

## **LEASE AGREEMENT**

THIS AGREEMENT is made and entered into January 1, 2022, by and between THE TOWN OF FRASER, COLORADO, a municipal corporation of the State of Colorado ("Landlord"), and Tenille Obe ("Tenant").

### **ARTICLE 1.0 - RECITALS AND PURPOSE**

**1.1** Landlord is the owner of the building located at 200 Eisenhower, situated in the Town of Fraser, County of Grand, State of Colorado.

**1.2** Tenant desires to lease the property in order to operate a service business.

**1.3** Landlord has determined that the property is not currently needed for the Landlord's purposes, and that the leasing of said premises to Tenant would serve a valid public purpose by putting a vacant property into productive use and contributing to the local economy.

**1.4** Landlord and Tenant desire to confirm their understanding and agreement concerning said lease, all as more fully provided herein below.

NOW THEREFORE, in consideration of the premises and the mutual promises and covenants set forth herein, the parties agree as follows:

### **ARTICLE 2.0 - DEMISE**

**2.1** For and in consideration of the performance of the covenants and agreements herein contained to be kept and performed by Tenant, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the 200 Eisenhower, subject to all land use and building and zoning codes, resolutions and regulations; and subject to all reservations, exceptions, restrictions, covenants and easements of record or visible.

**2.2** During the term of this lease, Tenant shall also have the right to use the parking area adjacent thereto.

**2.3** Tenant agrees to accept the facility "as is"; and Landlord makes no warranty or representation, express or implied, with respect to the merchantability, condition, quality, design, operation, fitness for a particular purpose, or workmanship of the property, in any respect whatsoever.

### **ARTICLE 3.0 - TERM**

**3.1** The term of this Lease shall commence January 1, 2022 ending at midnight on December 31, 2022.

**3.2** This Lease may be renewed or extended for an additional term upon mutual agreement of the parties and upon such terms and conditions as may then be agreed upon. Any such renewal or extension of this Lease shall be evidenced only by a writing signed by both Landlord and Tenant.

## **ARTICLE 4.0 - RENT/SERVICES; SECURITY DEPOSIT**

**4.1** Rental for the full Term of \$5,100 along with water and sewer service fees of \$1,224.00 shall be paid in monthly installment of \$527.00 payable in advance, on or before twelve o'clock noon on the first day of each calendar month during the term of this Lease at the office of the Landlord at 153 Fraser Avenue, Fraser, Colorado, without notice ("Rent"). The first payment shall be due January 1, 2022.

**4.2** Tenant shall provide a security deposit in the amount of \$500 as condition of this lease.

## **ARTICLE 5.0 - USE OF PREMISES; RESERVATIONS BY LANDLORD**

**5.1** Tenant may occupy and use the property for the operation of a dog grooming facility and related activities. No other uses shall be permitted without the written consent of Landlord.

**5.2** Landlord reserves the right to enter upon the property at any reasonable time to inspect the premises, to show them to prospective purchasers or tenants, or for any other purpose deemed appropriate by Landlord, so long as the exercise of such right of entry does not unreasonably interfere with Tenant's use of the property.

## **ARTICLE 6.0 - PROTECTION OF PROPERTY, ALTERATIONS, MAINTENANCE AND UTILITIES**

**6.1** Tenant covenants and agrees:

**6.1.1** Not to commit or permit the commission by others of any waste upon the premises; and

**6.1.2** Not to remove or allow any other person to remove any improvements or fixtures of any kind without Landlord's prior written consent.

**6.2** Tenant may install improvements upon the property only upon written consent of the Landlord. At the time of execution of the lease, Landlord approves the following improvements: installation of a rustic wood/rubber floor, a new window in the north wall, a new south door, a storm door on the north door, an in-floor sink, and a front porch light and indoor track lighting. Before commencing any additional improvements, Tenant shall submit the plans for any alterations, showing the design proposed, and Landlord's written approval of such plans shall be required before Tenant proceeds with the proposed alterations. Landlord agrees not to unreasonably withhold approval of such plans, but may require reasonable changes therein. As a condition of approval of such plans, Landlord may require Tenant to post a security deposit, in such amount as may be deemed appropriate by Landlord, to secure Tenant's obligation to remove any such partitions or other alterations and restoration of the premises upon termination of this Lease. Such security deposit shall be in addition to any other deposit required from Tenant pursuant to this Lease.

**6.3** Subject to Landlord's written approval, Tenant may erect appropriate signs to advertise its business; provided that any such signage must comply with the Fraser Sign Code. Prior to installation, Tenant shall submit the proposed sign design, including layout, materials and location, for Landlord's approval along with an appropriate Sign Permit Application, and Landlord shall respond in writing within 30 days.

**6.4** Except as provided in Sections 6.2 and 6.3, Tenant shall not make any other material alterations or improvements to the property without Landlord's prior written consent. Any permanent improvements made to the property by Tenant during the lease term, except for movable trade fixtures installed by Tenant, shall be deemed a part of the real estate and, at the election of the Landlord, shall remain a part of the property at the expiration or termination of this Lease. If requested by Landlord following the expiration or termination of this Lease, Tenant shall promptly remove any improvements installed by Tenant and shall restore the Property to the condition it was in upon the commencement of this Lease. Tenant shall remove all of Tenant's personal property and any movable trade fixtures installed by Tenant at the expiration or termination of this Lease and shall promptly repair any damage caused by such removal. Tenant shall promptly pay for any work done or materials furnished on or about the property at Tenant's instance and shall indemnify Landlord from and against any claims relating to such work.

**6.5** Landlord shall be responsible for the following maintenance and utilities, at Landlord's expense, except for any maintenance or repair required due to misuse or negligence by Tenant or its employees, which shall be the responsibility of Tenant:

**6.5.1** Exterior building maintenance, including painting or staining, and any structural repairs, as deemed necessary by Landlord;

**6.5.2** Any necessary maintenance and repair of the water and sewer service lines to the Property. This does not include frozen or obstructed service lines resulting from Tenant's use of the property.

**6.6** Tenant shall be responsible for payment of all utility services to the property and for providing all maintenance and repairs necessary to keep the facility and all fixtures and improvements therein in a condition as good as at the time Tenant took possession, ordinary wear and tear excepted. This obligation includes necessary maintenance and repairs of utility systems, such as heating and plumbing fixtures.

## **ARTICLE 7.0 - TAXES, INSURANCE AND INDEMNIFICATION**

**7.1** Tenant shall pay any and all personal property, sales, use, withholding and other taxes with respect to Tenant's personal property and its operations at the property.

**7.2** Landlord may, at its option and expense, maintain general hazard insurance upon the property during the lease term. Tenant understands that any such insurance maintained by Landlord will not cover any of Tenant's equipment, trade fixtures or other personal property on the premises or any interruption of Tenant's business; and in the event Tenant desires such insurance coverage, it shall obtain it at its own expense.

**7.3** Tenant agrees to indemnify and hold harmless Landlord, its officers, employees, insurers and/or self-insurance pools, from and against all liabilities, losses, claims, demands, damages and expenses, including reasonable attorney fees, incurred or suffered by Landlord as a result of: (a) failure by Tenant to perform any covenant required to be performed by Tenant hereunder; (b) any accident, injury, or damage caused by, resulting from, arising out of or in any manner connected with the use of the property; and (c) failure by Tenant to comply with any requirement of any governmental authority.

**7.4** Tenant agrees to obtain and keep in force, at Tenant's expense, during the entire term of this Lease, such liability insurance as will fully protect Tenant from claims under Worker's Compensation and other employee benefit laws for bodily injury and death and for property damage that may arise out of Tenant's operations in the property. Tenant shall also maintain, at its

expense, a policy of comprehensive general public liability and property damage insurance, providing coverage of both Tenant and Landlord for claims for damages for bodily injury, including wrongful death, as well as claims for property damages, which may arise from the ownership, maintenance, use or operation of the property, whether or not the foregoing described uses and activities be by Tenant or by anyone directly or indirectly employed by Tenant. Such insurance shall be maintained in amounts of not less than \$150,000.00 for injury to one person in any single occurrence and not less than \$600,000.00 for injury to two or more persons in any single occurrence, or such larger amounts as correspond with the recovery limits applicable to governmental entities under C.R.S. 24-10-114(1) as the same may be from time to time amended. The policy shall be endorsed to include Landlord as an additional insured and to provide that the coverage afforded under the policy shall not be canceled, terminated or materially changed until at least thirty (30) days prior written notice has been give to Landlord. Such coverage shall be primary insurance, and any insurance carried by Landlord or carried or provided through any insurance pool to which Landlord belongs shall be excess and not contributory insurance to that provided by Tenant. Upon Landlord's request, Tenant shall promptly furnish Landlord with a certificate of insurance evidencing the insurance coverage required by this Paragraph.

**7.5** Failure on the part of Tenant to procure and maintain policies providing the required insurance coverage, conditions, and minimum limits provided in this Article shall constitute a material breach of this Agreement, for which Landlord may immediately terminate this Agreement, or at its discretion, Landlord may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all sums so paid by Landlord shall be repaid by Tenant upon demand.

**7.6** Landlord and Tenant understand and agree that Landlord is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. 24-10-101 et seq., as from time to time amended, or otherwise available to Landlord, its officers, or its employees.

## **ARTICLE 8.0 - ASSIGNMENT OR SUBLETTING**

**8.1** Tenant shall not assign its interests under this Lease nor sublet the property, in whole or in part, without first obtaining Landlord's express written consent in each instance. In the event of any permitted assignment or subletting hereunder, Tenant shall remain liable to Landlord for the performance of all terms, covenants and provisions of this Lease, unless Tenant is released in writing by Landlord.

## **ARTICLE 9.0 - DEFAULT BY TENANT; REMEDIES**

**9.1** Time is of the essence of this Lease with respect to the performance by Tenant of its obligations hereunder. If Tenant shall default in the performance of any of its obligations under this Lease, Landlord may give written notice of such default to Tenant. If the default is not cured within ten (10) days after such written notice is given, Landlord may elect to terminate this Lease by giving a further written notice of such termination to Tenant. If such further notice is given, this Lease shall terminate on the date fixed in such notice as completely as if that were the date herein definitely fixed for expiration of the term of this Lease, and Tenant shall then surrender the Leased Property to Landlord.

**9.2** No remedy conferred upon or reserved to Landlord shall exclude any other remedy herein or by law provided, but each shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law, in equity or by statute.

**9.3** In the event of any litigation or arbitration arising out of or relating to this Lease, the Court shall award to the prevailing party all reasonable costs and expenses thereof, including attorney fees.

**ARTICLE 10.0 - NOTICE**

**10.1** Except as otherwise expressly provided herein, all notices required or permitted under this Lease shall be in writing and shall be delivered in person or sent by United States certified mail, return receipt requested. If sent by mail, a notice shall be deemed to have been properly given when deposited in any post office, branch post office, or mail depository regularly maintained by the United States Postal Service and sent by certified mail, return receipt requested, with postage thereon pre-paid, addressed as follows:

To Landlord:	Town of Fraser P.O. Box 370 Fraser, CO 80442
To Tenant:	Tenille Obe PO Box 3070 Winter Park, CO 80482

or addressed to each respective party at such other address as such party may hereafter furnish to the other party in writing.

**ARTICLE 11.0 - MISCELLANEOUS PROVISIONS**

**11.1** This Lease shall be construed under and shall be governed by the laws of the State of Colorado, the state courts of which shall have exclusive jurisdiction over any court action arising therefrom.

**11.2** This Lease embodies the entire agreement and understanding between the parties relating to the subject matter hereof and may not be altered or amended except by writing signed by Landlord and Tenant and specifically referring hereto.

**11.3** Except as otherwise expressly provided herein, this Lease and the rights and duties of Landlord and Tenant hereunder shall be binding upon and shall inure to the benefit of their respective successors and permitted assigns.

IN WITNESS WHEREOF, the parties have hereunto subscribed their signatures, effective the date first above mentioned.

LANDLORD  
TOWN OF FRASER, COLORADO

\_\_\_\_\_  
Ed Cannon  
Town Manager

ATTEST:

\_\_\_\_\_  
Town Clerk

TENANT

\_\_\_\_\_

STATE OF COLORADO            )  
  ) ss.  
COUNTY OF GRAND            )

Subscribed and sworn to (affirmed) before me this \_\_\_\_\_ day of \_\_\_\_\_ 2022, by \_\_\_\_\_  
\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

[SEAL]