give to the insurance carrier the right to cancel any of such policies, or (iv) could cause an increase in the rates (over standard rates) charged for the coverage afforded under any of such policies. Tenant shall comply with all requirements of any insurance company, insurance underwriter, or Board of Fire Underwriters which are necessary to maintain, at standard rates, the insurance coverage's carried by either Landlord or Tenant pursuant to this Lease.

**4.7 LANDLORD'S RIGHT TO ENTER:** Landlord and its agents shall have the right to enter the Premises a) at all reasonable times for purposes of supplying janitorial services or any other services to be provided by Landlord to Tenant; b) for performing obligations of Tenant that Tenant has not performed; c) upon reasonable oral notice for the purpose of (i) inspecting the same, (ii) showing the Premises to prospective tenants, purchasers or lenders, (iii) making necessary alterations, additions or repairs, or (iv) posting notices of non-responsibility; or d) without notice in case of belief of emergency. Landlord may so enter the Premises by means of a master key. Notwithstanding the foregoing, Landlord acknowledges that Tenant states that its operations may be disrupted by Landlord's entry into the Premises. Other than in the case of an emergency, Landlord shall make reasonable efforts to provide at least twenty-four (24) hours advance verbal notice to Tenant before entering the Premises and shall cooperate with Tenant to schedule entry so as to minimize disruption to Tenant's operations. Landlord shall have the right to use any means it may deem necessary to enter the Premises in case of an emergency or in the case of a violation of the succeeding sentences. Tenant may not have any additional locks on or in any portion of the Premises, other than the one provided by Landlord, without the prior written consent of Landlord and unless Tenant provides Landlord with a copy of the key to such lock(s). Tenant may not change any lock without the prior written consent of Landlord and unless Tenant provides Landlord with a copy of the key to such lock(s). Tenant may only use a locksmith approved in writing by Owner, which approval may not be unreasonably withheld. Any entry to the Premises obtained by Landlord in accordance with this Paragraph shall not be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction, actual or constructive, of Tenant from the Premises or any portion thereof, or a trespass and Landlord shall not be liable for any such entry.

**4.8 CONTROL OF COMMON AREAS:** Landlord shall have exclusive control of the Common Areas. Landlord shall have the right, without it constituting an actual or constructive eviction and without entitling Tenant to any reduction or abatement of rent, to: (i) temporarily close any part of the Common Areas to the extent required in the opinion of Landlord's counsel to prevent a dedication thereof or accrual of any prescriptive rights; (ii) temporarily close all or any part of the Common Areas to perform maintenance or for any other reason deemed sufficient by Landlord; (iii) altering the improvements within the Common Areas including, without limitation, changing the size, location or number of entryways, lobbies, corridors, doors, doorways, stairs, stairways, elevators or restrooms within the Building and/or the driveways, entrances, exits, parking spaces, parking areas, sidewalks, directional or locator signs, or the direction of the flow of traffic within the Project; and (iv) to make additions to, enlarge or reduce the Common Areas including, without limitation, the construction of parking structures. Landlord shall have the right to change the name or address of the Building. Tenant, in its use of the Common Areas, shall keep the Common Areas free and clear of all obstructions created or permitted by Tenant. If, in the opinion of Landlord, Tenant's invitees are using any of the Common Areas not in accordance with this Lease, Tenant shall restrain such use, and shall initiate such appropriate proceedings as may be required to so restrain such use. Nothing contained herein shall affect the right of Landlord at any time to remove any unauthorized person from the Common Areas or to prohibit the use of the Common Areas by unauthorized persons, including, without limitation, the right to prohibit mobile food and beverage vendors, in exercising any such right regarding the Common Areas. Landlord shall make a reasonable effort to reduce any disruption to Tenant's business based on Landlord's rights under this section 4.8.



**4.9 RULES AND REGULATIONS:** Landlord shall have the right from time to time to establish reasonable rules and regulations and/or amendments or additions thereto respecting the use of the Project, the Common Areas, and the Premises for any reason. Upon delivery to Tenant of a copy of such rules and regulations, amendments or additions, Tenant shall comply with such. A violation by Tenant of any of such rules and regulations shall constitute a default by Tenant under this Lease. If there is a conflict between the rules and regulations and any of the provisions of this Lease, the provisions of this Lease shall prevail. Landlord shall not be responsible or liable to Tenant for the violation of such rules and regulations by any other tenant, their invitees or occupants of the Project.

**4.10 ENVIRONMENTAL PROTECTION:** Landlord may voluntarily cooperate in a reasonable manner with the efforts of all governmental agencies in reducing actual or potential environmental damage. Tenant agrees at all times to cooperate fully with Landlord and to abide by all rules and regulations and requirements which Landlord may reasonably prescribe in order to comply with the requirements and recommendations of governmental agencies regulating, or otherwise involved in, the protection of the environment. Tenant shall not be entitled to terminate this Lease or to any reduction in or abatement of rent by reason of such compliance or cooperation referred to in this section.

**4.11 HAZARDOUS SUBSTANCES:** Tenant shall not store highly flammable materials or goods, explosives, perishable foodstuffs, contraband, live animals, (regardless if they emit odors), or materials or goods which emit odors in or upon the Premises. The Tenant covenants that it shall not store, use or possess nor permit the storage of any Hazardous Substance (hereinafter defined) upon the Premises. Hazardous Substance for purposes of this Lease shall mean, without limitation, any flammable explosives, radon, radioactive materials, asbestos, urea-formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum based products methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials, as defined in the comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Section 1801, et seq., Sections 6901, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Sections 2601 et seq.), or any other similar Law, Rule, Regulation or Statute concerning the protection of the environment (collectively "Environmental Laws") or any other item that Landlord reasonably determines is hazardous or reasonably determines is industrial waste, including but not limited to those items that can not be disposed of lawfully by means of general rubbish or trash removal (that is disposed of without any additional fee, legal requirements or legal liability). Tenant hereby covenants and agrees, at its sole cost and expense, to indemnify, protect, defend and save harmless the Landlord and any of its partners, employees and agents from and against any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, actions, proceedings, costs, disbursements and/or expenses (including, without limitation, attorneys' and experts' fees, expenses and disbursements) of any kind or nature whatsoever which may at any time impose upon, incurred by or asserted or awarded against the Landlord, its partners, agents or employees relating to, resulting from or arising out of Tenant's failure to comply with its obligations under the foregoing Paragraph or Tenant's violation of any Environmental Law with respect to its use of the Premises. Notwithstanding any provision contained in this Lease to the contrary, the indemnification provisions set forth in this Paragraph shall survive any expiration and/or termination of this Lease.

**4.12 PROVIDER OF SERVICES:** There may be a provider of telecommunications, satellite, wireless technology, or other similar service in the Building which offers services to tenants of the Building. Landlord makes no warranty, representation, endorsement, or claim regarding said provider, or regarding said services provided by said provider. Tenant's use of said provider is at the sole discretion of Tenant and is not based upon any guarantee, endorsement, warranty or representation of Landlord. Tenant hereby agrees to hold harmless, waive, and release Landlord against any expense, claim, damage, loss, or liability, including but not limited to attorney fees and costs in defense of any action which shall be or may be caused by or arise out of anything done or omitted by such provider of services, and/or regarding said services provided by said provider, and any wireless or other telecommunication systems used by Tenant.

## **ARTICLE 5 REPAIRS, MAINTENANCE, SERVICES AND UTILITIES**

**5.1 REPAIR AND MAINTENANCE:** Except in the case of damage to or destruction of the Premises, the Building or the Project caused by an Act of God or other peril, in which case the provisions of Article 10 shall control, the parties shall have the following obligations and responsibilities with respect to the repair and maintenance of the Premises, the Building and the Common Areas.

A. Landlord: Landlord shall, at all times during the Term, continuously maintain in good order, condition and repair (i) the exterior and structural parts of the Building (including foundation, load-bearing and exterior walls, sub-flooring and roof); (ii) the Common Areas (including all walkways, driveways, parking areas and landscaped areas within the Project and the common entryways, lobbies, corridors and restrooms within the Building); and (iii) the electrical, mechanical, utility, plumbing, sewage and heating, ventilating and air conditioning systems installed or furnished by Landlord to service the Building, provided that Tenant shall be liable for the cost of such repairs or alterations in the event such is due to the negligence of Tenant, its agents, employees or invitees.

B. Tenant: Tenant shall, at all times during the Term, continuously maintain in good order, condition and repair the Premises and every part thereof and all appurtenances thereto. If Tenant fails to comply with this section B., then Landlord may, but shall not be obligated, to so maintain or repair such items after ten days written notice to Tenant, however no such notice shall be required in the case of potential harm to property or persons, as reasonably determined by Landlord.

**5.2 SERVICES AND UTILITIES:** The parties shall have the following responsibilities and obligations with respect to obtaining and paying the cost of providing the following utilities and other services to the Premises.

A. Landlord: Provided Tenant is not then in default hereunder, Landlord agrees to furnish at the following times the following services:

- 1) At all times, so long as it is available from the appropriate utility company, water in the Common Area restrooms within the Building sufficient for lavatory purposes and at designated locations within the Common Areas to be determined by Landlord sufficient for drinking purposes;
- 2) At all times, so long as it is available from the appropriate utility company, electric current to the Premises sufficient to provide standard office lighting and to operate the usual types of fractional horsepower office business machines;
- 3) From 8:00 a.m. to 6:00 p.m. Monday through Friday (excepting generally recognized holidays) and from 8:00 a.m. to 12:00 noon on Saturday, so long as electricity sufficient to operate such system(s) is available from the appropriate utility company, heating, ventilating and air conditioning ("HVAC service") sufficient to heat, ventilate and/or air condition the Premises as required in Landlord's judgment for the comfortable use and occupancy of the Premises during said periods of time for general office use;
- 4) Daily janitorial service (except on Saturdays, Sundays and generally recognized holidays) for general office use; and
- 5) Exterior window washing at such times and in such manner as Landlord reasonably determines.
- 6) Tenant acknowledges that Landlord is not responsible for the security of the Premises, Building, or Project, or the protection of Tenant's property, employees, invitees or contractors, regardless if Landlord provides security services or not.
- 7) Landlord shall manage and maintain the Project in a commercially reasonable manner consistent with same-class buildings in the Denver metropolitan area.

B. Tenant: Tenant shall be liable for and pay for all other utilities or services (i.e. utilities and services other than those which Landlord has expressly agreed in writing to provide) which may be utilized or required by Tenant or based upon its use of the Premises, such as telephone, internet access, security protection for the Premises and/or waste disposal services in excess of normal janitorial services provided by Landlord or other janitorial services and supplies in excess of normal janitorial services provided by Landlord. If Tenant shall require water, electric current and/or HVAC service in excess of that furnished or supplied by Landlord, Tenant shall first procure the written consent of Landlord and shall make satisfactory arrangements with Landlord for the supply of same and for the payment by Tenant of all costs for such excess usage (as said costs are defined in Subparagraph C below). Any expense due that is incurred by Landlord shall be paid within twenty days of written notice to Tenant.

C. Excess Usage: If Landlord reasonably determines that Tenant is using water, electric or HVAC service (including but not limited to increase due to excess heat generating equipment) in excess of the amount agreed to be provided by Landlord pursuant to Subparagraph A above, or if, in Landlord's reasonable determination, Tenant's use of electric current after normal business hours as such hours are stated in 5.2 A. 3), or if, in Landlord's reasonable determination, any such excess usage causes additional wear and tear on any Building or Project infrastructure, system or improvement, then Landlord at its election may (i) periodically charge Tenant, as Additional Rent, a sum equal to Landlord's estimate of the cost of Tenant's excess usage of such utility service and/or the reasonable depreciation of such Building or Project infrastructure, system or improvement as reasonably determined by Landlord, or (ii) install (or require Tenant to install) at Tenant's sole cost, a separate meter to measure the utility service supplied to the Premises and, based upon readings of such meters, charge Tenant, as Additional Rent, a sum equal to Landlord's estimate of the cost of such excess usage. In the event Landlord shall install such a separate meter, Tenant shall pay to Landlord upon demand, (said demand may be prior to and a condition of the performance of such work); the costs incurred by Landlord in purchasing, installing and subsequently maintaining such meters. The cost of Tenant's excess usage shall include any costs to Landlord in keeping account of such usage and all governmental fees, public charges or the like attributable to or based upon such usage (e.g. sewer use fees which are based upon water usage) to the extent of such excess usage. Tenant agrees to pay to Landlord, within ten (10) days of billing therefore, the costs for all such excess water, electric current and/or HVAC service used, as so estimated by Landlord.

**5.3 RENT REDUCTION OR ABATEMENT:** Tenant shall not be entitled to terminate this Lease nor be entitled to any reduction in or abatement of rent by reason of (i) Landlord's failure to perform any maintenance or repairs to the Project, or (ii) any failure, interruption, rationing or other curtailment in the supply of water, electric current, gas or other utility service to the Premises, the Building or the Project or (iii) the unauthorized intrusion or entry into the Premises by third parties (other than Landlord). Tenant's remedies shall be limited to those stated in Paragraph 12.3. In addition, Landlord may voluntarily cooperate in a reasonable manner with the efforts of all governmental agencies or utility suppliers in reducing energy or other resource consumption within the Project. Tenant shall not be entitled to terminate this Lease or to any reduction in or abatement of rent by reason of such compliance or cooperation. Tenant agrees at all times to cooperate fully with Landlord and to abide by all reasonable rules established by Landlord (i) in order to maximize the efficient operation of the electrical, heating, ventilating and air conditioning systems and all other energy or other resource consumption systems within the Project and/or (ii) in order to comply with the requirements and recommendations of utility suppliers and governmental agencies regulating the consumption of energy and/or other resources.

Notwithstanding the forgoing, if there is a failure, interruption, or other curtailment in the supply of water, electric current, gas, or other utility service to the Premises that is not due to any act or omission of Tenant, and (a) Tenant gives Landlord three (3) business days notice to cure such, (b) it is in Landlord's reasonable control to cure such, and (c) Landlord does not (i) either so cure such within such three (3) business day period or (ii) take reasonable efforts to so cure such within such three (3) business day period, then Tenant's Basic Monthly and Additional rent shall be abated or reduced, as the case may be, based upon reduction in use of the Premises based upon such failure interruption, or other curtailment.

## ARTICLE 6 ALTERATIONS AND IMPROVEMENTS

**6.1 BY TENANT:** Tenant shall not make any alterations, modifications or construction of improvement to or in or about the Premises ("Alterations") without Landlord's prior written approval, and then not until Landlord shall have first approved in writing the plans and specifications thereof. All such Alterations, once so approved, shall be made, constructed or installed by Tenant at Tenant's expense, using a licensed contractor first approved by Landlord in writing in strict compliance with the Landlord-approved plans and specifications thereof. Landlord acknowledges that Tenant manages a significant portfolio of commercial facilities and as such has qualified personnel capable of providing these types of services. All work undertaken by Tenant shall be done in accordance with all Laws, and in a good and workmanlike manner using new materials of good quality. Tenant shall not commence the making of any such Alterations until (i) all required governmental approvals and permits shall have been obtained, (ii) all requirements regarding insurance imposed by this Lease have been satisfied, (iii) Tenant shall have given Landlord at least seven (7) business days prior written notice of its intention to commence such work so that Landlord may post and file Notices of Non-Responsibility, and (iv) if requested by Landlord, Tenant shall have obtained contingent liability and broad form builder's risk insurance in an amount satisfactory to Landlord to cover any perils relating to the proposed work not covered by insurance carried by Tenant pursuant to Article 9, and/or Tenant shall provide Landlord with proof that its contractor has such insurance as Landlord may reasonably require. In no event shall Tenant make any modifications, alterations or improvements to the Common Areas or any areas outside of the Premises. Alterations shall include, without limitation, the installation of additional electrical outlets, overhead lighting fixtures, drains, sinks, partitions, doorways, or the like. In the event that Tenant receives Landlord's prior written approval to commence any Alterations, which approval or disapproval shall be in Landlord's sole and subjective discretion, then, as a condition precedent to Tenant's commencing such Alterations, Tenant shall submit to Landlord the following items: (i) all architectural, engineering, construction and/or design drawings, plans, specifications, studies, reports, (ii) an original signed copy of the contract between Tenant and all contractors, subcontractors, materialmen or suppliers together with copies of any and all subcontracts and supply contracts relating to the Alterations; (iii) an executed indemnification from Tenant's general contractor in a form reasonably acceptable to Landlord (iv) originally signed lien waivers from all subcontractors and materialmen or suppliers for all work done and/or material supplied in connection with the Alterations and (v) an originally signed general release of liens from Tenant's general contractor in a form reasonably acceptable to Landlord. Upon completion of the Alterations, Tenant shall submit to Landlord: (i) a certification from Tenant's general contractor and, if requested by Landlord, from Tenant's architect, certifying that each has inspected the Premises not more than five (5) days prior to the date of the certification and that the Alterations have been constructed in good and workmanlike manner and in substantial accordance with the Plans and Specifications and with the requirements of the governmental authorities having jurisdiction or control over same, and that all materials for which payment has been made by Tenant have been delivered to and have been incorporated into the Premises; and (ii) final unconditional certificate(s) of occupancy, or the equivalent issued by the applicable governmental authority.

**6.2 OWNERSHIP OF IMPROVEMENTS:** All Alterations made or added to the Premises by Tenant (other than Tenant's inventory, equipment, movable furniture, wall decorations and trade fixtures) shall be deemed real property and a part of the Premises, but shall remain the property of Tenant during the Term. Any such Alterations, once completed, shall not be altered or removed from the Premises during the Term without Landlord's prior written approval. At the expiration or sooner termination of this Lease, all such modifications, alterations and improvements (other than Tenant's inventory, equipment, movable furniture, wall decorations and trade fixtures) shall automatically become the property of Landlord and shall be surrendered to Landlord as a part of the Premises as required pursuant to Article 2, unless Landlord shall require Tenant to remove any of such Alterations in accordance with the provisions of Article 2, in which case Tenant shall so remove same. If Tenant does not so remove any of such Alterations, then Landlord shall have all the rights stated in 2.6 above. All lighting, plumbing, electrical, heating, ventilating and air conditioning fixtures, partitioning, window coverings, wall coverings and floor coverings installed by Tenant shall be deemed improvements to the Premises and not trade fixtures of Tenant.

**6.3 ALTERATIONS REQUIRED BY LAW:** Subject to sections 6.1 and 6.2, Tenant shall make all modifications, alterations and improvements to the Premises, at its sole cost, that are required by any Law because of (i) Tenant's use or occupancy of the Premises, (ii) Tenant's application for any permit or governmental approval, or (iii) Tenant's making of any modifications, alterations or improvements to or within the Premises. If Landlord shall, at any time during the Term, be required by any governmental authority to make any modifications, alterations or improvements to the Building, Common Areas or the Project, the cost incurred by Landlord in making such modifications, alterations or improvements, including an eighteen percent (18%) per annum cost of money factor, shall be amortized by Landlord over the useful life of such modifications, alterations or improvements, as determined in accordance with generally accepted accounting standards, and the monthly amortized cost of such modifications, alterations and improvements as so amortized shall be considered a Project Maintenance Cost. However if such modifications, alterations or improvements to the Building, Common Areas or the Project are required based upon (i) through (iii) in the first sentence of this 6.3, then Tenant shall be liable to Landlord for the cost of such.

**6.4 LIENS:** Tenant will not suffer or permit any mechanic's, laborer's or materialman's lien to be filed against the Land, Building, or Premises, or any part thereof, by reason of work, labor services or materials supplied or claimed to have been supplied to Tenant; and if any such lien shall at any time be filed, Tenant, within ten (10) days after notice of the filing thereof, shall cause it to be discharged of record by payment, bond, or as otherwise provided by Law. This obligation shall survive any termination of the Lease. If Tenant shall fail to so discharge the lien, then in addition to any other right or remedy, Owner may, but shall not be obligated to, discharge it either by paying the amount claimed to be due, by bonding or other proceedings. Owner may also at any time require the Tenant to post a bond with an entity satisfactory to Owner in an amount one and one-half (1.5) times the amount of the lien. If Tenant shall not immediately make such payment upon the request of Owner, Owner may make said payment in the amount so paid together with interest thereon from the date of payment and all legal costs and charges, including attorney fees incurred by Owner in connection with said payment shall

be deemed Additional Rent and shall be payable on the next date on which a Base Rental installment is due. Any amount so paid by Owner, plus all of Owner's costs and expenses associated therewith, shall be paid by Tenant to Owner on demand, with interest thereon at the Reimbursement Interest Rate from the due date until paid.

## **ARTICLE 7 ASSIGNMENT AND SUBLETTING BY TENANT**

**7.1 TENANT:** Tenant shall not sublet the Premises (or any portion thereof) or assign or encumber its interest in this Lease, whether voluntarily or by operation of Law, without Landlord's prior written consent first obtained in accordance with the provisions of this Article 7. Any attempted subletting, assignment or encumbrance without Landlord's prior written consent, at Landlord's election, shall constitute a default by Tenant under the terms of this Lease. The acceptance of rent by Landlord from any person or entity other than Tenant, or the acceptance of rent by Landlord from Tenant with knowledge of a violation of the provisions of this Paragraph, shall not be deemed to be a waiver by Landlord of any provision of this Article or to be a consent to any subletting by Tenant or any assignment or encumbrance.

**7.2 MERGER OR REORGANIZATION:** If Tenant is a partnership, a withdrawal or change, voluntary, involuntary or by operation of Law, of any general partner, or the dissolution of the partnership, shall be deemed a voluntary assignment of Tenant's interest in this Lease. If Tenant is a corporation, limited liability or other entity, any dissolution, merger, consolidation or other reorganization of Tenant, or the sale or other transfer in the aggregate over the Term of a controlling percentage of the capital stock or interest of Tenant, shall be deemed a voluntary assignment of Tenant's interest in this Lease. The phrase "controlling percentage" means the ownership (legal or beneficial) of and the right to vote stock or ownership interest possessing more than twenty five (25%) percent of the total combined voting power of all ownership interest in Tenant. If Tenant is a partnership and a general partner is a corporation, partnership or a limited liability company, then any dissolution, merger, consolidation, or other reorganization of the general partner or the sale or other transfer in the aggregate over the Term of more than 25% of the capital stock or interest of the general partner shall be deemed to be a voluntary assignment of Tenant's interest in this Lease.

**7.3 LANDLORD'S ELECTION:** If Tenant shall desire to assign its interest under this Lease or to sublet all or any portion of the Premises, Tenant must first notify Landlord, in writing, of its intent, at least (90) ninety days in advance of the date it intends to so assign or sublet but not sooner than one hundred eighty (180) days in advance of such date, specifying in detail the terms of such proposed assignment or subletting, including the name of the proposed assignee or sublessee, the proposed assignee's or sublessee's intended use of the Premises, a current Financial Statement of such proposed assignee or sublessee, the proposed form of documents to be used in effectuating such assignment or subletting, and a nonrefundable processing fee of \$750 made payable to Landlord or its agent. Landlord shall have a period of thirty (30) days following receipt of such notice within which to do one of the following: (a) cancel and terminate this Lease effective as of the intended subletting or assignment date set forth in Tenant's notice, or (b) if Landlord shall not have elected to cancel and terminate this Lease, to either (i) consent to such requested assignment or subletting subject to Tenant's compliance with the conditions set forth in Paragraph 7.4 below, or (ii) refuse, in Landlord's sole and absolute discretion, to so consent to such requested assignment or subletting. Within ten (10) days of Tenant's notification to Landlord as stated in first sentence of this Paragraph 7.3, Tenant covenants and agrees to supply to Landlord, (i) two years income tax returns; (ii) balance sheets and profit and loss statements prepared by CPAs; (iii) banking references of the proposed transferee; (iv) resume of the business background experience of proposed transferee; (v) business and personal references for the proposed transferee; and (vi) resume of all principals, and any other relevant information which Landlord may reasonably request respecting such proposed assignment or subletting and/or the proposed assignee or sublessee.

**7.4 CONDITIONS TO LANDLORD'S CONSENT:** If Landlord elects to consent, or shall have been ordered to so consent by a court of competent jurisdiction, to such requested assignment, subletting or encumbrance, such consent shall be expressly conditioned upon the occurrence of each of the conditions below set forth, and any purported assignment, subletting or encumbrance made or ordered prior to the full and complete satisfaction of each of the following conditions shall be void and, at the election of Landlord, which election may be exercised at any time following such a purported assignment, subletting or encumbrance but prior to the satisfaction of each of the stated conditions, shall constitute a default by Tenant under this Lease. The conditions are as follows:

A. Landlord having approved in form and substance the assignment or sublease agreement (or the encumbrance agreement). Such sublease agreement shall contain a clause stating that if Tenant is in default under this Lease, then upon notice from Landlord to the subtenant, subtenant shall and is authorized by Tenant, to pay to Landlord, any amounts subtenant owes to Tenant. Such payment of monies from subtenant to Landlord shall not be deemed to create a Landlord and Tenant relationship between subtenant and Landlord.

B. Each such sublessee or assignee having agreed, in writing satisfactory to Landlord and its counsel and for the benefit of Landlord, to assume, to be bound by, and to perform the obligations of this Lease to be performed by Tenant (or, in the case of an encumbrance, each such encumbrancer having similarly agreed to assume, be bound by and to perform Tenant's obligations upon a foreclosure or transfer in lieu thereof).

C. Tenant having fully and completely performed all of its obligations under the terms of this Lease through and including the date of such assignment of subletting.

D. In addition to the processing fee referred to above, Tenant having reimbursed to Landlord all reasonable costs and attorney's fees incurred by Landlord in conjunction with the processing and documentation of any such requested subletting, assignment or encumbrance. If for any reason the sublease, assignment or encumbrance is not completed, Tenant shall still owe Landlord all reasonable costs and attorney's fees incurred by Landlord in conjunction with the

processing and documentation.

E. Tenant having delivered to Landlord a complete and fully executed duplicate original of such sublease agreement, assignment agreement or encumbrance (as applicable) and all related agreements.

F. Tenant having paid, or having agreed in writing to pay as to future payments, to Landlord one-hundred percent (100%) of all assignment consideration or excess rentals to be paid to Tenant or to any others on Tenant's behalf or for Tenant's benefit for such assignment or subletting.

G. Base Monthly Rent under the assignment or sublease to be at the current prevailing market rate.

H. If Landlord does not consent to such requested assignment or subletting and Tenant believes that such refusal to consent is a default under this Lease, then Tenant shall be entitled to petition a court of competent jurisdiction to determine that such refusal is a default under this Lease. If Tenant prevails, Landlord shall be required to consent to said sublease or assignment. This shall be Tenant's sole remedy. Tenant shall not be entitled to any damages based upon such default.

**7.5 ASSIGNMENT CONSIDERATION AND EXCESS RENTAL DEFINED:** The term "assignment consideration" shall mean all consideration to be paid by the assignee to Tenant or to any other on Tenant's behalf or for Tenant's benefit as consideration for such assignment, less any commissions paid by Tenant to a licensed real estate broker for arranging such assignment (not to exceed the prevailing rates), and the term "excess rentals" shall mean all consideration to be paid by the sublessee to Tenant or to any other on Tenant's behalf or for Tenant's benefit for the sublease of the Premises in excess of the rent due Landlord under the terms of this Lease for the same period, less any commissions paid by Tenant to a licensed real estate broker for arranging such sublease (not to exceed the prevailing rates). Tenant agrees that the portion of any assignment consideration and/or excess rentals arising from any assignment or subletting by Tenant which is to be paid to Landlord pursuant to this Article now is and shall then be the property of Landlord and not the property of Tenant.

**7.6 GOOD FAITH:** The rights granted to Tenant by this Article are granted in consideration of Tenant's express covenant that all pertinent allocations which are made by Tenant between the rental value of the Premises, this Lease and the value of any of Tenant's personal property which may be conveyed or leased generally concurrently with and which may reasonably be considered a part of the same transaction as the permitted assignment or subletting shall be made fairly, honestly and in good faith. If Tenant shall breach this Covenant of Good Faith, Landlord may immediately declare Tenant to be in default under the terms of this Lease and terminate this Lease and/or exercise any other rights and remedies Landlord would have under the terms of this Lease in the case of a material default by Tenant under this Lease. All payments required by this Article to be made to Landlord shall be made in cash in full as and when they become due. At the time Tenant, Tenant's assignee or sublessee makes each such payment to Landlord, Tenant, Tenant's assignee or sublessee, as the case may be, shall deliver to Landlord an itemized statement in reasonable detail showing the method by which the amount due Landlord was calculated and certified by the party making such payment as true and correct.

**7.7 EFFECT OF LANDLORD'S CONSENT:** No subletting, assignment or encumbrance, even with the consent of Landlord, shall relieve Tenant of its obligation to pay rent and to perform all of the other obligations to be performed by Tenant. Consent by Landlord to one or more assignments or encumbrances of Tenant's interest in this Lease or to one or more sublettings of the Premises shall not be deemed to be a consent to any subsequent assignment, encumbrance or subletting.

## **ARTICLE 8 LIMITATION ON LANDLORD'S LIABILITY AND INDEMNITY**

**8.1 LIMITATION ON LANDLORD'S LIABILITY AND RELEASE:** Except for Landlord's active negligence or willful misconduct, Landlord shall not be liable to Tenant for, and Tenant hereby releases Landlord, its principals, partners, agents, contractors, successors and officers from, any and all liability, whether in contract, tort, or on any other basis, for any injury to or damage sustained by Tenant, its agents, employees, contractors or invitees; or any damage to Tenant's or such person's or entity's property; resulting from or attributable to the condition of, the management of, the maintenance of, or the protection of the Premises, the Building, the Project or the Common Areas, or any act or omission of the Landlord, its partners, agents, successors, or officers, including but not limited to, without limitation, any such injury, damage or loss resulting from (except as stated in 5.3 above): (i) the failure, interruption, rationing or other curtailment or cessation in the supply of electricity, electrical current, water, gas or other utility service to the Project, the Building or the Premises from whatever cause; (ii) the vandalism or forcible entry into the Building or the Premises by third parties; the failure of any mechanical systems to function properly (such as the HVAC systems); Landlord's failure to perform an obligation expressly undertaken pursuant to this Lease unless the requirements of section 12.3 LANDLORD'S DEFAULT AND TENANT'S REMEDIES have been complied with by Tenant. (iii) the penetration of water into or onto any portion of the Premises through roof leaks, frozen, cut or burst pipes, or otherwise; (iv) the failure to provide security and/or adequate lighting in or about the Project, the Building or the Premises; (v) the existence of any design or construction defects within the Project, the Building or the Premises; (vi) the failure of any mechanical systems to function properly (such as the HVAC systems); (vii) the blockage of access to any portion of the Project, the Building or the Premises; or. (viii) Landlord's failure to perform an obligation expressly undertaken pursuant to this Lease unless the requirements of section 12.3 LANDLORD'S DEFAULT AND TENANT'S REMEDIES have been complied with by Tenant. Tenant warrants, for the benefit of Landlord, that Tenant has the power to release fully all claims and to discharge all liabilities of Landlord as and to the extent set forth in this Paragraph. Landlord shall not be liable for any damages arising from, nor shall Landlord be deemed to have constructively evicted Tenant based on any act, neglect or default of any other tenant, if any, within the Project or within the Building.

**8.2 TENANT'S INDEMNIFICATION OF LANDLORD:** Tenant shall defend any claims made or legal actions filed or threatened by third parties against Landlord with respect to the violation of any Law or the death, bodily injury, personal

injury, damage to property or interference with a contractual or property right suffered by any third party (including other tenants within the Project) which (i) occurred within the Premises or (ii) resulted directly or indirectly from Tenant's or invitees use or occupancy of the Premises, Project, Building or the Common Areas or (iii) resulted from Tenant's activities in or about the Premises, the Building or the Project, (including but not limited to resulting from food, products or articles sold) and Tenant shall indemnify and hold Landlord, Landlord's principals, employees and agents harmless from any loss (liability, penalties, or expense whatsoever (including any legal fees incurred by Landlord with respect to defending such claims) resulting therefrom, except to the extent proximately caused by the willful misconduct of Landlord. This provision shall survive the termination of this Lease.

**8.3 LANDLORD'S INDEMNIFICATION OF TENANT:** Landlord shall defend any claims made or legal actions filed or threatened by third parties against Tenant with respect to the death, bodily injury, personal injury, damage to property suffered by any third party resulted solely from Landlord's activities in or about the Building or the Project (but not including the Premises), and Landlord shall indemnify and hold Tenant, Tenant's principals and employees harmless from any loss, liability, penalties, or expense whatsoever (including any legal or arbitration fees incurred by such claims) resulting therefrom, except to the extent proximately caused by the negligence or misconduct of Tenant, its agents, invitees, employees or contractors. This indemnity agreement shall survive the termination of this Lease.

## ARTICLE 9 INSURANCE

**9.1 TENANT'S INSURANCE:** Tenant shall maintain insurance complying with all of the following:

A. Tenant shall procure, pay for and keep in full force and effect, at all times during the Term, the following:

(1) Commercial General Liability Insurance insuring Tenant against liability for bodily injury, death, property damage and personal injury occurring at the Premises, or resulting from Tenant's use or occupancy of the Premises, Project, Building, Property, or Common Areas or resulting from Tenant's activities or products in or about the Premises. Such insurance shall be on an occurrence basis with limits of \$1,000,000.00 per occurrence, \$2,000,000.00 aggregate. The policy or policies shall be endorsed to name Landlord, the property manager, and their principals, officers, directors, employees, partners, members, agents contractor's and/or assigns and such others as are designated by Landlord as additional insureds in the form equivalent to CG 20 11 11 85 or its equivalent as reasonably determined by Landlord, and shall contain the following additional endorsement: The insurance afforded to the additional insureds is primary insurance. If the additional insureds have other insurance which is applicable to the loss on a contributing, excess or contingent basis, the amount of this insurance company's liability under this policy shall not be reduced by the existence of such other insurance. Any insurance carried by the additional insureds shall be excess and non-contributing with the insurance provided by the Tenant. The policy shall not be canceled, changed or coverage reduced without at least thirty (30) days written notice to additional insureds.

(2) Property Damage Insurance in so-called Special Form flood coverage insuring Tenant against loss from physical damage to Tenant's personal property including but not limited to any tenant improvements that Tenant has an interest in, inventory, stock, trade fixtures and improvements within and at or around the Premises (including but not limited to the common areas) with coverage for the full actual replacement cost thereof; and

(3) Intentionally deleted;

(4) Intentionally deleted;

(5) Intentionally deleted;

(6) Intentionally deleted;

(7) Intentionally deleted;

(8) Intentionally deleted;

(9) Intentionally deleted;

(10) Employers Liability Insurance in an amount not less than \$1,000,000.00 per accident, \$1,000,000.00 disease each employee, \$1,000,000.00 policy limit.

B. All insurance policies required to be carried by Tenant pursuant to this Article or actually carried by Tenant with respect to the Premises, Project, Building, Property, or Common Areas, (i) shall be provided by carriers admitted to do business in the state of Colorado with a Best rating of "A/VI" or better and/or acceptable to Landlord. Property insurance shall contain a waiver of subrogation against Landlord, its principal, employees, agents and contractors which might arise by reason of any payment under such policy or by reason of any act or omission of Landlord, its principals, employees, agents or contractors.

C. Prior to the time Tenant or any of its contractors enter the Premises, Tenant shall deliver to the Landlord with respect to each policy of insurance required to be carried by Tenant pursuant to this Article, a certificate of the insurer certifying, that the policy has been issued and premium paid providing the coverage required by this Article and containing the provisions herein. Attached to such a certificate shall be endorsements naming Landlord as additional insured, and including the wording for primary insurance above.

D. The Commercial General Liability insurance carried by Tenant shall specifically insure the performance by Tenant of the indemnification provisions set forth in Article 8.2 of this Lease provided, however, nothing contained in this Article 9 shall be construed to limit the liability of Tenant under the indemnification provisions set forth in said Article 8.2.

**9.2 LANDLORD'S INSURANCE:** With respect to insurance maintained by Landlord:

A. Landlord may maintain Property Insurance in so-called Special Form insuring Landlord (and such others as Landlord may designate) against loss from physical damage to the Building with coverage of not less than one hundred percent (100%) of the full actual replacement cost thereof and against loss of rents for a period of not less than twelve (12) months. Such Property Damage Insurance, at Landlord's election but without any requirement on Landlord's behalf to do so, (i) may be written in so-called Special Form, excluding only those perils commonly excluded from such coverage by

Landlord's then property damage insurer; (ii) may provide coverage for physical damage to the improvements so insured for up to the entire full actual replacement cost thereof; (iii) may be endorsed to include or separate policies may be carried to cover loss or damage caused by any additional perils against which Landlord may elect to insure, including flood and/or earthquake; (iv) may provide coverage for loss of rents for a period of up to twelve (12) months; and/or (v) may contain "deductibles" per occurrence in an amount reasonably acceptable to Landlord. Landlord shall not be required to cause such insurance to cover any of Tenant's personal property, inventory and trade fixtures, or any modifications, alterations or improvements made or constructed by Tenant to or within the Premises.

B. Landlord may maintain Commercial General Liability Insurance insuring Landlord (and such others as are designated by Landlord) against liability for personal injury, bodily injury, death, and damage to property occurring in, on or about, or resulting from the use or occupancy of the Property, or any portion thereof, with combined single limit coverage of at least One Million Dollars (\$1,000,000.00). Landlord may carry such greater coverage as Landlord or Landlord's Lender, insurance broker or advisor or counsel may from time to time determine is reasonably necessary for the adequate protection of Landlord and the Property.

C. Landlord may maintain any other insurance that in the opinion of its insurance broker or advisor or legal counsel is prudent to carry under the given circumstances.

**9.3 MUTUAL WAIVER OF SUBROGATION:** Landlord hereby releases Tenant, and Tenant hereby releases Landlord and its respective principals, officers, agents, employees and servants, from any and all liability for loss, damage or injury to the property of the other in or about the Premises or the Property which is caused by or results from a peril or event or happening which would be covered by insurance required to be carried by the party sustaining such loss under the terms of this Lease, or is covered by insurance actually carried and in force at the time of the loss, by the party sustaining such loss; provided, however, that such waiver shall be effective only to the extent permitted by the insurance covering such loss, and to the extent such insurance is not prejudiced thereby.

## **ARTICLE 10 DAMAGE TO LEASED PREMISES**

**10.1 LANDLORD'S DUTY TO RESTORE:** If the Premises are damaged by any peril after the Effective Date, Landlord shall restore the Premises, pursuant to this Paragraph, unless this Lease is terminated by Landlord pursuant to Paragraph 10.2. All insurance proceeds available from the fire and property damage insurance carried by Landlord shall be paid to and become the property of Landlord. Whether or not this Lease is terminated pursuant to Paragraph 10.2 or otherwise, all insurance proceeds available from insurance carried by Tenant which covers loss to property that is Landlord's property or would become Landlord's property on termination of this Lease shall be paid to and become the property of Landlord, and the remainder of such proceeds shall be paid to and become the property of the Tenant. However, such payment to Tenant shall be deemed to be paid in trust in order to replace with similar property of no less value. If this Lease is not so terminated, then upon receipt of the insurance proceeds (if the loss is covered by insurance) and the issuance of all necessary governmental permits, Landlord shall commence and prosecute to completion the restoration of the Premises, to the extent then allowed by Law, to substantially the same condition in which the Premises existed as of the Lease Commencement Date or to a commercially reasonable condition determined in Landlord's discretion. Landlord's obligation to restore shall be limited to the Premises and interior improvements constructed by Landlord. Landlord shall have no obligation to restore any other improvements to the Premises or any of Tenant's personal property, inventory or trade fixtures. Upon completion of the restoration by Landlord, Tenant shall forthwith replace or fully repair all of Tenant's personal property, inventory, trade fixtures and other improvements constructed by Tenant to like or similar condition as existed at the time of such damage or destruction.

**10.2 LANDLORD'S RIGHT TO TERMINATE:** Landlord shall have the option to terminate this Lease in the event any of the following occurs, which option may be exercised by delivery to Tenant of a written notice of election to terminate within ninety (90) days after the date of such damage or destruction which 90 day period may be delayed by Landlord based upon lack of any settlement, finalization of a claim against the Landlord's and/or Tenant's insurance company, or receipt of insurance proceeds:

A. The Building is damaged by any peril covered by valid and collectible insurance actually carried by Landlord and in force at the time of such damage or destruction (an "insured peril") to such an extent that the estimated cost to restore the Building, in Landlord's determination, exceeds the lesser of (i) the insurance proceeds available and paid from insurance actually carried by Landlord, (ii) seventy-five percent (75%) of the then actual replacement cost thereof, or (iii) the estimated fair market value of the Building upon completion as determined by Landlord;

B. The Building is damaged by a peril that was uninsured; or

C. The Building is damaged by any peril and, because of the Laws then in force, the Building (i) cannot be restored at reasonable cost as required by Paragraph 10.1 above, or (ii) if restored, cannot be used for the same use being made thereof before such damage, whether or not restored as required by this Article.

**10.3 ABATEMENT OF RENT:** In the event of damage due to peril to the Premises which does not result in the termination of this Lease, the Base Monthly Rent (and any Additional Rent) shall be temporarily abated during the period of restoration for the portion of the Premises unable to be used by Tenant, unless the peril is due to the acts or omissions of Tenant. This shall be the sole reason for which Tenant shall be entitled to an abatement of rent.

## **ARTICLE 11 CONDEMNATION**



**11.1 LANDLORD'S RIGHT TO TERMINATE:** Subject to Paragraph 11.3, Landlord shall have the option to terminate this Lease if, as a result of a taking by means of the exercise of the power of eminent domain (including inverse condemnation and/or a voluntary sale or transfer by Landlord to an entity having the power of eminent domain under threat of condemnation) "Taking", (i) all or any part of the Premises is so taken, (ii) more than thirty-three and one-third (33%) percent of the Building's leasable area is so taken, (iii) more than thirty-three and one-third (33%) percent of the Common Area is so taken, or (iv) because of the Laws then in force, the Premises may not be used for the same use being made thereof before such taking, whether or not restored as required by Paragraph 11.4 below. Any such option to terminate by Landlord must be exercisable within a reasonable period of time, to be effective as of the date possession is taken by the condemnor.

**11.2 TENANT'S RIGHT TO TERMINATE:** Subject to Paragraph 11.3, Tenant shall have the option to terminate this Lease if, as a result of any Taking, (i) all of the Premises is so taken, (ii) thirty-three and one-third (33%) percent or more of the Premises is so taken and the part of the Premises that remains cannot, within a reasonable period of time, be made reasonably suitable for the continued operation of the Tenant's business, or (iii) there is a taking of a portion of the Common Area and, as a result of such taking, Landlord cannot provide parking spaces within the Project (or within a reasonable distance therefrom) equal in number to at least sixty-six and two-thirds (66%) percent of Tenant's Number of Parking Spaces (as adjusted for any decrease in the size of the Premises), whether by rearrangement of the remaining parking areas in the Common Area (including, if Landlord elects, construction of multi-deck parking structures or re-striping for compact cars where permitted by Law), or by providing alternative parking facilities on other land within reasonable walking distance of the Premises. Tenant must exercise such option within a reasonable period of time, to be effective on the later to occur of (i) the date that possession of that portion of the Common Area or the Premises that is condemned is taken by the condemnor or (ii) the date Tenant vacates the Premises.

**11.3 TEMPORARY TAKING:** Notwithstanding the above, if any portion of the Premises (not any other portion of the Project) is temporarily taken for two (2) months or less, this Lease shall remain in effect. If any portion of the Premises is temporarily taken for a period which either exceeds two (2) months or which extends beyond the natural expiration of the Term, then Landlord and Tenant shall each independently have the option to terminate this Lease, effective on the date possession is taken by the condemnor.

**11.4 RESTORATION AND ABATEMENT OF RENT:** If any part of the Premises is taken by condemnation and this Lease is not terminated, then Landlord shall repair any damage occasioned thereby to the remainder of the Premises to a condition reasonably suitable for Tenant's continued operations and otherwise, to the extent practicable, in the manner and to the extent provided in Paragraph 10.1. As of the date possession is taken by the condemning authority, (i) the Base Monthly Rent shall be reduced in the same proportion that the area of that part of the Premises so taken (less any addition to the area of the Premises by reason of any reconstruction) bears to the areas of the Premises immediately prior to such taking, and (ii) Tenant's Proportionate Share shall be appropriately adjusted.

**11.5 DIVISION OF CONDEMNATION AWARD:** In the event of condemnation, any award made for any condemnation of the Project, the Building, the Common Areas or the Premises, or any portion thereof, shall belong to and be paid to Landlord, and Tenant hereby assigns to Landlord all of its right, title and interest in any such award; provided, however, that Tenant shall be entitled to receive compensation for (i) the taking of personal property, inventory or trade fixtures belonging to Tenant, (ii) the interruption of Tenant's business or its moving costs, or (iii) loss of Tenant's goodwill; provided that no award to Tenant shall reduce Landlord's award. Landlord may stipulate with any condemning authority for a judgment or settlement of condemnation without the necessity of a formal suit or judgment of condemnation, and the date of taking under this clause shall be deemed to be the date agreed to under the terms of said agreement for stipulation or settlement.

## ARTICLE 12 DEFAULT AND REMEDIES

**12.1 EVENTS OF TENANT'S DEFAULT:** Tenant shall be in default of its obligations under this Lease if any of the following events occur:

- A. Tenant shall have failed to pay Base Monthly Rent or any Additional Rent when due; or
- B. Tenant shall have failed to perform any term, covenant or condition of this Lease, except those requiring the payment of Base Monthly Rent or Additional Rent and those stated below, within ten (10) days after written notice from Landlord to Tenant specifying the nature of such failure and requesting Tenant to perform same. Notwithstanding the above, if Tenant has so conformed to the terms and the conditions of this Lease after said ten (10) days notice, then Tenant shall not be entitled to an additional cure period for the same type of failure to perform (including but not limited to violation of use of Common Areas, violation of Use, interference or annoyance with other tenants) and Tenant shall be deemed to be in default of its obligations under this Lease with no further notice from Landlord, based upon such same type of failure to perform. Notwithstanding the above, if any failure to perform any term, covenant or condition of this Lease potentially causes harm to persons or property, then Landlord shall be under no obligation to provide Tenant with any notice to cure and Tenant shall be deemed to be in default of its obligations under this Lease with no notice from Landlord; or
- C. Tenant shall have violated the provisions contained in Article 7, whether voluntarily or by operation of Law; or
- D. Tenant shall have abandoned, vacated the Premises or not continuously done business in the Premises; or
- E. Tenant or any Guarantor of this Lease shall have made a general assignment of all or a substantial part of its assets for the benefit of its creditors, permitted or suffered the attachment of, or execution on, or the appointment of a custodian or receiver with respect to, all or any substantial part of the property or assets of Tenant (or such Guarantor) or any property or



asset essential to the conduct of Tenant's (or such Guarantor's) business, and Tenant (or such Guarantor) shall have failed to obtain a return or release of the same within thirty (30) days thereafter, or prior to sale pursuant to such attachment or levy, whichever is earlier; or

F. Tenant or any Guarantor of this Lease shall have allowed (or sought) to have entered against it a decree or order which: (i) grants or constitutes an order for relief, appointment of a trustee, or confirmation of a reorganization plan under the bankruptcy Laws of the United States; (ii) approves as properly filed a petition seeking liquidation or reorganization under said Bankruptcy Laws or any other debtor's relief Law or similar Statute of the United States or any state thereof; or Tenant or any Guarantor of this Lease shall have availed itself of the protection of any debtor's relief Law, moratorium Law or other similar Law which does not require the prior entry of a decree or order.

G. Tenant shall be in violation of paragraphs 4.10, 4.11, 13.3, 13.6 or 13.14.

**12.2 LANDLORD'S REMEDIES:** In the event of any default by Tenant, and without limiting Landlord's rights to indemnification as provided in Article 8.2, Landlord shall have the following remedies, in addition to all other rights and remedies provided by Law or otherwise provided in this Lease, to which Landlord may resort cumulatively, or in the alternative:

A. Landlord may, at Landlord's election, keep this Lease in effect and enforce, by an action at Law or in equity, all of its rights and remedies under this Lease including, without limitation, (i) the right to recover the rent and other sums as they become due by appropriate legal action, including damages under D. 2) below, (ii) the right to make payments required of Tenant, and (iii) the remedies of injunctive relief and specific performance to prevent Tenant from violating the terms of this Lease and/or perform Tenant's obligations and be reimbursed by Tenant for the cost thereof with interest as stated in paragraph 3.4.

B. Landlord may, at Landlord's election, terminate this Lease by giving Tenant written notice of termination, to terminate on the date set forth in such notice. Any termination under this Subparagraph shall not relieve Tenant from its obligation to pay to Landlord all Base Monthly Rent or Additional Rent then or thereafter due, or any other sums due or thereafter accruing to Landlord, or from any claim against Tenant for damages previously accrued or then or thereafter accruing. In no event shall any action whatsoever by Landlord, in the absence of a written election by Landlord to terminate this Lease, constitute a termination of this Lease.

C. In the event Tenant breaches this Lease and abandons the Premises, Landlord may terminate this Lease, but this Lease shall not terminate unless Landlord gives Tenant written notice of termination. No act by or on behalf of Landlord intended to mitigate the adverse effect of such breach, shall constitute a termination of Tenant's right to possession unless Landlord gives Tenant written notice of termination. If Landlord does not terminate this Lease by giving written notice of termination, Landlord may enforce all its rights and remedies under this Lease, including the right to recover rent as it becomes due under this Lease and all damages under D. 2) below.

D. Whether or not Landlord terminates this Lease, Landlord shall be entitled, at Landlord's election, to any and all damages sustained by Landlord. Such damages shall include, without limitation:

1) The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided, computed by discounting such amount at the discount rate of the Federal Reserve Bank of Denver at the time of award plus one (1%) percent; and  
2) Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom, including, without limitation, the following: (i) expenses for cleaning, repairing or restoring the Premises; (ii) expenses for removal of existing leasehold improvements; (iii) broker's fees, advertising costs and other expenses of reletting the Premises; (iv) costs of carrying the Premises, such as taxes, insurance premiums, utility charges and security precautions; (v) expenses incurred in removing, disposing of and/or storing any of Tenant's personal property, inventory or trade fixtures remaining therein; (vi) attorneys fees, expert witness fees, court costs and other reasonable expenses incurred by Landlord (but not limited to taxable costs) in retaking possession of the Premises, establishing damages hereunder or in the enforcement or collection of any damages or order, and re-leasing the Premises.

E. Landlord may, with or without notice, have the right to enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages thereof. No reentry or taking possession of the Premises by Landlord shall be construed as an election on its part to terminate this Lease, unless a written notice of termination is given to Tenant.

F. Notwithstanding any other provision of this Lease, regardless of Landlord's termination of the Lease, Tenant shall remain liable for all rent and other sums due pursuant to the Lease as they become due, even if such amounts become due after the termination of the Lease.

G. Bankruptcy Assurances: Landlord and Tenant understand that, notwithstanding certain provisions to the contrary contained herein, a trustee or debtor in possession under the Bankruptcy Code of the United States (or other Bankruptcy Laws) may have certain rights to assume or assign this Lease. Landlord and Tenant further understand that in any event Landlord is entitled under the Bankruptcy Code (or other Bankruptcy Laws) to adequate assurances of future performance of the terms and provisions of this Lease. For purposes of any such assumption or assignment, the parties here to agree that the term "adequate assurance" shall include at least the following: (i) In order to assure Landlord that the proposed assignee will have the resources with which to pay the Rent, any proposed assignee must have demonstrated to Landlord's satisfaction a net worth (as defined in accordance with generally accepted accounting principles consistently applied) at least as great as the net worth of Tenant on the Commencement Date, increased by ten percent (10%) for each year from the Commencement Date through the date of the proposed assignment. The financial condition and resources of Tenant were a material inducement to Landlord in entering into this Lease. (ii) Any proposed assignee must have been engaged in the business conducted by Tenant in the Premises, allowable pursuant to the Permitted Use, for at least five (5) years prior to any such proposed assignment. (iii) Any proposed assignee must agree to use the Premises only for the Permitted Use. In entering into this Lease, Landlord considered extensively the Permitted Use and determined that such Permitted Use would add substantially to Landlord's tenant balance and that were it not for Tenant's agreement to use the Premises only for the

Permitted Use, Landlord would not have entered into this Lease. Landlord's overall operation will be substantially impaired if the trustee in bankruptcy or any assignee of this Lease makes any use of the Premises other than the Permitted Use.

**12.3 LANDLORD'S DEFAULT AND TENANT'S REMEDIES:** In the event Landlord fails to perform any of its obligations under this Lease, Landlord shall nevertheless not be in default under the terms of this Lease until such time as Tenant shall have first given Landlord written notice specifying the nature of such failure to perform its obligations, and then only after Landlord and the first mortgagee (if applicable pursuant to 13.5) shall have had a reasonable period of time following its receipt of such notice within which to perform such obligations. In the event of Landlord's default as above set forth, then, and only then, Tenant may proceed in equity or at Law to compel Landlord to perform its obligations and/or to recover damages proximately caused by such failure to perform (except as and to the extent Tenant has waived its right to damages as provided in this Lease).

**12.4 LIMITATION ON TENANT'S RECOURSE AND DAMAGES:** In the event of any liability of Landlord arising out of or in connection with this Lease, Tenant or any third party shall only have recourse to Landlord's interest in the Building and Project, and only as if there were a first deed of trust or mortgage securing the Building and Project in the amount of sixty percent (60%) of the fair market value of the Building and Project. In no event shall any personal liability be asserted against Landlord in connection with any such claim nor shall any recourse be had to any other property or assets of Landlord. No property owned by any member, partner or other owner of Landlord, or any of their or Landlord's employees, officers, directors, shareholders, members or partners, shall be subject to levy, execution or other enforcement procedures for the satisfaction of any judgment (or other judicial process) or for the satisfaction of any other remedy of Tenant in connection with any such claim. Notwithstanding anything contained in this Lease to the contrary, in no event shall Landlord be liable to Tenant or any third party on account of any claims for lost business or profits or any indirect or consequential losses or damages or any punitive damages.

### ARTICLE 13 GENERAL PROVISIONS

**13.1 TAXES ON TENANT'S PROPERTY:** Tenant shall pay before delinquency any and all taxes, assessments, license fees, use fees, permit fees and public charges of whatever nature assessed or imposed against Tenant or Landlord by a governmental agency in any manner arising out of Tenant's estate in this Lease, its ownership of property, improvements made by Tenant, or by Landlord for Tenant's use within the Premises, Tenant's use (or estimated use) of public facilities or services or Tenant's consumption (or estimated consumption) of public utilities, energy, water or other resources. On demand by Landlord, Tenant shall furnish Landlord with satisfactory evidence of these payments. If any such taxes, or public charges are levied against Landlord, Landlord's property, the Building or the Project, or if the assessed value of the Building or the Project is increased by the inclusion therein of a value placed upon same, then Landlord, after written notice to Tenant, shall have the right, regardless of the validity thereof, to pay such taxes, or public charges and bill Tenant, as Additional Rent, the amount of such taxes, or public charges so paid. Tenant shall, within ten (10) days from the date it receives an invoice from Landlord setting forth the amount of such taxes, or public charges, pay to Landlord, as Additional Rent, the amount set forth in said invoice. Failure by Tenant to pay the amount so invoiced within said ten (10) day period shall be conclusively deemed a default by Tenant under this Lease. Tenant shall have the right, and with Landlord's full cooperation if Tenant is not then in default under the terms of this Lease, to bring suit in any court of competent jurisdiction to recover from the taxing authority the amount of any such taxes, or public charges so paid.

**13.2 HOLDING OVER:** This Lease shall terminate without further notice at the expiration of the Term and Landlord may immediately commence eviction proceedings. Any holding over by Tenant after expiration of the Term shall neither constitute a renewal nor extension of this Lease nor give Tenant any rights in or to the Premises except as expressly provided in this Paragraph. Any such holding over shall be deemed an unlawful detainer of the Premises. Any such holding over to which Landlord has not immediately initiated eviction proceedings shall be construed to be a tenancy from month to month, on the same terms and conditions herein specified insofar as applicable, except that the Base Monthly Rent shall be increased to an amount equal to one hundred fifty (150%) percent of the Base Monthly Rent payable during the last full month immediately preceding such holding over.

**13.3 SUBORDINATION TO MORTGAGES:** This Lease and all rights of Tenant are subject and subordinate to any existing or future first deed of trust, first mortgage, or other first instrument of security and at Landlord's option, this Lease and all rights of Tenant shall be subject and subordinate to any existing or future junior deed of trust, junior mortgage or other junior instrument of security, as well as to any ground lease or primary lease that now or hereafter covers all or any part of the Building or project, and to all renewals, modifications, consolidations, replacements and extensions thereof. This provision is self-operative and no further instrument shall be required to effect such subordination of this Lease. Tenant shall, however, upon ten days notice, at any time or times execute, acknowledge and deliver to Landlord or to the holder of any mortgage or lessor in any underlying Lease any and all instruments and certificates that in the judgment of owner, holder or lessor may be necessary or desirable to confirm or evidence such subordination.

**13.4 TENANT'S ATTORNMEN UPON FORECLOSURE:** Tenant shall, upon request, attorn (i) to any purchaser of the Building at any foreclosure sale or private sale conducted pursuant to any security instrument encumbering the Building, or (ii) to any grantee or transferee designated in any deed given in lieu of foreclosure of any security interest encumbering the Building, or (iii) to the lessor under any underlying ground lease of the land underlying the Building, should such ground lease be terminated; provided that such purchaser, grantee or lessor recognizes Tenant's rights under

this Lease. Tenant, upon demand at any time or times, before or after any such foreclosure, sale or termination, shall execute, acknowledge and deliver to holder or lessor any and all instruments that in the judgment of holder or lessor may be necessary or desirable to confirm or evidence such attornment and Tenant hereby irrevocably authorizes holder or lessor to execute, acknowledge and deliver any such instruments on Tenant's behalf.

**13.5 MORTGAGEE PROTECTION:** In the event of any default on the part of Landlord, Tenant will give notice by registered mail to any Lender or lessor under any underlying ground lease who shall have requested in writing to Tenant that it be provided with such notice, and Tenant shall offer such Lender or lessor a reasonable opportunity to cure the default, including time to obtain possession of the Premises by power of sale or judicial foreclosure or other appropriate legal proceedings if reasonably necessary to effect a cure.

**13.6 ESTOPPEL CERTIFICATES:** Tenant will, following any request by Landlord, within fifteen (15) days after Landlord's request execute and deliver to Landlord an estoppel certificate (i) certifying that this Lease is unmodified and in full force and effect, or, if modified, stating the nature of such modification, (ii) stating the date to which the rent and other charges are paid in advance, if any, (iii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (iv) certifying such other information about this Lease as may be reasonably requested by Landlord. Tenant's failure to so execute and deliver such estoppel certificate shall be a default, and Landlord shall have all of its available rights and remedies, including the right to sue for damages proximately caused thereby, it being agreed and understood by Tenant that Tenant's failure to so deliver such estoppel certificate in a timely manner could result in Landlord being unable to perform committed obligations to other third parties which were made by Landlord in reliance upon this covenant of Tenant and/or could cause Landlord to lose its financing or its sale commitment. If Tenant fails to execute and deliver such estoppel certificate within fifteen (15) days after Landlord's request, in addition to such act being a default by Tenant, all facts stated in such estoppel certificate given to Tenant to execute shall be deemed to be true.

**13.7 TENANT'S FINANCIAL INFORMATION:** Tenant shall, within ten (10) days after Landlord's request, deliver to Landlord a copy of a current financial statement and any other information reasonably requested by Landlord regarding Tenant's financial condition. Landlord shall be entitled to disclose such statements and other information to its Lender, to any present or prospective principal of or investor in Landlord, or to any prospective lender or purchaser. Any such financial statement or other information which is marked "confidential" or "company secrets" (or is otherwise similarly marked by Tenant) shall be confidential and shall not be disclosed by Landlord to any third party except as specifically provided in this Paragraph, unless the same becomes a part of the public domain without the fault of Landlord.

**13.8 TRANSFER BY LANDLORD:** Landlord and its successors in interest shall have the right to transfer their interest in the Building, the Project, or any portion thereof. In such event, Landlord originally named (and in the case of any subsequent transfer, the transferor), from the date of such transfer, (i) shall be relieved, without any further act by any person or entity, of all liability for the performance of the obligations of the Landlord which may accrue after the date of such transfer, and (ii) shall be relieved of all liability for the performance of the obligations of the Landlord hereunder which have accrued before the date of transfer if its transferee agrees to assume and perform all such prior obligations. After the date of any such transfer, the term "Landlord" as used herein shall mean the transferee of such interest in the Building, Project, or any portion thereof.

**13.9 FORCE MAJEURE:** The obligations of each of the parties under this Lease (other than the obligation to pay Rent, Additional Rent and any other monies due under the Lease by Tenant) shall be temporarily excused if such party is prevented or delayed in performing such obligation by reason of any strikes, lockouts or labor disputes; inability to obtain labor, materials, fuels or reasonable substitutes therefore; governmental restrictions, regulations, controls, action or inaction; civil commotion; inclement weather, fire or other acts of God; or other causes (except financial inability) beyond the reasonable control of the party obligated to perform for a period equal to the period of any such prevention, delay or stoppage.

**13.10 NOTICES:** Any notice required or desired to be given by a party regarding this Lease shall be in writing and shall be personally served, or in lieu of personal service may be given by depositing such notice in the United States mail, registered or certified, postage prepaid, addressed to the other party as follows:

A. If addressed to Landlord, to Landlord at its Address for Notices (as set forth in Article 1).

B. If addressed to Tenant, to Tenant at its Address for Notices (as set forth in Article 1).

Any notice given by registered mail shall be deemed to have been given on the third business day after its deposit in the United States Mail. Any notice given by certified mail shall be deemed given on the date receipt was acknowledged to the postal authorities, but in no event more than three days after deposit with the postal authorities. Any notice given by mail other than registered or certified mail shall be deemed given on the third business day after its deposit in the United States Mail provided that a copy of the notice is provided by fax (unless no fax number has been provided by Tenant), otherwise on the date of receipt. Each party may, by written notice to the other in the manner aforesaid, change the address to which notices addressed to it shall thereafter be mailed.

**13.11 ATTORNEY'S FEES:** In the event any party shall bring any action or legal proceeding alleging a breach of any provision of this Lease, or in any manner determine the rights or duties hereunder of either party, the prevailing party shall be entitled to recover from the non-prevailing party as a part of such action or proceeding, or in a separate action (brought within one year from the determination of such proceeding), reasonable attorney's fees, expert witness fees, court costs and other reasonable expenses incurred by the prevailing party.

**13.12 WAIVER OF TRIAL BY JURY:** To the extent such waiver is permitted by applicable Law, Landlord and Tenant

waive trial by jury in any action or proceeding brought in connection with this Lease or the Premises.

**13.13 DEFINITIONS:** In addition to the terms defined in Article 1, the following terms shall have the following meanings:

**A. REAL PROPERTY TAXES:** The term "Real Property Tax(es)" shall each mean (i) all taxes, assessments, levies and other charges of any kind or nature whatsoever, general and special, foreseen and unforeseen (including all installments of principal and interest required to pay any general or special assessments for public improvements and any increases resulting from reassessments caused by any change in ownership or new construction), now or hereafter imposed by any governmental or quasi-governmental authority or special district having the direct or indirect power to tax or levy assessments, which are levied or assessed for whatever reason against the Project or any portion thereof, or Landlord's interest therein, or the fixtures, equipment and other property of Landlord that is part of the Project, or Landlord's business of owning, leasing or managing the Project or the gross receipts, income or rentals from the Project; (ii) all charges, levies or fees imposed by any governmental authority against Landlord by reason of or based upon the use of or number of parking spaces within the Project, the amount of public services or public utilities used or consumed (e.g. water, gas, electricity, sewage or surface water disposal) at the Project, the number of persons employed by tenants of the Project, the size (whether measured in area volume, number of tenants or whatever) or the value of the Project, or the type of use or uses conducted within the Project; and (iii) all costs and fees (including attorney's fees) incurred by Landlord in contesting any Real Property Tax and in negotiating with public authorities as to any Real Property Tax. If, at any time during the Term, the taxation or assessment of the Project prevailing as of the Effective Date shall be altered so that in lieu of or in addition to any Real Property Tax described above there shall be levied, assessed or imposed (whether by reason of a change in the method of taxation or assessment, creation of a new tax or charge, or any other cause) an alternate, substitute, or additional tax or charge on any item referred to above, then any such tax or charge, however designated, shall be included within the meaning of the terms "Real Property Tax" for purposes of this Lease. If any Real Property Tax is partly based upon property or rents unrelated to the Project, then only that part of such Real Property Tax that is fairly allocable to the Project shall be included within the meaning of the terms "Real Property Tax". Notwithstanding the foregoing, the terms "Real Property Tax" shall not include estate, inheritance, transfer, gift or franchise taxes of Landlord or the federal or state income tax imposed on Landlord's income from all sources.

**B. LANDLORD'S INSURANCE COSTS:** The term "Landlord's Insurance Costs" shall mean the costs to Landlord to carry and maintain the policies of fire and property damage insurance for the Project and general liability insurance carried by Landlord pursuant to Article 9 or otherwise, together with any deductible amounts paid by Landlord upon the occurrence of any insured casualty or loss.

**C. PROJECT MAINTENANCE COSTS:** The term "Project Maintenance Costs" shall mean all costs and expenses (except Landlord's Insurance Costs and Real Property Taxes) paid or incurred by Landlord, in any manner whatsoever, in protecting, operating, maintaining, repairing, replacing and preserving the Project, Building and all parts thereof, including without limitation, (i) the amortizing portion of any costs incurred by Landlord in the making of any modifications, alterations or improvements required by any governmental authority, except those that are required to be paid and are paid by a Tenant pursuant to Article 6, which are so amortized during the Term, and the depreciation or amortization of any capital improvements made or installed for the purpose of saving labor or otherwise reducing applicable operating costs, and (ii) such other costs as may be paid or incurred with respect to operating, managing, constructing, maintaining, repairing, replacing and preserving the Project, such as repairing, resurfacing, or replacing the exterior surfaces of the Buildings (including roofs), repairing, replacing or resurfacing paved areas, repairing structural parts of the Building, and repairing or replacing, when necessary, electrical, plumbing, heating, ventilating and air conditioning and other systems serving the Buildings. The total amounts paid or payable, whether by Landlord or otherwise on behalf of Landlord, in connection with the ownership, management, maintenance, repair and operating of the Building, including by way of illustration and not a limitation, and without limiting the generality of the foregoing, the aggregate of the amounts paid or payable for: a) all electricity furnished to the Building except those amounts paid directly by Tenant or tenants; b) the amount paid or payable for all water furnished to the Building other than those amounts paid directly by Tenant or tenants; c) labor and or wages and other payments made by Landlord in the operation, maintenance and repair of the Building, including, without limitation, the cost to Landlord of workman's compensation and disability insurance, payroll taxes, and contributions to any social security, unemployment insurance, welfare, pension or similar fund and payments for other fringe benefits made to or on behalf of all employees of Landlord performing services rendered in connection with the operation and maintenance of the Building, including, without limitation, porters, janitors, handymen, watchmen, persons engaged in patrolling and protection of the Building, carpenters, engineers, mechanics, electricians, plumbers, building manager, clerical and administrative personnel, contractors, subcontractors (it is understood that Landlord is under no obligation to have employed any or all of such above-referred to employees); d) the total charges of any independent contractors employed in the repair, care, operation, maintenance and cleaning of the Building and total charge of property management fees; e) the cost of replacements for tools and equipment used in the operation and maintenance of the Building, including without limitation electric light bulbs, tubes and ballasts used in connection with the Project and parking lots; f) the cost of telephone service, postage, office supplies, maintenance and repair of office equipment and similar costs related to operation of the Building and manager's office (whether in the Building or not); g) the cost of licenses, permits and similar fees and charges related to the operation, repair and maintenance of the Building; h) the cost of maintenance of parking areas and driveways, including, but not limited to cleaning, snow removal, repaving, relining and repainting; i) cleaning cost for the Building, including the windows, sidewalks, all snow removal (including separate contracts therefore) and the cost of all labor, supplies, equipment and materials incidental thereto; j) the cost of decorating (including but not limited to artwork), repainting or otherwise maintaining, repairing or replacing the interior common area and exterior of the Building; k) the cost of auditing fees necessarily incurred in connection with the maintenance and operation of the Building and accounting fees incurred in connection with the preparation and certification of the Building operating expenses; l) fees for legal, inspection, accounting and consulting services; m) all costs incurred by Landlord to retrofit any portion or all of the Building to comply with change in existing legislation or introduction of new legislation, whether federal, state or municipal, state, county or municipal (including any agency or arm of said governmental unit); n)

the cost of repairs, replacements and improvements which are appropriate for the continued operation of the Building; o) all expenses associated with the installation of any energy, cost or labor saving devices; p) costs of all landscaping, including but not limited to maintenance of irrigation systems; q) costs of any security guards or security; r) any and all other expenditures of Landlord in connection with the operation, repair or maintenance of a Building which are properly expensed in accordance with generally accepted accounting principles consistently applied with respect to the operation and repair and maintenance of comparable buildings in the Metro Denver Area and s) annual reserves to be used for any of the above future capital improvements, structural repairs and replacements, and any other major items which will be calculated each year in such reasonable amounts as Landlord may determine in its reasonable discretion. The above enumeration of any Project Maintenance Cost shall not create any obligation (expressed or implied) on the part of Landlord to furnish such service. Landlord may amortize any of the above costs in a reasonable manner. Landlord has the exclusive right to delay commencement of the amortized costs of any individual item to a later year. Landlord's determination of the amortization and determination of such delay shall be final and binding upon Tenant unless made in bad faith. If in the event any costs are partially attributable to any real estate that is not in the Project, then the Landlord shall make a reasonable allocation of the Project Maintenance Costs between the Project and any other real estate. Landlord's determination of such shall be final and binding upon Tenant unless made in bad faith. Notwithstanding the foregoing, Project Maintenance Costs shall not include those items identified on Exhibit "F".

**D. READY FOR OCCUPANCY:** The term "Ready For Occupancy" shall mean the date upon which (i) the Premises are available for Tenant's occupancy in a clean condition and (ii) the improvements, if any, to be made to the Premises by Landlord prior to Tenant's occupancy have been substantially completed and the appropriate governmental building department (i.e. the City building department, if the Project is located within a City, or otherwise the County building department) shall have approved the construction of the improvements as complete, if required, or is willing to so approve the construction of the improvements as complete subject only to compliance with specified conditions which are the responsibility of Tenant to satisfy.

**E. TENANT'S PROPORTIONATE SHARE:** The term "Tenant's Proportionate Share" or "Tenant's Share," as used with respect to an item pertaining to the Building or Project, shall each mean that percentage obtained by dividing the rentable square footage contained within the Premises (as set forth in Article 1) by the total rentable square footage contained within the Project as the same from time to time exists, unless, as to any given item, such a percentage allocation unfairly burdens or benefits a given tenant(s) or Landlord, in which case Landlord shall have the exclusive right to equitably allocate such item so as to not unfairly burden or benefit any given tenant(s) or Landlord. Landlord's determination of any such special allocation shall be final and binding upon Tenant unless made in bad faith. As stated above and as stated in 1.1.U, Tenant's Proportionate Share may change as reasonably determined by Landlord.

**F. BUILDING'S SHARE:** The term "Building's Share" shall each mean that percentage which is obtained by dividing the gross square footage contained within the Building by the gross square footage contained within all Buildings located within the Project, unless, as to any given item, such a percentage allocation unfairly burdens or benefits a given Building(s) or Landlord, in which case Landlord shall have the exclusive right to equitably allocate such item so as to not unfairly burden or benefit any given Building(s) or Landlord. Landlord's determination of any such special allocation shall be final and binding upon Tenant unless made in bad faith.

**G. BUILDING OPERATING EXPENSES:** The term "Building Operating Expenses" shall mean and include the Building's Share of all Real Property Taxes, plus the Building's Share of all Landlord's Insurance Costs, plus the Building's Share of all Project Maintenance Costs.

**H. LAW:** The term "Law" shall mean any judicial decision and any statute including but not limited to the American Disabilities Act, constitution, ordinance, building code, resolution, regulation, rule, administrative order, or other requirement of any municipal, county, state, federal, or other governmental agency or authority having jurisdiction over the parties to this Lease, the Premises, the Building or the Project, or any of them in effect either at the Effective Date or at any time during the Term, including, without limitation, any regulation, order, or policy of any quasi-official entity or body (e.g. a board of fire examiners or a public utility or special district).

**I. LENDER:** The term "Lender" shall mean any beneficiary, mortgagee, secured party, or other holder of any deed of trust, mortgage or other written security device or agreement affecting the Project, and the note or other obligations secured by it.

**J. PRIVATE RESTRICTIONS:** The term "Private Restrictions" shall mean all recorded covenants, conditions and restrictions, private agreements, easements, and any other recorded instruments affecting the use of the Project, as they may exist from time to time.

**K. RENT:** The term "Rent" shall mean collectively Base Monthly Rent and all Additional Rent and all other amounts due from Tenant hereunder.

**13.14 SUBSTITUTION OF PREMISES:** Landlord shall have the right upon not less than sixty (60) days written notice to Tenant to substitute other premises within the Building for the Premises subject to the same terms and conditions as though originally leased to Tenant at the time of execution and delivery of this Lease as it may have been amended; provided, however, that the substituted premises shall contain at least ninety five percent and not more than twenty per cent of the square footage of the original Premises, all without any increase in the then rental rate, however there shall be an increase or decrease of the Base Monthly Rent (not rental rate) and Tenant's Proportionate Share based upon increase or decrease in rentable square footage. Landlord agrees to pay all reasonable moving expenses of Tenant, including the reasonable removal and replacement costs of Tenant improvements incidental to such substitution of premises, as well as costs associated with reconfiguring phone and data networks and costs for reprinting stationary and other printed materials containing the original address of the Premises, but in no event shall Landlord be liable to pay more than \$3,000.00 for the total costs associated with reconfiguring phone and data networks and costs for reprinting stationary and other printed materials containing the original address of the Premises. In addition to the not less than thirty (30) days notice referred to above, Landlord shall provide Tenant with a notice of the exact date when the substitution of premises shall occur, no less than ten (10) days prior to said substitution date.

**13.15 ACCORD AND SATISFACTION:** No payment by Tenant or receipt by Landlord of a lesser amount than the

Rent herein stipulated shall be deemed to be other than on account of the Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease.

**13.16 GENERAL WAIVERS:** One party's consent to or approval of any act by the other party requiring the first party's consent or approval shall not be deemed to waive or render unnecessary the first party's consent to or approval of any subsequent similar act by the other party. No waiver of any provision hereof or any breach of any provision hereof shall be effective unless in writing and signed by the waiving party. The receipt by Landlord of any rent or payment with or without knowledge of the breach of any other provision hereof shall not be deemed a waiver of any such breach. No waiver of any provision of this Lease shall be deemed a continuing waiver unless such waiver specifically states so in writing and is signed by both Landlord and Tenant. No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Lease shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any breach of any provision of this Lease shall not be deemed to be a waiver of any subsequent breach of the same or any other provisions herein contained.

**13.16** Intentionally deleted.

**13.18 REVIEW OF RECORDS:** Tenant shall have a period of ninety (90) days after Landlord has furnished Tenant a statement setting forth the Building Operating Expenses paid or incurred during the previous calendar year or during the Building Expense Base Year, as applicable, to examine and audit Landlord's records, and an additional thirty (30) days to dispute Landlord's determination of Building Operating Expenses by giving written notice of specific disputes within such thirty (30) day period. Tenant shall have no other right to audit Landlord's books and records. If Tenant does not so dispute the Building Operating Expenses for such year within such thirty (30) day period, the Tenant waives and releases Landlord from any claim regarding Building Operating Expenses for said year. The results of the audit shall be kept confidential by the parties and Tenant may not share the results of the audit with any person or entity.

**13.19 DISTRAINT/SECURITY INTEREST:** Intentionally deleted.

**13.20 MOLD AND MOISTURE:** It is generally understood that mold spores are present essentially everywhere and that mold can grow in most any moist location. Emphasis is properly placed on prevention of moisture and on good housekeeping and ventilation practices. Tenant acknowledges the necessity of housekeeping, climate control, ventilation, and moisture control (especially in kitchens, janitor's closets, bathrooms, break rooms and around outside walls) for mold prevention. Tenant has first inspected the Premises and Building and certifies that, although not all molds are detectable by visual inspection, it has not observed mold, mildew or moisture within the Premises or Building. In addition Tenant certifies that it has had the opportunity to have independent environmental professionals perform necessary mold testing in the Premises and Building at Tenant's expense. Tenant agrees to immediately notify Landlord if it observes mold/mildew and/or moisture conditions (from any source, including leaks), and allow Landlord to evaluate and make recommendations. Tenant releases Landlord from any liability for any personal injury or damages to property or business caused by or associated with moisture or the growth of or occurrence of mold or mildew on or in the Premises or the Building, except for the willful and wanton misconduct of Landlord. In addition, Tenant shall perform the following moisture and mold prevention obligations.

Moisture and Mold Control Obligations. It is important for Tenant to know that exercising proper climate control, ventilation and moisture control precautions will help maintain Tenant's comfort and prevent mold growth in the Premises. Tenant shall adopt and implement the following guidelines, to avoid developing excessive moisture or mold growth.

1. Report any maintenance or other problems involving water, moist conditions, or mold to the Landlord promptly and conduct its required activities in a manner which prevents unusual moisture conditions or mold growth.
2. Do not block or inhibit the flow of return or make-up air into the HVAC system. Maintain the Premises at a consistent temperature and humidity level in accordance with the Landlord's instructions, if any.

**13.21 MISCELLANEOUS:** Should any provision of this Lease prove to be invalid or illegal, such invalidity or illegality shall in no way affect, impair or invalidate any other provisions hereof, and such remaining provisions shall remain in full force and effect. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor. Any copy of this Lease which is executed by the parties shall be deemed an original for all purposes. This Lease shall, subject to the provisions regarding assignment, apply to and bind the respective heirs, successors, executors, administrators and assigns of Landlord and Tenant. The term "party" shall mean Landlord or Tenant as the context implies. If Tenant consists of more than one person or entity, then all members of Tenant shall be jointly and severally liable hereunder. This Lease shall be construed and enforced in accordance with the Laws of Colorado, with venue for any dispute in Adams County, Colorado. The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning, and not strictly for or against either Landlord or Tenant. The captions used in this Lease are for convenience only and shall not be considered in the construction or interpretation of any provision hereof. When the context of this Lease requires, the neuter gender includes the masculine, the feminine, a partnership or corporation or joint venture, and the singular includes the plural. The terms "must," "shall," "will," and "agree" are mandatory. The term "may" is permissive. When a party is required to do something by this Lease, it shall do so at its sole cost and expense without right of reimbursement from the other party unless specific provision is made therefore. Where Tenant is obligated not to perform any act or is not permitted to perform any act, Tenant is also obligated to restrain any others reasonably within its control, including agents, invitees, contractors, subcontractors and employees, from performing said act. Landlord shall not become or be deemed a partner or a joint venturer with Tenant by reason of any of the provisions of this Lease. In the event Tenant is in default of the payment of any Rent pursuant to this Lease, then at any

time thereafter (regardless of whether such default is cured), Tenant shall provide to Landlord, upon Landlord's written request, a certified statement of financial condition. The term "day" or "days" shall be calendar days unless otherwise specifically provided.

**13.22 USA PATRIOT ACT AND ANTI-TERRORISM LAWS:** Tenant represents and warrants to, and covenants with, Landlord that neither Tenant nor any of its respective constituent owners or affiliates currently are, or shall be at any time during the Term, in violation of any laws relating to terrorism or money laundering (collectively, the "Anti-Terrorism Laws"), including without limitation Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 and relating to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (the "Executive Order") and/or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56) (the "USA Patriot Act"). Tenant covenants with Landlord that neither Tenant nor any of its respective constituent owners or affiliates is or shall be during the Term a "Prohibited Person," which is defined as follows: (i) a person or entity that is listed in the Annex to, or is otherwise subject to, the provisions of the Executive Order; (ii) a person or entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity with whom Landlord is prohibited from dealing with or otherwise engaging in any transaction by any Anti-Terrorism Law, including without limitation the Executive Order and the USA Patriot Act; (iv) a person or entity who commits, threatens or conspires to commit or support "terrorism" as defined in Section 3(d) of the Executive Order; (v) a person or entity that is named as a "specially designated national and blocked person" on the then-most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treas.gov/offices/eotffc/ofac/sdn/tl1sdn.pdf>, at any replacement website or other replacement official publication of such list; and (vi) a person or entity who is affiliated with a person or entity listed in items (i) through (v), above. At any time and from time-to-time during the Term Tenant shall deliver to Landlord, within ten (10) days after receipt of a written request therefore, a written certification or such other evidence reasonably acceptable to Landlord evidencing and confirming Tenant's compliance with this Section 13.22.

#### **ARTICLE 14 CORPORATE AUTHORITY BROKERS AND ENTIRE AGREEMENT**

**14.1 CORPORATE OR ENTITY AUTHORITY:** If Tenant is a corporation or other entity (including but not limited to a limited liability company or trust), each individual executing this Lease on behalf of said entity warrants that Tenant is validly formed and duly authorized and existing, that Tenant is qualified to do business in the Colorado, that Tenant has the full right and legal authority to enter into this Lease, that the individual(s) is duly authorized to execute and deliver this Lease on behalf of Tenant in accordance with the appropriate entity documents and/or an appropriate resolution of Tenant or other valid and legally binding documentation of the Tenant, and that this Lease is binding upon Tenant in accordance with its terms. Tenant shall, within thirty (30) days after execution of this Lease, deliver to Landlord a certified copy of the resolution of its board of directors, or other resolution of the entity reasonably acceptable to Landlord, authorizing or ratifying the execution of this Lease, and if Tenant fails to do so, Landlord at its sole election may elect to, (I) extend the Intended Commencement Date by such number of days that Tenant shall have delayed in so delivering such corporate resolution to Landlord or (ii) terminate this Lease. Each individual executing this Lease on behalf of said entity represents and warrants that there is no parent or subsidiary of Tenant except as stated in a writing provided to Landlord at the time of execution of this Lease by Tenant. Each individual executing this Lease on behalf of said corporation or entity represents and warrants that the Tenant will not fraudulently convey any assets of Tenant so as to hinder, delay or avoid any rights of Landlord. In addition if any individual executing this Lease on behalf of said corporation or entity, makes a warranty or representation above that is not true, then said individual shall be personally liable to Landlord under this Lease for all amounts owed Landlord under this Lease. These warranties, representations and guarantees are of importance to Landlord and are material to Landlord entering into this Lease.

**14.2 BROKERAGE COMMISSIONS:** Tenant warrants that it has not had any dealings with any real estate broker(s), leasing agent(s), finder(s) or salesmen, other than those persons or entities named in Article 1 as the "Brokers" with respect to the lease by it of the Premises, and that it will indemnify, defend with competent counsel, and hold Landlord harmless from any liability for the payment of any real estate brokerage commissions, leasing commissions or finder's fees claimed by any other real estate broker(s), leasing agent(s), finder(s) or salesmen to be earned or due and payable by reason of Tenant's agreement (implied or otherwise) to pay (or have Landlord pay) such a commission or finder's fee by reason of its leasing the Premises.

**14.3 ENTIRE AGREEMENT:** This Lease, the Exhibits (as described in Article 1) and the Addenda (as described in Article 1), constitute the entire agreement between the parties, and there are no other agreements, understandings or representations between the parties relating to the Lease by Landlord of the Premises to Tenant, except as expressed herein. No subsequent changes, modifications or additions to this Lease shall be binding upon the parties unless in writing and signed by both Landlord and Tenant. Tenant acknowledges that neither Landlord nor any of its agents made any representations or warranties respecting the Project, the Building or the Premises, upon which Tenant relied in entering into this Lease, which are not expressly set forth in this Lease. Tenant further acknowledges that neither Landlord nor any of its agents made any representations as to (i) whether the Premises may be used for Tenant's intended use under existing Law, or (ii) the suitability of the Premises for the conduct of Tenant's business, or (iii) the exact square footage of the Premises, and that Tenant relied solely upon its own investigations respecting said matters. Tenant expressly waives any and all claims for damage by reason of any statement, representation, warranty, promise or other agreement of Landlord or Landlord's agent(s), if any, not contained in this Lease or in any Addenda hereto.



**14.4 LEASE FORMAT NOTE:** Any changes to the Lease as noted by computer generated strike-outs (deletions), or shaded areas (additions), are valid and enforceable and do not require any initializing by either party.

## **ARTICLE 15 ADDITIONAL PROVISIONS**

**15.1 TAX EXEMPT STATUS:** Landlord is told that Tenant is a non-profit corporation and is considered a governmental entity for tax purposes, and as a result of Tenant's use and occupancy of the Premises, the Premises may be eligible for tax-exempt status with the local taxing authorities that levy and collect real property taxes. Landlord shall cooperate, at no cost to Landlord, with Tenant in obtaining tax-exempt status for the Premises. In the event of Tenant obtaining tax-exempt status for the Premises, Landlord shall pass on all such savings to Tenant. So long as Tenant's use of the Premises renders the Premises exempt from real property taxes, Tenant shall not be required to pay Tenant's share of real property taxes pursuant to Section 13.3 (A), above. The Building Expense Base Year of 2014 shall be adjusted by reducing the Real Property Taxes by 5.8%.

**15.2 AVAILABILITY OF FUNDS:** This Lease shall not constitute a multi-year fiscal obligation. Payments made pursuant to this Lease, whether in whole or in part, are subject to and contingent upon the continuing availability of County Funds ("County Funds") for the purposes hereof. In the event that said County Funds, or any part thereof, become unavailable, then Tenant may terminate this Lease with ninety (90) days' written notice to Landlord. If the Tenant cancels the Lease due to loss of funding, then Tenant shall pay to Landlord a Cancellation Fee within 60 days of the 90 day notice. The Cancellation Fee shall equal the then unamortized leasing commissions amortized at six percent (6%) annual interest, plus the then unamortized Landlord's documented construction costs, as required to construct the Premises, amortized at six percent (6%) annual interest, plus two (2) month's gross rent. In addition Tenant shall pay all amounts due under the Lease, including all Rents due after the 90 day notice is given until the Cancellation Date. If Tenant does not timely pay the Cancellation Fee or all amounts due under the Lease until the Cancellation Date, then Tenant's right to terminate pursuant to the 90 day notice shall be null and void; however Tenant may provide an additional 90 day notice to cancel at a later date.

**15.3 TENANT TERMINATION:** In addition to the Availability of Funds termination provisions set forth in Section 15.2 above, Tenant shall also have a continuing right to terminate the Lease, but not earlier than May 1, 2016, if Tenant has acquired or constructed a building that can accommodate the Children and Family Services unit operated within the Premises. Tenant may exercise this option to terminate the Lease by giving written notice of the termination to Landlord, no earlier than May 1, 2016, and at least six (6) months prior to the date of Lease termination. If Tenant elects to terminate the Lease under this Tenant Termination provision, Tenant shall pay to Landlord as an early Termination Fee within 60 days of the six month notice, an amount equal to Landlord's unamortized leasing commission(s) amortized at six percent (6%) annual interest and documented and unamortized Landlord's construction costs, as required to construct the Premises, amortized at six percent (6%) annual interest, plus two (2) month's gross rent. In addition Tenant shall pay all amounts due under the Lease, including all Rents due after the six-month notice is given until the termination date. If Tenant does not timely pay the Termination Fee or all amounts due under the Lease until the termination date, then Tenant's right to terminate pursuant to the six month notice shall be null and void; however Tenant may provide an additional six month notice to terminate at a later date.

**15.5 ANTENNA:** Tenant shall have the right, at its sole cost and expense, to install and operate a satellite antenna dish or other antenna(s), including cables thereto, on the roof of the Building at no additional charge to Tenant during the initial term of the Lease and all renewal periods. Landlord shall have the right to approve the size, location, manner and contractor for such rooftop antenna(s), as well as the right to limit the number and size of such equipment. As a condition to Tenant's installation and operation of such items, Tenant shall execute Landlord's standard antenna lease.

**15.6** intentionally deleted

**15.7 QUIET ENJOYMENT:** Subject to the terms and provisions of this Lease and subject to Tenant complying with all the terms and conditions of this Lease, Landlord covenants and agrees that Tenant shall peaceably and quietly enjoy the Premises and Tenant's rights hereunder during the term hereof, without hindrance by Landlord.

**15.8 INDEMNIFICATION:** Wherever in this Lease, it states that Tenant shall indemnify Landlord, such indemnification shall be limited, reduced or void, as required by law.

**15.9 RESTORATION OF PREMISES:** In order to accommodate Tenant, Landlord is providing the work in Exhibit B, which includes changing four private offices to two conference rooms. It is understood by the parties that if Tenant does not extend the Lease according to its Option to Extend, or the parties do not agree in writing to an extension of at least three (3) years, then in such event that Tenant shall pay for the cost to change the two conference rooms to four private offices. Therefore, in addition to any other termination fees or fees stated herein, in the event that (i) the Lease is



terminated early for any reason whatsoever, (ii) Tenant does not exercise its Option to Extend, or (iii) the parties do not agree in writing to an extension of at least three (3) years, then Tenant shall pay the amount stated in a bid that Landlord obtains from a contractor to perform such work ("Bid"). Landlord shall send the Bid to Tenant within thirty (30) days of the first to occur of (i) the early termination of the Lease, or (ii) the original Lease Expiration Date (May 31, 2022). Tenant shall pay the amount in such Bid within ten (10) days of the date Landlord sends Tenant the Bid.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the respective dates below set forth with the intent to be legally bound thereby as of the Effective Date first above set forth.

This document is only valid if signed by Tenant by no later than April 30, 2014.

Dated: 4/15/14

Dated: 4-28-14

AS LANDLORD:

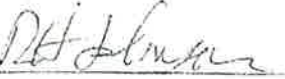
AS TENANT:


METRO NORTH, LTD.,  
a California Limited Partnership

ADAMS COUNTY, COLORADO

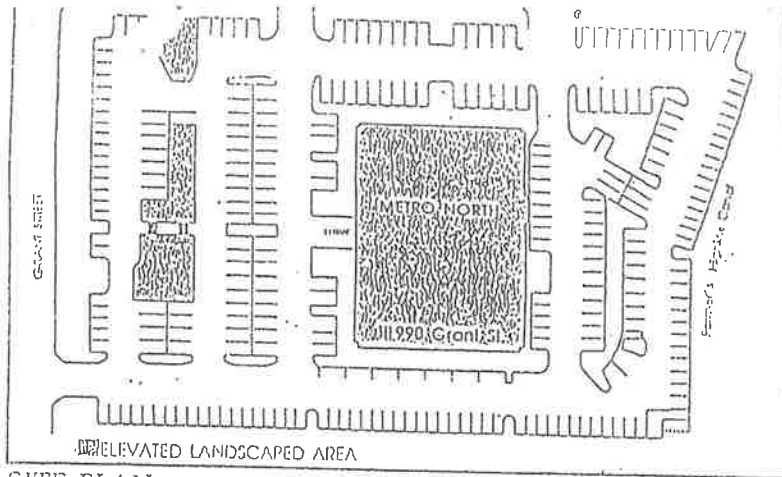
JAMES BLAIR PROPERTIES, INC.  
A California Corporation  
GENERAL PARTNER

By: 

By:   
Ronald H. Johnson, Vice President

APPROVED AS TO FORM  
COUNTY ATTORNEY  


### DEPICTION OF THE BUILDING



SITE PLAN

LOCATION  
MAP



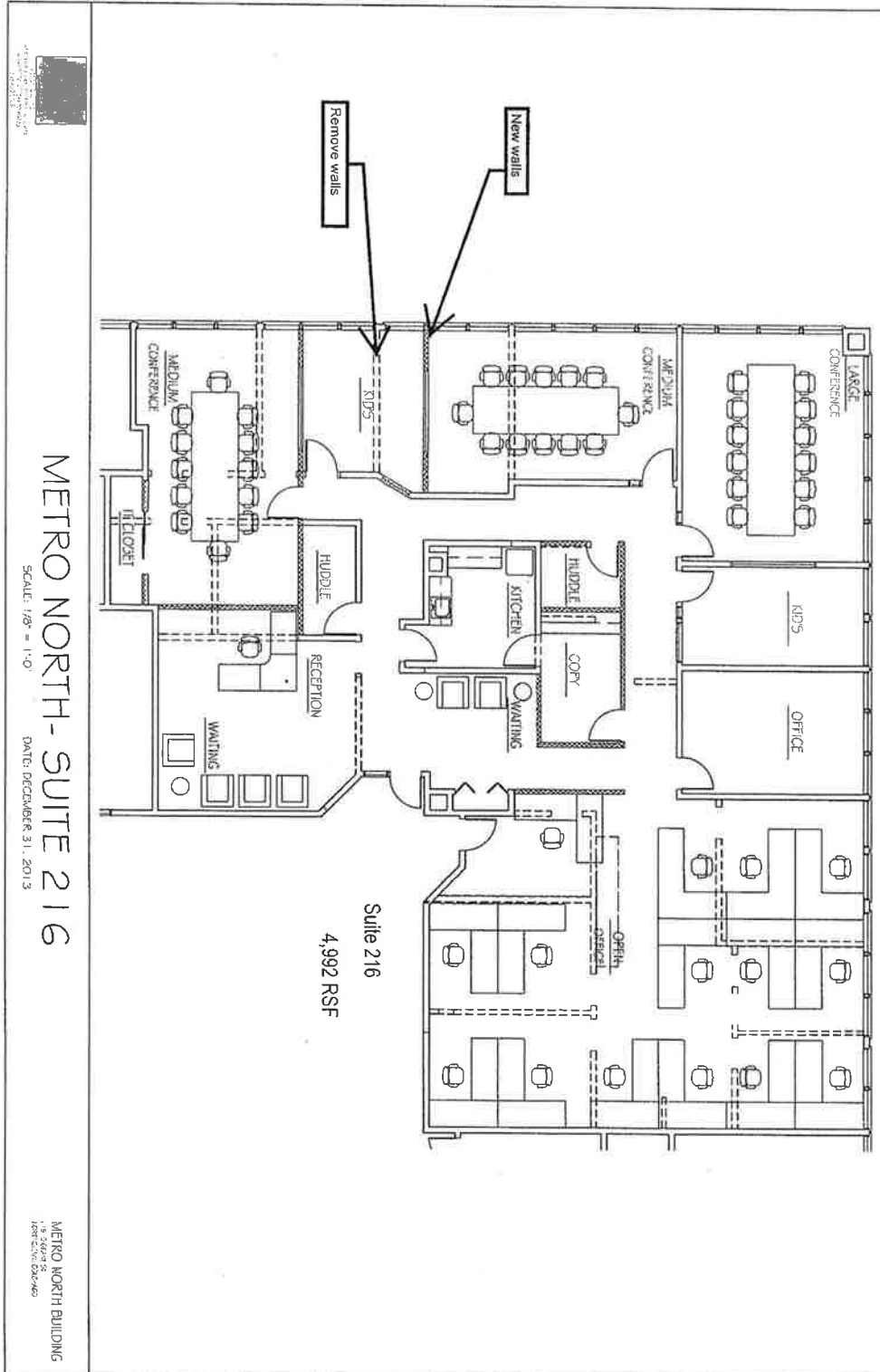
METRO NORTH  
E. 120TH AVE AT N. GRANT ST.  
NORTHCLENN, COLORADO

# EXHIBIT "B"

## FLOOR PLAN OUTLINING THE PREMISES

ndlord at its cost shall:

1. Construct walls and demolish walls as shown per plan below.
2. Install new building-standard carpet, cove-base and paint throughout Premises using Tenant's color selection.



Initial: *PS*

## EXHIBIT "C"

### RULES AND REGULATIONS

1. At all times during the Lease Term, the Landlord shall have the right by itself, its agents and employees, to enter into and upon the Demised Premises during Ordinary Business Hours upon a 24 hour notice to Tenant, for the purpose of examining and inspecting the same and determining whether the Tenant shall have complied with his obligations under the Lease and the Rules and Regulations contained herein, in respect to the care and maintenance of the Demised Premises and the repair or rebuilding of the improvements thereon, when necessary, (except that in an emergency, Landlord may make such entry without such prior notice).
2. Tenant shall not use the name of the Building for any purpose other than Tenant's business address and shall never use a picture or likeness of the Building or Demised Premises in any advertisement, notice or correspondence without the advance written consent of Landlord thereto.
3. Tenant shall not disturb, solicit or canvass any occupant of the Building and shall not do any act tending to injure the reputation of the Building or the Demised Premises.
4. Tenant shall not place or permit any radio antenna, loud speakers, sound amplifiers, or similar devices on the roof or outside of the Building.
5. The sidewalks, entrances, passages, vestibules, stairways, corridors and halls must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the Demised Premises.
6. Supplies, goods, materials, packages, furniture and all such items of every kind are to be delivered in such manner as the Landlord designates from time to time. All such items moved in or out of the Building shall be done at such time during normal business hours or as otherwise designated by Landlord.
7. The Landlord may retain a pass key to the Demised Premises. No Tenant shall alter any lock or install a new lock or a knocker on any door of the Demised Premises without the written consent of the Landlord or the Landlord's agent, provided, in case such consent is given, the Tenant shall provide the Landlord with an additional key and shall be responsible to see that all locks are also operable by the Building master key for the use of the Landlord pursuant to the Landlord's right of access to the Demised Premises.
8. Tenant shall see that the windows and doors of the Demised Premises are closed and securely locked before leaving the Building. Tenant must observe strict care and caution that all water faucets or other apparatus are entirely shut off before Tenant or Tenant's employees leave the Building and that all electricity, gas or air shall likewise be carefully shut off, so as to prevent waste or damage, and for any default or carelessness of Tenant with respect thereto, Tenant shall make good all injuries sustained by other Tenants or occupants of the Building and/or Landlord.
9. Tenant shall not install any concession or vending machines in the Demised Premises, and shall not sell from the Demised Premises the following items: cigars, cigarettes, tobaccos, pipes, candies, newspapers, magazines or greeting cards. Tenant may however install a coffee maker, microwave oven, and refrigerator for its use only.
10. Landlord reserves the right to designate all sources furnishing sign painting and lettering and to establish a limitation on sign styles and forming.
11. Removal of any furniture and large equipment, packing crates, packing materials and boxes shall be the responsibility of the Tenant and may not be disposed of in the Building trash receptacles nor will they be removed by the Building's janitorial service except at the Tenant's expense. Neither furniture, appliances, equipment nor flammable products of any type may be disposed of in the Building trash receptacles.
12. Tenant shall, upon termination of the Lease or of Tenant's possession, surrender all keys of the Demised Premises to Landlord at the place then fixed for the payment of rent and shall make known to Landlord the combination for all locks and safes, cabinets and vaults in the Demised Premises.
13. All persons entering or leaving the Building between the hours of 6:00 p.m. and 7:00 a.m., Monday through Friday, or at any time on Saturdays, Sundays or holidays, may be required to do so under such regulations as Landlord may impose. Landlord reserves the right to restrict or limit Building access during the above stated time periods as may be reasonably required from time to time.
14. Any vehicles left in the Building parking lots in excess of 72 hours shall be considered abandoned and will be removed by the Landlord with no liability to Landlord or its agent.
15. The Landlord at all times shall have the right to amend, modify or waive any of the foregoing Rules and Regulations and to make such other and future rules and regulations as the Landlord may adopt. Any such modifications to be effective two days following notice to Tenant of same.
16. Except for trained service dogs, no animals of any kind shall be brought into or kept about the building by any Tenant.
17. Tenant shall not use the Premises for the display, sale, lease or use of any erotic, salacious or sexually oriented material of any sort.
18. During the entire term of this Lease, Tenant shall at its expense, install and maintain under all caster chairs, a chair pad or carpet casters to protect the carpeting.  
No act or thing done or omitted to be done by Landlord or Landlord's agent during the Lease Term which is necessary to enforce these Rules and Regulations shall constitute an eviction by Landlord nor shall it be deemed an acceptance or surrender of the Demised Premises, and no agreement to accept such surrender shall be valid unless in writing signed by Landlord. No employee of Landlord or Landlord's agent shall have any power to accept the keys of the Demised Premises prior to the termination of the Lease. The delivery of keys to any employee of Landlord or Landlord's agent shall not operate as a termination of the Lease or a surrender of the Premises.

EXHIBIT "D"

**BROKERAGE RELATIONSHIPS DISCLOSURE  
(BUYER, TENANT)**

As required by the laws of the State of Colorado, **The Summit Group, Inc. and its agents**, hereby inform you that we are working with you as a seller's agent. For purposes of this disclosure, buyer also means "Tenant" and seller also means "Landlord."

**SELLER'S AGENT:** On properties we have listed, we are an agent for the seller, and not your agent, unless we enter into a written agreement to act as your agent. We owe duties to the seller which include utmost good faith, loyalty and fidelity. We will negotiate on behalf of and act as an advocate for the seller. Please do not tell us any information which you do not want shared with the seller. You are not vicariously liable (legally responsible) for our actions. Although we do not represent you, we will disclose to you all adverse material facts about the property actually known by us. We will assist you without regard to race, creed, sex, religion, national origin, familial status, marital status, or handicap.

**THIS IS NOT A CONTRACT**

On April 15, 2014, we were given a copy of this Brokerage Relationships Disclosure.

ADAMS COUNTY, COLORADO

By: 

On April 15, 2014, I provided the Tenants with a copy of this Disclosure and have kept a copy for our records.

THE SUMMIT GROUP, INC.

By:   
Greg Johnson, Broker Associate

NOTE: DIFFERENT BROKERAGE RELATIONSHIPS ARE AVAILABLE WHICH INCLUDE SELLER AGENCY, BUYER AGENCY, OR TRANSACTIONAL-BROKER.

EXHIBIT "E"

OPTION TO RENEW LEASE

This Option to Renew Lease is entered into by and between METRO NORTH, LTD., a California Limited Partnership (Landlord") and ADAMS COUNTY, COLORADO ("Tenant") to be effective as of the same date as that certain Lease dated April \_\_, 2014 entered into by and between Landlord and Tenant for the Lease of those Certain Premises described as 11990 Grant Street, Suite 216, Northglenn, Colorado 80233.

1. For and in consideration of Tenant performing each and every one of its covenants under the Lease for its entire term (the "Lease Term") in a timely fashion, including without limitation Tenant having paid each and every installment of rent on or before the due date during the entire Lease Term (time being made expressly of the essence), Landlord hereby grants to Tenant an option to renew the Lease for an additional term of sixty (60) months (the "Renewal Term") commencing on July 1, 2019, (the "Renewal Commencement Date") and ending on June 30, 2024, (the "Renewal Expiration Date").
2. The Lease of the Premises for the Renewal Term shall be on the same terms and conditions as set forth in the Lease except that the Base Monthly Rent for the Premises during the Renewal Term shall be as set forth in Paragraph 4 below. The Premises for the Renewal Term shall be in an "as is" condition with no tenant improvements.
3. Provided Tenant is not then, and has not been at any time during the Lease Term, in default under the Lease, Tenant may exercise its right to renew the Lease for the Renewal Term only by (i) giving to Landlord written notice of its election to renew the Lease for the Renewal Term not sooner than three hundred (300) days and not later than two hundred seventy (270) days (time is of the essence) prior to the Lease Expiration Date. Any attempt at exercising this Option made other than within the time periods stated herein and in the manner stated herein shall be void and of no force or effect regardless of any other clause in the Lease including but not limited to any Right of Refusal, if any.
4. The Base Monthly Rent to be paid by Tenant to Landlord during the Renewal Term of this option to Renew Lease shall be "Then Market Rent Rate" described as follows:

The term "Then Market Rent Rate" shall mean the rent rate described below in effect at the time of Tenant exercising its right to renew by giving Landlord written notice of this Option. The "Then Market Rent Rate" shall be the rent rate for the Project as advertised for similar space. If the parties disagree as to the Then Market Rent Rate, Tenant shall pay to Landlord the amount Landlord determines to be the Then Market Rent Rate until such time as a determination is made by a court or by arbitration (if the parties so agree to arbitration). If the determination by court or arbitration is made as to the Then Market Rate and said amount is less than the amount determined by Landlord then Landlord shall within thirty (30) days of determination, pay to Tenant the difference between Landlord's determination and the court's or arbitrator's decision, that had already been paid by Tenant. If the determination by court or arbitration is made as to the Then Market Rate and said amount is larger than the amount determined by Landlord then Tenant shall within thirty (30) days of determination, pay to Landlord the difference between Landlord's determination and the court's or arbitrator's decision, that had already been paid by Tenant.

5. This Option to Renew Lease shall be personal to Tenant and may not be assigned by Tenant to any other party or to any assignee or sublessee of Tenant. This Option to Renew Lease shall automatically and without notice terminate upon any termination or cancellation of the Lease.
6. Notwithstanding the above, if after Tenant's valid exercise of this Option to Renew Lease, but prior to the Renewal Commencement Date, Tenant is in default under the Lease, Landlord may unilaterally by written notice, at its option, cancel this Option to Renew Lease and immediately this Option to Renew Lease shall be void and of no force or effect.
7. Time is of the essence with respect to the foregoing.

Dated: 4/15/14

AS LANDLORD:  
METRO NORTH, LTD.,  
a California Limited Partnership

JAMES BLAIR PROPERTIES, INC.  
A California Corporation  
GENERAL PARTNER

By: [Signature]  
Ronald H. Johnson, Vice President

Dated: 4-28-14

AS TENANT:  
ADAMS COUNTY, COLORADO

By: [Signature]

EXHIBIT F

EXCLUSIONS FROM EXPENSES

The following items shall be excluded from Operating Expenses:

- (a) costs incurred in connection with any major change in the Building, such as adding or deleting floors or Common Areas, or to the initial malfunction of operating equipment.
- (b) costs of the design and construction of Tenant improvements to the Premises or the premises of other tenants;
- (c) depreciation, interest and principal payments on mortgages and other debt costs, if any and amounts paid as ground rental or as rental for the Building by the Landlord;
- (d) marketing costs, legal fees, space planners' fees and advertising and promotional expenses, and brokerage fees incurred in connection with the original development, subsequent improvement, or original or future leasing of the Building;
- (e) costs for which the Landlord is reimbursed by any tenant or occupant of the Building or by insurance by its carrier or any tenant's carrier or by anyone else and expenses in connection with services or other benefits which are not offered to the Tenant or for which the Tenant is charged directly but which are provided to another tenant or occupant of the Building without a separate charge;
- (f) any bad debt loss, rent loss, or reserves for bad debts or rent loss;
- (g) Landlord's general corporate overhead and general and administrative expenses and other costs associated with the operation of the business of the entity which constitutes the Landlord, as the same are distinguished from the costs of operation of the Building, including partnership or corporate accounting and legal matters, costs of defending any lawsuits with any mortgagee (except as the actions of the Tenant may be in issue), costs of selling, syndicating, financing, mortgaging or hypothecating any of the Landlord's interest in the Building, and costs incurred in connection with any disputes or proceedings, including but not limited to any disputes or proceedings between Landlord and its employees, between Landlord and Building management, or between Landlord and other tenants or occupants;
- (h) the wages and benefits of any employee who does not devote substantially all of his or her employed time to the Building unless such wages and benefits are prorated to reflect time spent on operating and managing the Building vis-à-vis time spent on matters unrelated to operating and managing the Building; provided, that in no event shall Expenses include wages and/or benefits attributable to personnel above the level of on-site Building Manager or on-site Building Engineer or any compensation paid to clerks, attendants or other persons in commercial concessions operated by the Landlord;
- (i) costs, including permit, license and inspection costs, incurred with respect to the installation of tenant improvements made for new tenants in the Building or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space for tenants or other occupants of the Building (excluding, however, such costs relating to any Common Areas of the Building or parking facilities);
- (j) overhead and profit increment paid to the Landlord or to subsidiaries or affiliates of the Landlord for services in the Building to the extent the same exceeds the costs of such services rendered by qualified, first-class unaffiliated third parties on a competitive basis, which parties render services in comparable buildings;
- (k) fees and reimbursements payable to Landlord (including its affiliates) for management of the Building which would ordinarily be included in a management fee, in excess of the management fee that a landlord would have been required to pay to comparable independent established management companies operating other comparable Buildings in comparable locations;
- (l) costs to repair or rebuild after casualty loss (excluding deductibles under insurance policies carried by Landlord, which deductibles shall be included in Expenses);
- (m) any costs expressly excluded from Expenses elsewhere in the Lease;
- (n) rent for any office space occupied by Building management personnel to the extent the size or rental rate of such office space exceeds the size or fair market rental value of office space occupied by management personnel of comparable buildings in the vicinity of the Building, with adjustment where appropriate for the size of the applicable project;
- (o) costs arising from the gross negligence or willful misconduct of Landlord or its agents, employees, vendors, contractors, or providers of materials or services;

(p) costs arising from Landlord's charitable or political contributions;

(q) Interests, fine, late fees, collection costs, legal fees or penalties assessed as a result of Landlord's failure to make payments in a timely manner regarding the payment of taxes, or payments under the terms of any lease, mortgage, deed of trust, or ground lease.