AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

AgendaTitle:
Lease Agreement; Marmi, Ltd.; District Attorney Office Space; 234 North Main Street, Suite 3C, Gunnison, CO 81230; 11/1/13 thru 3/31/15; $18,000

Action Requested: County Manager Signature

Parties to the Agreement: Tim Scanlon/Marilyn Sargent (agent)

Term Begins: 11/1/13 **Term Ends:** 3/31/2015 **Grant Contract #:**

Summary:
Lease Agreement among Tim Scanlon and Gunnison County for office space for the District Attorney's Office at the Main Place, Unit 3C

Fiscal Impact: 18,000 for 18 months

Submitted by: Brenda Wiseman for John Cattles **Submitter's Email Address:** jcattles@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:

This is included in the expected cost of relocation during the courthouse construction project.

Reviewed by: GUNCOUNTY1\LNIENHUESER Discharge Date: 11/7/2013

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

Comments:

Reviewed by: GUNCOUNTY1\ATREZISE Discharge Date: 11/19/2013 Certificate of Insurance Required Yes (●) No ( )

County Manager Review:

Comments:

Reviewed by: GUNCOUNTY1\MBIRNIE Discharge Date: 11/19/2013

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

Agenda Date: 11/26/2013 Follow Up Agenda Date:

Revised April 2013

LEASE AGREEMENT

This LEASE is entered into on the Nov 1-2013 by and between Marmi, Ltd. And ~~Gunnison Cty Dist Atty~~ Board of County Commissioners of Gunnison County, Colorado (tenant). MS

ARTICLE 1. Premises

The Landlord hereby leases to the Tenant the business space known as constituting a portion of the Main Place located at 234 North Main Street, or the Elkhorn Building located at 303 East Tomichi Avenue, Gunnison, Colorado, which is legally described as follows:

Unit 3C X Main Place – Portions of Lots 1,2,3 and 4, Block 13, Original Gunnison

____ Elkhorn – Portions of Lots 1,2,3 and 4, Block 31, Original Gunnison,

County of Gunnison,

State of Colorado

said business space being hereinafter referred to as "the Leased Premises".

ARTICLE 2. Term MS

The first term of this Lease shall be twelve (~~12~~ 18) months, beginning at 12:00 noon on Nov 1-2013 And ending at 12:00 noon on March 31-2015

ARTICLE 3. Rent and Deposit

1.Security Deposit.

A. Concurrently with the execution of this Lease, the Tenant has deposited with the Landlord the sum of N/A as security for the performance by the Tenant of all covenants and conditions required to be performed by the Tenant under this Lease. The security deposit will not bear interest. The security deposit will be returned to the Tenant within sixty (60) days after the expiration of the term of this Lease provided the Tenant has performed all such covenants and conditions. Prior to the time when the Tenant Is entitled to the return of the security deposit, the Landlord will be entitled to intermingle such deposit with his own and to use such sum for purposes as the Landlord may determine.

B. In the event of default by the Tenant in performance of any of the covenants or conditions of this Lease, including but not limited to the payment of rent and additional rent, the Landlord may use, apply, or retain all or part of such security deposit for the payment of any unpaid rent and additional rent, or for any other amount which the Landlord may be required to spend by reason of the Tenant, including any damages or deficiency incurred in re-leasing of the Leased Premises, regardless of whether the accrual of such damages or deficiency occurs before or after an eviction or a summary re-entry or other re-entry by the Landlord.

2.Rent

A. For the ~~first year~~ 18 months MS of the Lease, the Tenant shall pay to the Landlord, without notice or demand rent in the amount of 18,000.00.

per year in lawful money of the United States, in equal monthly installments of ____ 1000 00 per month in advance on the FIRST day of each calendar month throughout the term, at the office of the MARMI, LTD., 107 East Georgia Avenue, Suite 1D, Gunnison, Colorado 81230, or at such place as the Landlord may designate in writing. Should Tenant fail to pay the rent by 5:00pm on the 5th day of each month, a five percent (5%) monthly late fee will be charged. Also, to initiate this Agreement, Tenant shall also tender a total of two monthly rental payments (first and last month's rent) for an additional total of _____ and _____/100 DOLLARS ($__,_____) in good funds, which includes a money order or cashier's check.

____ Landlord ____ Tenant

B. The Option to Renew contract for the following year must be in writing to MARMI, LTD. Three (3) months prior to actual renewal date.
Option to Renew for _____ in the amount of _____ Dollars _____ per month.
Option to renew for _____ in the amount of _____ Dollars _____ per month.
Option to Renew for _____ in the amount of _____ Dollars _____ per month.

C. Any breaking of this Lease will constitute full payment of the remainder of the contract. _____

ARTICLE 4. Representations of Landlord

Neither the Landlord nor his agents have made any representations with respect to the building, the land upon which it is erected, the Leased Premises or the scope and nature of the business activities conducted by other Tenants in the building except as expressively set forth herein. The taking of possession of the Leased premises by the Tenant shall be conclusive evidence that the Tenant accepts the same "as is" and that the leased premises and the building of which the same form as part were in good and tenantable condition at the time possession was taken.

ARTICLE 5. Tenant's Rights and Duties

The Tenant covenants and agrees as follows:

1. **Payment.** The Tenant shall pay rent and additional rent for the Leased Premises as provided herein without notice or demand and without any deductions.

2. **Use of Premises.** The Tenant shall use and occupy the Leased Premises solely as business, and for no other purposes whatsoever without the Landlord's written consent. The Tenant shall not use or permit the use of the Leased Premises in a manner (nor do or permit to be done anything in the Leased Premises), which will in any way make or void or voidable any insurance then in force with respect thereto; or which will cause or be likely to cause structural damage to any part of the building; or which will constitute a public or private nuisance; or which violates and laws or regulations of any governmental authority.

3. **Utilities.** The Tenant shall pay for all utility services, such as gas, water and power, plus their individual telephone service. Tenant is also responsible for maintenance of all light fixtures.

4. **Laws and Licenses.** The Tenant, at its sole expense, shall promptly comply with all laws, orders, and regulations of Federal, State, County and municipal authorities, and with any direction of any public officer, pursuant to law, which shall impose any duty upon the Landlord or the Tenant with respect to the Leased Premises including fire, safety and environmental regulations. The Tenant, at its sole expense, shall obtain all licenses or permits, which may be required for the conduct of its business within the terms of this Lease, or for the making of repairs, alterations, improvements or additions, and the Landlord, where necessary, will cooperate with the Tenant in applying for all such permits or licenses, but the Landlord shall incur no cost, expense or liability therefore.

Landlord _____ Tenant

5. **Alteration or Addition.** No alteration, addition, or improvement to the Leased Premises shall be made by the Tenant without the written consent of the Landlord. Any alteration, addition, or improvement made by the Tenant, and any fixtures installed as part thereof, shall, at the Landlord's option, become the property of the Landlord upon the expiration or other sooner termination of this Lease; provided, however, that the Landlord shall have the right to either remove such fixtures or require the Tenant to remove such fixtures, both at the Tenant's expense, upon termination or expiration of this Lease.

6. **Repairs.** The Tenant shall, at its own expense, keep the Leased Premises in good condition and repair, except as provided in Article 6 with respect to the Landlord's obligations. Any damage to adjacent premises caused by the Tenant's use of the Leased Premises or common areas shall be repaired at the expense of the Tenant.

7. **Liens.** The Tenant shall keep the Leased Premises and the building in which they are contained free from any liens arising out of work performed, materials furnished or obligations incurred by or on behalf of the Tenant.

8. **Loss or Damage to Premises.** In the event that, without fault or neglect of the Tenant or its employees, agents, or licensees, the Leased Premises are damaged by fire or other casualty to such extent that, as reasonably estimated by the Landlord, the Tenant's business is substantially destroyed, then either the Landlord or the Tenant shall have the option to terminate this Lease, provided that the party within thirty (30) days of the date of such damage or the option to terminate shall be void. In the event that either party exercises the option to terminate, this Lease shall be deemed to terminate on the third day after the giving of said notice, and Tenant shall surrender possession within ten (10) days hereafter. In the event neither party exercises the aforesaid option to terminate this Lease, the Landlord, at her expense, shall repair the damage with reasonable dispatch, restoring the Leased Premises as nearly as possible to its condition prior to such damage. Any insurance proceeds received by the Tenant as a result of such damage or destruction, less the cost (if any) of such recovery, shall be held in escrow and applied by the Tenant to payment for such restoration progresses. Any disbursement of insurance proceeds by a holder of a note secured by a deed of trust encumbering the property shall be deemed to have been made by the Landlord. If the damage to the Leased Premises has rendered the Leased Premises untenantable in the reasonable opinion of the Landlord, there shall be an equitable reduction in rent until the damage has been repaired. In determining what constitutes reasonable dispatch, consideration shall be given to delays caused by strikes, adjustment of insurance, and other causes beyond the Landlord's control; provided, however, that in the event the damage has not been repaired within six (6) months from the date of said damage, Tenant shall have the option to terminate this Lease by giving ten (10) days notice thereof to Landlord. In the event the Leased Premises are damaged by fire or other insured casualty due to the fault or neglect of the Tenant, or the servants, employees, agents, or licensees of the Tenant then without prejudice to any other rights and remedies of the Landlord, the damage shall be repaired as provided above. The Tenant, however, shall not be relieved of any liability for any damage to the Leased Premises caused by any act or omission of Tenant or its servants, employees, agents, or licensees.

9. **Insurance.** At all times Tenant shall, at Tenant's expense, keep in full force and effect a policy of comprehensive public liability insurance, with a company acceptable to Landlord, insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy or maintenance of the Leased Premises and all areas appurtenant thereto. Such insurance shall be in an amount not less than $1,000,000.00 for injury or death of one person in any one accident or occurrence, and in an amount not less than $1,000,000.00 for injury or death of more than one person in any one accident or occurrence. Such insurance shall further insure Landlord and Tenant against liability for property damage in an amount not less than $1,000,000.00. The limit of any such insurance shall not, however, limit the liability of Tenant under this Lease. Tenant shall deliver to Landlord copies of the policies of insurance required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Landlord.

MS Landlord ____ Tenant

Tenant shall pay for all such insurance immediately upon receipt of an invoice therefore, and shall at each anniversary of this Lease or at such additional times as may be requested by Landlord, provide evidence of such coverage and of such payment. Such insurance shall not cancelable without thirty (30) days ' prior notice from the insurer to Landlord.

10. **Indemnity.** The Tenant shall pay and indemnify the Landlord against all losses and expenses, including attorney's fees, whether or not suit is brought, resulting from a default by the Tenant in the payment of rent, additional rent, or in performing any other duty or covenant contained in this Lease, or after the Tenant's default in surrendering possession upon the expiration or earlier termination of the lease term.

11. **Signs.** Upon written consent of the Landlord, which consent shall not be unreasonably withheld, and upon approval by any municipal authority having jurisdiction, the Tenant may, at its sole expense, place and maintain in and about the Leased Premises such neat and appropriate signs advertising its business as it shall desire. Upon the termination of this Lease, the Tenant shall remove all such signs and repair any damage caused by the erection, maintenance, or removal of such signs. Should the Tenant fail or refuse to remove all such signs and repair such damage, the Landlord may remove the signs and make such repairs as the Landlord deems necessary at the Tenant's expense.

12. **Surrender of Premises.** At the expiration of the lease term, the Tenant shall immediately surrender the Leased Premises in as good condition as it was in at the beginning of the term, reasonable wear and tear excepted.

13. **Rules and Regulations.** The Tenant shall faithfully observe and comply with the rules and regulations that the Landlord may from time to time promulgate and modify. The rules and regulations shall be binding upon the Tenant upon delivery of a copy of them to the Tenant. The Landlord shall not be responsible to the Tenant for the failure of other Tenants, or their invitees, licensees, employees or agents, to comply with said rules and regulations.

14. **Environmental Hazards.** Tenant will not cause, or permit to be caused, any act of practice, by negligence, omission or otherwise, that would adversely affect the environment or do anything or permit anything to be done that would violate any federal, state or local laws, regulations or guidelines concerning the impact on the environment of the conduct of Tenant's business. If Tenant shall become aware of or notice or other communication concerning the actual, alleged, suspected or threatened violation of any environmental law, regulation, ordinance or liability of Tenant for environmental damages in connection with the Leased Premises or past or present activities of any person thereon, including but not limited to notice or other communication concerning any actual or threatened investigation, inquiry, lawsuit, claim, citation, directive, summons, proceeding, complaint, notice, order, writ, or injunction relating to same, then Tenant shall deliver to Landlord, within ten (10) days of the receipt of such notice or communication by Tenant, a written description of said violation, liability, or actual or threatened event or condition, together with copies of any documents evidencing the same. Receipt of such notice

shall not be deemed to create any obligation on the part of Landlord to defend or otherwise respond to any such notification.

A. Notwithstanding the obligation of Tenant to indemnify Landlord pursuant to this Lease Agreement, Tenant shall, upon demand of Landlord, and at its sole cost and expense, promptly take all actions to remediate any environmental damages caused by Tenant. Tenant shall proceed continuously and diligently with such remediation, provided that in all cases such actions shall be in accordance with all applicable requirements of governmental entities. Any such actions shall be performed in a good, safe and workmanlike manner and shall minimize any impact on the businesses conducted at the property of which the Leased Premises are a part. Should Tenant fail to perform or observe any of its obligations or agreements pertaining to remediation of environmental damage, then Landlord shall have the right, but not the duty, without limitation upon any of the rights of Landlord pursuant to this Lease Agreement, to perform the same, either personally or through his agents, consultants or contractors.

Landlord Tenant

B. Tenant shall indemnify and hold the Landlord and his agents or employees harmless from any and all claims, including all costs, expenses and attorney's fees, by or on behalf of any person, entity or governmental agency arising from any breech or default on the part of the Tenant in the performance of the covenant contained in this paragraph C. In case any action or proceeding is brought against the Landlord or his agents or employees by reason of any such claim, Tenant, upon written notice from Landlord, covenants to resist or defend, at Tenant's expense, such action or proceeding by counsel reasonably satisfactory to Landlord.

C. If the Landlord or his agent pays any amount for remediation of substances introduced onto the Leased Premises, the building of which the Leased Premises are a part, or their surrounding environs by the Tenant in violation of the covenant contained in this paragraph D, including detection, removal or confinement of such substances, then the sum so paid, together with all costs and attorney's fees, shall be paid by the Tenant to the Landlord as additional rent within thirty (30) days of written notice to the Tenant of such expenditures.

ARTICLE 6. Landlord's Rights and Duties

1. **Entry by Landlord.** The Landlord and his representatives may enter the Leased Premises at any reasonable time, upon reasonable notice for the purpose of performing any work which the Landlord elects to undertake or which is made necessary by reason of the Tenant's default under the terms of this Lease, or exhibiting the Leased Premises for sale, lease or mortgage financing, or any other reasonable purpose. Landlord shall also have the right in his sole and absolute discretion, but not the duty, to enter and conduct an inspection of the Leased Premises at any reasonable time to determine whether Tenant is complying with the terms of this Lease Agreement. Landlord shall have the right, but not the duty, to retain at the sole expense of Landlord any independent professional consultant to enter the Leased Premises to conduct such an inspection and to review any report prepared by or for Tenant concerning such compliance. Tenant hereby grants to Landlord, his agents, employees, consultants and contractors the right to enter the Leased

Premises and to perform such tests as are reasonably necessary in the opinion of Landlord to conduct such reviews and investigations. Landlord shall use his best efforts to minimize interference with the business of Tenant, but shall not be liable for any interference caused thereby.

2. **Repairs.** The Landlord shall keep, at his sole expense, the structural supports and exterior walls and roof of the building in good order and repair.

3. **Default by Tenant.** If the Leased Premises shall be deserted or vacated or if proceedings are commenced against the Tenant in any Court under the Bankruptcy Act or for the appointment of a trustee or receiver of the Tenant's property, whether before or after the commencement of the lease term, or if there shall be a default in the payment of rent, or any part thereof, for three (3) days after written notice of such default by the Landlord, or if there shall be default in the performance of any other covenant, agreement, condition, rule or regulation herein contained or hereafter established on the part of the Tenant for ten (10) days after written notice of such default by the Landlord, the Landlord may terminate the Tenant's right to possession of the Leased Premises and the Tenant shall surrender the Leased Premises to the Landlord. The Landlord may re-rent the Leased Premises at such rental and upon such other terms and conditions as Landlord, in his sole discretion, may deem advisable, and all expenses incurred by the Landlord in re-renting shall be borne by the Tenant. The Tenant shall nevertheless remain liable for annual rent and additional rent for the full term of this Lease. Any rent received by the Landlord from the re-renting will be applied to the amounts due to the Landlord for the Tenant under this Lease. In the event that any default, other than the payment of rent, for which notice has been given as herein provided for cannot, because of its nature, be cured completely, or is not cured completely within the ten (10) day grace period herein provided for, such default shall be deemed to have been remedied for the purpose of this paragraph, if correction thereof shall have been commenced within the ten (10) day grace period and shall, in the reasonable opinion of the Landlord, be thereafter diligently prosecuted to completion by the Tenant.

Landlord Tenant

4. **Common Area Maintenance.** The Landlord shall, at all times during the Lease term, maintain the common areas, sidewalks, and parking areas, making such repairs or improvements thereto as the Landlord deems necessary and appropriate, according to a standard consistent with other commercial buildings of similar age, construction and class in Gunnison, Colorado. The Landlord shall not be obligated, however, to make any repairs or improvements occasioned by the negligence of Tenant, its employees, agents or invitees. In the event repairs are necessitated by reason of such negligence, abuse or misuse, Landlord may perform said repairs, and the Tenant shall bear the expense thereof as additional rent, which shall be due and payable in full within thirty (30) days of notice to Tenant of the amount due.

ARTICLE 7. Personal Property

1. **Landlord's Lien.** The Tenant hereby grants to the Landlord a lien upon and a security interest in, all property now owned or hereafter acquired by Tenant, which shall come in or be placed upon the Leased Premises, to secure the payment of rent and the performance of each and every other obligation hereunder to be performed by Tenant. Following any event of default Landlord, without notice or demand, may take possession of and sell such property at public and private sale upon giving such notices, if any, as

may be required by law. The proceeds of any such sale shall be applied first to the payment of expenses thereof, second to the discharge of the unpaid rent or other liability hereunder, and the balance, if any, shall be paid to Tenant. Tenant agrees to execute and record any financing statements and other documents necessary to perfect or record the lien herein granted.

2. **Abandoned Property.** Any property of the Tenant remaining in the Leased Premises at any time when Landlord shall have no responsibility or liability whatsoever for any of the same. Notwithstanding the foregoing, Landlord may store any such property in any public or private warehouse, and Tenant shall pay to Landlord promptly upon demand all costs incurred in connection with such property, including the costs of moving and storage, court costs, and attorney's fees. Landlord, at his option, may, without notice, sell any such personal property at any public or private sale for such prices as Landlord may obtain, and Landlord shall apply the proceeds of such sale first to the costs incurred in connection with such property, and then to any amounts due under this Lease from Tenant to Landlord, and the surplus, if any, to Tenant.

3. **Personal Property Taxes.** The Tenant shall pay or cause to be paid before delinquency, any and all taxes levied or assessed and which become payable during the term hereof upon all Tenant's leasehold improvements, equipment, furniture, fixtures, and any other personal property located in the Leased Premises. In the event any or all of Tenant's leasehold improvements, equipment, furniture, fixtures and other personal property shall be assessed and taxed with the real property, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property, which statement shall be accompanied by documentation from the taxing authority sufficient for Tenant to verify that the tax, which Landlord requests Tenant to pay is assessed on Tenant's property or leasehold improvements. Tenant shall have the right to protest to the taxing authority according to law, in Landlord's name if necessary, any tax on Tenant's personal property or leasehold improvements for which Tenant is liable to Landlord under the provisions of this paragraph.

ARTICLE 8. Assignment

1. **Assignment Prohibited Without Consent.** The Tenant shall not create a security interest in its interest in this Lease, nor assign nor pledge this Lease as collateral for such security interest, nor shall the Tenant assign this Lease or any interest to the Tenant herein, nor shall the Tenant sublet all or any portion of the Lease Premises, without prior written consent of the Landlord, provided, however, that as a condition of giving such consent:

   A. The Landlord shall have the right to make reasonable inquiry into the financial qualification of any subtenant or assignee to operate a business enterprise upon the Leased Premises, and to perform a lease agreement therefore, and the Landlord's obligation to permit assignment of this Lease or a sublease is contingent upon the Landlord's approval of the proposed subtenant's or assignee's financial qualification. "Reasonable inquiry" may include, without limitation, requiring any prospective subtenant or assignee to supply to the Landlord current and complete financial statements and credit reports.

Landlord Tenant

B. The Landlord shall further have the option to charge a premium for the right to assign this Lease or sublease the Leased Premises.

2. **Stock Transfers.** Within the meaning of this paragraph, an assignment includes one or more sales or transfers by which an aggregate of more than 50% of the Tenant's shares shall be invested in a party or parties who are not shareholders as of the date of this Agreement. For purposes of this paragraph, share ownership shall be determined in accordance with the principles set forth in Section 544 of the Internal Revenue Code of 1954.

ARTICLE 9. Subordination

This lease shall be subject and subordinate at all times to the lien of existing deeds of trust and of deeds of trust which hereafter may be made on a lien on the Leased Premises, the building in which it is located, or the real property upon which the building is situated. Although no instrument or act on the part of the Tenant shall be necessary to effectuate such subordination, the Tenant will, nevertheless, execute and deliver such further instruments subordinating this Lease to the lien of any such deed of trust as may be desired by the deed of trust. The Tenant hereby appoints the Landlord as its attorney-in-fact, irrevocably, to execute and deliver any such instrument for the Tenant.

ARTICLE 10. Condemnation

1. **Lease Termination.** In the event that the whole of the Leased Premises is condemned for any public use or purpose by any legally constituted authority, then this Lease shall terminate upon the date when possession is taken by such public authority and the annual rent and additional rent shall be accounted for between the Landlord and the Tenant as of such termination date. In the event that such portion of the Leased Premises will render the Leased Premises unsuitable for the purposes described in this Lease is condemned for any public use or purpose by any legally constituted authority, the Landlord and the Tenant shall each have the right to terminate this Lease upon thirty (30) days written notice to the other. Such notice must be given within ninety (90) days after the date when possession is taken by such public authority. In the event that this Lease shall terminate or be terminated hereunder, the annual rent and additional rent shall be accounted for between the Landlord and the Tenant as of the termination date of the lease.

2. **Apportionment of Rent.** If any part of the Leased Premises shall be condemned and this Lease shall not terminate or be terminated under the provisions of Paragraph 1 of this Article, then the annual rent shall be apportioned according to the amount of space so taken, and the Landlord shall, at his own cost and expense, restore the remaining portion of the Leased Premises to the extent necessary to render it reasonably suitable for the purposes for which it was leased; provided, however, that the Landlord shall not be required to make any restoration at the cost of which exceeds the proceeds of his condemnation award.

3. **Compensation.** All compensation awarded or paid upon such a total or partial taking of the Leased Premises by condemnation shall belong to and be the property of the Landlord without and participation by the Tenant; provided, however, that nothing

contained herein shall be construed to preclude the Tenant from prosecuting any claim directly against the condemning authority in such condemnation proceeding for loss of business, or depreciation to, damage to, or cost of removal of, or for the value of stock, trade fixtures, equipment, furniture, and other personal property belonging to the Tenant. The Landlord and Tenant hereby agree to cooperate in the joint prosecution of their claims against the condemning authority.

Landlord Tenant

ARTICLE 11. General Terms

1. **Waiver.** No assent, expressed or implied, to any breach of any ne or more of the covenants or agreements hereof shall be deemed or taken to be ı waiver of any succeeding or other breach.

2. **Binding Effect.** All covenants and agreements in this Lease con ained shall extend to and be binding upon the heirs, personal representatives, succe sors, legal representatives, and assigns of the respective parties hereto.

3. **Enforceability.** Unenforceability of any provision or provisions ıereof shall not affect the enforceability of other provisions.

4. **Applicable Law.** This lease is entered into at Gunnison, Gunni on County, Colorado, and it is agreed that the proper jurisdiction and venu of any action pertaining to the interpretation or enforcement of this Lease sh l be in the County Court or District Court of Gunnison County, Colorado. If this l ease, or any of the rules and regulations or applications or any other instruments b way of reference incorporated herein shall contain any term or provision which s all be invalid or unenforceable, the remainder of the Lease, the application, the ı iles or regulations and other instruments, as the case may be, shall not be affected hereby, and each and every term and provision otherwise valid shall remain valid nd be enforced to the fullest extent permitted by law.

5. **Attorney's Fees.** It is agreed that if any action is brought in a ı ourt of law by any party to this Lease as to the enforcement or interpretation or c ınstruction of this Lease or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney's feed as well as all costs incu red in the prosecution or defense of such action. In the event that Landlor l retains an attorney to collect rent or enforce any other provision hereof, Tenant a ees to pay all reasonable attorney's fees in connection therewith upon preser ation of a statement therefore.

6. **Grammatical Construction.** Wherever the word "Landlord and "Tenant" are used in this Lease, they shall include Landlords and Tenants and shall apply to

persons, 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 in the same manner as if written into this Lease.

7. **Titles.** The titles of the Articles of this Lease are for reference only, not intended as an interpretation, and shall not affect or change the context or meaning in any way.

8. **Venue.** The parties hereto agree that this Lease Agreement is entered into pursuant to and shall be controlled by the laws of the state of Colorado, and that any action to enforce the provisions of this Lease shall be brought in Gunnison County.

9. **Radon Gas Disclosure.** Radon Gas is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in every state. Additional information regarding radon and radon testing may be obtained from your county public health unit.

10. **Lead Paint Disclosure.** Every purchaser or Tenant of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women.

Landlord Tenant

The seller or Tenant of any interest in residential real estate is required to provide to buyer or Tenant with any information on lead-based paint hazards from risk assessments or inspection in the seller or lessor's possession and notify the buyer or Tenant of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

11. **Notice.** Any notice by either party to the other shall be in writing and shall be deemed to be duly given only if delivered personally or mailed by Certified Mail Return Receipt Requested in a postage paid envelope addressed (a) if to Tenant, at the Leased Premises; (b) if to Landlord, at the office of Landlord's agent at the address set forth at Article 3, paragraph 2 hereof, or (c) at such other addresses as Tenant or Landlord, respectively, may designate in writing; provided, however, that the provisions of this paragraph shall not affect the Landlord's right to post certain notices to the Tenant in a conspicuous place upon the premises, as provided in Title 13, Article 40, C.R.S. 1973. Notice shall be deemed to have been duly given, if delivered personally, upon delivery thereof, and if mailed, upon the third day after the mailing thereof.

12. **Entire Agreement.** This Lease contains the entire agreement between the parties and shall not be modified in any matter except by an instrument in writing executed by the parties.

This Lease may be executed in one or more counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument.

LANDLORD:

Marilyn Sargent

Marilyn Sargent Agent For Tim Scanlon

For Marmi, Ltd.
107 E. Georgia, Suite 1D
Gunnison, CO 81230

_____ (New Tenant Name)

By: _____

Landlord _____ Tenant