

**LEASE AGREEMENT
(commercial)**

**LANDLORD: SUNDANCE PLAZA, LLC,
A COLORADO LIMITED LIABILITY
COMPANY**

**TENANT: THE PAOLI GROUP, LLC,
A COLORADO LIMITED LIABILITY
COMPANY**

**PREMISES: SUNDANCE AT FISH CREEK,
345 ANGLERS DRIVE, UNIT A
STEAMBOAT SPRINGS, CO 80487**

LEASE DATE: FEBRUARY 5, 2025

LEASE AGREEMENT (COMMERCIAL)

This LEASE AGREEMENT (this “**Lease**”), dated for reference purposes only, February 5, 2025 is made by and between Sundance Plaza, LLC, a Colorado limited liability company (“**Landlord**”), and The Paoli Group, LLC, a Colorado limited liability company (“**Tenant**”). Landlord and Tenant shall be collectively referred to as the “**Parties**.”

Mailing & Notice Address of Landlord:

Sundance Plaza, LLC
c/o Property Manager
3528 Precision Drive, Suite 100
Fort Collins, CO 80528

Mailing, Notice & Billing Address of Tenant:

The Paoli Group, LLC
c/o Chris Paoli
P.O. Box 775835
Steamboat Springs, CO 80477
Email: chris.paoli@theagencyre.com

1. **Definitions.** Landlord leases to Tenant, and Tenant leases from Landlord, the Premises (defined below). In this Lease, capitalized words or phrases shall have the meanings indicated below, or as defined elsewhere in this Lease.

1.1. “**Premises**” shall mean: (i) approximately Two Thousand Three Hundred Fifteen (2,315) Leasable Square Feet, whether the actual square feet be more or less, identified as 345 Anglers Drive, Unit A, Steamboat Springs, CO 80487, as generally depicted on **Schedule 1.1, Site Plan and Depiction of The Premises**, attached hereto and incorporated herein by this reference. For all purposes of this Lease, the “Leasable Square Feet” or “Leasable Square Footage” of the Premises shall be determined by Landlord in its reasonable discretion and will include the useable square feet of the Premises and Tenant’s Prorata Share of the Buildings’ Common Areas (both as defined below), if any, or any other areas which benefit the Premises.

1.2. “**Center**” shall mean the land commonly known as Sundance at Fish Creek, and legally described as Sundance Plaza, according to the Plat thereof recorded July 18, 1979 at File No. 8374 EXCEPTING therefrom a 10 Foot Strip of land dedicated for County Road 30 along the Northerly line as shown on the Plat of said subdivision, County of Routt, State of Colorado. The Center includes the Premises, Tenant’s Building, the Buildings, and Common Areas (all as defined below), as may be amended from time to time. The purpose of the site plan attached (“**Site Plan**”) is to show the general configuration of the Center and the approximate location of the Premises. Landlord reserves the right to change the size, layout, and location of any Buildings or Common Areas, parking and other facilities shown on the Site Plan as well as reduce or expand the size of the Center. For example, and without limiting the generality of the immediately preceding sentence, Landlord may from time to time decrease the size of any parking area or substitute for any parking area other areas reasonably accessible to the tenants of the Center or construct additional buildings as part of the Center. The term “Center” herein shall be deemed to mean the

entire development owned by Landlord from time to time, including any and all existing and proposed structures (whether reflected on the Site Plan or hereafter incorporated in the Center during the term or any extension thereof), parking facilities, common facilities, and the like to be built on the property shown on the Site Plan as the same may from time to time be increased by the addition of other land, together with structures and the like thereon which may from time to time be included by Landlord in the development.

1.3. “**Tenant’s Building**” shall mean that certain building commonly referred to as the Building located within the Center in which the Premises is physically located.

1.4. “**Buildings**” shall mean the collective group of buildings located within the Center including any buildings, containers or booths, whether permanent or temporary structures, existing on or after the date of this Lease, and shall include Tenant’s Building.

1.5. “**Common Areas**” shall mean, without limitation, all entrances, exits, driveways, curbs, walkways, hallways, patios, landscaped areas, sidewalks, service corridors, public restrooms, stairways, non-structural portions of the roofs and the exterior walls, plazas, malls (including any enclosed common area where climate control is provided), throughways, loading and service areas, parking areas, and roads, and like areas or facilities which are located in the Center that Landlord has designated for Tenant’s nonexclusive use. At all times, Common Areas shall be subject to the exclusive control and management of Landlord.

1.6. “**Lease Year**” shall mean each successive twelve-month period beginning with the Commencement Date (defined below). If the Commencement Date is any day other than the first day of the month, then the first Lease Year shall include the partial month in which the Commencement Date occurs and the next consecutive twelve months.

1.7. The term “**Rent**” or “**rent**” means Base Rent and Additional Rent (both as defined below) plus all other amounts due from Tenant to Landlord under the terms of this Lease including, without limitation, Tenant’s Prorata Share of Operating Expenses (defined below).

1.8. “**Permitted Use**” shall mean commercial use of the Premises as a real estate brokerage firm and other ancillary purposes related thereto.

2. **Term and Possession.** The “**Lease Term**” shall be for Sixty (60) full months commencing on February 5, 2025 (the “**Commencement Date**”) and concluding at noon on the last day of the month that is sixty (60) full months from the Commencement Date. In addition, Tenant shall have the option to extend the Lease Term for a total of one (1) sixty (60) month term as set forth in Article 4 below. In the event that Tenant exercises its option to extend the Lease Term, any and all references to the Lease Term throughout this Lease shall include the applicable Option Period (as defined below). Base Rent and all other Rent due hereunder, including Tenant’s Prorata Share of Operating Expenses, shall commence on the Commencement Date.

3. **Rent.** All Rent due to Landlord from Tenant shall be paid to Landlord at the address of Landlord as set forth above (unless notice of a change of address is provided to Tenant as defined

in Article 31 below), in advance on or before the first day of each month during the Lease Term. At all times, Tenant shall pay Rent to Landlord for the Premises without notice and without deduction or setoff. If appropriate, Rent for the first month of the first Lease Year shall be prorated for said partial month calculated using a yearly (365-day) method.

3.1. **Base Rent.** “**Base Rent**” means the base rent for the Lease Term, which shall be as follows:

For Period	Rent/Sq Ft	“Monthly Base Rent”*	“Annual Base Rent”*
February 5, 2025- August 31, 2025	\$0.00	\$0.00 – abated**	\$0.00 – abated**
September 1, 2025- January 31, 2026	\$25.00	\$4,822.92	\$57,875.00
February 1, 2026- January 31, 2027	\$25.75	\$4,967.60	\$59,611.25
February 1, 2027- January 31, 2028	\$26.52	\$5,116.03	\$61,399.59
February 1, 2028- January 31, 2029	\$27.32	\$5,270.13	\$63,241.58
February 1, 2029- January 31, 2030	\$28.14	\$5,428.24	\$65,138.82

*Rent may be adjusted as set forth in Article 1.1.

Provided that Tenant does not default under this Lease at any time (even if cured), Tenant shall not be obligated to pay Annual Base Rent otherwise attributable to the Premises during the first seven (7) months of the initial Lease Term (“Base Rent Abatement**”). Tenant acknowledges and agrees that the foregoing Base Rent Abatement has been granted to Tenant as additional consideration for entering into this Lease, and for agreeing to pay the Rent and perform the terms and conditions otherwise required under this Lease.

3.2. **Additional Rent.** “**Additional Rent**” shall mean all costs and expenses to be paid by Tenant as additional rent under this Lease as further set forth and described in Articles 7.1, 8.1, 9.1, 10.3, 13, and 16.1. Tenant’s obligations for payment of Additional Rent shall commence on the Commencement Date.

4. **Option to Extend.** Provided that (i) The Paoli Group, LLC is still the Tenant, (ii) Tenant has not defaulted under this Lease beyond any notice or cure period, and (iii) Tenant delivers written notice to Landlord no later than one hundred eighty (180) days prior to expiration of the original Lease Term of its election to extend this Lease, Landlord hereby grants to Tenant,

in consideration of the execution of this Lease by Tenant, the option to extend the Lease Term (“**Option to Extend**”) for one (1) additional period of sixty (60) months (the “**Option Period**”). If Tenant gives such notice, the Lease Term shall automatically be extended for the Option Period without the necessity of executing any extension or renewal agreement, upon the same terms and conditions as contained in this Lease, with the exception of Base Rent which will be Market Rent (defined below) calculated in the manner set forth below for the first Lease Year of the Option Period. In the event Tenant exercises its option to extend the Lease Term, any and all references to the Lease Term throughout the Lease shall include the Option Period.

4.1 **Market Rent.** The Market Rent determined for the first Lease Year of the Option Period shall increase three percent (3.00%) from the previous Lease Year and each Lease Year thereafter during such Option Period.

5. **Security Deposit.** At the time of execution of this Lease, Tenant shall deposit with Landlord a sum equal to Seven Thousand Two Hundred and no/100 Dollars (\$7,200.00) (the “**Deposit**”). The Deposit shall be retained by Landlord as security for the faithful performance of all the terms, covenants and conditions of this Lease to be performed by Tenant, including the payment of all Rent, during the Lease Term. If Tenant defaults with respect to any provision of this Lease, including but not limited to the provisions relating to the payment of Rent or adjustments, Landlord may (but shall not be required to) use, apply or retain all or any part of the Deposit for the payment of any Rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of the Deposit is so used or applied, Tenant shall within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Deposit to its original amount and Tenant's failure to do so shall be a material breach of this Lease. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the Deposit or any balance thereof (less the cleaning and replacement charge described below) shall be returned to Tenant (or at Landlord's option, to the last assignee of Tenant's interest hereunder) on/or before sixty (60) days following the expiration of the Lease Term. In the event of termination of Landlord's interest in this Lease, Landlord may transfer said Deposit to Landlord's successor in interest.

At the end of the Lease Term, Landlord shall inspect the Premises and prepare a checklist of damages, if any, and at Tenant’s expense Landlord shall clean the carpeting; repaint smudged walls; replace damaged or soiled ceiling tile; repair or replace light fixtures (including light bulbs); repair damages beyond normal wear and tear; charge Tenant for unreturned keys (including mailbox keys if applicable); remove signage (as outlined in Article 19 below); and generally clean and repair the Premises to the condition it was in on the Commencement Date, ordinary wear and tear excepted. In the event Tenant installs improvements upon the Premises after the Commencement Date as permitted by this Lease and Landlord does not require the removal of such improvements, such improvements installed by Tenant shall be cleaned and repaired to a new condition, ordinary wear and tear excepted. Upon the termination of this Lease, whether such termination is voluntary or involuntary, Tenant agrees Landlord shall be entitled to deduct an amount equal to the actual expenses from the Deposit held by Landlord pursuant to this Article 5 or any other amounts due under this Lease, and if the remaining balance of the Deposit

is less than the related expenses or other amounts due, Tenant agrees to pay the difference to Landlord upon receipt of the billing statement therefor.

6. **Use of the Premises.** Tenant shall use the Premises for the Permitted Use and for no other purpose whatsoever except with Landlord's written consent which may be given or withheld in Landlord's sole discretion. Tenant acknowledges that the Center is subject to certain use restrictions and that Landlord has agreed with other tenants in the Center and other surrounding property owned by Landlord for the exclusive right to certain uses which are set forth in **Schedule 6, Exclusive/Prohibited Uses**, attached hereto and incorporated herein by reference. Tenant shall not use the Premises for any uses set forth in Schedule 6. Landlord reserves the right to amend and/or supplement Schedule 6 with additional exclusive uses and Tenant shall be bound thereby; provided, however, Tenant shall not be prohibited from using the Premises for the Permitted Use. Tenant shall not allow any accumulation of trash or debris on the Premises or within any portion of the Center. All receiving and delivery of goods and merchandise and all removal of garbage and refuse shall be made only by way of the rear and/or other service door provided therefor. If the Premises has no such door, these matters shall be handled in a manner satisfactory to Landlord. No material may be stored outside the Premises, unless first approved by Landlord in writing, and then in only such areas as Landlord designates. Tenant shall not commit or suffer any waste on the Premises, nor shall Tenant permit any nuisance or unlawful conduct to be maintained on the Premises or permit any disorderly conduct or other activity having a tendency to annoy or disturb any occupants of any part of the Center or any adjoining property. Additionally, Tenant agrees not to use the Premises for any activity related to controlled substances including, but not limited to cultivation, growth, storage, use, manufacturing, or distribution facilities of recreational or medical marijuana operations.

7. **Tenant's Prorata Share; Reconciliation; Review Period.**

7.1. **Operating Expenses.** For each year of the Lease Term hereof, Tenant shall pay to Landlord, as Additional Rent, Tenant's Prorata Share of all expenditures incurred by or on behalf of Landlord in operating, maintaining, repairing, or replacing the Center, including, but not limited to (i) all costs of operation and maintenance of the Common Areas ("**Common Area Expenses**"); (ii) all real estate taxes levied and assessed against the Center including the Common Areas and any general and special assessments for the Center (collectively, the "**Real Estate Taxes**"); (iii) all costs attendant to procuring and maintaining insurance coverage upon the Center and its operations ("**Insurance**"); and (iv) Landlord's administrative fees (all collectively referred to as "**Operating Expenses**").

As used in this Lease, and subject to the provisions of Article 16, "**Tenant's Prorata Share**" shall be Tenant's proportionate share of calculated as a percentage equal to the Leasable Square Feet divided by the total square footage of all leasable square footage in the Center. Tenant's Prorata Share may change from time to time if the leasable square footage in the Center increases or decreases as further outlined in Article 1.2. Common Area Expenses, Real Estate Taxes, Insurance, trash, recycling, administrative fees, Common Use Utilities (defined below), assessments, and all other costs and expenses associated with the Premises, the Buildings, and/or the Center, including without limitation, those set forth below, shall be referred to as "**Operating Expenses**".

In the event items included in Operating Expenses are provided by any governmental entity, quasigovernmental entity, district, association or similar organization and the costs assessed against the Center or Building, such assessments shall be included in Operating Expenses.

With respect to any calendar year or partial calendar year in which the Buildings are not occupied to the extent of 95% of the rentable area thereof, or Landlord is not supplying comparable services to 95% of the rentable area thereof, the Operating Expenses for such period which vary with the occupancy of the Buildings or level of service shall, for the purposes hereof, be increased to the amount which would have been incurred had the Buildings been occupied to the extent of 95% of the rentable area thereof and Landlord had been supplying comparable services to 95% of the rentable area thereof. Operating Expenses grossed-up under this Article 7 shall include only those Operating Expenses that vary with occupancy of the Property, including, but not limited to, water and trash service. In no event shall Landlord be entitled to recover more than 100% of actual Operating Expenses.

7.2. Reconciliation Statement. Landlord shall provide to Tenant a statement (the “**Expense Statement**”) setting forth the total Operating Expenses for the prior calendar year and Tenant’s share thereof calculated as set forth in this Lease. Landlord will use its best efforts to provide the Expense Statement to Tenant on or before April 1st of each calendar year. If Tenant has paid less than required under this Lease for the prior year, Tenant shall pay the deficiency to Landlord with the next payment of Monthly Base Rent; if Tenant has paid more than required under this Lease for the prior year, Landlord shall forthwith refund said excess to Tenant by either: (i) offsetting such excess against Monthly Base Rent due from Tenant; or (ii) payment of such excess to Tenant, as Landlord shall elect.

7.3. Operating Expense Audit. If Tenant reasonably believes that any Expense Statement includes charges that are not permitted pursuant to this Lease or contains an error, in calculation or otherwise, then within thirty (30) days of receipt of such Expense Statement (“**Review Period**”), Tenant shall have the right to notify Landlord that it wishes to employ an independent certified public accountant reasonably acceptable to Landlord to inspect and review Landlord’s books and records relating to the objections raised in Tenant’s notification. If Tenant elects to employ such accountant, Tenant shall notify Landlord of such decision, deliver to Landlord a confidentiality and nondisclosure agreement satisfactory to Landlord executed by such accountant, and provide Landlord not less than thirty (30) days’ notice of the date on which the accountant desires to examine Landlord’s books and records during regular business hours. Tenant shall cause the results of such review, including the review report, to be communicated in writing to Landlord, no later than fifteen (15) days after accountant’s inspection. If such review shows that the amount paid by Tenant to Landlord on account of demonstrated errors in such charges exceeded the amounts to which Landlord was entitled hereunder, Landlord shall credit the amount of such excess against the next installment of Monthly Base Rent due and payable hereunder after the date Landlord is notified in writing of the error. If such review shows that the amounts paid by Tenant to Landlord on account of demonstrated errors in such

charges were less than the amounts to which Landlord was entitled hereunder, Tenant shall pay to Landlord the amount of such shortfall within thirty (30) days of the date Tenant is notified of the error. All costs and expenses of any such review shall be paid by Tenant. Any review performed pursuant to the terms of this Article 7 shall be conducted only by an independent certified public accountant reasonably acceptable to Landlord.

Tenant's failure to notify Landlord of any objection to a given Expense Statement within the Review Period shall be deemed to be approval by Tenant of such Expense Statement and thereafter Tenant shall have no further right to object to or review any matter reflected thereon.

8. **Utilities.**

8.1. **Common Use Utilities.** Tenant shall pay to Landlord on the first day of each month, one-twelfth of Tenant's Prorata Share of the estimated cost of sewer service and water, and any other utility service that is for the benefit of multiple tenants and is not separately metered ("**Common Use Utilities**") as Additional Rent. Landlord may in its reasonable judgment revise the estimated costs of Common Use Utilities at any time and Tenant's payment of estimated costs shall be adjusted accordingly. Tenant's Prorata Share shall be subject to change from time to time, as and when the cost of such Common Use Utilities increases or decreases, or Tenant's Prorata Share changes. If the first and last years of the Lease Term are not calendar years, the obligations of Tenant hereunder shall be prorated for the number of days during the calendar year that this Lease is in effect. Landlord shall each year determine Tenant's Prorata Share of such Common Use Utilities for the prior year. If the first and last years of the Lease Term are not calendar years, the obligations of Tenant hereunder shall be prorated for the number of days during the calendar year that this Lease is in effect. Landlord shall each year determine Tenant's Prorata Share of such Common Use Utilities for the prior year in the Expense Statement and any overpayment or underpayment shall be handled as set forth in Article 7.2.

8.2. **Tenant Exclusive Use Utilities.** Tenant shall be solely responsible for and promptly pay all charges for heat, gas, water, electric, telephone, internet, television, and any other utility service used or consumed on the Premises that is otherwise not a Common Use Utility. Tenant shall arrange with all appropriate utility companies to have such accounts placed in its name, pay the utilities used on the Premises and to have the same billed to Tenant at the address designated by Tenant. In no event shall Landlord be liable for any interruption or failure in the supply of any such utility to the Premises. Tenant shall use its best efforts to cause all utilities serving the Premises to be separately sub-metered at its cost and billed directly to Tenant so that such utilities constitute Tenant Exclusive Use Utilities.

If any utility company serving the Premises determines that an additional service, impact fee, and/or assessment, water tap fee or any other type of payment or penalty is necessary due to Tenant's use and occupancy of Tenant's Building, nature of operation and/or consumption of utilities, said expense shall be borne solely by Tenant. Said expense shall be paid promptly,

and any repairs or modifications requested by the utility company shall be performed by Tenant immediately and without any delay.

9. **Taxes.**

9.1. **Real Property Taxes and Assessments.** Tenant shall pay to Landlord on the first day of each month, one-twelfth of Tenant's Prorata Share of all Real Estate Taxes, as Additional Rent. To the extent permitted by law, Landlord shall have the right to contest any Real Estate Taxes. Landlord shall pay to or credit Tenant with Tenant's Prorata Share of any abatement, reduction, or recovery of any Real Estate Taxes attributable to the Lease Term, less Tenant's Prorata Share of all costs and expenses incurred by Landlord, including attorneys' fees, in connection with such abatement, reduction or recovery. Landlord may in its reasonable judgment revise the estimate of costs of Real Estate Taxes at any time and Tenant's payment of estimated costs shall be adjusted accordingly. If the first and last years of the Lease Term are not calendar years, the obligations of Tenant hereunder shall be prorated for the number of days during the calendar year that this Lease is in effect. Landlord shall each year determine Tenant's Prorata Share of taxes and assessments for the prior year in the Expense Statement and any overpayment or underpayment shall be handled as set forth in Article 7.2.

9.2. **Personal Property Taxes.** Tenant shall be responsible for, and shall pay promptly when due, any and all taxes and assessments levied or assessed against any furniture, fixtures, equipment and items of a similar nature that Tenant installs or locates in or about the Premises.

9.3. **Other Tax.** If a special tax, head tax, charge or other assessment is imposed or levied upon the rents paid or payable hereunder or upon the right of Landlord to receive rents hereunder (other than to the extent that such rents are included as a part of Landlord's income for the purpose of an income tax), Tenant shall reimburse Landlord for the amount of such tax within fifteen (15) days after Landlord makes demand therefor upon Tenant.

10. **Insurance.**

10.1. **Landlord.** Landlord shall procure and maintain such building and property coverage, business interruption, loss of rents and liability insurance for the Center, the Buildings, or Tenant's obligations under this Lease as it deems proper and appropriate from time to time. Such insurance may be carried by an association or associations established by any Declarations affecting the Center, or any portion thereof. Such insurance shall not cover any of Tenant's property, and Tenant shall have no interest in any of the proceeds of such insurance. Landlord shall not be required to procure any insurance for Tenant's benefit.

10.2. **Tenant's Insurance.** Tenant shall, at its sole cost and expense, insure on a full replacement cost basis all of Tenant's property located in the Premises and the Center, if any, including inventory, fixtures, leasehold improvements and contents, against loss resulting from fire or other casualty. Tenant shall procure, pay for, and maintain commercial general liability insurance providing coverage from and against any loss or

damage occasioned by an accident or casualty on, about or adjacent to the Premises and the Center. Said liability policy shall be written on an "occurrence basis" with limits of not less than One Million Dollars (\$1,000,000.00) bodily injury liability coverage and One Million Dollars (\$1,000,000.00) property damage liability coverage. The policy shall also be written with an aggregate limit of not less than Two Million Dollars (\$2,000,000.00). In addition, Tenant shall procure, pay for and maintain loss of income, extra expense and business interruption insurance in such amounts as will reimburse Tenant for twelve (12) months of direct or indirect loss of earnings attributable to all perils commonly insured against by prudent tenants or attributable to prevention of access to the Premises or any portion of the Center as a result of such perils. All insurance policies carried by Tenant shall (i) be issued by insurance companies authorized to do business in the State of Colorado, with a then current A. M. Best Company, Inc. (or if it no longer exists, a comparable rating service) general policy holder's rating of "A" or better and financial size category of Class XII or higher and otherwise reasonably satisfactory to Landlord; (ii) designate, as additional named insureds, Landlord, Landlord's managing agent, Landlord's mortgagee(s) and any other parties designated by Landlord; (iii) be written as primary policy coverage and not contributing with or in excess of any coverage that Landlord may carry; (iv) provide for thirty (30) days' prior written notice to Landlord of any cancellation or other expiration of such policy; and (v) contain contractual liability coverage insuring performance by Tenant of the indemnity provisions of this Lease. In addition, all property damage insurance policies shall either permit or contain an express waiver of any right of recovery (by subrogation or otherwise) by the insurance company against Landlord and Landlord's mortgagees. Certificates for such insurance shall be delivered to Landlord on or before the Commencement Date, and on an annual basis thereafter.

10.3. Tenant's Share of Landlord Insurance. Tenant shall pay to Landlord on the first day of each month, one-twelfth of Tenant's Prorata Share of the estimated cost of Insurance secured by Landlord (or an association if not otherwise included in general association assessments) pursuant to this Article as Additional Rent. Landlord may in its reasonable judgment revise the estimate costs of such insurance at any time and Tenant's payment of estimated costs shall be adjusted accordingly. Tenant's Prorata Share shall be subject to change from time to time, as and when the cost of such insurance increases or decreases, or Tenant's Prorata Share changes. If the first and last years of the Lease Term are not calendar years, the obligations of Tenant hereunder shall be prorated for the number of days during the calendar year that this Lease is in effect. Landlord shall each year determine Tenant's Prorata Share of such insurance for the prior year in the Expense Statement and any overpayment or underpayment shall be handled as set forth in Article 7.2.

10.4. Mutual Subrogation Waiver. Landlord and Tenant hereby grant to each other, on behalf of any insurer providing fire and extended coverage to either of them covering the Premises, Buildings, Center or other improvements thereon or contents thereof, a waiver of any right of subrogation any such insurer of one party may acquire against the other or as against Landlord or Tenant by virtue of payment of any loss under such insurance. Such a waiver shall be effective so long as Landlord and Tenant are empowered to grant such waiver under the terms of their respective insurance policy or

policies, and such waiver shall stand mutually terminated as of the date either Landlord or Tenant gives notice to the other that the power to grant such waiver has been so terminated.

11. **Maintenance Obligations of Landlord and Capital Improvements.** Except as otherwise specifically provided for herein, Landlord shall not be responsible for the maintenance or janitorial of any portion of the Premises. Notwithstanding the foregoing, Landlord shall keep and maintain the roof, foundation, external walls (but not windows or doors), and internal systems (including but not limited to HVAC, electrical and plumbing) of Tenant's Building that do not exclusively service the Premises, in good repair and condition. Landlord shall pass along the costs associated with such maintenance, repair, or replacement of such items to Tenant, in its entirety if it is for the Premises only, or Tenant's Prorata Share of the cost, if the cost is incurred for an area greater than the Premises. Landlord reserves the right, but does not have the affirmative obligation, to allocate expenses related to the maintenance of the roof, foundation, external walls and internal systems of the Buildings to tenants of one Building and not tenants of the other Buildings, if Landlord deems it equitable to make such allocation in its sole discretion. Tenant shall, within ten (10) days from presentation of an invoice from Landlord for any expense incurred under this Article, pay to Landlord the amount due and owing. Any capital improvements to the Buildings, the roofs, the exterior of the Buildings, any Common Element serving the Premises, or any portion of the Center serving the Premises shall be amortized over the useful life of such improvement (as determined by Landlord) at an interest rate of eight percent (8%) per annum and included as an Operating Expense.

12. **Maintenance Obligations of Tenant.** Tenant shall, at Tenant's sole cost and expense, keep in place and comply with maintenance agreement(s) with a licensed service company for the heating, cooling, and ventilation systems which serve the Premises, comply with all existing warranties, and maintain the Premises in good condition and repair, including but not limited to:

- i) leasehold and other improvements which serve the Premises only including, without limitation, heating and cooling systems, ventilation systems, and leasehold improvements installed by Tenant;
- ii) electrical systems that serve the Premises including, but not limited to, replacement of all bulbs, ballasts, lenses, diffusers, etc. with items that are of equal or greater suitability and value;
- iii) plumbing systems that serve the Premises and agree to refrain from obstructing the plumbing fixtures or pipes with any foreign or inappropriate object or food waste; and
- iv) glass and doors on the Premises in good condition and repair, including prompt repair and replace of all glass and doors with items that are of equal or greater suitability and value.

Tenant shall not overload the floors of any part of the Premises and shall be responsible for the repair or replacement of any damage to the Premises and Tenant's Building which result from such overloading by Tenant or Tenant's movement of heavy articles therein or thereon. Tenant agrees not to install any electrical equipment that overloads any electrical paneling, circuitry or wiring.

In addition, Tenant shall, at Tenant's sole cost and expense, be responsible for any and all repairs associated with any damage to the Premises, Tenant's Building, the Buildings, the Center and any improvements therein including, but not limited to: roof, foundation, external walls, shared and/or non-shared systems, roof traps at grease vents, etc. caused by or related to: (a) the intentional or negligent action or inaction of Tenant, Tenant's employees, Tenant's agents or Tenant's customers, contractors, visitors and other invitees (collectively, "**Tenant Parties**"); or (b) any breach of this Lease by Tenant, to the extent such cost is not covered by Landlord or Tenant's insurance; provided, however, that Tenant shall pay the cost of Landlord's deductible for any such repair covered by Landlord's insurance; and provided, further, if such damage is caused by or related to Tenant's gross negligence or intentional misconduct then Tenant will be solely responsible to repair and pay for any such damage. Tenant shall, at Tenant's sole cost and expense, be responsible for all repairs to the Premises and improvements therein which are required by any cause other than the gross negligence or willful misconduct of Landlord.

13. **Tenant's Failure to Maintain Premises.** Should Tenant neglect to keep and maintain the Premises, Tenant's Building, and/or the Center as required herein, Landlord shall have the right, but not the obligation, to have the work done and/or enter into any contracts necessary to ensure the Premises, Tenant's Building and/or the Center are properly maintained. All reasonable costs for performance of required work and/or the costs associated with any contracts, plus a ten percent (10%) overhead charge therefor, shall be charged to Tenant as additional rent, and shall be due to Landlord with the next payment of Base Rent. In addition, Landlord may declare Tenant in default of this Lease as outlined in Article 33 below.

14. **Inspection and Acceptance of the Premises.** Tenant shall inspect the Premises, Tenant's Building, and Center prior to the Commencement Date and is deemed to accept the Premises in its "as-is" condition and "with all faults", including, but not limited to, all mechanical, plumbing, and electrical systems and the condition of the interior and exterior of Tenant's Building. Landlord shall not be liable for any latent defect in the Premises, in Tenant's Building or the Center which it did not have actual knowledge of.

15. **Common Area Maintenance.** Tenant shall pay Tenant's Prorata Share of the total costs incurred for the operation, maintenance and repair of the Common Areas. Such expenses include, but are not limited to, the costs and expenses incurred for the operation, maintenance, and repair of parking areas, if any (including restriping and repaving); removal of snow; utilities for common lighting and signs; insurance; security to protect and secure Tenant's Building and the Center; all common utilities, including water to maintain landscaping; replanting in order to maintain the appearance of landscaped areas; Common Area janitorial; reserves for maintenance, repair and replacement and capital improvements, including but not limited to the roof, parking lot, and foundation; supplies; the cost of personnel to implement such services; the cost of property management services that Landlord may retain from time to time; and ten percent (10.0%) of all such operational maintenance and repair costs to cover Landlord's administrative and overhead costs. These costs shall be estimated on an annual basis by Landlord and shall be periodically adjusted upward or downward at any time at Landlord's sole election. If the actual costs are greater than the estimated costs, Tenant shall pay the difference between the estimated costs and Tenant's Prorata Share of the actual costs to Landlord with the next payment of Monthly Base Rent. If the actual costs are less than the estimated cost, Landlord shall forthwith refund the amount of Tenant's

excess payment to Tenant by either: (i) offsetting such excess against monthly Rent due from Tenant; or (ii) payment of such excess to Tenant, as Landlord shall elect.

16. **Other Allocation of Operating Expenses.**

16.1. **Expenses for Premises.** Notwithstanding anything to the contrary herein but subject to adjustment pursuant to Article 16.2, any cost associated with an item included in Operating Expenses which services or is for the benefit of the Premises exclusively shall be passed along to Tenant and Tenant shall pay the same on the first day of each month as Additional Rent, but in no event later than ten (10) days from presentation of a statement from Landlord for the same. Such expenses shall be included in Operating Expenses. These costs shall be estimated on an annual basis by Landlord and shall be adjusted upward or downward depending on the actual costs for the preceding twelve months. If the actual costs are greater than the estimated costs, Tenant shall pay the difference between the estimated costs and Tenant's Prorata Share of the actual costs to Landlord with the next payment of Monthly Base Rent. If the actual costs are less than the estimated cost, Landlord shall forthwith refund the amount of Tenant's excess payment to Tenant by either: (i) offsetting such excess against monthly Rent due from Tenant; or (ii) payment of such excess to Tenant, as Landlord shall elect.

16.2. **Special Allocations.** Notwithstanding anything to the contrary in this Lease, Landlord reserves the right to apportion Operating Expenses to Tenant on a basis other than Tenant's Prorata Share based on Tenant's disproportionate use of or benefit derived from any item or items included in Operating Expenses. Allocations under this Article 16.2 shall control over any other provision of this Lease.

17. **Landlord's Rules and Regulations.** Landlord reserves the right to adopt and promulgate rules and regulations applicable to the Premises, Tenant's Building, the Buildings and/or the Center, and from time to time amend or supplement said rules or regulations at its sole discretion during the Lease Term (the "**Rules and Regulations**"). Notice of the Rules and Regulations shall be given to Tenant, and Tenant agrees to comply with and observe the Rules and Regulations.

18. **Parking.** Tenant and Tenant Parties shall have the right to use, in common with other occupants of the Buildings, the parking facilities of the Center, subject to any governmental parking charges and the Rules and Regulations. At all times, Landlord, at Landlord's election, can: (1) restrict parking by Tenant or Tenant's employees to a limited, designated area or areas; and (2) restrict permanent storage of any equipment or vehicles for more than twenty-four (24) hours on any portion of the Common Areas.

19. **Signage.**

19.1. **Exterior Signage.** Tenant may install signage on the exterior of the Premises identifying Tenant, provided, however, Tenant obtains Landlord's prior written approval as set forth below which shall not to be unreasonably withheld or delayed, notwithstanding anything herein to the contrary.

Notwithstanding the foregoing, Landlord agrees to approve Tenant's installation of the largest sign allowed by the local code regulations and Landlord, which may be located on the main peak above the Premises, along with a second sign on the rear of the Building. In addition, if the local code regulations allow illuminated signs, Landlord will reasonably consent to same in accordance with the signage approval process below.

19.2. **Signage Approval.** Tenant shall submit to Landlord, prior to fabrication of the sign, copies of drawings indicating the proposed location, size, layout, design and color of any proposed sign, including all lettering and graphics. Landlord shall review Tenant's proposal and render its decision on the proposed sign in a timely manner. Landlord may deny Tenant's proposal based upon any reasonable factor it deems relevant, in its reasonable discretion, including but not limited to the design, materials, size, color and location of the sign. The submittal and approval process is for the purpose of assuring and maintaining an attractive appearance for the Center, for the mutual benefit of all tenants. Tenant shall be responsible for the initial cost and maintenance of any sign. Any sign approved by Landlord shall be installed within thirty (30) days of approval. All signs must meet applicable code regulations and must be properly permitted.

19.3. **Removal of Signage.** Upon the termination of this Lease, whether such termination is voluntary or involuntary, Tenant agrees to be responsible for the prompt removal all of Tenant's signage, including any parking signage, for sealing and patching of all penetrations to Tenant's Building required for Tenant's sign installation to match adjacent finish, and for returning the electrical wiring back to a safe condition that meets all applicable code regulations, all at Tenant's expense.

20. **Inspection of and Right of Entry to Premises.** Landlord and/or Landlord's agents and employees shall have the right to enter the Premises at all times during regular business hours to examine the Premises, to show to prospective purchasers or lenders, or to make such repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. Landlord and/or Landlord's agents and employees may also enter the Premises at any hour if an emergency exists or reasonably appears to exist. Landlord shall be allowed to take all materials into and upon the Premises that may be required therefore without the same constituting an eviction or an impairment of the quiet enjoyment of Tenant in whole or in part, and the rent reserved shall in no way abate while such repairs, alterations, improvements, or additions are being made, by reason of loss or interruption of business of Tenant or otherwise. During the six months prior to the expiration of the Lease Term, Landlord may exhibit the Premises to prospective tenants and may place upon the Premises the usual notice indicating the Premises are for lease. Landlord may advertise the Premises for sale at any time and may place signs upon the Premises for such purpose.

21. **Alteration-Changes and Additions-Responsibility.** Unless Landlord's approval is first secured in writing, Tenant shall not install or erect inside partitions, add to existing electric power service, add telephone outlets, add light fixtures, install additional heating and/or air conditioning equipment or fixtures or make any other changes or alterations to the interior or exterior of the Premises ("**Alterations**"). Alterations shall be made at the sole cost and expense of Tenant. At the end of the Lease Term, Alterations, including Tenant Improvements (defined below) but excluding trade fixtures installed and paid for by Tenant, shall be and remain the

property of Landlord; provided however, Landlord shall have the option to require Tenant to remove any Alterations and Tenant Improvements, and restore the Premises to the condition existing immediately prior to such Alterations and Tenant Improvements, normal wear and tear excepted, all at Tenant's cost and expense. **At all times Landlord shall be entitled to specify a specific contractor or subcontractor for any and all work involving HVAC, fire suppression system and penetrations to the roof so as to protect any existing warranties.** Alterations shall be done in a good and workmanlike manner and shall consist of new materials. Landlord may require adequate security from Tenant assuring no mechanic's liens on account of work done on the Premises by Tenant and may post the Premises, or take such other action as is then permitted by law, to protect Landlord and the Premises against mechanic's liens. **In the event of any additions, changes, repairs, or alterations to the Premises, Tenant shall prepare for Landlord's signature and post on the Premises a "Notice of Non-Liability" complying with Colorado Revised Statute § 38-22-105. No work may commence until such notice is posted.**

Tenant shall cause its contractors and subcontractors to secure and keep in effect during the performance of any Tenant improvement at contractors' sole cost and expense the following coverage:

- A. Property insurance upon tools, material, equipment and supplies, whether owned, leased or borrowed by the Contractor or its employees to the full replacement cost for all causes of loss included within "all risk" perils. Policy shall allow for a waiver of subrogation against Landlord;
- B. Workers Compensation affording coverage under the laws of the State of Colorado (where work is performed) and Employers Liability coverage subject to a limit of no less than \$1,000,000 each employee, \$1,000,000 each accident and \$1,000,000 policy limit;
- C. Commercial General Liability, including contractual liability on an occurrence form with combined bodily injury and property damage limits of not less than \$5,000,000 per occurrence, \$5,000,000 per project general aggregate and \$5,000,000 Products liability and Completed Operations. Products and Completed Operations coverage shall extend for three years beyond completion of Tenant Improvement. Policy shall not contain exclusions relating to (a) contractual liability, (b) independent contractors, (c) gravity related injuries and (d) injuries sustained by an employee of an insured or any insured. Limits may be satisfied through a combination of Commercial General Liability, Umbrella Liability and Excess Liability policies. Any deductible shall be the responsibility of the Contractor.

Commercial General Liability, Umbrella Liability and Excess Liability policies shall name Property Owner and Property Manager as additional insured. Definition of Additional Insured shall include all subsidiary and affiliated entities and their respective members, partners, officers, directors, shareholders, consultants, employees, servants, agents, representatives and designees. Further, coverage for Additional Insureds shall apply on a primary and non-contributory basis irrespective of any insurance whether collectible or not.

All such insurance shall be maintained with insurance companies licensed in the state where the work is performed with an AM Best's rating of not less than A-VIII. Said policies shall contain a provision that coverage may not be canceled, non-renewed or materially changed without

at least thirty (30) days prior written notice to Landlord. If unable to endorse policy, contractor shall be responsible for providing notice. Contractor shall not begin work until it has furnished Certificates of Insurance to Landlord evidencing all terms noted above.

Upon the expiration or sooner termination of the Lease, Tenant shall, at Tenant's sole cost and expense, remove any alterations, additions, or improvements designated by Landlord to be removed. Tenant shall, at its sole cost and expense, repair any damage to the Premises and Tenant's Building caused by such removal. Additionally, in the event Tenant makes any alterations, additions or improvements to or of the Premises without Landlord's prior written consent, then Landlord, in its sole and subjective discretion, may require Tenant, at Tenant's sole cost and expense, to immediately remove any such alterations, additions, or improvements as designated by Landlord.

22. **Landlord's Right to Make Changes and Additions.** The Parties acknowledge that the exact configuration of the Center is subject to change. Landlord reserves the right to make alterations, improvements, or additions to the Buildings, Center and Common Areas at any time. Landlord also reserves the right at any time to relocate, vary and adjust the size of any of the Common Areas, Buildings or other improvements. Any such changes or additions may cause noise, dust, parking and other disturbances customarily associated with construction. Such disturbances shall not constitute an eviction of Tenant nor be the basis for any claim, demand, damages or rights to set-off of amounts due hereunder and Tenant hereby waives all such claims.

23. **Damage or Destruction of Premises.** If the Premises or Tenant's Building are totally destroyed by fire or other casualty or so badly damaged that, in the opinion of Landlord, it is not feasible to repair or rebuild same, Landlord shall have the right to terminate this Lease upon written notice to Tenant. Such notice shall be given within 75 days after such fire or other casualty occurs. If the Premises are partially damaged by fire or other casualty, not caused by Tenant or any Tenant Parties' negligence or intentional misconduct, and are not rendered untenable thereby, as determined by Landlord, an appropriate reduction of the rent shall be allowed until repair thereof shall be substantially completed. Landlord shall undertake and complete such repairs to the Premises or Tenant's Building with due diligence; if such repairs are not completed within 150 days after the fire or other casualty, Tenant may terminate this Lease by giving written notice of termination to Landlord at any time prior to the completion of such work.

24. **Condemnation Taking.** If the entire Premises is taken for quasi-public purposes by any governmental entity or other entity having the power of condemnation, this Lease shall terminate as of the date that legal title to the Premises vests in the condemning authority or the date such authority takes possession of the Premises, whichever is earlier. If only a portion of the Premises is so taken, Landlord may either terminate this Lease as of the date title or possession is transferred as set forth above, whichever is earlier, or continue this Lease in effect, in which event the Monthly Base Rent and Tenant's Prorata Share of taxes, insurance, and common area charges shall be equitably adjusted.

In either a total or partial condemnation, Landlord shall have the exclusive right to any award made by the condemning authority, and Tenant hereby waives and relinquishes any and all

claim Tenant may have against such award and all other claims for compensation or damages against Landlord arising from such condemnation.

25. **Assignment or Subletting.** Tenant may not assign this Lease or sublet the Premises or any part thereof, without the prior written consent of Landlord, which consent may be given or withheld in Landlord's discretion. No such assignment or subletting, if approved by Landlord, shall relieve Tenant or the Guarantor(s) of any of its obligations hereunder, and the performance or nonperformance of any of the covenants herein contained by subtenants shall be considered as the performance or the nonperformance by Tenant. Landlord may charge Tenant an assignment/subletting fee in the amount of \$2,000.00 for administrative charges associated with the proposed assignment or sublease, along with other costs reasonably incurred by Landlord, including but not limited to attorney's fees.

26. **Subordination and Estoppel.** Tenant agrees that this Lease shall be subordinate to any mortgage, trust deed, or ground lease that may now exist or which may hereafter be placed upon the Premises and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements and extensions thereof. Tenant shall execute and deliver whatever instruments may be required for the above purposes, and if it fails to do so within ten (10) days after demand in writing, does hereby make, constitute, and irrevocably appoint Landlord as its attorney-in-fact and in its name, place, and stead so to do. In the event of the sale or assignment of Landlord's interest in the Center or in the Buildings, or in the event of any proceedings brought for the foreclosure of or in the event of exercise of the power of sale under any mortgage made by Landlord covering the Premises, Tenant shall attorn to the purchaser or assignee and recognize such purchaser or assignee as Landlord under this Lease. Additionally, Tenant shall execute any estoppel certificate or other document reasonably requested by Landlord in connection with a sale or potential sale of the Building.

27. **Easements.** Landlord shall have the right to grant any easement on, over, under and above the Center for such purposes as Landlord determines, provided that such easements do not materially interfere with Tenant's occupancy and Permitted Use of the Premises. Landlord further reserves the exclusive right to the roof of Tenant's Building of which the Premises are a part. Easements for light and air are not included in the leasing of the Premises to Tenant. In addition, Tenant shall be entitled to the non-exclusive use of existing reciprocal access easements between the Premises and any adjoining property; provided, however, such reciprocal access easement may be amended in Landlord's reasonable discretion so long as such amendment does not result in a material adverse effect on Tenant. Tenant hereby irrevocably constitutes and appoints Landlord as its attorney-in-fact for the sole purpose of executing documents related to said amendments.

28. **Hold Harmless and Indemnification Agreement.** Tenant shall indemnify and hold Landlord harmless from and against any and all claims, losses, expenses, costs, judgments, and/or demands, including court costs and attorney's fees, suffered or incurred by Landlord, arising from activities of Tenant or any Tenant Parties on the Premises, in Tenant's Building, or the Center or on account of any operation or action by Tenant its agents or invitees and from and against all claims arising from any breach or default on the part of Tenant or any act of negligence of Tenant or any Tenant Parties; or any accident, injury or death of any person or damage to any property in or about the Premises, Tenant's Building or the Center unless caused by the negligence of the

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Landlord's Initials

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Tenant's Initials

Landlord, its agents, contractors, servants, or employees. Tenant's obligations under this Article shall survive any termination of this Lease.

29. **Acts or Omission of Others.** Landlord, its employees and agents, shall not be responsible or liable to Tenant or any Tenant Parties, or any other person or entity, for any loss or damage that may be caused by the acts or omissions of other tenants, their guests or invitees, occupying any other part of the Tenant's Building or the Center or by persons who are trespassers on or in the Tenant's Building or the Center, or for any loss or damage caused by or resulting from the bursting, stoppage, backing up or leaking of water, gas, electricity or sewers or caused in any other manner whatsoever.

30. **Holding Over.** Tenant understands that it does not have the right to hold over at any time after the expiration of the Lease Term, or earlier termination of the Lease Term, and Landlord may exercise any and all remedies at law or in equity to recover possession of the Premises, as well as any damages incurred by Landlord, including, without limitation, any consequential damages, due to Tenant's failure to vacate the Premises and deliver possession to Landlord as required by this Lease. If Tenant holds over after the expiration of the Lease Term with Landlord's prior written consent: (i) such tenancy will be deemed to be a periodic tenancy from month to month only; (ii) such tenancy shall not constitute a renewal or extension of this Lease for any further term; and (iii) such tenancy may be terminated by Landlord or Tenant upon the earlier of (a) thirty (30) days' prior written notice, or (b) the earliest date permitted by law. In such event, the Monthly Base Rent shall be increased to an amount equal to 150% of the Monthly Base Rent payable during the immediately preceding Lease Year, payable in advance, and Tenant will be bound by all of the other terms, covenants and agreements of this Lease as the same may apply to a month-to-month tenancy, including but not limited to the payment of any other sums due.

Notwithstanding the foregoing, if Tenant or any party claiming under Tenant remains in possession of the Premises without Landlord's written consent, such tenancy shall be an unlawful detainer and all such parties shall be subject to eviction upon three (3) days' written notice, and Tenant shall pay upon demand to Landlord during this period which Tenant holds the Premises, a sum equal to double the Annual Base Rental, plus all other charges due under the Lease. In addition, Tenant shall pay, upon demand, all attorneys' fees and all other costs incurred by Landlord in the preparation and service of any notice or demand hereunder, whether or not a legal action is subsequently commenced, together with interest at the maximum legal rate from the date(s) of Landlord's payments until reimbursed by Tenant.

31. **Notice.** All notices, demands, and requests which may be or are required to be given by either party to the other shall be in writing. Those given to Tenant shall be properly given if served on Tenant's registered agent, emailed to Tenant at the email address set forth above, posted on the Premises or sent to Tenant by United States registered or certified mail, return receipt requested, properly sealed, stamped and addressed to Tenant at the address noted above, or at such other place as Tenant may from time to time designate in a written notice to Landlord. Those given to Landlord shall be properly given if personally served on Landlord or if sent to Landlord, United States registered or certified mail, return receipt requested, properly sealed, stamped and addressed to Landlord at the address noted above, or at such other place as Landlord may from time to time

designate in a written notice to Tenant. Any notice given by mailing shall be effective as of the date of mailing.

32. **Insolvency - Bankruptcy**. If Tenant makes an assignment of Tenant's business or property for the benefit of creditors, or, if Tenant's leasehold interest hereunder shall be levied upon by execution or seized by virtue of any writ of any court of law, or, if application be made for the appointment of a receiver for the business or property of Tenant, or, if a petition in bankruptcy shall be filed by or against Tenant, then and in any such case, at Landlord's option, with or without notice, Landlord may terminate this Lease and immediately retake possession of the Premises without the same working any forfeiture of the obligations of Tenant hereunder. Notwithstanding the foregoing, if the Lease is rejected or canceled in any bankruptcy and the effective date of such rejection or cancellation is on or after the date upon which Rent is due and owing, then Rent for the entire month in which such rejection occurs shall be due and payable in full and shall not be prorated.

33. **Default**. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:

- i) The failure by Tenant to make any payment of Rent required to be made by Tenant hereunder, as and when due, and where such failure is not cured within five (5) days after the date on which such payment is due.
- ii) The failure by Tenant to make any other payment required to be made by Tenant hereunder (excluding Rent), as and when due, and where such failure is not cured within ten (10) days after the date on which such payment is due.
- iii) The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant, other than described in Article 33(i) or Article 33(ii) above, where such failure shall continue for a period of thirty (30) days after written notice from Landlord; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

34. **Remedies in Default**. In the event of any such material default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach, elect to:

- i) Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate, and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to (1) the cost of recovering possession of the Premises; (2) repayment of all Base/Additional Rent Abatement, with interest as

provided pursuant to the Lease from the date such Rent would have otherwise been due but for the abatement provided herein; (3) alteration of or damage to the Premises; (4) reasonable attorney's fees; (5) the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges and adjustments called for herein for the balance of the Lease Term after the time of such award exceeds the amount of such loss for the same period that Tenant proves could be reasonably avoided; and (6) that portion of any leasing commission paid by Landlord and applicable to the unexpired Lease Term. Unpaid installments of rent or other sums shall bear interest from the date due at the maximum legal rate.

- ii) Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to demand the entire amount of rent herein reserved or agreed to be paid for the entire Lease Term as if the whole rent for the entire term were payable in advance.
- iii) Reenter the Premises, without being liable for indictment, prosecution for damage therefor, or for forcible entry and detainer, and repossess and enjoy the Premises, together with all additions thereto or alterations and improvements thereof. If the Premises are reoccupied by Landlord pursuant to this Lease, and regardless of whether the Premises shall be relet or possessed by Landlord, all personal property of Tenant including fixtures, additions, furniture, and the like then on the Premises shall be deemed abandoned by Tenant and may be retained or disposed of by Landlord without accounting or credit to Tenant. Further, Tenant shall be required to pay for any costs of removal, sale or storage of such property.
- iv) Relet the Premises or any part thereof for the account of Tenant or otherwise, and receive and collect the rents therefore and apply the same first to the payment of such expenses as Landlord may have incurred in recovering possession and for putting the same in good order and condition for rental, and expense, commissions and charges paid by Landlord in reletting the Premises. Any such reletting may be for the remainder of the Lease Term or for a longer or shorter period. In lieu of reletting such Premises, Landlord may occupy the same or cause the same to be occupied by others.

Landlord shall have available any and all rights and remedies available under the statutes of the State of Colorado. No remedy herein or otherwise conferred upon or reserved to Landlord shall be considered exclusive of any other remedy but shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Further, all powers and remedies given by this Lease to Landlord may be exercised, from time to time, and as often as occasion may arise or as may be deemed expedient. No delay or omission of Landlord to exercise any right or power arising from any default shall impair any such right or power or shall be considered to be a waiver of any such default or acquiescence thereof. The acceptance of rent by Landlord shall not be deemed to be a waiver of any breach of any of the

covenants herein contained or of any of the rights of Landlord to any remedies herein given. Unless waived by written notice from Landlord to Tenant, no action taken by Landlord to obtain possession of the Premises or to recover any amount due to Landlord hereunder shall be taken as a waiver of Landlord's right to require full and complete performance by Tenant of all terms hereof, including payment of all amounts due hereunder, or as an election by Landlord to terminate this Lease.

If Tenant makes an assignment of Tenant's business or property for the benefit of creditors, or, if Tenant's leasehold interest hereunder shall be levied upon by execution or seized by virtue of any writ of any court of law, or, if application be made for the appointment of a receiver for the business or property of Tenant, or, if a petition in bankruptcy shall be filed by or against Tenant, then and in any such case, at Landlord's option, with or without notice, Landlord may terminate this Lease and immediately retake possession of the Premises without the same working any forfeiture of the obligations of Tenant hereunder.

35. **Tenant's Remedies.** Upon Landlord's breach of its material obligations under this Lease, Tenant shall have the right to give notice to Landlord specifying such breach and allowing thirty (30) days thereafter for cure of such breach. If the breach is of such a nature that it cannot be cured by diligent effort during such grace period, Landlord may cure its breach by undertaking a course of performance within such grace period and diligently pursuing it thereafter. If Landlord fails to cure its breach within said grace period, Tenant may pursue all remedies available to Tenant at law or in equity; PROVIDED, HOWEVER, that all rent (including Monthly Base Rent and Common Area Expenses, if any), and payment of all other monetary obligations required of Tenant by this Lease shall be due and payable without deduction or setoff. In no event shall Landlord be liable to Tenant for exemplary or consequential damage.

36. **Hazardous Materials and Environmental Considerations.**

36.1. Tenant covenants and agrees that Tenant and Tenant Parties shall comply with all Hazardous Materials Laws (as defined below). Without limiting the foregoing, Tenant covenants and agrees that it will not use, generate, store or dispose of, nor permit the use, generation, storage or disposal of Hazardous Materials (as defined below) on, under or about the Premises, or will it transport or permit the transportation of Hazardous Materials to or from the Premises, except in full compliance with any applicable Hazardous Materials Laws. Any Hazardous Materials located on the Premises shall be handled in an appropriately controlled environment which shall include the use of such equipment (at Tenant's expense) as is necessary to meet or exceed standards imposed by any Hazardous Materials Laws and in such a way as not to interfere with any other tenant's use of its premises. Upon breach of any covenant contained herein, Tenant shall, at Tenant's sole expense, cure such breach by taking all action prescribed by any applicable Hazardous Materials Laws or by any governmental authority with jurisdiction over such matters.

36.2. Tenant shall inform Landlord at any time of (i) any Hazardous Materials it intends to use, generate, handle, store or dispose of, on or about or transport from, the Premises and (ii) of Tenant's discovery of any event or condition which constitutes a violation of any applicable Hazardous Materials Laws. Tenant shall provide to Landlord

copies of all communications to or from any governmental authority or any other party relating to Hazardous Materials affecting the Premises.

36.3. Tenant shall indemnify, defend, and hold harmless Landlord and its agents and their respective officers, directors, beneficiaries, lenders, shareholders, partners, agents and employees and their respective successors and assigns from all fines, suits, procedures, claims liabilities, damages (including consequential damages) and actions of every kind, and all costs associated therewith (including reasonable attorneys', experts' and consultants' fees and costs of testing) arising out of or in any way connected with any deposit, spill, discharge or other release of Hazardous Materials that occurs or is caused during the Lease Term, at or from the Premises, or which arises at any time from (i) Tenant's failure to provide all information, make all submissions, and take all steps required by all applicable governmental authorities; (ii) any Hazardous Materials on, in, under or affecting all or any portion of the Premises or the groundwater as a result of events that took place during the Lease Term; (iii) any violation by Tenant or claim of a violation by Tenant of any governmental law, statute, rule, regulation, ordinance, requirement, decree, order or judgment now or hereafter in effect relating to public health, safety, protection of the environment or any Hazardous Material; (iv) the imposition of any lien for damages caused by, or the recovery of any costs for, the remediation cleanup of Hazardous Materials as a result of events that took place during the Lease Term; (v) costs of removal of any and all Hazardous Material from all or any portion of the Premises, which Hazardous Materials were placed on the Premises during the Lease Term; (vi) costs incurred to comply, in connection with all or any portion of the Premises, with all governmental regulations with respect to Hazardous Materials on, in, under or affecting the Premises, which Hazardous Materials were placed on the Premises during the Lease Term; or (vii) any spills, discharges, leaks, escapes, releases, dumping, transportation, storage, treatment, or disposal of any Hazardous Materials which occurs during the Lease Term, but only to the extent that such Hazardous Materials originated from or were or are located on the Premises. Tenant's obligations and liabilities under this Article 36.3 shall survive the expiration of this Lease. Notwithstanding the foregoing, Tenant shall not be responsible for the gross negligence and willful misconduct of Landlord, its affiliates, and their employees.

36.4. Upon termination of this Lease and/or vacation of the Premises, Tenant shall properly remove all Hazardous Materials. Landlord shall grant to Tenant and its agents or contractors such access to the Premises as is necessary to accomplish such removal. Landlord may require Tenant, at Tenant's expense, to complete an environmental audit by a duly qualified firm to ensure that the Premises are free from Hazardous Materials and in compliance with all applicable regulations. Tenant's obligations under this Article shall survive any termination of this Lease.

36.5. "**Hazardous Materials**" shall mean (a) any chemical, material, substance or pollutant which poses a hazard to the Premises or to persons on or about the Premises or would cause a violation of or is regulated by any Hazardous Materials Laws, and (b) any chemical, material or substance defined as or included in the definitions of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous waste",

“restricted hazardous waste”, “toxic substances”, “regulated substances”, or words of similar import under any applicable federal, state or local law or under the regulations adopted or publications promulgated pursuant thereto, including, but not limited to, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, as amended 49 U.S.C. Sec. 1801, et seq.; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Sec. 6901, et seq.; the Solid Waste Disposal Act, 42 U.S.C. Section 6991 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251, et seq.; and Sections 15-15-101, et seq.; 25-16-101, et seq.; 25-7-101, et seq.; and 25-8-101 et seq.; of the Colorado Revised Statutes. “Hazardous Materials Laws” shall mean any federal, state or local laws, ordinances, rules, regulations, or policies (including, but not limited to, those laws specified above) relating to the environmental, health and safety or the use, handling, transportation, production, disposal, discharge or storage of Hazardous Materials, or to industrial hygiene or the environmental conditions on, under or about the Premises. Said term shall be deemed to include all such laws as are now in effect or as hereafter amended and all other such laws as may hereafter be enacted or adopted during the Lease Term.

Landlord acknowledges that Tenant shall have no liability or responsibility for any Hazardous Material located on the Premises prior to Tenant’s taking possession hereunder. Landlord acknowledges and agrees that all costs and liabilities of dealing with any such pre-existing Hazardous Material shall be the sole responsibility of Landlord, who shall hold Tenant harmless therefrom. Landlord’s obligations under this Article shall survive any termination of this Lease.

37. **Guarantee and Financial Statements.** Tenant’s obligations under this Lease shall be guaranteed by Chris Paoli (the “**Guarantor**”). Guarantor’s obligations are set forth more fully on **Schedule 37**, attached hereto and incorporated herein by this reference, which will be presented and executed with this Lease. Tenant and Guarantor shall be jointly and severally liable for any and all obligations arising under this Lease. Current financial statements of Tenant and of Guarantor shall be provided to Landlord upon execution hereof and annually thereafter, or as reasonably requested by Landlord.

38. **Broker.** The Parties acknowledge that: (a) Greg Breslau of The Group Real Estate (collectively “**The Group**”) is a licensed real estate professional in the State of Colorado and is representing both Parties as the transaction agent; and (b) additional members and/or representatives of Landlord including, but not limited to, Kevin Brinkman and Paul Brinkman are licensed real estate professionals in the State of Colorado. The Parties shall indemnify and hold the other harmless from and against any cost, expense, liability or claim, including reasonable attorney fees, for any claims or demands for any commission or other compensation due a purported agent of such party except as specifically set forth herein. The Parties further represent and warrant to the other that no person or entity, other than the Group, claim any commission, finder’s fee, or other amounts by, through or under such party as a result of this transaction. The Parties’ obligations under this Article shall survive any termination of this Lease.

39. **General Provisions.**

39.1. **Relationship of Parties.** Nothing contained in this Lease shall be deemed to make Landlord a partner, agent, associate of or in joint venture with Tenant in the conduct of Tenant's business, it being expressly understood and agreed that the relationship between the Parties is and shall at all times remain solely that of landlord and tenant.

39.2. **Conduct.** Tenant shall conduct its business and use reasonable efforts to control Tenant Parties in such a manner as not to create any nuisance, or unreasonably obstruct or interfere with, or unreasonably annoy, disturb, or inconvenience any other tenant, vendor, Landlord, or agent of Landlord in its operation of the Center, including, but not limited to, loud, aggressive, hostile, or disruptive behavior. The determination of such interference or annoyance shall be at the sole discretion of Landlord.

39.3. **Partial Invalidity.** If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall be ruled invalid or unenforceable to any extent, the remainder of this Lease or the application of such term, covenant or condition to persons and circumstances other than those to which it has been held invalid or unenforceable, shall not be affected thereby, and each term, covenant and condition of this Lease shall be valid and shall be enforced to the fullest extent permitted by law.

39.4. **Entire Agreement.** It is expressly understood and agreed by and between the Parties that this Lease sets forth all the promises, agreements, conditions, and understandings between Landlord and/or its agents and Tenant relative to the Premises and that there are no promises, agreements, conditions, or understandings either oral or written, between them or other than are herein set forth.

39.5. **Modification or Extensions.** No modification or extension of this Lease shall be binding upon the Parties unless in writing and signed by the Parties.

39.6. **Miscellaneous.** The marginal headings and Article titles to the articles of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof. Throughout this Lease, wherever the words "Landlord" and "Tenant" are used, they shall include and imply to the singular, plural, persons both male and female, companies, partnerships and corporations, and in reading this Lease, the necessary grammatical changes required to make the provisions hereof mean and apply as aforesaid shall be made same manner as though originally included in this Lease.

39.7. **Recordation.** Tenant will not record this Lease or a short form memorandum of this Lease. Tenant agrees to keep the Lease terms, provisions and conditions confidential and will not disclose them to any other person without Landlord's prior written consent, which consent may be withheld in Landlord's sole and absolute discretion. However, Tenant may disclose Lease terms, provisions and conditions to Tenant's accountants, attorneys, managing employees and others in contractual privity with Tenant ("**Permitted Recipients**"), as reasonably necessary for Tenant's business purposes, without such prior consent; provided, that Tenant agrees to inform such Permitted Recipients of the confidential nature of this Lease and the confidentiality

agreements of Tenant set forth herein will apply to and bind such parties. Landlord will have the right to seek equitable remedies to stop any breach of this section. The terms and provisions of this Article shall survive the expiration or early termination of this Lease.

39.8. **Quiet Possession.** Upon Tenant paying the Rent reserved hereunder and observing and performing all of the covenants, conditions, and provisions of Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the Lease Term, subject to all the provisions of this Lease.

39.9. **Late Payments.** If any installment of Rent or any other amount due from Tenant under this Lease is not received by Landlord within five (5) days from the date such amount is due, then Tenant shall pay to Landlord a late charge equal to i) ten percent (10%) of such overdue amount or ii) \$100.00, whichever is greater. Also, any Rent or other amount due from Tenant which is not paid within ten (10) days of when due, including Monthly Base Rent, shall accrue interest at a late rate charge of two percent (2%) per month (but in no event in an amount in excess of the maximum rate allowed by applicable law) from the date on which it was due until the date on which it is paid in full with accrued interest. In the event any check, bank draft or negotiable instrument given for any money payment hereunder shall be dishonored at any time, Landlord shall be entitled, in addition to any other remedy that may be available (1) to make an administrative charge of \$100.00 or three times the face value of the check, bank draft or negotiable instrument, whichever is smaller, and (2) at Landlord's sole option, to require Tenant to make all future rental payments in cash or cashier's check.

39.10. **Laws and Regulations.** Tenant shall, at its sole cost and expense, comply with all laws and regulations of any governmental entity, board, commission or agency having jurisdiction over the Premises. Tenant agrees to comply with the requirements of the insurance underwriter or any governmental authorities having jurisdiction thereof.

39.11. **Inability to Perform.** This Lease and the obligations of the Tenant hereunder shall not be affected or impaired because the Landlord is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, or any other cause beyond the reasonable control of the Landlord.

39.12. **Governing Law.** The laws of the State of Colorado shall govern the validity, performance, and enforcement of this Lease. Should either party institute legal suit or action or enforcement of any obligation contained herein, it is agreed that the venue of such suit or action shall be in the County in which the Premises are located.

39.13. **E-Signing; Counterparts.** The Parties may transmit this Lease by computer scanned transmission or electronic signatures, and such signatures shall be adequate, binding, and valid as if such were an original signature on an original document. Each such computer scanned document or electronic signature or the original document may be executed in several counterparts and all of such counterparts taken together shall be deemed to be one document.

39.14. **Legal Proceedings - Responsibilities.** In the event of breach or default by Tenant, Landlord shall be entitled to recover all costs and expenses of enforcement, including reasonable attorney's fees, whether or not litigation is actually commenced. In the event of proceeding at law or in equity by Landlord, Tenant shall pay all costs and expenses, including all reasonable attorney's fees incurred by Landlord.

39.15. **Medical Waste Removal.** Tenant shall be responsible for medical waste trash removal, if any.

40. **Additional Provisions.**

40.1. **[Intentionally Omitted].**

40.2. **Tenant Improvements and Landlord Approval.** Tenant shall provide Landlord with plans and specifications for proposed improvements to the Premises necessary to prepare the Premises for the Permitted Use ("**Tenant Improvements**") in sufficient detail to permit Landlord to evaluate the Tenant Improvements as soon as they are available. Such plans and specifications shall comply with all Declarations, Covenants, Rules, and Regulations promulgated thereunder and applicable laws and regulations. Additionally, the plans and specifications shall include, without limitation: (i) Architectural design of the space: Plans including complete fixturing information, elevations, (including store front and signs), sections, material selections and finishes, including floor coverings and reflected ceiling plan; (ii) Mechanical revisions: New layout of the air conditioning equipment ducts and controls, including locations of the diffusers and registers, if any; (iii) Electrical system: Floor and reflective ceiling plans showing all loads, outlets, type and volt-amperes of lighting fixtures, other electrical equipment contemplated and location of panel boards and switching requirements; (iv) Plumbing system: All plumbing fixtures, drinking fountains, floor drains and any special equipment, including manufacturer's complete technical data for any special equipment; and (v) Fire prevention system: Any revisions to be made to the sprinkler systems, including pipe lines and sprinkler heads, and the location of portable fire extinguishers. Landlord shall have fifteen (15) days to accept or reject such plans and specifications for the Tenant Improvements. In the event Landlord fails to respond within such fifteen (15) day period, the proposed plans and specification for the Tenant Improvements shall be deemed rejected by Landlord. In the event the proposed plans and specifications for the Tenant Improvements are rejected by Landlord, the Parties will work together to mutually agree upon plans and specifications for the Tenant Improvements; provided, however, if no agreement can be reached within thirty (30) days of Landlord's rejection of Tenant's proposed plans and specifications, Landlord shall have the unilateral right to either: (i) accept Tenant's original proposed plans and specifications for the Tenant Improvements; or (ii) terminate this Lease without liability to Tenant or any Guarantor and the Parties will have no further rights or obligations hereunder. No unapproved alterations to the Premises are permitted. Tenant shall commence construction of the Tenant Improvements promptly upon approval of the plans and specifications as set forth above, subject to receipt of any and all governmental approvals (with copies to Landlord) or, alternatively, confirmation that governmental

approvals are not required satisfactory to Landlord in Landlord's discretion. At all times, Tenant shall comply with the following during construction of Tenant Improvements:

- (i) All contractors engaged by Tenant and/or Tenant's general contractor shall be bondable, licensed contractors enjoying good labor relations, capable of performing quality workmanship;
- (ii) Tenant's contractors shall provide and pay for all temporary power, water, and other utilities facilities, and the collection of debris, as necessary and required in connection with the Tenant Improvements;
- (iii) Storage of Tenant's contractors' construction materials, tools, equipment and debris shall be confined within the Premises or in areas designated for such purposes by Landlord's on-site representative. Tenant's contractor shall not run pipes or conduits over or through other tenants' space except as directed by Landlord's on-site representative;
- (iv) Tenant's contractors shall remove all trash and debris during and upon completion of construction; if not, Landlord may do so at Tenant's expense;
- (v) Tenant and Tenant's contractor shall comply with applicable guidelines set forth in Rules and Regulations, if any are provided by Landlord; and
- (vi) Tenant's work shall be subject to periodic inspection by Landlord and its representatives.

40.3. **[Intentionally Omitted].**

40.4. **Liens.** Tenant shall grant Landlord a lien on and security interest in personal property of Tenant, including, but not limited to, equipment and Tenant Improvements ("**Lienable Property**"), now or later, placed in or upon the Premises. This Lienable Property shall remain subject to the lien and security interest of Landlord for payment of all Rent and other amounts agreed to be paid by Tenant. This lien shall be superior to all other liens and Tenant shall not attempt to put any additional liens on the Lienable Property. Any such attempt to do so shall be considered a default of this Lease. Tenant hereby represents and warrants to Landlord that the Lienable Property is free and clear of any and all liens, security interests, or other encumbrances as of the date hereof. In addition, Tenant hereby indemnifies Landlord and agrees to hold Landlord harmless from and against any claims, damages, or expenses resulting from any claim by any party that it has any claim to the Lienable Property prior to the claim of Landlord. Tenant hereby agrees to maintain the Lienable Property in good condition and repair, reasonable wear and tear excepted. In no event shall any of Landlord's Lienable Property be discarded or removed from a Project unless such Lienable Property is replaced by similar Lienable Property with a value at least equal to the value of the replaced Lienable Property.

40.5. **[Intentionally Omitted.]**

40.6. **Opening and Continuous Operation.** Notwithstanding anything to the contrary herein, Tenant shall be open to the public for business within two hundred forty (240) days of the Commencement Date (“**Outside Opening Date**”) and, in the event Tenant is not open for business to the public by that time, Tenant shall be deemed to be in default of this Lease and along with any other rights and remedies under the Lease, Landlord shall have the option to either: (i) terminate this Lease by providing written notice to Tenant of its election to terminate; or (ii) require Tenant to pay Landlord the sum of One Hundred Dollars (\$100.00) for each day Tenant is not open for business to the public beginning on the day following the Outside Opening Date (in addition to Rent and any other sums due under this Lease) and continuing each day thereafter until Tenant opens to the public. Tenant shall continuously, during the entire Lease Term, conduct and carry on Tenant’s business in the Premises during the usual business hours of each and every business day as is customary for businesses of like character in the City of Steamboat Springs, but in no event shall Tenant’s business be closed for more than five (5) consecutive days without the written notice to Landlord.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have signed this Lease Agreement on the dates shown by their respective signatures.

LANDLORD:

Date: 02/06/2025

SUNDANCE PLAZA, LLC,
a Colorado limited liability company,

By: Brinkman Entity Management, LLC,
a Colorado limited liability company,
Its Manager,

By: 
Dan Metzger, Authorized Agent

TENANT:

Date: 2/7/2025

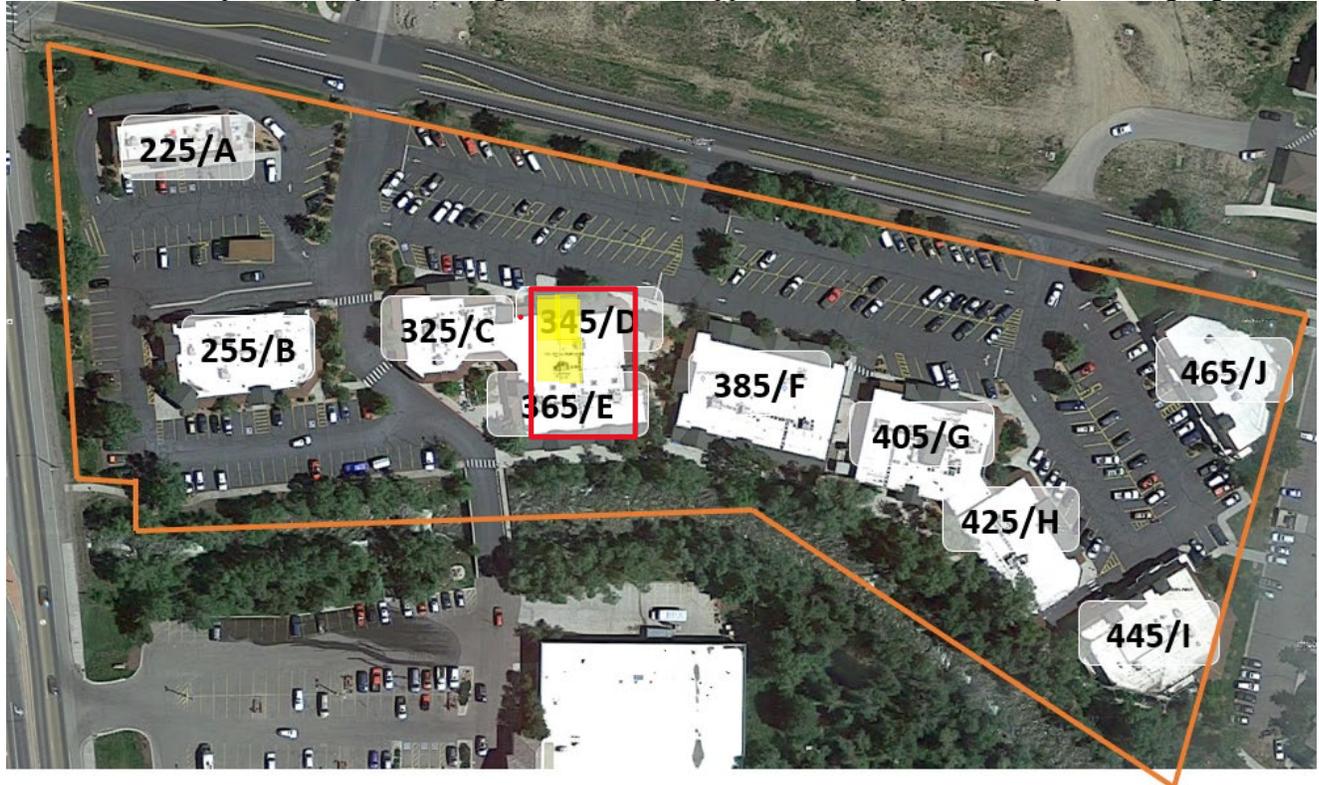
THE PAOLI GROUP, LLC,
a Colorado limited liability company,

By: 
Name: Chris Paoli
Its: Manager

Schedule 1.1
SITE PLAN OF CENTER AND DEPICTION OF THE PREMISES

Tenant's Building location is represented by solid red line:

The Site Plan is represented by solid orange line; Unit A is approximately represented by yellow highlight.



The images in this Schedule 1.1 are presented solely for the purpose of identifying the approximate general location and size of the Site Plan and Premises. Building sizes, site dimensions, access and parking areas, existing tenant locations, and identities are subject to change at Landlord's discretion, except as otherwise expressly restricted in the text of the Lease.

Schedule 6
EXCLUSIVE/PROHIBITED USES

1. To operate principally as a paint, wallcovering, or floorcovering store
2. A sit-down, full menu breakfast restaurant
3. To operate or market themselves as providers of group strength training classes or personal training (except in connection with therapy services); Orange Theory Fitness franchisee; Cross-Fit bootcamp-style classes
4. **[Intentionally Omitted]**
5. A sit-down restaurant specializing in a Mexican menu
6. **[Intentionally Omitted]**
7. Prohibited Uses: adult video/adult entertainment stores; abortion offices/facilities; alcohol/drug rehabilitation offices/facilities; off-track betting establishments; offices or entities that sell, barter, trade, buy, or dispense marijuana for medical use or otherwise; and probation/parole offices

255 ANGLERS DRIVE ONLY

8. Prohibited Uses: pawn shops; dance studios or karate studios; beer or wine-making stores; unemployment or Social Security offices; tattoo shops/body art/piercing; beauty/hair salons, cosmetology services, or nail salons; gun and weapon shops; smoke/tobacco or vapor/e-cigarette shops; child care/children's gymnasium; veterinarian/dog grooming/animal boarding; gym/workout facility; same day cash/loan shops; massage parlors, except for national chains such as Massage Envy and the like); police substations; military recruiting offices; or any other non-professional use similar to those listed above.

225, 255, AND 325 ANGLERS DRIVE ONLY

9. The sale of (a) freshly ground or whole coffee beans, (b) espresso, espresso-based coffee drinks or coffee-based drinks, (c) tea or tea-based drinks, (d) gourmet, brand-identified brewed coffee or tea drinks, including coffee-based and tea-based drinks, and gourmet or brand-identified coffee and tea-based blended beverages NOT TO RESTRICT the sale of (i) non-gourmet, non-brand-identified coffee, tea or tea-based drinks, (ii) milk, cream, ice-cream, yogurt, fruit, vegetable, juice or other drinks which are not coffee or tea-based., or (iii) the sale of any coffee, and/or tea-based drinks sold by a hotel or by any tenant holding liquor license.
 - a. The above shall NOT prohibit restaurants whose primary product offerings are not coffee or tea drinks from (i) brewed coffee or tea-based drinks, including coffee-based and tea-based drinks which may be gourmet or brand-identified items, of (ii) coffee and tea-based blended beverages, which may be gourmet or brand-identified items, for on-premises consumption only.

(Landlord reserves the right to amend and/or supplement the Exclusive/Prohibited Uses.)

Schedule 37
PERSONAL GUARANTEE

In consideration of the benefits flowing to me, personally, from the execution and performance of the Lease Agreement dated January 31, 2025 (the "Lease") for the premises described as 345 Anglers Drive, Unit A, Steamboat Springs, CO 80478 and further described in the Lease as the Premises, the receipt and adequacy of which consideration are hereby acknowledged, Chris Paoli (the "Guarantor") hereby personally guarantees, jointly and severally, the payment by The Paoli Group, LLC ("Tenant") of all rent and other monetary obligations of the Tenant under the Lease, and the performance of all non-monetary obligations of the Tenant under the Lease.

Guarantor acknowledges and agrees that Sundance Plaza, LLC ("Landlord") has and will rely upon this Personal Guarantee and that Landlord would not have entered into the Lease if this Personal Guarantee had not been executed.

Guarantor hereby waives and releases any right Guarantor may have to require Landlord to pursue or exhaust legal or equitable remedies against Tenant, prior to enforcement of this Personal Guarantee against Guarantor.

Guarantor understands and agrees that if a default occurs in the payment of rent or other amounts due and payable under the Lease or in the performance of any other covenant or condition set forth in the Lease, Landlord shall be entitled to commence any action or proceeding against Guarantor or to otherwise exercise any remedy available at law or in equity to enforce this Personal Guarantee, without first commencing any action or otherwise proceeding against the Tenant or otherwise exhausting any or all of its available remedies against the Tenant under the Lease. Landlord may maintain successive actions for other defaults, and Landlord's rights under this Personal Guarantee shall not be exhausted by the Landlord's exercise of any of such rights or remedies, or by any number of successive actions, unless and until all obligations hereby guaranteed have been fully performed.

Guarantor's liability as a guarantor shall in no way be affected by, and Guarantor hereby expressly waives any defense that may arise by reason of, the release or discharge of the Tenant in any creditors, receivership, bankruptcy, or other proceeding, or the impairment, limitation, or modification of such liability of such liability of the Tenant in bankruptcy.

This Personal Guarantee shall remain in full force and effect until all amounts due under the Lease have been paid in full and all other obligations under the Lease have been fully performed.

This Personal Guarantee shall inure to the benefit of, and shall bind, the Landlord and Guarantor, and each party's respective heirs, grantees, legal representatives, successors and assigns.

SIGNED this 5th day of February 2025.

GUARANTOR:



Chris Paoli, individually