# AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

**Agenda Item:** Lease; Four Squared, LLC

**Action Requested:** Board of County Commissioners' Signature

**Parties to the Agreement:** Gunnison County and 4 squared LLC

**Term Begins:** **Term Ends:** **Grant Contract #:**

**Summary:**

lease for CB office for Juvenile services, and HHS/public health

**Fiscal Impact:**

**Submitted by:** Kari commerford **Submitter's Email Address:** kcommerford@gunnisoncounty.org

**Finance Review:** (●) Required ( ) Not Required

Comments:
No concerns, can be covered in the 2020 adopted budget. ln

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 2/14/2020

**County Attorney Review:** (●) Required ( ) Not Required

Comments:
ok db 2/25/20

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 2/25/2020 Certificate of Insurance Required

Yes ( ) No (●)

**County Manager Review:**

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 2/25/2020

(●) Consent Agenda ( ) Regular Agenda ( ) Worksession Time Allotted: 0

Agenda Date: 3/3/2020

*Revised April 2015*

# 223 ELK AVENUE SUITE 201B LEASE
# CRESTED BUTTE, COLORADO

By and Between

Four Squared, LLC, a Colorado limited liability company
Landlord

and

Gunnison County

Effective Date: March 1st, 2020

**SUMMARY OF BUSINESS TERMS**

THIS 223 ELK AVENUE BUILDING SUITE 201B LEASE SUMMARY OF BUSINESS TERMS is made effective as of the 1st day of March between Four Squared, LLC, a Colorado limited liability company ("Landlord") and Gunnison County.

The parties agree to enter into a lease of the Premises as set forth herein. In addition to the other definitions appearing in the text of this Lease, when used herein the following terms shall have the respective meanings set forth opposite each such term.

1. Lease: This Summary of Business Terms and the Lease attached hereto, including any addenda and Exhibits.

2. Landlord: Four Squared, LLC

3. Landlord's Address: 223 Elk Avenue/P.O. Box 2474, Crested Butte, CO 81224

4. Gunnison County

5. Tenant's Address:

6. Building: The structure known as 223 Elk Avenue, Crested Butte, Colorado.

7. Premises; Property: The approximately 550 square foot office space located in the southwest corner of the second floor at 223 Elk Avenue (the "Premises") consisting of the office space, with a shared bathroom, which may be collectively referred to as the "Property."

8. Rent; Additional Rent: Tenant agrees to pay Landlord, at Landlord's Address, or at such other place as Landlord may from time to time designate in writing to Tenant, all Rent and Additional Rent, in the amounts set forth in the Lease. Monthly installments of Rent and Additional Rent shall be due and payable in advance on the first (1st) day of each calendar month, commencing on the 1st day of March, 2020. Rent and Additional Rent will be adjusted as set forth in the Lease. During the Lease Term, the total combined Rent and Additional Rent of $1000 per month.

9. Lease Term: The Lease Term shall begin on the March 1st, 2020, and shall end on the May 31st, 2021.

10. Security Deposit: Tenant shall deliver the amount of $1000 as a security deposit under the Lease, which shall be held by Landlord and applied pursuant to the Lease.

11. Permitted Use: Tenant shall use the Premises as an office subject to the terms and

conditions in the Lease.

LANDLORD:

Four Squared, LLC,
a Colorado limited liability company

_____
Dan Loftus, Member

_____
Brian Schneider, Member

TENANT:

Gunnison County

_____
NAME:

LEASE

This Lease is made effective as of the 1st of March, 2020 by and between Four Squared, LLC, a Colorado limited liability company ("Landlord") and Gunnison County, Tenant are sometimes each referred to as a "Party" and collectively as the "Parties".

For the mutual considerations, on the terms and subject to the conditions set forth herein, and set forth in the Summary of Business Terms attached hereto and made a part hereof by this reference, Landlord and Tenant hereby agree as follows:

A. **BACKGROUND AND CONDITIONS OF EFFECTIVENESS**.

1. LEASE OF PREMISES. Landlord hereby leases to Tenant, and Tenant hereby rent from Landlord, the Premises. Notwithstanding the foregoing, Landlord and Tenant acknowledges that Tenant has inspected the Property and accept the current configuration of the Premises and the Parties agree that the current configuration is the Premises under this Lease.

2. TERM. The initial term ("Term") of this Lease shall begin on March 1st, 2020 at 12:01 a.m. local time, and continue through and until May 31st, 2021.

3. RENT. The "Rent" for the Lease shall be $1000, payable for the convenience of Tenant in equal monthly installments of $1000 for fifteen (15) months.

Monthly installments of Rent and Additional Rent shall be due and payable in advance on the first (1st) day of each calendar month at Landlord's Address, or at such other place as Landlord may from time to time designate in writing to Tenant.

On or before March 1st, 2020, Tenant shall pay the first month's Rent and the Security Deposit provided for in the Lease Summary.

All Rent and Additional Rent is payable when due during the Term hereof without prior demand. Rent and Additional Rent will be paid without notice, demand, setoff, counterclaim, deduction, or defense and, except as otherwise expressly provided herein, without abatement or suspension. The obligations of Tenant hereunder will be separate and independent covenants and agreements and the Rent and Additional Rent will continue to be payable in all events and the obligations of Tenant hereunder will continue unaffected, unless the requirements to pay or perform the same have been terminated pursuant to express provisions of this Lease.

4. ADDITIONAL RENT. Tenant shall pay, as "Additional Rent" together with Tenant’s payment of monthly Rent: $0

5. SECURITY DEPOSIT. Tenant shall keep on deposit with Landlord at all times after the execution of this Lease the Security Deposit as security for the payment by Tenant of the Rent and Additional Rent and other sums due under this Lease, and for the faithful performance of all the terms, conditions, and covenants of this Lease. Landlord shall have the right to commingle the Security Deposit with other funds of Landlord.

If at any time Tenant is in default in the performance of any provision of this Lease, Landlord may, but shall not be required to, use the Security Deposit, or so much of it as may be needed, in payment of any sums due under this Lease that are in default, in reimbursement of any expense incurred by Landlord and in payment of the damages incurred by Landlord by reason of Tenant's default. Alternatively, at the option of Landlord, Landlord may retain the Security Deposit toward recovery of damages. In any such event, within five (5) days after written demand from Landlord, Tenant shall immediately remit to Landlord an amount in cash to restore the Security Deposit to its original amount. Notwithstanding the provisions above, if the claims of Landlord exceed the Security Deposit, Tenant shall remain liable for the balance of those claims. Landlord's rights under this Article shall be in addition to all its other rights and remedies.

In the event Landlord does not use all of the Security Deposit as described above, then Landlord shall refund the balance, without interest, upon full performance of this Lease by Tenant, as follows: The Security Deposit shall be returned to Tenant, or written accounting made for any portion retained, listing the reasons for the retention, together with the balance of the Security Deposit, within sixty (60) days after termination of the Lease or surrender and acceptance of the Premises.

If Landlord sells its interest in the Premises, Landlord shall deliver the Security Deposit to the purchaser, and upon such delivery and sale, Landlord shall be discharged from further liability with respect to the Security Deposit.

6. INSURANCE; WAIVER OF SUBROGATION; INDEMNITY.

6.1 Liability Insurance.

(a) Tenant's Liability Insurance. Tenant will obtain and keep in force during the Term of this Lease, a commercial general liability policy of insurance protecting Tenant, Landlord, and Landlord's lender(s) (if any) as additional insureds against claims for bodily injury, personal injury and property damage based upon, involving or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance will be on an occurrence basis providing single limit coverage in an amount not less than $2,000,000.00 per occurrence. The policy will include coverage for liability assumed under this Lease as an "Insured Contract" for the performance of Tenant's indemnity obligations under this Lease. The limits of said insurance required by this Lease or as carried by Tenant will not, however, limit the liability of Tenant nor relieve the Tenant of any obligation hereunder. All insurance to be carried by Tenant will be primary to and not contributory with any similar insurance carried by Landlord, whose insurance will be

considered excess insurance only. Not more frequently than annually, if in the opinion of Landlord's insurance advisor, the amount of commercial general liability insurance coverage at the time is not adequate, Tenant will increase the insurance coverage as recommended by Landlord's insurance advisor. The minimum limits of the comprehensive general liability policy of insurance shall in no way limit or diminish Tenant's liability under any other provision of this Lease and shall upon demand by Landlord be subject to increase at any time, and from time to time as required by any lender to Landlord or as recommended by Landlord's insurance carrier, agent or insurance consultant.

(b) Landlord's Insurance. Landlord will maintain liability insurance in such amounts as Landlord may decide in addition to, and not in lieu of, the insurance required to be maintained by Tenant. Tenant will not be named as an additional insured therein.

6.2 Property Insurance.

(a) Building and Improvements. Tenant shall obtain and keep in force during the Term of this Lease a policy or policies of insurance of the Premises. Such insurance will be in such amounts and for such coverage as Landlord may reasonably determine, but in no event more than the commercially reasonable and available insurable value thereof. Tenant's personal property, furnishings, trade fixtures and equipment will be insured by Tenant.

(b) Tenant's Acts. Tenant will pay for any increase in the premiums for the property insurance of the Building and the common areas if said increase is caused by Tenant's acts, omissions, use or occupancy of the Premises.

(c) Tenant's Improvements. Landlord will not be required to insure Tenant-owned furniture, fixtures, or equipment. Tenant, at their cost, will, either by separate policy or, at Landlord's option, by endorsement to a policy already carried, maintain insurance coverage on all of Tenant's personal property, furniture, trade fixtures, and equipment in, on or about the Premises. Such insurance will be full replacement cost coverage with a deductible not to exceed $5,000.00 per occurrence. The proceeds from any such insurance will be used by Tenant for the replacement of such personal property and the restoration of trade fixtures and Tenant owned alterations or utility installations. Upon request from Landlord, Tenant will provide Landlord with written evidence that such insurance is in force.

(d) Worker's Compensation Insurance. Tenant will, at their sole cost and expense, obtain and maintain in force workers' compensation insurance as required by law.

(e) Insurance Policies. The insurance required hereunder will be issued by companies duly licensed to transact business in Colorado and maintaining during the policy term a "General Policy Holder's Rating" of at least A minus or such other rating as may be required by Landlord's lender(s) (if any), as set forth in the most current issue of "Best's Insurance Guide". Tenant will not do or permit to be done anything which will invalidate the

insurance policies referred to in this Lease. Tenant will cause to be delivered to Landlord, prior to the commencement of this Lease, certificates evidencing the existence and the amounts of the insurance required of Tenant under this Lease. No such policy will be cancelable or subject to modification except after thirty (30) days prior written notice to Landlord. At least ten (10) days prior to the expiration of such policies, Tenant will furnish Landlord with evidence of renewals or "insurance binders" evidencing renewal thereof, or Landlord may order such insurance and charge the cost thereof to Tenant, which amount will be payable by Tenant to Landlord upon demand.

6.3 Waiver of Subrogation. Without affecting any other rights or remedies, Landlord and Tenant each hereby release and relieve the other and waive their entire right to recover damages (whether in contract or in tort) against the other for loss or damage to their property arising out of, or incident to, the perils required to be insured under this Lease. The effect of such releases and waivers of the right to recover damages will not be limited by the amount of insurance carried or required, or deductibles applicable thereto. Landlord and Tenant agrees to have their respective insurance companies issuing property damage insurance waive any right to subrogation that such companies may have against Landlord or Tenant, as the case may be, so long as the insurance is not invalidated thereby.

6.4 Indemnity. Tenant shall indemnify and hold Landlord harmless from any and all demands, claims, causes of action, suits, judgments, damages, fines, liens or similar charges or impositions and any and all associated expenses (including, without limitation, attorney's fees) incurred in investigating or resisting any of the foregoing which are based on (i) any actual or alleged violation by Tenant, its licensees or concessionaires or the employees, agents or contractors thereof of any applicable law, ordinance or regulation, or (ii) any actual or alleged injury to person, loss of life or damage to property, and which in either case occur during the Term, prior to the Term if Tenant is granted early access to the Premises or during any extension or holdover period, and occur (a) at the Premises regardless of cause, or (b) outside the Premises if caused by the act, omission or neglect of Tenant, its subtenants, licensees, or concessionaires, or the employees, agents or contractors of any thereof.

7. USE.

7.1 Permitted Use Only. The Premises will be occupied and used only for the Permitted Use and for no other purpose whatever unless Landlord in its sole discretion, consents in writing to a change of such use. The Permitted Use of the Premises set forth herein is a material term and actual and substantial detriment will result to Landlord in the event that a change or deviation in the Permitted Use occurs or is permitted without the express written consent of the Landlord, which consent will be in Landlord's sole and absolute discretion.

Tenant intends to use the Premises as an office space for his construction business. Tenant is aware that neighboring properties are residential and rental properties and Tenant shall abide by local noise ordinances. Tenant is solely responsible to ensure that local noise

ordinances are followed and do not become a nuisance to neighbors and Tenant shall be responsible for any liabilities or expenses that Landlord may incur by reason of violation of local noise ordinances.

7.2 Covenants. Tenant covenants and agrees with Landlord that: (a) Tenant will keep the Premises at a temperature compatible with comfortable occupancy during business hours and at all times sufficiently high to prevent freezing of fluids in pipes or fixtures; (b) the plumbing facilities will not be used for any other purpose than that for which they are designed, and no foreign substance of any kind will be deposited or discarded therein; (c) Tenant will not burn any trash or garbage of any kind in or about the Premises; (d) no auction, fire, bankruptcy, selling-out or going-out-of-business sales will be conducted on or about the Premises without the prior written consent of the Landlord, which will be at the Landlord's sole and absolute discretion; (e) Tenant will keep all windows on the Premises clean, and all window areas will be kept free from storage items and other unsightly uses; (f) all trash (boxes will be broken down) will be deposited in a dumpster. Landlord reserves the right to adopt additional Rules and Regulations in respect to the conduct of Tenant's activities in the Premises, which upon adoption will be deemed incorporated herein, provided that Tenant are given written notice thereof and the Rules and Regulations do not materially impair Tenant's use of the Premises as permitted herein.

7.3 Operations. Tenant agrees to conduct Tenant's business at all times in a first-class, high-grade manner consistent with reputable business standards and practices. Storage and office space in the Premises exists only to the extent required for the Permitted Use conducted on the Premises. Tenant will pay in a full and timely manner all sales, withholding, unemployment insurance, worker's compensation insurance, Tenant's required insurance, personal property tax, business licenses, utilities, services, and income taxes arising out of or relating in any way to the business conducted by Tenant upon the Premises.

7.4 Tenant's Acceptance of Premises. Tenant accepts the Premises or the Building "AS IS" in their present condition. Landlord hereby disclaims all warranties, express or implied, with respect to the Premises, the Building or the Property (including, without limitation, any implied warranty of habitability, suitability, or compliance with building codes), except as expressly set forth herein. Tenant acknowledges that it is not relying on any warranties of Landlord and has done its own investigation as to the suitability of the Premises, the Building or the Property, for the conduct of Tenant's business, including without limitation, investigation of applicable laws. Tenant acknowledges that neither Landlord nor Landlord's agents have made any representation or warranty about the suitability for Tenant's proposed use, or compliance with applicable laws of the Premises, the Building or the Property or any fixtures or equipment located therein.

8. FIXTURES. All readily moveable furnishings, trade fixtures, and readily moveable equipment owned by Tenant in the Premises will at all times during the Term remain the property of Tenant without regard to the means by which they are installed in the Premises. Upon expiration of this Lease, Tenant will remove all such furnishings, fixtures and

equipment and restore the Premises, provided that Tenant will not remove any equipment owned by Landlord, conduits, or fixtures providing water, plumbing, electrical, heating, ventilation, air conditioning, lighting, and sewer service to the Premises, whether or not the same were furnished or installed by Tenant, all of which, together with any other furnishings, fixtures, and equipment not removed by Tenant as provided above, will become the property of Landlord upon expiration of the Term or termination of Tenant's right to possession of the Premises, unless Landlord, within sixty (60) days thereafter disclaims any ownership interest in such furnishings, fixtures, and equipment.

9. DEFAULT.

9.1 Events of Default. The occurrence or existence of any one or more of the following events or circumstances, at the option of Landlord, shall constitute an event of default under this Lease by Tenant:

(a) Failure in Payment. The failure by Tenant to pay when due any installment of Rent, Additional Rent or other amounts due under this Lease.

(b) Failure in Performance. The failure by Tenant to perform or observe all of the covenants binding Tenant under this Lease, if Tenant fails to remedy such neglect or failure within ten (10) days after Landlord give Tenant written notice specifying the default (or within such period, if any, as may be reasonably required to cure such default if it is of such nature that it cannot be cured within such 10-day period, provided that Tenant commences to remedy such default within such a 10-day period and proceeds with reasonable diligence to cure such default);

(c) Attachment. The taking of this Lease or of all or part of the Premises upon execution or by other process of law directed against Tenant, or upon or subject to any attachment at the instance of any creditor of or claimant against Tenant, if the attachment is not discharged or disposed of within fifteen (15) days after the levy of same.

(d) Vacating or Abandonment. The vacating or abandonment of the Premises (which shall be defined to include, but not be limited to, any absence by Tenant from the Premises for five (5) or more days), or Tenant's locking the Premises so as to prevent the entry by Landlord or its representatives as permitted by this Lease;

(e) Cessation of Operations. Tenant's removal or attempt to remove any goods or property from the Premises other than in the usual course of business, or Tenant's cessation of its business operations in the Premises;

(f) Insolvency Filing. An action by Tenant or any guarantor of Tenant's obligations under this Lease to (i) admit in writing its inability to pay its debts generally as

they become due; (ii) make an assignment of all or a substantial part of its property for the benefit of creditors; (iii) apply for or consent to or acquiesce in the appointment of a receiver, trustee or liquidator of Tenant or such guarantor or of all or a substantial part of Tenant's or such guarantor's property or of the Premises or of Tenant's interest in this Lease; or (iv) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization under any bankruptcy or insolvency law or an arrangement with creditors, or take advantage of any insolvency law or f:tle an answer admitting the material allegations of a petition filed against Tenant or such guarantor in any bankruptcy, reorganization or insolvency proceedings; or

(g) Insolvency Adjudication. The entry of a court order, judgment or decree without the application, approval or consent of Tenant or any guarantor of Tenant's obligations under this Lease, as the case may be, approving a petition seeking reorganization of Tenant or such guarantor under any bankruptcy or insolvency law or appointing a receiver, trustee or liquidator of Tenant or such guarantor, or of all or a substantial part of Tenant's or such guarantor's property, or of the Premises, or of Tenant's interest in this Lease, or adjudicating Tenant or such guarantor a bankrupt or insolvent, if such order, judgment or decree shall not be vacated, set aside or stayed within thirty (30) days from the date of entry.

9.2 Landlord's Remedies. If Tenant defaults under this Lease, Landlord shall have the following rights and remedies, in addition to all other remedies at law or equity, and none of the following, whether or not exercised by Landlord, shall preclude the exercise of any other right or remedy whether set forth in this Lease or existing at law or equity.

(a) Termination. Landlord shall have the right to terminate this Lease by giving Tenant notice in writing at any time. No act by or on behalf of Landlord, such as entry in the Premises by Landlord to perform maintenance and repairs and efforts to relet the Premises, other than giving Tenant written notice of termination, shall terminate this Lease. Further, the service upon Tenant of a statutory notice for payment of rent or possession of the Premises, regardless of whether Tenant deliver possession of the Premises to Landlord in response to such notice, shall not operate to terminate this Lease, unless the notice contains a statement calling for such termination upon delivery of possession. Landlord shall have the right to give such notice of termination at any time after service of the statutory notice for payment or possession.

i. If Landlord gives such notice, this Lease and the Term shall wholly cease and expire in the same manner and with the same force and effect (except as to Tenant's liability, as expressly provided in this Lease) on the date specified in such notice as if such date were the expiration date of the Term without the necessity of re-entry or any other act on Landlord's part.

ii. If this Lease is terminated, Tenant shall remain liable to Landlord for (1) all Rent and

damages which may be due or sustained by Landlord and all reasonable costs, fees and expenses including, but not limited to, attorneys' fees, costs and expenses, incurred by Landlord in pursuit of its remedies under this Lease, or in renting the Premises to others from time to time (all such Rent, damages, costs, fees and expenses being referred to in this Lease as "Termination Damages"); and (2) additional damages (the "Liquidated Damages"), which at the election of Landlord, shall be either;

a. An amount or amounts equal to the Rent and all other Rent which, but for termination of this Lease, would have become due during the remainder of the Term, less the amount or amounts of Rent if any, which Landlord shall receive during such period from others to whom the Premises may be rented (other than any sums received by Landlord as a result of any failure of such other person to perform any of its obligations to Landlord), in which case such Liquidated Damages shall be computed and payable at Landlord's option either in an accelerated lump sum payment in an amount equal to the total rentals due for the period on which the Term would have ended, but for the termination; or by payment in monthly installments, in advance, on the first day of each calendar month following termination of the Lease and continuing until the date on which the Term would have expired but for such termination, and any suit or action brought to collect any such Liquidated Damages for any month shall not in any manner prejudice the right of Landlord to collect any Liquidated Damages for any subsequent month by a similar proceeding; or

b. An amount equal to the present worth (as of the date of such termination) of the Rent and other rent which, but for termination of this Lease, would have become due during the remainder of the Term, less the fair rental value of the Premises, as determined by an independent real estate appraiser named by Landlord, in which case such Liquidated Damages shall be payable to Landlord in one lump sum on demand and shall bear interest at the Maximum Rate until paid. For purposes of this clause (B), "present worth" shall be computed by discounting such amount to present worth at a discount rate equal to one percentage point above the discount rate then in effect at the Federal Reserve Bank nearest to the location of the Building.

iii. Termination Damages shall be due and payable immediately upon demand by Landlord following any termination of this Lease pursuant to this Article above.

If this Lease is terminated pursuant to this Article above, Landlord may relet the Premises or any part thereof, alone or together with other premises, for such term or terms (which may be greater of less than the period which otherwise would have constituted the balance of the Term) and on such terms and conditions (which may include concessions or free rent and alterations of the Premises) as Landlord, in its absolute discretion, may determine, but

Landlord shall not be liable for, nor shall Tenant's obligations hereunder be diminished by reason of, any failure by Landlord to relet the Premises or any failure by Landlord to collect any rent due upon such reletting.

(b) Re-entry. Landlord may, without demand or notice, re-enter and take possession of the Premises or any part thereof, and repossess the same as Landlord's former estate and expel Tenant and those claiming through or under Tenant, and remove the effects of any and all such persons (forcibly, if necessary) without being deemed guilty of any manner of trespass, without prejudice to any remedies for arrears of rent or preceding breach of covenants and without terminating this Lease or otherwise relieving Tenant of any obligation hereunder. Should Landlord elect to re-enter as provided in this Article, or should Landlord take possession pursuant to legal proceedings or pursuant to any notice provided for by law, Landlord may, from time to time, without terminating this Lease, relet all or any part of the Premises for such term or terms and at such rental or rentals, and upon such other conditions as Landlord in its absolute discretion may deem advisable, with the right to make alterations and repairs to the Premises.

No such re-entry, repossession or reletting of the Premises by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of termination is given to Tenant by Landlord. No such re-entry, repossession or reletting of the Premises shall relieve Tenant of its liability and obligation under this Lease, all of which shall survive such re-entry, repossession or reletting.

Upon the occurrence of such re-entry or repossession, Landlord shall be entitled to the amount of the monthly rent, and any other sums, which would be payable under this Lease if such re-entry or repossession had not occurred, less the net proceeds, if any, of any reletting of the Premises after deducting all of Landlord's expenses in connection with such reletting, including, but without limitation, all repossession costs, legal expenses, reasonable attorneys' fees, expenses of employees, alteration costs and expenses of preparation for such reletting. Tenant shall pay such amount to Landlord on the days on which the rent or any other sums due under this Lease would have been payable under this Lease if possession had not been retaken. In no event shall Tenant be entitled to receive the excess, if any, of net rent collected by Landlord as a result of such reletting over the sums payable by Tenant to Landlord under this Lease.

(c) Payment on Account of Tenant. If Tenant shall default in making any payment required to be made by Tenant (other than payments of Rent) or shall default in performing any other obligations of Tenant under this Lease, Landlord may, but shall not be obligated to, make such payment or, on behalf of Tenant, expend such sum as may be necessary to perform such obligation. Tenant shall repay to Landlord on demand all sums so expended by Landlord with interest at the Maximum Rate. No such payment or expenditure by Landlord shall be deemed a waiver of Tenant's default, nor shall it affect any other remedy of Landlord by reason of such default.

(d) Default Interest. If Tenant default in making payment of any Rent, Additional Rent, or other sum due under this Lease, Landlord may charge and Tenant shall pay upon demand interest at the lesser of the maximum rate allowed by law or eighteen percent (18%) per annum (the "Maximum Rate") accruing from the date such sum is due until paid.

(e) Injunction and Specific Performance. In the event of a breach or threatened breach by Tenant of any of the terms, covenants, or conditions of this Lease, Landlord shall also have the right of injunction and specific performance. Tenant agrees to pay the premium for any bond required in connection with any injunction.

(f) Additional Charges for Tenant's Late Payment of Rent and/or Additional Rent and Delivery of Bad Checks. If Tenant fail to pay a monthly installment of Rent and/or Additional Rent by midnight of the fifth (5th) day of the month in which it is due, Tenant must add the amount equal to five percent (5%) of the amount due to that installment of Rent and/or Additional Rent if it is paid on the sixth (6th) day of the month, and the further sum of $100 for each day after the 6th day up to and including the day on which such installment is actually paid. Such amounts shall be deemed Late Payment Penalty, and Tenant's failure to pay the same at the time the Rent and/or Additional Rent is paid shall mean that Tenant are still in default in the payment of the Rent and/or Additional Rent for that month. Furthermore, the obligation to pay such Penalty shall not be construed as creating a right in Tenant to pay Rent and/ or Additional Rent late and notwithstanding the obligation of Tenant to pay such Late Payment Penalty, Landlord shall have the right at any time after the fifth (5th) day of the month to terminate this Lease for default (as provisions therefore is hereinafter made) if the installment of Rent and/or Additional Rent is not sooner paid, and the obligation to pay such Late Payment Penalty in addition to the Rent and Additional Rent as damages for the unlawful detention of the Premises shall continue for each day until the Premises are lawfully restored to Landlord. Landlord need not give any notice to be entitled to this Late Payment Penalty, and the accrual of such charge (in the form of Late Payment Penalty) will in no way be construed to limit Landlord's remedies in the event of such default (including the right to give a three-day notice hereunder), which remedies will in all cases hereunder be deemed to be cumulative.

If Tenant pays Rent and/or Additional Rent with a check which does not clear the bank on which it is drawn the first time it is submitted, (a) the Rent and Additional Rent for that month shall continue to be deemed unpaid until tenant delivers to Landlord the amount of such Rent and Additional Rent (together with any Late Payment Penalty which may have accrued, as above provided) in the form of cash or a cashier's check, and (b) thereafter, and throughout the remainder of the Term of this Lease, a personal check shall be an unacceptable method of paying Rent and Additional Rent hereunder, Landlord shall not be required to accept such form of payment, and all subsequent payments of Rent and Additional Rent payment must be in the form of cash, wire transfer or a cashier's check.

9.3 Landlord's Default. Landlord will be in default of this Lease if Landlord to perform any of Landlord's obligations hereunder, and such failure continues for a period of thirty

(30) days after Tenant's written notice to Landlord of such failure; provided, however, if such failure cannot, in the exercise of reasonable diligence, be cured by Landlord within thirty (30) days of Tenant's written notice, Landlord will not be in default hereunder if Landlord commences its curative efforts within such thirty (30) day period and thereafter diligently prosecutes cure thereof until completion.

9.4 Expenses of Default; Attorneys' Fees. All expenses, including attorneys' fees, occasioned by a default of a party hereunder, shall be borne by the defaulting party, including without limitation any attorney fees incurred by Landlord in collecting delinquent sums due from Tenant, whether or not suit or formal proceedings be brought. Should any legal proceedings become necessary with regard to this Lease, the prevailing party shall be awarded attorneys' fees and costs as part of any judgment recovered therein.

10. COMPLIANCE WITH LAWS. Tenant will not perform any acts or carry on any practices which may injure the Premises or the Building, violate any certificate of occupancy, constitute a public or private nuisance, a menace to the public, produce undue noise, or create noxious fumes or odors. Tenant agrees not to: (a) permit any unlawful or immoral practice to be committed on the Premises; (b) make or allow the Premises to be used for any purpose that might invalidate or increase the rate of insurance thereof; (c) keep, use, permit to be kept or used on the Premises any flammable fluids or explosives without the prior written consent of the Landlord, which consent will be at Landlord's sole and absolute discretion; or (d) use the Premises for any purpose or in any way in violation of any present or future laws, rules, requirements, orders, directions, ordinances, zoning laws, building codes or regulations of the United States of America (including the Americans With Disabilities Act), State of Colorado, County of Gunnison, Town of Crested Butte, or other municipal, governmental, or lawful authority whatsoever having jurisdiction over the Premises or the use thereof. Tenant will promptly comply with all such laws and other directives affecting the Premises or the Building (including the Americans With Disabilities Act) and the use, safety or cleanliness of the same, at Tenant's sole cost and expense (the "Applicable Laws"). Tenant shall not erect or place any signage on the exterior of the Building unless and until it has been approved by the Town of Crested Butte and its location has been approved by Landlord.

11. TENANT IMPROVEMENTS.

Any and all Tenant improvement shall be at Tenant's sole cost and expense and subject to Landlord's approval, which may be withheld in Landlord's sole discretion. Landlord's approval must be requested and obtained prior to the construction of any Tenant improvement.

Tenant will not make any alterations, improvements and/or additions to the Premises or the Building ("Proposed Improvements") without first obtaining Landlord's written consent, which may be withheld in Landlord's sole discretion. Proposed Improvements will be at Landlord's sole and absolute discretion. No Proposed Improvements (including any change

orders to previously approved plans) will be undertaken without first providing plans, drawings and specifications to Landlord for such Proposed Improvements. Tenant must obtain all required permits and other approvals required by the Town of Crested Butte and any other jurisdiction having review over such Proposed Improvements.

If requested by Landlord, Tenant will also submit a cost breakdown, by construction unit, of the complete project costs, and substantiate all costs with contractor and/or architect contracts or bids. All approved Proposed Improvements must be accomplished by Tenant in a good and workmanlike manner and at Tenant's sole cost and expense. Tenant agrees to keep the Premises, the Building or the Building free of mechanic's liens and other claims in connection therewith. Landlord will have the right, at any time, to inspect the Premises and the construction of the Proposed Improvements, or may engage an engineer, at Landlord's sole cost and expense, to inspect the Premises and the Proposed Improvements. Within thirty (30) days after all work has been completed on the Proposed Improvements, Tenant will provide to Landlord final lien waivers from all persons providing labor, materials and services in connection with the Proposed Improvements. Prior to commencement of construction of the Proposed Improvements, Tenant will provide to Landlord a policy of all-risk builder's risk insurance in the amount of at least $3,000,000, issued by a company or companies acceptable to Landlord and authorized to do business in the State of Colorado, with premiums prepaid and which names Landlord as an additional insured. Such policy will insure the Proposed Improvements, the Premises, the Building and all materials and supplies in connection therewith against loss or damage by fire and other casualty, contractor or subcontractor negligence, and other risks typically inured in a builders' risk policy or required to be insured by Landlord in Landlord's sole discretion.

In the case of the filing of any mechanic's lien because of work performed or materials furnished at the request of Tenant against any interest of Landlord or the Building, Tenant will cause the same to be discharged of record (whether by payment, filing a bond and thereafter contesting such lien, order of a court of competent jurisdiction or otherwise) within thirty (30) days after the filing of same. If Tenant will fail to discharge such mechanic's lien of record within such period, then, in addition to any other right or remedy of Landlord, Landlord may, but will not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien in such other manner as may be permitted by law. Any amount paid by Landlord to discharge such mechanic's lien, or for the satisfaction of any other lien placed against the Premises, the Building or the Building during the Term that it is not caused by Landlord, and all reasonable legal and other expenses of Landlord, in defending any such action or procuring the discharge of such liens, with all necessary disbursements in connection therewith, will be paid as Late Payment Penalty by Tenant to Landlord on demand, together with accrued interest on the amounts so paid at the Maximum Rate.

Tenant agrees to deliver to Landlord written notice of its intent to begin construction of any Proposed Improvements at least ten (10) business days prior to the commencement of any work thereon, so as to allow Landlord to post an appropriate notice of non-liability pursuant

to Section 38-22-105(2) of the Colorado Revised Statutes. Landlord hereby designates Tenant as its agent for the sole purpose of posting, and Tenant accept the appointment and commits to post prior to commencement of any work, and to keep posted in a conspicuous place upon the Premises, a notice containing substantially the following language:

12. MAINTENANCE AND REPAIR.

12.1 Tenant's Repair Obligations. Tenant shall, at Tenant's sole cost and expense, keep the Premises and every part thereof in good condition and repair, including but not limited to the maintenance, replacement, and repair of the office space, signage, doors, window casements and glazing, and any installations, equipment or facilities therein, other than those repairs required to be made by Landlord pursuant to Section 12.2 below. Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Premises to Landlord in good condition and repair, in both cases ordinary wear and tear and damage by Casualty or Eminent Domain excepted. Tenant shall make all repairs to the Premises, Building and to the rest of the Property which are made necessary as a result of any misuse or neglect by Tenant or by its officers, employees, agents or invitees, and all such repairs shall be at least equal in quality to the original work. Except as provided in Section 12.2 below, Landlord shall have no obligation whatsoever to alter, remodel, improve, repair, decorate or paint the Premises, Building or Property any part thereof; and the parties hereto affirm that, except as otherwise provided in this Lease, neither Landlord nor any agent of Landlord has made any representation or warranty to Tenant with respect to the condition of the Premises, Building or the rest of the Property or with respect to the suitability of either for the conduct of Tenant's business or profession therein. Tenant shall maintain all plumbing fixtures (e.g., sinks, toilets and drains) and all electrical fixtures within the Premises to the plumbing and electrical stub-outs. Tenant's repair obligations under this Section 12.1 are in addition to any other repair obligations of Tenant expressly set forth elsewhere in this Lease.

12.2 Landlord's Repair Obligations. Notwithstanding the provisions of Section 12.1, above, Landlord shall repair and maintain only the following items: the roof, exterior walls and structural portions of the Building, plumbing to the point it reaches the Premises, HVAC to the stub in, and electrical systems to the main electric panel, in good condition and repair unless the need for such maintenance or repairs is caused in part or in whole by the act, neglect, fault or omission of any duty by Tenant, its officers, employees, agents, subtenants, licensees, concessionaires, successors, assigns or invitees (collectively, the "Tenant's Parties"), in which case Tenant shall pay to Landlord the reasonable cost of such maintenance and repairs. Landlord shall not be liable for any failure to make any such repairs or to perform any maintenance unless such failure shall persist for thirty (30) days after written notice of the need of such repairs or maintenance is given to Landlord by Tenant, and Landlord has failed or refused to commence such repairs, and then such liability shall be only for the cost of such maintenance and repairs. Notwithstanding the preceding, in the event of an emergency, repairs shall be commenced as soon as reasonably practicable following Landlord's (or, in the event there shall be a management company responsible for

the Premises, such management company's) receipt of notice (which may be verbal) of such emergency.

Tenant covenants and agrees to promptly notify Landlord of any accident to or defect in the plumbing, water pipes, fire suppression system (if any), heating, ventilating and air conditioning system, electrical system conduits, wires, ducts, landscaping, sprinklers and other parts of the Property, and of any injury or damage to the Premises, Building or the Property, however caused. There shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Premises, Building or Property or in or to fixtures, appurtenances and equipment therein unless thirty (30) days has elapsed after written notice from Tenant to Landlord of the need for such repairs or maintenance and Landlord has failed or refused to commence such repairs that are the responsibility of Landlord under this Lease. Tenant waives the right to make repairs at Landlord's expense under any Laws. Any claims Tenant shall be entitled to bring under this Section 12.2 shall be in a separate action against Landlord and shall not be the subject of any offset, deduction or holdback against any rents or other charges due or become due Landlord under this Lease. Notwithstanding the foregoing provisions of this Section 12 or any other provisions of this Lease, Landlord shall not be responsible for: (i) the repair or maintenance of any of Tenant's Work unless the need for such repair or maintenance is caused by the fault of Landlord, its contractors, agents or employees or (ii) any other alterations, additions or improvements done by Tenant or the Tenant's Parties to the Premises or any portion thereof.

12.3 Regarding Emergency Repairs. In the event any emergency repairs that are the responsibility of Landlord are needed, Tenant shall have the right to immediately make such repairs and shall provide Landlord with verbal notice thereof and Tenant shall be responsible for the timely payment of the cost thereof and shall be responsible to Landlord for any damages to the Premises (or the Building or rest of the Property) caused by any contractor making such repairs. Tenant shall be entitled to submit a paid bill for such emergency repairs to Landlord for reimbursement unless payment thereof is the responsibility of. Where reimbursement to Tenant is proper, Landlord, to the extent allowed under this Lease, may treat the reimbursement as a Pass-Through Expense.

## 13. ASSIGNMENT AND SUBLETTING.

13.1 Landlord's Consent Required. Tenant will not voluntarily or by operation of law assign, transfer, mortgage, or otherwise transfer or encumber (collectively "assign" or "assignment") this Lease or any interest therein or sublet the Premises or any portion thereof, without the prior written consent of Landlord, which consent will be in Landlord's reasonable discretion. No permitted assignment or subletting will relieve Tenant of Tenant's covenants and agreements hereunder. A change in the control of Tenant will constitute an assignment requiring Landlord's consent. The assignment, on a cumulative basis of 25% or more of the voting control of Tenant will constitute a change in control for this purpose.

If Tenant desires to assign this Lease or sublet the Premises or any part thereof, Tenant will notify Landlord not later than thirty (30) days prior to the proposed effective date of the assignment or sublease. Tenant's notice will include the name and address of the proposed assignee or subtenant, a true and complete copy of the proposed assignment or sublease, sufficient information as Landlord deems necessary to permit Landlord to determine the financial responsibility, experience, and character of the proposed assignee or subtenant, the terms and conditions of any sale of Tenant's business or assignment of the Lease, and the nature of any improvements to the Premises which the proposed assignee or sublessee or Tenant intends to make in connection with the assignment or sublease. Each such notice will also include complete financial statements of the proposed assignee or subtenant, a detailed description of the intended use of the Premises, and complete resume of past business experience. The request will be delivered together with a non-refundable deposit of $1,000 as reasonable consideration for Landlord's considering and processing the request for consent. Tenant agrees to provide Landlord with such other or additional information and/or documentation as may be requested by Landlord. Landlord as a condition of giving its consent to any assignment or subletting, may require that the amount and adjustment schedule of Rent payable under this Lease be adjusted to what is then the market value and/or adjustment schedule for property similar to the Premises, as determined by Landlord.

The consent of Landlord to any one assignment or sublease pursuant hereto will not be deemed to be a waiver of the provisions hereof with respect to any subsequent assignment or sublease. Each permitted assignment or sublease must be made expressly subject to the provisions of this Lease, and the assignee or subtenant under such assignment or sublease must expressly assume all of the obligations of Tenant hereunder in a written instrument satisfactory to Landlord at the time of such assignment or sublease. No assignment or sublease will impose any obligations on Landlord or otherwise affect any of the rights of Landlord under this Lease nor will it affect or reduce any of the obligations of Tenant hereunder, and all such obligations will continue in full effect as obligations of a principal and not as obligations of a guarantor or surety to the same extent as though no assignment or subletting had been made. Tenant will, concurrently with the execution and delivery of any such permitted assignment or sublease, deliver a duplicate original thereof to Landlord. Any assignment or sublease made in violation hereof is void. Tenant will pay all of Landlord's costs, charges, and expenses, including without limitation, reasonable attorney's fees incurred in connection with any assignment or sublease requested by Tenant. Landlord may accept any Rent or performance of Tenant's obligations from any person other than Tenant without being deemed to have approved or accepted any assignment or sublease. In the event of any default or breach, Landlord may exert any rights or remedies against any Tenant, guarantor, assignee, or sublessee without first exhausting Landlord's remedies against any other person or entity responsible therefore, or any Security Deposit held by Landlord.

Tenant expressly acknowledge and understand that in the event of any assignment or sublease as provided for above, Landlord may require a personal guaranty of such assignee's

or lessee's obligations under this Lease from a guarantor acceptable to Landlord in Landlord's sole and absolute discretion.

13.2 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions will apply to any subletting by Tenant of all or any part of the Premises and will be deemed included in all subleases under this Lease whether or not expressly incorporated therein and whether or not the sublease has been approved as required herein by Landlord. Tenant hereby assign and transfer to Landlord all of Tenant's interest in all rents and income arising from any sublease of all or a portion of the Premises heretofore or hereafter made by Tenant, and Landlord may collect such rents and income and apply same toward Tenant's obligations under this Lease. Landlord will not by reason of the foregoing, nor by reason of the collection of any rents from a subtenant be deemed liable to the subtenant for any failure of the Tenant to perform and comply with any of the Tenant's obligations to such subtenant under any sublease. Tenant hereby irrevocably authorize and direct any subtenant upon receipt of a written notice from Landlord stating that a breach exists in the performance of the Tenant's obligations under this Lease, to pay the Landlord the rents and other charges due or to become due under any sublease. Landlord at its option and without any obligation to do so, may require any subtenant to attorn to Landlord in the event of a breach by Tenant in the performance of Tenant's obligations under this Lease, in which case, Landlord will undertake the obligations of the sublandlord under such sublease from the time of the exercise of said option to the expiration of such sublease; provided however, Landlord will not be liable for any prepaid rents or security deposits paid by such subtenant to such sublandlord or any other prior defaults or breaches of such sublandlord under such sublease. Any matter or thing requiring the consent of the sublandlord under a sublease will also require the consent of Landlord herein. No sublease approved by Landlord will further assign or sublet all or any part of the Premises without Landlord's prior written consent, which will be in the Landlord's sole and absolute discretion.

13.3 Landlord's Right to Transfer or Assign. In the event that Landlord transfers its interest in the Premises, the Building or the Property to any third party, and the transferee agrees to assume all of Landlord's rights and responsibilities hereunder, Landlord will thereafter be deemed to be fully and forever relieved of all further obligations hereunder and such transferee will thereafter be deemed to be Landlord hereunder.

14. LANDLORD'S LIEN. The parties hereto understand and agree that in order to secure payment of all sums becoming due at any time to landlord hereunder and to secure the proper performance and fulfillment by Tenant of Tenant's agreements herein, Landlord is hereby granted a security interest in and first lien upon all of the personal property and fixtures, which Tenant shall hereafter place or permit to be placed in, upon, or about the Premises. Tenant hereby agree to execute, if required by Landlord, a financing statement evidencing the security interest to be filed with the Secretary of State of the State of Colorado and locally as the case may be, with the Gunnison County Clerk and Recorder. In the event of default by Tenant under this Lease, Landlord shall have a right to all of the personal property and fixtures as if Landlord were a creditor under the Colorado Uniform

Commercial Code. In addition, in the event of default by Tenant under this Lease, Tenant hereby authorize Landlord to enter upon the Premises and to remove and to sell the personal property and fixtures which are the subject of this lien. This action shall not be deemed a breach of the peace. Tenant agrees to pay the reasonable attorney fees incurred by Landlord in the event Landlord must foreclose upon the security interest and first lien granted by Tenant herein.

15. ESTOPPEL CERTIFICATES. Within fifteen (15) days after request therefor by Landlord, Tenant agrees to deliver a certificate in the form presented by Landlord to any proposed mortgagee or purchaser of the Premises, or to Landlord certifying (if such be the case or if not the case, specifying with particularity any exception) to matters requested by Landlord including without limitation the following: (a) that Tenant is in full and complete possession of the Premises, such possession having been delivered by Landlord and accepted by Tenant; (b) that any improvements required to be furnished by Landlord by the terms of this Lease have been completed in all respects to the satisfaction of the Tenant; (c) that this Lease is in full force and effect and has not been amended, modified, supplemented, or superseded; (d) that there is no existing default on the part of Landlord in the performance of any covenant, agreement, or condition contained in this Lease to be performed by Landlord; (e) that the Tenant does not have any actual or pending claim against the Landlord; (f) setting forth any Rent or other charges that have been prepaid by Tenant, if any; and (g) that the addressee of such certificate may rely on the representations therein made; and certifying as to the dates of commencement and termination of the Term, the date on which Rent commenced to accrue under this Lease, and the date through which Rent and other charges hereunder have been paid.

16. SUBORDINATION; ATTORNMENT; NON-DISTURBANCE

16.1 Subordination. This Lease will be subject and subordinate to any ground lease, mortgage, deed of trust or other hypothecation or security instrument (collectively "Security Instrument") now or hereafter placed by Landlord upon the real property of which the Premises are a part, to any and all advances made on the security thereof, and to all renewals, modifications, consolidations, replacements and extensions thereof. Tenant agrees that the lender holding any such Security Instrument will have no duty, liability or obligation to perform any of the obligations of Landlord under this Lease, but that in the event of Landlord's default with respect to any such obligation, Tenant will give any lender whose name and address have been furnished to Tenant for such purpose, notice of Landlord's default. If any lender will elect to have this Lease superior to the lien of its Security Instrument and will give written notice thereof to Tenant, this Lease will be deemed prior to such Security Instrument notwithstanding the relative dates of the documentation or recording thereof.

16.2 Attornment. Subject to the non-disturbance provision below, Tenant agrees to attorn to a lender or any other party who acquires ownership of the Premises by reason of a foreclosure of Security Instrument, and that in the event of such foreclosure, such new

owner will not: (1) be liable for any act or omission of any prior lessor or with respect with events occurring prior to acquisition of ownership; (2) be subject to any offsets or defenses which Tenant might have against any prior lessor; or (3) be bound by prepayment of more than one month's Rent.

16.3 Self-Executing. The agreements contained in this Section will be effective without the execution of any further documents; provided however, that upon written request from Landlord or a lender in connection with a sale, financing or refinancing of the Premises, and Landlord will execute such further writings as may be reasonably required to separately document any such subordination or non-subordination, attornment and/ or non-disturbance agreement as provided for herein.

17. INDEMNITY. Tenant agrees to indemnify, defend (with counsel reasonably acceptable to Landlord) and to save Landlord, and Landlord's agents, members, managers, officers, directors, employees, attorneys, and representatives harmless from and against all fines, suits, claims, demands, actions, damages, losses, costs, expenses (including, without limitation reasonable attorneys' fees) liabilities and judgments (collectively, "Claims") suffered by, recovered from, or asserted against Landlord or other persons on account of injury or damage to person or property to the extent that any such damage or injury may be incident to, arise out of, or be caused, either proximately or remotely, wholly or in part, by any act, omission, negligence or misconduct on the part of Tenant, or any of Tenant's agents, servants, employees, contractors, or invitees or when any such injury or damage is the result of the violation by Tenant or any of it agents, servants, employees, contractors, or invitees of applicable laws, or when any such injury or damage may in any other way arise from or out of the occupancy or use by Tenant, its agents, servants, employees, contractors, or invitees of the premises or the building. Tenant further agrees to indemnify, defend and hold Landlord harmless from and against all claims arising from or in connection with any claim or action alleging a violation of the Americans with Disabilities Act of 1990, as amended, or environmental laws regarding the Premises, the building, or the building or use thereof, and further agrees to keep the property, the building and the Leased Premises in compliance with applicable laws.

Landlord will not be liable for: (a) injury or damage which may be sustained by Tenant, their agents, officers, directors, employees or invitees, or to their goods, wares, merchandise or property, caused by or resulting from the state of repair of the Premises or the Building; (b) injury or damage from fire, steam, electricity, gas, water, flood, or rain which may leak or flow from or into any part of the Premises or the Building; or (c) the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, lighting or other fixtures of the Premises or the Building. Landlord will not be liable for any damages sustained by Tenant by reason of construction, repair or reconstruction, or widening of any private, public or quasi-public utility lines, streets, walkways or thoroughfares; nor will the Rent or other charges under this Lease be abated during any period that ingress, egress or traffic may be curtailed, blocked or hampered by reason of such activities. Tenant agrees to notify Landlord in writing of any conditions or

situations pertaining to the Premises, the Building or the Property which may pose potential health or safety problems.

18. ENVIRONMENTAL MATTERS.

18.1 Hazardous Materials. "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, including but not limited to the Authority, the State of Colorado, or the United States Government. The term "Hazardous Materials" includes, without limitation, any material or substance that is (i) defined as a "hazardous substance" under appropriate state law provisions; (ii) petroleum; (iii) asbestos; (iv) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Act (33 U.S.C. Section 1321); (v) defined as "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act (42 U.S.C. Section 6903); (vi) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Compensation and Liability Act (42 U.S.C. Section 9601); or (vii) defined as a "regulated substance" pursuant to Subchapter IX Solid Waste Disposal Act (Regulation of Underground Storage Tanks) (42 U.S.C. Section 6991).

18.2 Tenant's Obligations. During the Term, Tenant shall not cause or permit any Hazardous Material to be brought upon, kept or used in or about the Premises, without the prior written consent of Landlord, and Tenant will promptly remove any Hazardous Material brought upon the Premises during the Term. In addition, Tenant shall not:

(a) Cause or permit any releases or discharges of any Hazardous Material on or from the Premises; or

(b) Cause or permit any manufacturing, holding, handling, retaining, storing, transporting, spilling, leaking, or dumping of any Hazardous Material in or on any portion of the Premises; or,

(c) Otherwise place, keep, store or maintain, or allowed to be placed, kept, stored or maintained, any Hazardous Material on any portion of the Premises. Throughout the Term, Tenant shall comply, and the Premises shall comply, with all laws, ordinances, rules, and regulations of all authorities having jurisdiction over the Premises, or the use of the Premises and pertaining to any Hazardous Material, except as may have existed on the date of this Lease.

18.3. Tenant's Removal of Hazardous Material. If Hazardous Material is discovered on the Premises which occurred after the commencement of the Term, or if Tenant violate any other prohibition regarding Hazardous Materials as set forth above, Tenant shall remove all such Hazardous Material with due diligence and in compliance with all governmental requirements, and keep the entire Premises free of any lien imposed pursuant to any laws, regulations, or orders of any governmental or regulatory authority having to do with the

removal of Hazardous Material.

18.4 Indemnity. Tenant shall be responsible for, and hereby agrees to indemnify and hold Landlord (including the respective successors, assigns, employees, agents, members, officers and directors of Landlord) harmless from, any and all actions, loss, liability, damage, cost or expense including, without limitation, reasonable attorneys' fees resulting from any failure or alleged failure of Tenant to comply with the provisions of this Section; provided, however, that (i) this indemnity shall be limited to occurrences which took place or which arise out of events which took place during the Term; and (ii) this indemnity shall not extend to any Hazardous Materials present on the Premises as a result of the act or omission of Landlord. Such loss, liability, damage, cost or expense hereby indemnified against will include, without limitation: (a) all foreseeable consequential damages; (b) the costs of any required or necessary repair, cleanup or detoxification of the Premises, and the preparation and implementation of any closure, remedial or other required plans; (c) damage to any natural resources; and, (d) all reasonable costs and expenses incurred by the Landlord in connection with clauses (a), (b) and (c), including but not limited to reasonable attorneys' fees and consultants' fees. The indemnification and hold harmless agreement in this Section shall survive the expiration or termination of this Lease for the benefit of Landlord, and Landlord's successors and assigns.

18.5 Costs and Expenses. Tenant shall pay all costs and expenses actually incurred by Landlord for which Tenant are responsible, or for which Tenant have indemnified Landlord, within 15 days after demand by Landlord. Upon Tenant's failure to make such payment within that 15-day period, the full amount due will accrue interest at the Maximum Rate from the 16th day after demand; and, at the Landlord's election, such failure will constitute a default under this Lease.

18.6 Landlord's Participation in Legal or Administrative Proceedings. Landlord shall have the right, but not the obligation, to join and participate in (as a party if it so elects), any legal or administrative proceedings or actions initiated in connection with any allegation that Tenant or the Premises violate, or have violated, any provision of this Section, and to have Landlord's reasonable attorneys' and consultants' fees in connection therewith paid by Tenant upon demand.

19. QUIET ENJOYMENT. So long as Tenant are not in default hereunder, Landlord covenants that Tenant shall peaceably and quietly occupy and enjoy the Premises subject to the terms hereof. Landlord warrants and agrees to defend the title to the Premises, and further warrants that it has full authority to execute this Lease.

20. EMINENT DOMAIN.

20.1 All of Premises Taken. If the whole of the Premises will be taken or condemned for any public or quasi-public use or purpose by any competent authority by the exercise of the right of eminent domain or by agreement or conveyance in lieu thereof (each of the

foregoing being hereinafter referred to as "Condemnation"), this Lease will terminate as of the date possession will be taken by such authority, and Tenant will pay Rent and perform all of its other obligations under this Lease up to such date with a proportionate refund by Landlord of any Rent which will have been paid in advance for periods subsequent to such date.

20.2 Less than All of Premises Taken. If less than all of the Premises is taken by Condemnation, and if the remainder of the Premises cannot be used for Tenant's continued use or occupancy for Tenant's business in the reasonable judgment of Landlord or if the portion of the Premises not taken cannot be feasibly restored to a leasable unit in the reasonable judgment of Landlord, then in either such event Landlord or Tenant will each have the right to terminate this Lease upon notice to the other party within thirty (30) days after possession is taken by such Condemnation. If this Lease is so terminated, it will terminate as of the date possession will be so taken, and Tenant will pay Rent and perform all of its other obligations under this Lease up to such date with a proportionate refund by Landlord of any Rent which will have been paid in advance for periods subsequent to such date. If this Lease is not so terminated, it will terminate only with respect to the parts of the Premises so taken as of the date possession will be taken by such authority, and thereafter the Rent and Late Payment Penalty will be reduced in direct proportion to the amount of square footage of the Premises taken.

20.3 Ownership of Award. As between Landlord and Tenant, all compensation, awards, and damages for any Condemnation of all of any part of the Premises, including without limitation, all awards and damages as compensation for diminution in value of the leasehold, reversion and fee of the Premises, and any Tenant improvements (but not including Tenant's furniture or equipment), will belong to Landlord without any deduction therefrom for any present or future estate of Tenant, and Tenant hereby assign to Landlord all its right, title, and interest to any such award. Although all damages in the event of any Condemnation are belong to Landlord, whether such damages are awarded as compensation for diminution in value of the leasehold, reversion or fee of the Premises, or the Tenant's improvements (but not including Tenant's furniture or equipment), Tenant will have the right to claim and recover from condemning authority, but not to claim and recover from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damage to Tenant's business by reason of the Condemnation and for or on account of any cost or loss which Tenant might incur in removing Tenant's merchandise, furniture and fixtures, provided that the effect of such award is not to reduce the award otherwise payable to Landlord.

21. SURRENDER; HOLDOVER.

21.1 Surrender. Upon the expiration or earlier termination of this Lease, Tenant will peaceably leave and surrender the Premises to Landlord broom-dean and otherwise in the condition in which the Premises are required to be maintained by this Lease. Tenant will surrender all keys for the Premises to Landlord at the place then fixed for the payment of

Rent and will inform Landlord of all combinations on locks, safes, and vaults, if any, in the Premises. Tenant will at their expense, remove from the Premises on or prior to such expiration or earlier termination all furnishings, fixtures, and equipment situated thereon (including all exterior and interior signs) which are not the property of Landlord, and Tenant will at their expense, on or prior to such expiration or earlier termination, repair any damage caused by such removal. Any property not so removed may become the property of Landlord, and Landlord may thereafter cause such property to be removed from the Premises and disposed of, but the cost of any such removal and disposition and the cost of repairing any damage causes by such removal will be borne by Tenant.

21.2 Holdover. Should Tenant or any party claiming under Tenant hold over in possession at the expiration of Term by lapse of time or otherwise, such holding over will not be deemed to extend the Term or renew this Lease, and such holding over will be an unlawful detainer and such parties will be subject to immediate eviction and removal. Tenant will pay upon demand to Landlord during any period while Tenant will hold the Premises after expiration of the Term, as liquidated damages, a sum equal to double the monthly rate of Rent in effect for the last month of the Term plus double the amount of Tenant's Fractional Share of monthly Operating Expenses, and Tenant will also pay all damages, consequential as well as direct, sustained by Landlord by reason of such holding over.

## 22. LIMITATIONS ON LANDLORD'S LIABILITY.

22.1 No Representations by Landlord; Entire Agreement. Landlord and Landlord's agents have made no representations, warranties, agreements or promises with respect to the Premises or the Building except such as are expressed in this Lease. All understandings and agreements, if any, previously made between the Landlord and Tenant are superseded by this Lease, and neither party is relying upon any warranty, statement or representation not contained in this Lease. Without in any way limiting the generality of the foregoing, Landlord and Landlord's agents have made no representations, warranties, agreements or promises with respect to the exact size of the Premises, any other tenants or types of tenants in the Building or in other space leased or offered for lease by Landlord, or the terms of any other tenant's lease. The entire contract of the parties is contained in this Lease (including the exhibits to it), and there are no promises, agreements, representations, warranties, conditions or understandings, either oral or written, between them, other than as are set forth in this Lease.

22.2 Liability of Landlord. Landlord shall not have any personal liability with respect to any provision of this Lease or any obligation or liability arising from this Lease or in connection with this Lease in the event of a breach or default by Landlord of any of its obligations. Tenant shall look solely to the equity of Landlord in the Premises at the time of the breach or default (or if the interest of Landlord is a leasehold interest at that time, Tenant shall look solely to such leasehold interest) for the satisfaction of any remedies of Tenant. Such exculpation of liability shall be absolute and without exception.

22.3 Definition of and Actions by Landlord. The term "Landlord" as used in this Lease, so far as covenants or obligations on the part of Landlord are concerned, shall be limited to mean and include only the owner or owners at the time in question of the Premises. In the event that the interest of Landlord as named in this Lease in the Premises is transferred, whether by sale, lease or sublease, foreclosure, or otherwise, the named Landlord shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord under this Lease. Without requirement for any further agreement between the parties or their successors in interest, or between parties and any such transferee, such transferee shall be deemed to have assumed and agreed to carry out the covenants and obligations of the landlord under this Lease.

22.4 No Partnership. Despite anything in this Lease to the contrary, Landlord is not and shall not in any way or for any purpose become principal or partner of Tenant in the conduct of its business, or otherwise, or a joint venturer or member of a joint enterprise with Tenant under this Lease.

23. NOTICE.

23.1 Notice to Tenant. Any bill, statement, notice, demand or communication which Landlord may desire or be required to give to Tenant shall be in writing and shall be deemed sufficiently given if hand-delivered or sent by overnight courier or by certified or registered United States mail, postage prepaid, addressed to Tenant at the address of Tenant stated in the Lease Summary. In the event Landlord delivers any bill, statement, notice, demand or communication personally to the Premises, Landlord shall use reasonable efforts to serve such bill, statement, notice, demand, or communication to the general manager of Tenant's business operations in charge of the Premises.

23.2 Notice to Landlord. Any notice, demand or communication by Tenant to Landlord shall be in writing and must be hand-delivered or sent overnight courier or by certified or registered United States mail, postage prepaid, addressed to Landlord at the address specified in the Lease Summary, and to Landlord's attorney at the following address:

Aaron Huckstep
Huckstep Law, LLC
PO Box 2958
223 Elk Avenue, Suite 201B
Crested Butte, CO 81224

24. RIGHT OF ENTRY. Tenant agrees that Landlord, and Landlord's agents, employees or servants, or any person authorized by Landlord may enter the Premises for the purpose of: (a) inspecting the condition of the same; (b) making any repairs required of Landlord; and (c) exhibiting the Premises to prospective purchasers, mortgagees and tenants. Any such entry will be made during Tenant's normal business hours upon reasonable notice to Tenant except in the case of emergency. In addition, any work required to be done by Landlord will

be done so as not to unreasonably interfere with the conduct of Tenant's business in the Premises. Such entry will not constitute eviction of Tenant in whole or in part, and the Rent will in no way abate while such work is being done, notwithstanding loss or interruption of business of the Tenant, or otherwise. If Tenant or Tenant's agents or employees are not present to permit entry into the Premises at any time when for any reason entry therein will be necessary in the reasonable judgment of Landlord to prevent injury or damage, Landlord or Landlord's agents or employees may enter the Premises by master key or by forcible entry without liability therefor, and without in any manner affecting the obligations, covenants, terms, or conditions of this Lease. Nothing herein will be deemed or construed to impose upon Landlord any obligation or liability whatsoever for care, supervision, repair, improvement, addition, change, or alteration of the Premises other than as expressly provided herein.

Upon the commencement of Tenant's occupancy of the Premises, Tenant will provide Landlord with a complete set of keys to each entrance and exit from the Premises. In addition, if Tenant at any time adds or changes any lock to any entrance or exit, Tenant will provide Landlord with a complete set of keys to such added or changed lock. If Tenant use any other locking system, Tenant will provide Landlord with any combination, information, or other device necessary for Landlord to gain entrance to the Premises.

25. SERVICES AND UTILITIES. Tenant shall make all arrangements for and pay for cable, DSL, telephone service and all other utilities used by Tenant or consumed at the Premises during the Term. All utilities serving the Premises that are capable of being metered are separately metered (including sewer and electric), with the exception of gas and electricity which are not separately metered. Landlord shall not be liable for, and Tenant shall not be entitled to, any reduction of rental by reason of the failure of any utilities required to be, without limitation, if the failure is caused by accident, breakage, repairs, strikes, lockouts, or other labor disturbances or labor disputes of any character, or by any other cause, similar or dissimilar, unless resulting from Landlord or Landlord Parties gross negligence or intentional acts. If any utility usage of Tenant is not separately metered or billed, Tenant agrees to pay to Landlord its equitable share of the charges for each utility as reasonably determined by Landlord based upon a measurement or estimate of the actual usage thereof by Tenant and any other tenant.

26. PERSONAL PROPERTY TAXES. Tenant shall be liable for and shall pay before delinquency, taxes levied against any personal property or trade fixtures placed by Tenant in or about the Premises. If any such taxes on Tenant's personal property or trade fixtures are levied against Landlord or Landlord's property, or if the assessed value of Landlord's Premises is increased by the inclusion therein of a value placed upon such personal property or trade fixtures of Tenant, Landlord may (regardless of the validity thereof) after written notice to Tenant pay the taxes based upon such increased assessment. If requested by Tenant, said taxes shall be paid under protest. Tenant shall, upon demand, repay to Landlord the taxes so levied against Landlord, or the proportion of such taxes resulting from such increase in the assessment; however, Tenant shall have the right in the name of Landlord to

bring suit in any court of competent jurisdiction to recover the amount of any such taxes so paid under protest, and any amount so recovered shall belong to Tenant. Tenant shall indemnify Landlord against and hold Landlord harmless from any cost, expense or liability arising as a result of such suit.

27. DAMAGE TO PROPERTY.

27.1 Landlord's Duty to Repair. In the event the entire Property or any portion thereof (including without limitation the Premises) shall be damaged or destroyed by fire, earthquake, or other casualty, act of God, or the elements, Landlord shall forthwith repair the same, if the cost of same is covered substantially (i.e., not less than 90%) by Landlord's insurance and Landlord has received payment from its insurer, and such destruction or damage shall not terminate this Lease. Notwithstanding anything to the contrary contained in this Section 27.1, (i) Landlord shall not have any obligation whatsoever to repair, reconstruct or restore the Premises when the damage resulting from any casualty covered under this Section 27.1 occurs during the last twelve (12) months of the Term (or the last twelve (12) months of any Extension Term), (ii) Landlord shall not be required to repair any injury or damage by fire or other cause, or to make any repairs or replacements of any panels, decoration, office fixtures, railings, floor covering, partitions, or any other property installed in the Premises by Tenant or any prior renter (and Tenant shall repair, restore and replace same at Tenant's sole cost and expense), and (iii) subject to Section 27.2 below regarding rent reduction, Tenant shall not be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises, Tenant's personal property or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration. Landlord shall notify Tenant within ninety (90) days after the casualty whether or not it has elected to restore the Property, including the Premises. If Landlord is required, or otherwise undertakes, to repair, reconstruct or restore the Premises and is unable for any reason to complete said repair, reconstruction or repair within one hundred eighty (180) days of the date of casualty, the Tenant shall have the right, on thirty (30) days' notice to Landlord to terminate the Lease.

27.2 Rent Reduction. If such damage or destruction is to the Premises and the Premises shall be rendered inaccessible thereby or Tenant cannot conduct their business in the Premises for a period exceeding ninety (90) days, Tenant shall have the option of terminating the Lease. If the Premises are inaccessible or not fit to conduct business for a period of less than ninety (90) days, the Lease shall not terminate, but Tenant shall be entitled (i) to an equitable proportionate reduction in rent while repairs are being made to the Premises (such proportionate reduction to be based upon the extent to which the making of such repairs shall interfere with the business carried on by Tenant in the Premises), or (ii) to an abatement of rent for each day the Premises are inaccessible, as the case may be. There shall be an additional reduction or abatement of rent for ninety (90) days commencing when Landlord has completed its repairs, for Tenant to repair, replace or restore, as necessary, its fixtures, equipment and other improvements to the Premises resulting from such damage and destruction. Notwithstanding the foregoing provisions of this Section 27.2, if the damage is

due to the fault or neglect of Tenant, their officers, employees, agents, contractors or invitees, there shall be no abatement of rent. Nothing contained in this paragraph shall be construed as relieving Tenant of liability (which liability Tenant assume) for repair of damage to the Premises, the rest of the Property and the appurtenances thereto, caused by any act or omission on the part of Tenant, their officers, employees, agents, contractors or invitees.

27.3 Landlord's Election. In the event the Premises or the rest of the Property are damaged as a result of any cause other than the perils covered by Landlord's fire and extended coverage insurance, then Landlord shall forthwith repair the same, provided the extent of the destruction is less than twenty five percent (25%) of the then full replacement cost of the Premises or the rest of the Property respectively. In the event the destruction of the Premises or the rest of the Property is to an extent greater than twenty five percent (25%) of the full replacement cost, then Landlord shall have the option (i) to repair or restore the damaged portion of the Premises and rest of the Property, this Lease continuing in full force and effect, but the rent payable hereunder proportionately abated as provided for in Section 27.2 hereof, or (ii) to give notice to Tenant at any time within sixty (60) days after such damage of Landlord's election to terminate this Lease as of the date specified in such notice, which date shall be no less than thirty (30) days after the giving of such notice. In the event of giving such notice, this Lease shall expire and all interest of Tenant in the Premises shall terminate on the date so specified in such notice and the rent payable hereunder, reduced by a proportionate amount, based upon the extent, if any, to which such damage materially interfered with the business carried on by Tenant in the Premises, shall be paid up to the date of such termination.

28. MOLD. When moisture is present mold can grow. Landlord does not guarantee or warrant that the Premises are or ever will be a "mold free environment." The best way to avoid problems related to mold is to prevent moisture buildup in the Premises. Tenant acknowledge and agree to undertake reasonable steps to eliminate moisture within the premises which may lead to growth of mold. Such steps include, but are not limited to, keeping the premises clean, using exhaust fans when bathing/showering, wiping down any moisture and/or spillage, and regularly inspecting for leaks or water accumulation on the Premises. Tenant further agrees to notify Landlord immediately, in writing, of any sign of water leak, excessive or persistent moisture or any condensation sources in the Premises or any stains, discolorations, or other indications of mold growth, including a musty odor in the Premises. Tenant acknowledges and agrees that Landlord will not be responsible for damages or losses due to mold growth to the extent such conditions have resulted from the acts or omissions of the Tenant or if Tenant have failed to immediately notify Landlord of any such conditions described above.

29. TIME OF ESSENCE. Time is hereby made of the essence of each of the promises, covenants, agreements and conditions herein contained on the part of Tenant and Landlord to be kept, observed and performed.

30. MODIFICATION. This Lease contains all of the Terms and conditions agreed upon by the parties hereto with reference to the subject matter hereof. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the parties hereto. No officer or employee of any party has any authority to make any representation or promise not contained in this Lease, and each of the parties hereto agrees that it has not executed this Lease in reliance upon any such representation or promise. This Lease cannot be modified or changed except by written instrument signed by all of the parties hereto except as herein otherwise expressly provided.

31. WAIVER. The waiver of Landlord of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition of any subsequent breach of the same or any other term, covenant or condition herein contained. Subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of the acceptance of such rent.

32. INTERPRETATIONS. This Lease is to be deemed to have been prepared jointly by the parties hereto, and any uncertainty or ambiguity existing herein shall not be interpreted against either party, but according to the application of rules of interpretation of contracts, if such an uncertainty or ambiguity exists.

33. SUCCESSORS AND ASSIGNS. The covenants and conditions herein contained, subject to the provisions as to assignment and subletting, apply to and bind the successors and permitted assigns of the parties hereto.

34. RECORDATION. Tenant shall not record this Lease or a short form memorandum hereof without the prior written consent of Landlord.

35. NO OFFER. The submission of this Lease by Landlord to Tenant shall not constitute an offer on the part of Landlord to lease the Premises to Tenant or prevent Landlord from showing or negotiating with other interested parties and nothing herein shall be binding on the parties unless and until signed by Landlord and Tenant.

36. NO BROKERS. Each of Landlord and Tenant represent and warrant that there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim arising by or through such party, including, without limitation, the cost of attorneys' fees in connection therewith.

37. NO WAIVER. No assent expressed or implied by Landlord to any breach of any one or more of the covenants or agreements hereof by Tenant shall be deemed or construed to be a waiver of any succeeding or other breach. Acceptance of Rent with knowledge of any Tenant breach shall not operate to waive of excuse such breach for any purpose whatsoever

if Landlord accepts such Rent under an express reservation of its rights. Tenant agrees that any previous course of conduct by Landlord to the contrary notwithstanding at any time during the Lease Term, Landlord shall have the right at any and all times to enforce the covenants and provisions of this Lease strictly at any time or times to enforce its rights under this Lease strictly in accordance with the terms hereof shall not be construed as having created a custom, consent or course of conduct in any way or manner contrary to the specific terms, provisions and covenants of this Lease or as having in any way or manner modified this Lease.

38. ACCORD AND SATISFACTION. No payment by Tenant or receipt by Landlord of a lesser amount that the Rent herein stipulated will be deemed to be other that on account of the stipulated Rent, nor will any endorsement or statement on any check or any letter or other communication 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 in this Lease provided.

39. REMEDIES CUMULATIVE. All of the remedies hereinbefore given to Landlord and all rights and remedies given to Landlord by law or equity shall be deemed cumulative and concurrent.

40. TENANT'S LIABILITY. If at any time Tenant is comprised of more than one entity or person, each legal person is jointly and severally liable for the keeping, observing and performing of all of the terms, covenants and conditions of this Lease to be performed or observed by Tenant; and the term "Tenant" shall mean and include each of them jointly and severally. Further, the act of or notice from, or notice or refund to, or the signature of, any one or more of them, with respect to this Lease shall be binding upon each and all of the persons executing this Lease as Tenant.

41. COUNTERPARTS. This Lease may be executed in counterparts, which, taken together, shall evidence the agreement of all parties signing below. Facsimile and other electronically transmitted signatures shall be deemed original signatures.

IN WITNESS WHEREOF, the undersigned have executed this Lease as of the day and year first above written.

LANDLORD: TENANT:

Four Squared, LLC,
a Colorado limited liability company

_____ _____

Dan Loftus, Member NAME:

_____
Brian Schneider, Member

**LEASE GUARANTY**

In consideration of the LANDLORD's lease to TENANT of the Property, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the undersigned Guarantor hereby agrees as follows:

Guarantor hereby guarantees the payment and performance of, and agree to pay and perform as primary obligors all liabilities, obligations and duties imposed upon TENANT under the terms of the Lease Agreement between Gunnison County as TENANT, and Four Squared, LLC, as LANDLORD, of even date herewith, as if the undersigned had executed same themselves.

GUARANTOR:

_____

Name:

Date:_____