AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Commercial Real Estate Lease; RV Commercial Rental

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement: RV Commercial Rentals, LLC and Gunnison County

Term Begins: October 1, 2017 **Term Ends:** 9/30/2018 **Grant Contract #:**

Summary:

For a number of years we have rented an office area with heated storage for the recycle center. We will need to keep the space while we are managing a collection center in the current location

Fiscal Impact: $8,280 annually

Submitted by: Marlene D. Crosby **Submitter's Email Address:** mcrosby@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
Fiscal Impact is $8,400 ($700 per month) Previous lease was $390 per month. Additional cost in 2017 can be covered in 2017 adopted budget. ln

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 8/11/2017

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

Comments:
ok db 8/11/17

Reveiwed by: Discharge Date: 8/11/2017 Certificate of Insurance Required

Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 8/11/2017

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

Agenda Date: 8/15/2017

Revised April 2015

COMMERCIAL REAL ESTATE LEASE

THIS LEASE, in duplicate, is dated August 8, 2017, at Gunnison, Gunnison County, Colorado, as follows:

1. LANDLORD. The Landlord is:

RV Commercial Rentals, LLC, a Colorado limited liability company,

By and through Its Agent and Property Manager:

Nesbitt & Company, LLC
104 East Tomichi Avenue
Gunnison, Colorado 81230

2. TENANT. The Tenant(s) is/are:

Board of County Commissioners of the County of Gunnison, Colorado,

individually and collectively the "Tenant".

3. LEASE OF PREMISES. In consideration of the terms of this Lease, the Landlord leases to Tenant the following described real property ("Lease Premises"):

Lots 16 through 26, both inclusive, and the East 15 feet of the

North/South Alley adjacent to Block 11, Rio Grande Addition,

With an address of: 725 South 10th Street

Gunnison, CO 81230.

4. TERM OF LEASE. The term of this Lease shall be for a term to commence at 12:00 noon on October 1, 2017, and to terminate at 12:00 noon on September 30, 2018, unless sooner terminated as provided in this Lease.

5. RENTAL PAYMENTS. Tenant shall pay to landlord as rent for the Lease Premises the following:

5.1 $ 700.00 per month, and prorated for any fraction of a month, payable in advance, commencing on the first day of the lease term and due on the first day of each succeeding month for the term of the Lease.

5.2 The first month's rent shall be payable in advance on the date of execution of this Lease.

5.3 All rental payments shall be made in good funds as that term is defined by Colorado law.

5.4 All rental payments shall be personally delivered or mailed to Landlord's Agent and Property Manager, Nesbitt & Company, LLC, at the address listed above on or before the first day of each month.

5.5 In the event any rental payment is paid by check which is not immediately honored by the depository institution upon initial presentment for payment, Tenant shall pay to Landlord a charge of $35.00 at the time of the return of the check, which sum shall be considered as additional rent due hereunder, and all future rental payments shall be paid in cash or by certified check.

5.6 If any rental payment is not paid within 3 days of the due date thereof, a late payment charge of $10.00 per day shall be paid by Tenant, retroactive to the payment due date, for each and every day that such payment is not made, and such late payment charge shall be considered as additional rent due hereunder.

6. UTILITY AND SERVICE CHARGES. Tenant shall pay all charges for utilities including, without limitation, all charges for gas, electricity, water, sewer, garbage collection, cable television and telephone service, as follows:

6.1 Tenant shall not allow any payment to become delinquent nor allow any lien or assessment to be placed against the Lease Premises for the payment of the same.

6.2 Tenant shall contact all applicable utility companies and authorized metering agencies to transfer payment responsibility into Tenant's name and otherwise arrange to be billed directly by such companies and agencies.

6.3 Tenant shall also be responsible for payment of any deposits required by such companies and agencies due to payment responsibility being transferred to Tenant.

6.4 If Tenant fails to pay such charges in a timely fashion, Landlord may pay such charges from Tenant's Security Deposit. Upon Landlord's demand, Tenant shall immediately deposit funds to replenish the Security Deposit to its proper amount.

7. SECURITY DEPOSIT. Upon execution of this Lease, Tenant shall place a security deposit with the Landlord, to be held by Landlord's Agent and Property Manager, Nesbitt & Company, LLC, in the amount of $650.00 as security for the

10/29/12

performance of Tenant's covenants and agreements under this Lease (the "Security Deposit"), as follows:

7.1 Landlord may apply the Security Deposit in whole or in part to remedy Tenant's defaults in the payment of any rental payments, together with late fees and interest, or in the performance of Tenant's other covenants and agreements under this Lease.

7.2 If Tenant does not return the Lease Premises to Landlord in as good a condition as when received, ordinary wear and tear excepted, Landlord may apply the Security Deposit in whole or in part to the payment of any costs to repair and/or replace the Lease Premises to the same condition as existed on the commencement date of this Lease.

7.2.1 Said repairs or replacements shall be made either by the Landlord or a contractor selected by Landlord, with the Landlord having complete discretion to choose the person or entity to perform such services.

7.2.2 If Landlord makes such repairs or replacements, Tenant shall pay Landlord $35.00 per hour for Landlord's services, together with the retail cost of any materials used in making such repairs or replacements.

7.2.3 If a contractor makes said repairs or replacements, Tenant shall pay contractor's charges, together with a fee payable to Landlord in the amount of 25% of said charges for Landlord to supervise and coordinate the same.

7.3 Notwithstanding the foregoing, Landlord shall apply a portion of the Security Deposit to pay the cost of having any carpet located in the Lease Premises professionally steam cleaned upon termination of the Lease.

7.4 Tenant's liability for any breach or default is not limited to the amount of the Security Deposit. If any damage to the Lease Premises or any unpaid rental payments or other amounts due under this Lease exceed the amount of the Security Deposit, Tenant shall immediately pay, upon being billed therefore, such excess amount, including Landlord's costs, expenses and attorneys' fees incurred therewith, if any.

7.5 Not later than 60 days following the date of termination of this Lease, Landlord shall account to Tenant for the Security Deposit and return to Tenant the Security Deposit, without interest and less the cost to professionally steam clean the carpet and any amounts applied to the repair or replacement of any damage or the payment of any rent or other amounts due under this Lease as herein provided.

7.6 THE SECURITY DEPOSIT SHALL, IN NO EVENT, BE DEEMED OR CONSTRUED AS ADVANCE PAYMENT OF RENT FOR ANY MONTH OF THE LEASE TERM.

8. CONDITION OF LEASE PREMISES. Tenant represents that Tenant has fully and completely inspected the Lease Premises and all related areas and grounds and is wholly satisfied with the physical condition thereof. TENANT AGREES THAT NO REPRESENTATIONS, WARRANTIES (EXPRESSED OR IMPLIED), OR COVENANTS WITH RESPECT TO THE CONDITION, MAINTENANCE, OR IMPROVEMENTS OF THE LEASE PREMISES HAVE BEEN MADE TO TENANT EXCEPT THOSE CONTAINED IN THIS LEASE.

9. USE OF PREMISES. Tenant shall use and occupy the Lease Premises for an office. Tenant shall not use the Lease Premises for any other purposes without the prior written consent of the Landlord.

10. TENANT'S RESPONSIBILITIES AND DUTIES. Tenant agrees at all times during the term of this Lease to be responsible for and comply with the following duties and responsibilities:

10.1 To keep and maintain the Lease Premises in a clean, sanitary and attractive condition.

10.2 To dispose of all rubbish, garbage, and other waste in a clean and sanitary manner to appropriate refuse facilities.

10.3 To properly use and operate all appliances, and electrical, gas, and plumbing fixtures.

10.4 To promptly remove snow from any and all walkways, driveways and porches serving the Lease Premises.

10.5 To keep and maintain in good condition and repair, and in the same condition as when received, the interior of the Lease Premises, including all interior walls, doors, and windows, and all appliances, fixtures and equipment within the Lease Premises.

10.6 To comply with reasonable requirements of Landlord's fire insurance carrier and any municipal fire codes, and not store or keep materials which cause a fire or safety hazard on the Lease Premises.

10.7 To be solely responsible for any damage or destruction to the Lease Premises, including exterior thereof, caused by any negligent acts or omissions of the Tenant, Tenant's guests and invitees.

10.8 To notify Landlord of any anticipated absence from the Lease Premises for a period of five or more consecutive days. Tenant shall so notify Landlord no later than the first day of the extended absence.

10.9 To make arrangements for Landlord or other responsible person to inspect the Lease Premises at least once a day during Tenant's absence for a period of five or more consecutive days during the months of November through March to insure that the Lease Premises are properly heated to prevent water pipes, sewer pipes and fixtures from freezing.

10.10 To hold no parties at the Lease Premises, to not disrupt or annoy neighbors or others living or working in the area surrounding the Lease Premises with loud or offensive noises, music or other conduct, including but not limited to the conduct and actions of the Tenant, Tenant's guests and invitees.

10.11 To not suffer or commit any waste in or about the Lease Premises and, at Tenant's expense, keep the Lease Premises in good order and repair (except to the extent, if any, Landlord has agreed to do so in this Lease).

10.12 To return the Lease Premises to Landlord in the same condition as on the commencement date of this Lease, in a clean and orderly condition, reasonable wear and tear excepted.

10.13 To at all times comply with all rules and regulations pertaining to the occupancy and rental of the Lease Premises as may be promulgated from time to time by Landlord for the necessary, proper and orderly care of the Lease Premises (the "Rules and Regulations for Lease Premises"), provided such Rules and Regulations for Lease Premises do not materially change the terms and provisions of this Lease.

11. ADDITIONS OR ALTERATIONS TO LEASE PREMISES. The Tenant shall make no changes, alterations, additions, improvements or remodeling of the Lease Premises without the prior written consent of the Landlord. Any changes, alterations, additions, improvements and fixtures (including security devices), whether temporary or permanent in character, made by Landlord or Tenant, in or upon the Lease Premises shall, unless otherwise agreed or unless Landlord requests their removal, become Landlord's property and shall remain in the Lease Premises at the termination of the Lease without compensation to Tenant. Notwithstanding any provision of this Lease, neither Landlord nor Landlord's insurance carrier shall be liable to Tenant for the replacement of such change, alteration, addition, improvement or fixture in the event of casualty loss. Tenant shall be solely responsible for obtaining insurance coverage as to any such change, alteration, addition, improvement or fixture. If Landlord shall permit or demand removal of any such item, Tenant shall return that part of the Lease Premises to the condition existing prior to the installation of such change, alteration, addition, improvement or fixture.

12. FURNITURE AND FIXTURES. Tenant acknowledges that the Lease Premises are not furnished with any furniture or appliances except for the following items: None.

Tenant shall be solely responsible, at Tenant's cost, to obtain, place and install within the Lease Premises all furnishings, furniture and personal property necessary or desirable for Tenant's occupancy of the Lease Premises and use thereof. Unless otherwise agreed by Landlord, upon the termination of this Lease, all of the Tenant's furnishings, furniture and personal property shall be immediately removed from the Lease Premises.

13. EXTERIOR MAINTENANCE. Tenant shall maintain the outside area of the Lease Premises, which includes but is not limited to cutting, trimming, raking, weeding and watering all lawn and garden areas, removing any pet waste from the Lease Premises and snow from any and all walkways, driveways and porches serving the Lease Premises.

14. INSURANCE.

14.1 During the term of this Lease, Landlord shall keep the Lease Premises insured for fire and extended coverage, but shall not insure any personal property owned by Tenant.

14.2 Tenant shall carry fire and extended coverage property insurance on all items of personal property, fixtures, equipment and improvements of Tenant located upon or within the Lease Premises and owned by Tenant and shall be solely responsible for any loss, damage or destruction of such personal property, fixtures, equipment and improvements.

15. LIABILITY INSURANCE. Tenant, at its sole cost and expense, shall obtain and maintain a policy of comprehensive public liability insurance, including property damage, covering the Lease Premises and all use and occupancy thereof by Tenant in an amount of not less than $1,000,000.00 blanket comprehensive liability limits and not less than $100,000.00 property damage limits with a reputable insurance company or companies licensed to do business in the State of Colorado. A copy of such policy of insurance, together with all endorsements pertaining thereto, shall be furnished to Owner upon request.

16. COMPLIANCE WITH LAWS AND REASONABLE USAGE. Tenant will comply with all federal, state, municipal and other laws, ordinances, rules and regulations applicable to the Lease Premises and Tenant's occupancy thereof; will not engage in any activity which would cause Landlord's fire and extended coverage insurance to be canceled or the rate therefore increased; and will not commit any act which is a nuisance or annoyance to Landlord or to neighbors or other tenants, or which might, in the

exclusive judgment of Landlord appreciably damage Landlord's goodwill or reputation, or tend to injure or depreciate the Lease Premises.

17. TAXES. Landlord will pay all real property ad valorem taxes levied on the Lease Premises. Tenant will promptly pay as the same become due and payable, and will not allow the same to become delinquent, all other taxes or assessments levied by any taxing entity in connection with Tenant's use of the lease Premises, including but not limited to (a) all personal property taxes levied on the personal property located upon the Lease Premises during the term of the Lease, and (b) all sales taxes as may be required to be paid in connection with Tenant's use of the Lease Premises.

18. ASSIGNMENT AND SUBLETTING. Tenant shall not assign this Lease, in whole or in part, nor sublet the Lease Premises or any portion thereof, without the prior written consent of Landlord. Landlord may, at any time and for any reason, reject any prospective new tenant, assignee or sublessee offered by Tenant. Upon any permitted assignment or sublease, the assignee or sublessee shall be deemed to have assumed performance of all obligations to be performed by Tenant, and shall be deemed the Tenant for all purposes, under this Lease. No such assignment or subletting, nor any such written consent of Landlord to the change in any of the named Tenants under this Lease, shall release, discharge or affect the obligations and liabilities of Tenant for the full Term of this Lease. Tenant shall pay Landlord an administrative fee of $150.00 for any assignment or subletting, change in any of the named Tenants under this Lease, or for preparing any assignment, sublease, revisions to this Lease or new lease pertaining to the Lease Premises.

19. LANDLORD'S TRANSFER OF INTEREST. Landlord shall have the right to transfer, sell, convey or in any other manner dispose of its interest in the Lease Premises. Upon any such transfer, the Landlord shall be relieved of any and all obligations hereunder to the Tenant and any successor or transferee of Landlord shall take title to the property subject to this Lease and shall assume all of the obligations of the Landlord hereunder.

20. SUBORDINATION. This Lease may, at the option of the Landlord, be made subordinate to any first mortgage or first deed of trust now or hereafter placed upon or affecting the Lease Premises and to all renewals, modifications, replacements or extensions hereof, subject to the provision that notwithstanding any default or foreclosure of such mortgage or deed of trust or the enforcement of any other rights and remedies including the right of sale thereunder, this Lease shall be recognized and shall remain in full force and effect during the term of this Lease so long as the Tenant is not in default of the Lease provisions. Tenant shall upon request by Landlord execute and deliver such instruments as may be reasonably necessary or convenient to evidence such subordination.

21. DEFAULT BY TENANT. Any of the following events shall constitute an "event of default" by Tenant:

21.1 The failure to make any rental payment as required under this Commercial Lease.

21.2 The failure to perform or observe any term, condition or requirement of this Lease, and such failure continuing for 3 days after written notice thereof by Landlord to Tenant.

21.3 The filing of any case, petition, or answer by or against the Tenant under any provision of the Federal Bankruptcy Act or any attachment, execution or other levy against the Tenant's property or interest in the Lease Premises.

21.4 The Tenant committing a "substantial violation" while in possession of the Lease Premises, as that term is defined in C.R.S. §13-40-107.5.

22. LANDLORD'S REMEDIES UPON TENANT'S DEFAULT. Upon any event of default by Tenant, the Landlord shall have the following rights and remedies, in addition to any other remedy or right by law or in equity by reason of such event of default:

22.1 Landlord may terminate this Lease and the term created hereby, in which event Tenant shall immediately surrender and Landlord may immediately repossess the Lease Premises in accordance with Paragraph 24.4 hereof without further demand or notice of any kind to Tenant.

22.1.1 If Landlord so terminates this Lease, Tenant shall be liable for and pay to Landlord damages in an amount equal to the rent and all other amounts to be paid by Tenant under this Lease to the date of such termination, together with the rent and all other amounts to be paid by Tenant for the remaining portion of the Lease term (had the Lease not been terminated by Landlord) less the then present fair market value of the Lease Premises for the remaining portion of the Lease term.

22.1.2 Tenant shall also be liable for and pay to Landlord all other sums of money and damages owed by Tenant to Landlord, all of Landlord's expenses of reletting the Lease Premises, including but not limited to any broker's fees or rental fees incurred by Landlord in connection with reletting the Lease Premises, together with the costs of removing and/or storing Tenant's or other occupants' property from the Lease Premises, and all other reasonable expenses incurred by Landlord in enforcing the remedies of the Landlord, including Landlord's costs, expenses and attorney fees.

22.2 Landlord may, without terminating this Lease, terminate Tenant's right of possession of the Lease Premises, in which event Tenant shall

immediately surrender and Landlord may immediately repossess the Lease Premises in accordance with Paragraph 24.4 hereof without further demand or notice of any kind to Tenant and without such entry and possession terminating this Lease or releasing Tenant from any obligation to pay rent hereunder for the full term of this Lease.

22.2.1 If Landlord repossesses the Lease Premises without terminating the Lease, Tenant shall be liable for and pay to Landlord damages in an amount equal to the rent and all other amounts to be paid by Tenant under this Lease to the date of such repossession, together with the rent and all other amounts to be paid by Tenant for the remaining portion of the Lease term (had Landlord not terminated Tenant's right of possession of the Lease Premises) less any rent and other amounts received by Landlord from new tenants of the Lease Premises during the remaining portion of the Lease Term.

22.2.2 Tenant shall also be liable for and pay to Landlord all other sums of money and damages owed by Tenant to Landlord, all of Landlord's expenses of reletting the Lease Premises, including but not limited to any broker's fees or rental fees incurred by Landlord in connection with reletting the Lease Premises, together with the costs of removing and/or storing Tenant's or other occupants' property from the Lease Premises, and all other reasonable expenses incurred by Landlord in enforcing the remedies of the Landlord, including Landlord's costs, expenses and attorney fees.

22.2.3 Landlord may but has no obligation to relet the Lease Premises as Tenant's agent and may, without obligation, make repairs, alterations and additions in or to the Lease Premises, all under the same terms and conditions as set forth elsewhere in this Lease. If the consideration collected by Landlord from any such reletting for Tenant's account is not sufficient to pay the amount to be paid monthly by Tenant, together with all such expenses, Tenant shall pay to Landlord, as damages, the amount of each monthly deficiency.

22.2.4 Landlord may from time to time file suit to recover any sums falling due under this Lease. No suit or recovery of any portion due Landlord hereunder shall be a defense to any subsequent action brought for any amount not reduced to judgment in favor of Landlord, except that Landlord shall not be permitted more than one recovery for the aggregate amount due under this Lease.

22.3 Landlord may remove and store, at the expense of the Tenant, all or any of the Tenant's personal property and effects situate in or around the Lease Premises, as Tenant hereby grants Landlord a lien upon the Tenant's

personal property in or on the Lease Premises for the payment of all sums due under this Lease.

22.3.1 Landlord shall have the right to sell the same at public or private sale, as the Landlord may determine in Landlord's sole discretion, and apply the proceeds to the payment of any amounts due and owing by Tenant to Landlord under the terms of this Lease.

22.3.2 Tenant hereby specifically waives any and all exemptions allowed by law with respect to said personal property, and waives notice of sale and the right to any appraisal with respect to the sale of said personal property.

22.4 All rights and remedies given Landlord shall be distinct, separate and cumulative, and the use of one or more shall not exclude or waive any other right or remedy allowed by law or in equity unless specifically limited or waived in this Lease. The following provisions also apply to this Lease:

22.4.1 The payment by Tenant, or acceptance by Landlord, of money after any of the following events shall not reinstate, continue, or extend the term of this Lease nor affect any such notice, demand or suit or any right hereunder not expressly waived: (a) after knowledge of any breach of this Lease, (b) after the termination of the term of this Lease or of Tenant's right of possession to the Lease Premises, (c) after the service of any notice, (d) after the commencement of any suit, or (e) after final judgment for possession of the Lease Premises.

22.4.2 Tenant's obligation to pay rent during the term of this Lease, any extension of the term of this Lease or any holdover tenancy shall not be waived, released, or terminated by the service of any notice, demand for possession, notice of termination of tenancy, repossession of the Lease Premises by Landlord, institution of any action for forcible detainer, ejectment or judgment for possession, or any other act or acts resulting in termination of Tenant's right of possession of the Lease Premises.

22.4.3 No action by Landlord, whether in taking possession of the Lease Premises or pursuing any action permitted by this paragraph, shall constitute an election of remedies by Landlord.

22.4.4 No action by Landlord shall be construed as effecting a termination of this Lease unless specifically set forth as such in a written notice from Landlord to Tenant.

23. DEFAULT BY LANDLORD. If the Landlord shall be in default as to the performance of any covenant, agreement or obligation to be performed by Landlord under the terms and provisions of this Lease, and such default shall continue for 10 days after written notice thereof by Tenant to Landlord (provided, however, that in the case of a default beyond the Landlord's reasonable control that cannot be cured within such 10 day period, the 10 day period shall be deemed extended if (a) immediately upon receipt of such notice, the Landlord advises the Tenant of its intention to institute all actions necessary to cure such default, and (b) institutes all necessary action and with reasonable diligence prosecutes the completion of all actions necessary to cure such default), then the Tenant shall have the following rights and remedies:

23.1 To cure such default with the reasonable costs and expenses thereof to be paid by Landlord.

23.2 If any such default of Landlord shall continue for more than 10 days and substantially interferes with the Tenant's use and occupancy of the Lease Premises, the Tenant may immediately terminate this Lease.

24. SURRENDER OF PREMISES. Upon termination of this Lease, whether by lapse of time or otherwise, or upon termination of Tenant's right of possession without termination of this Lease, the following terms shall apply:

24.1 Tenant shall quietly and peaceably leave and surrender the Lease Premises to Landlord, broom-clean and ready for occupancy, in as good condition as when received, ordinary wear and tear, repairs and replacements required to be made by Landlord, and alterations, additions and improvements excepted.

24.2 Tenant shall deliver all keys to Landlord at the place where rent is payable, or as otherwise directed by Landlord.

24.3 Prior to expiration or earlier termination of this Lease, Tenant shall remove all personal property from the Lease Premises. If Tenant fails to timely remove such personal property, then at Landlord's option, it shall be deemed abandoned and the property of Landlord.

24.4 Landlord shall have the right and license, with process of law (and if Tenant abandons the Lease Premises, Tenant grants Landlord and Landlord shall have such right and license with or without process of law), to enter the Lease Premises and take possession of the Lease Premises, to alter and change any locks or other security devices at the Lease Premises, and to expel and remove Tenant and any others who may be occupying the Lease Premises and any and all property from the Lease Premises, without relinquishing Landlord's right to rent or any other right given to Landlord hereunder or by operation of law or in equity. If Tenant abandons the Lease Premises and Landlord exercises the right and license

to enter the Lease Premises without process of law, Landlord may use such force as may be necessary without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer.

25. DESTRUCTION OF PREMISES. In the event that the Lease Premises or any part thereof shall be made unfit for occupation as a result of fire, destruction, or other casualty or peril, the Landlord shall have the exclusive right to terminate this Lease or to repair and replace the Lease Premises in as good a condition as it was prior to such damage. Such election shall be made by the Landlord giving written notice to the Tenant within 20 days from the date of such damage. If an election is made to terminate the Lease, the Tenant shall immediately surrender the Lease Premises to Landlord and shall pay the rental payments only to the date of the surrender of possession. If an election is made to repair the Lease Premises, the same shall be done within a reasonable period, and during such period the rental payments shall be reduced and adjusted to an amount that represents the fair and reasonable rental payment, as determined by the nature of the damages sustained to the Lease Premises and the extent the Tenant is deprived of the use of the Lease Premises. In no event shall the reasonable period to make such repairs exceed 90 days in duration. The Tenant shall have the absolute right to terminate this Lease in the event of any damage to the Lease Premises that makes the same untenable for a period of time longer than 90 days. In such event, Tenant shall give Landlord written notice of its option to terminate this Lease within 20 days after such damage or destruction.

26. ACCESS BY LANDLORD. Landlord reserves the right to enter and inspect the Lease Premises, make necessary repairs, alterations or improvements, supply necessary or agreed services, exhibit the Lease Premises to prospective or actual purchasers, mortgagees, tenants, workmen or contractors, or otherwise as necessary in the operation or protection of the Lease Premises. Landlord may retain and use copies of any keys necessary for access to the Lease Premises. Upon the occurrence of any apparent or actual emergency, Landlord may enter the Lease Premises at any time without notice. At any time within 90 days prior to the end of the Lease Term, Landlord may, as often as necessary, show the Lease Premises for rent between the hours of 9 A.M. and 8 P.M. on not less than 2 hours' oral notice, without limitation as to days. Prior to such 90 day period, entry shall be in accordance with agreement with Tenant or, if such agreement is impractical or refused, after 24 hours' notice and during the period of 9 A.M. to 8 P.M. Monday through Saturday.

27. ABANDONMENT OF PREMISES. Ten days' physical absence by Tenant with rent being unpaid, or removal of a substantial portion of Tenant's personal property with rent being paid, and, in either case, reason to believe Tenant has vacated the Lease Premises with no intent to again reside in the Lease Premises shall be conclusively deemed an abandonment of the Lease Premises by Tenant. In such event, and in addition to Landlord's remedies set forth in this Lease, Landlord may enter the Lease Premises and act as Tenant's agent to perform necessary repairs and relet the Lease Premises. Tenant shall be conclusively deemed to have abandoned any personal property remaining in the

Lease Premises, and Tenant's title to that personal property shall pass to Landlord without additional payment or credit by Landlord to Tenant. Despite such abandonment, Tenant shall continue to be liable for all rental payments for the entire Term of the Lease.

28. CONTINUANCE OF LEASE. If, after the expiration of this Lease, the Tenant shall remain in possession of the Lease Premises and continues to pay rent without written agreement as to such tenancy, then the Tenant shall be deemed as a tenant from month to month at the rental payment in effect on the last day of the Lease and under the same terms and conditions as are contained in this Lease. Such month to month tenancy shall not be deemed to extend the term or renew this Lease and the month to month tenancy may be terminated by either party giving written notice to the other of the termination at least 10 days prior to the commencement of the next month to month tenancy.

29. CARPET CLEANING. Tenant is responsible for paying the cost of having any carpet located in the Lease Premises professionally steam cleaned upon the termination of the Lease. Landlord shall make the arrangements for the carpet cleaning and shall apply the Security Deposit in whole or in part to the payment of such costs.

30. KEYS. Tenant shall not duplicate any keys to the Lease Premises without Landlord's prior written consent. Landlord will provide Tenant with two keys to the Lease Premises. Landlord will charge Tenant $35.00 per key for each key not returned at the termination of this Lease, or for any key replaced during the Term of the Lease. Landlord will charge Tenant an additional $25.00 if Tenant loses a key and requests another key from Landlord after business hours.

31. NON-WAIVER OF REMEDY. The waiver by the Landlord or the Tenant of any breach or default of any term, covenant or condition of this Lease shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition of this Lease.

32. NOTICES. All notices and other communications required or permitted under this Lease shall be in writing and shall be, as determined by the person giving such notice, either hand delivered; mailed by registered or certified mail, return receipt requested; delivered by overnight delivery service such as Federal Express or United Parcel Service; or sent by telecopier or telegraphic transmission. Service of such notice shall be deemed given and received when personally delivered, or 3 business days after mailing properly addressed with postage prepaid, or on the day sent by telecopier or telegraphic transmission, or on the day following the delivery to an overnight delivery service with delivery charges prepaid. All notices and communications required by this Lease shall be delivered to the following addresses:

LANDLORD: As set forth in Paragraph 1.

TENANT: As set forth below following the signature of the first listed Tenant.

Any party may change their address of record by giving written notice of the change to the other party.

33. TERMINATION ON SALE OF LEASE PREMISES. It is expressly understood and agreed that in the event of the sale of the Lease Premises by Landlord to any other person or entity, the Landlord or the new owner of the Lease Premises shall have the right, notwithstanding any other provision of this Lease, to terminate the Lease upon 45 days written notice to Tenant, which notice may be given at any time following the execution of a Contract for Sale of the Lease Premises to the new owner.

34. ENTIRE AGREEMENT. This written agreement contains the entire and only agreement between Landlord and Tenant, and no oral statement or representations not contained in this Lease shall be of any force and effect between said parties. This Lease shall not be modified or amended in any manner except by written instrument by the parties.

35. INVALIDITY OR INAPPLICABILITY. If any term, provision or paragraph of this Lease, or the application thereof, be invalid or unenforceable, the remainder of this Lease or the application of such terms, provisions and paragraphs, other than that which is held invalid or unenforceable, shall not be affected thereby and shall be valid and enforceable to the extent permitted by law.

36. APPLICABLE LAW. This Lease is entered into in the County of Gunnison and State of Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease shall be in the County or District Court of Gunnison County, Colorado.

37. ATTORNEYS' FEES. It is agreed that if any action is brought in a court of law by either party to this Lease as to the enforcement, interpretation or construction of this Lease, or any document provided for herein, the prevailing party in such action shall be awarded their reasonable attorneys' fees and costs incurred in the prosecution or defense, and collection of judgment, in such action.

38. INTEREST. All rental payments and other amounts owed by Tenant to Landlord under this Lease shall bear interest at the rate of 1.5% per month from the date due until the date that the same is paid in full.

39. TIME IS OF THE ESSENCE. It is expressly agreed that time shall be deemed of the essence of this Lease.

40. BINDING AGREEMENT. It is understood and agreed that this Lease shall be binding upon the heirs, personal representatives and assigns of the parties hereto.

41. JOINT AND SEVERAL LIABILITY. The obligations of two or more persons designated Tenant in this Lease shall be joint and several. If more than one party is named as Tenant, other than children in a family, all must execute this Lease and any modification or amendment of this Lease.

42. SPECIAL PROVISIONS. The following special provisions also apply to this Lease:

42.1 There will be no cultivation of marijuana on premises.

42.2 There will be no smoking of any kind in the leased premises.

42.3 _____.

This Lease is executed the day and date first above written.

LANDLORD

_____
(Landlord's Name)

By: Nesbitt & Company, LLC
Its: Agent and Property Manager

_____
(Signature)

By: _____
Its: Agent

TENANT(S)
Board of County Commissioners of the County of Gunnison, Colorado

By: _____, Chairperson
(Signature)

Address: _____

_____

Phone: _____
Fax #: _____