

**TOWN OF NEW CASTLE
RESOLUTION NO. TC-2018-09**

A Resolution of the Town Council of the Town of New Castle Regarding an Application from Capital Deli, LLC. Db a Capital Deli at Lakota for a Hotel and Restaurant Liquor License.

WHEREAS, Capital Deli, LLC. Db a Capital Deli at Lakota (Applicant) has applied for a hotel and restaurant liquor license at 151 Clubhouse Drive, New Castle, Colorado; and

WHEREAS, the Town Council of the Town of New Castle opened a duly noticed public hearing on April 17, 2018, to consider the application; and

WHEREAS, the Town Council listened to testimony from staff, the Applicant, and members of the public concerning the application and also considered the written staff report from Town Clerk Harrison; and

WHEREAS, based on the contents of the application and the evidence presented during the public hearing, the Town Council makes the findings and decisions set forth below.

WHEREAS, the Town Council finds:

1. Within the previous 2 years, the Town Council has not denied an application for the same class of license at this location or within 500 feet of this location for the reason that the reasonable requirements of the neighborhood and the desires of the adult inhabitants were satisfied by the existing outlets;
2. The Applicant is entitled to possession of the premises to be licensed by ownership, lease, rental, or other arrangement;
3. The sale of alcohol beverages at the premises is permitted under the zoning regulations applicable to the premises;
4. The building in which the alcohol beverages are to be sold is not located within 500 feet of any public or parochial school or the principal campus of any college, university, or seminary;
5. The Applicant's officers, and members holding 10 percent or more interest in the Applicant, are of good moral character;
6. The reasonable requirements of the neighborhood for the type of license for which application has been made; the desires of the adult inhabitants; and the number, type, and availability of alcohol beverage outlets located in or near the neighborhood under consideration justify the granting of the license; and

WHEREAS, based on the application and the testimony, the Town Council desires to approve the application.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of New Castle, Colorado:

1. Recitals. The Town Council adopts the foregoing recitals as findings of fact and determinations of the Council.

2. Definition of the Application. The Application consists of the documents and information identified by the Town Clerk on Exhibit A, plus all representations of the Applicant reflected in the minutes of the Town Council public hearing on April 17, 2018.

3. Approval. The Town Council approves the Application.

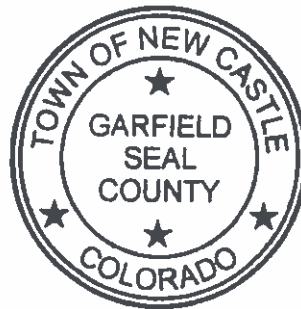
Introduced, Read and Adopted at a regularly scheduled meeting of the Town Council of the Town of New Castle, Colorado, on April 17, 2018.

TOWN OF NEW CASTLE


Art Riddile, Mayor

ATTEST:


Town Clerk Melody Harrison, CMC



AFFIDAVIT OF TRANSFER AND STATEMENT OF COMPLIANCE

Pursuant to the requirements of 12-47-303(3)(b), Colorado Revised Statutes, Licensee hereby states that all accounts for alcohol beverages sold to the Applicant are:

- Paid in full. There are no outstanding accounts with any Colorado Wholesalers.
- Licensee hereby certifies that the following is a complete list of accounts for alcohol beverages that are unpaid:

Licensee and Applicant agree that all accounts will be paid for from the proceeds at closing by the: Licensee Applicant

- Licensee unavailable to certify disposition of accounts for alcohol beverages - inventory list attached. Transfer by operation of law - Regulation 47-304.
- Applicant will assume full responsibility for payment of the outstanding accounts as listed above.
- No alcohol beverage inventory transferred or sold.

Licensee hereby authorizes the transfer of its Colorado Retail Liquor License to the Applicant, its agent, or a company, corporation, partnership or other business entity to be formed by the Applicant.

Dated this 13 day of February, 20 18.

Seller:

Lakota Food and Beverage LLC #4700857
Licensee & License Number

Lakota Food and Beverage Recreation Center
Trade name

[Signature]
Signature

Manager
Position

Drendan Flaherty
Print Name

Buyer:

Dustin Budd
Applicant

Capital Deli LLC
Trade name

Dustin Budd
Signature

Owner/Manager
Position

Dustin Budd
Print Name



**TOWN OF NEW CASTLE
TEMPORARY ALCOHOLIC
BEVERAGE PERMIT**

**Capital Deli, LLC
DBA Capital Deli at Lakota
151 Clubhouse Drive
New Castle, Colorado 81647**

**Licensed Premises: 151 Clubhouse Drive
Permit #: 18-TEMP-001**

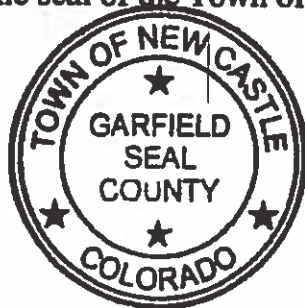
**This certifies that having paid the required fee of \$100.00,
Capital Deli, LLC DBA Capital Deli at Lakota
has been granted Town of New Castle Temporary Permit Number 18-TEMP-001**

**To conduct business and sell malt, vinous and spirituous liquors in accordance with the
Optional Premises License of Lakota Food & Beverage LLC., for premises located at 151
Clubhouse Drive, known as the Lakota Canyon Ranch Recreation Center.**

**This temporary permit shall be valid until such time that the application to transfer ownership
of the license to Capital Deli is granted or denied, or for one hundred twenty (120) days,
whichever occurs first.**

**Such temporary permit may be cancelled, revoked or summarily suspended if the Town
Council of New Castle of the Colorado Department of Revenue determines that there is
probable cause to believe that Capital Deli, LLC DBA Capital Deli at Lakota has violated any
provision of the Colorado Liquor Code or the Colorado Beer Code or has violated any rule or
regulation adopted by the Town Council of New Castle or the Colorado Department of
Revenue or has failed to truthfully disclose those matters required pursuant to the application
forms required by the Colorado Department of Revenue.**

Given under my hand and the seal of the Town of New Castle, February 21, 2018.



Town of New Castle

By: Melody L. Harrison CMC
**Melody L. Harrison, CMC
Town Clerk**

This license must be posted in a conspicuous place at the license premises and is not transferrable

Colorado Liquor Retail License Application

New License
 New-Concurrent
 Transfer of Ownership
 State Property Only

• All answers must be printed in black ink or typewritten
 • Applicant must check the appropriate box(es)
 • Applicant should obtain a copy of the Colorado Liquor and Beer Code: www.colorado.gov/enforcement/liquor

1. Applicant is applying as a/an
 Individual
 Limited Liability Company
 Association or Other
 Corporation
 Partnership (includes Limited Liability and Husband and Wife Partnerships)

2. Applicant if an LLC, name of LLC; if partnership, at least 2 partner's names; if corporation, name of corporation
FEIN Number

Capital Deli, LLC

2a. Trade Name of Establishment (DBA)
State Sales Tax Number
Business Telephone

Capital Deli at Lakota

970 404 0209

3. Address of Premises (specify exact location of premises, include suite/unit numbers)

151 Clubhouse Dr.

City
County
State
ZIP Code

New Castle

CO
81647

4. Mailing Address (Number and Street)
City or Town
State
ZIP Code

393 Evergreen Dr.
Rifle
CO
81650

5. Email Address

dusti_budd@outlook.com

6. If the premises currently has a liquor or beer license, you must answer the following questions

Present Trade Name of Establishment (DBA)	Present State License Number	Present Class of License	Present Expiration Date
<u>Lakota Food & BEVERAGE</u>	<u>4700857</u>	<u>OPTIONAL PREMISES</u>	<u>2/23/18</u>

Section A Nonrefundable Application Fees	Section B (Cont.) Liquor License Fees
---	--

<input type="checkbox"/> Application Fee for New License\$1550.00 <input type="checkbox"/> Application Fee for New License w/Concurrent Review\$1750.00 <input checked="" type="checkbox"/> Application Fee for Transfer\$1550.00	<input type="checkbox"/> Lodging & Entertainment - L&E (County)\$500.00 <input type="checkbox"/> Manager Registration - H & R\$75.00 <input type="checkbox"/> Manager Registration - Tavern\$75.00 <input type="checkbox"/> Manager Registration - Lodging & Entertainment\$75.00 <input type="checkbox"/> Manager Registration - Campus Liquor Complex\$75.00
---	--

Section B Liquor License Fees

<input type="checkbox"/> Add Optional Premises to H & R\$200.00 X Total _____ <input type="checkbox"/> Add Related Facility to Resort Complex \$75.00 X Total _____ <input type="checkbox"/> Arts License (City)\$308.75 <input type="checkbox"/> Arts License (County)\$308.75 <input type="checkbox"/> Beer and Wine License (City)\$351.25 <input type="checkbox"/> Beer and Wine License (County)\$438.25 <input type="checkbox"/> Brew Pub License (City)\$750.00 <input type="checkbox"/> Brew Pub License (County)\$750.00 <input type="checkbox"/> Campus Liquor Complex (City)\$500.00 <input type="checkbox"/> Campus Liquor Complex (County)\$500.00 <input type="checkbox"/> Campus Liquor Complex (State)\$500.00 <input type="checkbox"/> Club License (City)\$308.75 <input type="checkbox"/> Club License (County)\$308.75 <input type="checkbox"/> Distillery Pub License (City)\$750.00 <input type="checkbox"/> Distillery Pub License (County)\$750.00 <input checked="" type="checkbox"/> Hotel and Restaurant License (City)\$500.00 <input type="checkbox"/> Hotel and Restaurant License (County)\$500.00 <input type="checkbox"/> Hotel and Restaurant License w/one opt premises (City)\$700.00 <input type="checkbox"/> Hotel and Restaurant License w/one opt premises (County)\$700.00 <input type="checkbox"/> Liquor-Licensed Drugstore (City)\$227.50 <input type="checkbox"/> Liquor-Licensed Drugstore (County)\$312.50 <input type="checkbox"/> Lodging & Entertainment - L&E (City)\$500.00	<input type="checkbox"/> Master File Location Fee\$50.00 X Total _____ <input type="checkbox"/> Master File Background\$500.00 X Total _____ <input type="checkbox"/> Optional Premises License (City)\$500.00 <input type="checkbox"/> Optional Premises License (County)\$500.00 <input type="checkbox"/> Racetrack License (City)\$500.00 <input type="checkbox"/> Racetrack License (County)\$500.00 <input type="checkbox"/> Resort Complex License (City)\$500.00 <input type="checkbox"/> Resort Complex License (County)\$500.00 <input type="checkbox"/> Related Facility - Campus Liquor Complex (City)\$160.00 <input type="checkbox"/> Related Facility - Campus Liquor Complex (County)\$160.00 <input type="checkbox"/> Related Facility - Campus Liquor Complex (State)\$160.00 <input type="checkbox"/> Retail Gaming Tavern License (City)\$500.00 <input type="checkbox"/> Retail Gaming Tavern License (County)\$500.00 <input type="checkbox"/> Retail Liquor Store License—Additional (City)\$227.50 <input type="checkbox"/> Retail Liquor Store License—Additional (County)\$312.50 <input type="checkbox"/> Retail Liquor Store (City)\$227.50 <input type="checkbox"/> Retail Liquor Store (County)\$312.50 <input type="checkbox"/> Tavern License (City)\$500.00 <input type="checkbox"/> Tavern License (County)\$500.00 <input type="checkbox"/> Vintners Restaurant License (City)\$750.00 <input type="checkbox"/> Vintners Restaurant License (County)\$750.00
--	--

Questions? Visit: www.colorado.gov/enforcement/liquor for more information

Do not write in this space - For Department of Revenue use only

Liability Information

License Account Number	Liability Date	License Issued Through (Expiration Date)	Total
			\$

Application Documents Checklist and Worksheet

Instructions: This checklist should be utilized to assist applicants with ging all required documents for licensure. All documents must be properly signed and correspond with the name of the applicant exactly. All documents must be typed or legibly printed. Upon gnal State approval the license will be mailed to the local licensing authority. Application fees are nonrefundable.

Questions? Visit: www.colorado.gov/enforcement/liquor for more information

Items submitted, please check all appropriate boxes completed or documents submitted	
I.	Applicant Information <input type="checkbox"/> A. Applicant/Licensee identified <input type="checkbox"/> B. State sales tax license number listed or applied for at time of application <input type="checkbox"/> C. License type or other transaction identified <input type="checkbox"/> D. Return originals to local authority <input type="checkbox"/> E. Additional information may be required by the local licensing authority <input type="checkbox"/> F. All sections of the application need to be completed
II.	Diagram of the premises <input type="checkbox"/> A. No larger than 8 1/2" X 11" <input type="checkbox"/> B. Dimensions included (does not have to be to scale). Exterior areas should show type of control (fences, walls, entry/exit points, etc.) <input type="checkbox"/> C. Separate diagram for each floor (if multiple levels) <input type="checkbox"/> D. Kitchen - identified if Hotel and Restaurant <input type="checkbox"/> E. Bold/Outlined Licensed Premises
III.	Proof of property possession (One Year Needed) <input type="checkbox"/> A. Deed in name of the applicant (or) (matching question #2) date stamped / <u>g</u> ed with County Clerk <input type="checkbox"/> B. Lease in the name of the applicant (or) (matching question #2) <input type="checkbox"/> C. Lease assignment in the name of the applicant with proper consent from the Landlord and acceptance by the Applicant <input type="checkbox"/> D. Other agreement if not deed or lease. (matching question #2) (Attach prior lease to show right to assumption)
IV.	Background information and financial documents <input type="checkbox"/> A. Individual History Records(s) (Form DR 8404-I) <input type="checkbox"/> B. Fingerprints taken and submitted to local authority (State Authority for Master File applicants) <input type="checkbox"/> C. Purchase agreement, stock transfer agreement, and/or authorization to transfer license <input type="checkbox"/> D. List of all notes and loans (Copies to also be attached)
V.	Sole proprietor/husband and wife partnership (if applicable) <input type="checkbox"/> A. Form DR 4679 <input type="checkbox"/> B. Copy of State Issued Driver's License or Colorado Identification Card for each applicant
VI.	Corporate applicant information (if applicable) <input type="checkbox"/> A. Certificate of Incorporation date stamped by the Colorado Secretary of State's Office <input type="checkbox"/> B. Certificate of Good Standing <input type="checkbox"/> C. Certificate of Authorization if foreign corporation <input type="checkbox"/> D. List of officers, directors and stockholders of applying corporation (If wholly owned, designate a minimum of one person as principal officer of parent)
VII.	Partnership applicant information (if applicable) <input type="checkbox"/> A. Partnership Agreement (general or limited). Not needed if husband and wife <input type="checkbox"/> B. Certificate of Good Standing (If formed after 2009)
VIII.	Limited Liability Company applicant information (if applicable) <input type="checkbox"/> A. Copy of articles of organization (date stamped by Colorado Secretary of State's Office) <input type="checkbox"/> B. Certificate of Good Standing <input type="checkbox"/> C. Copy of operating agreement <input type="checkbox"/> D. Certificate of Authority if foreign company
IX.	Manager registration for Hotel and Restaurant, Tavern, Lodging & Entertainment, and Campus Liquor Complex licenses when included with this application <input type="checkbox"/> A. \$75.00 fee <input type="checkbox"/> B. Individual History Record (DR 8404-I) <input type="checkbox"/> C. If owner is managing, no fee required

Name	Type of License	Account Number		
7. Is the applicant (including any of the partners if a partnership; members or managers if a limited liability company; or oficers, stockholders or directors if a corporation) or managers under the age of twenty-one years?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
8. Has the applicant (including any of the partners if a partnership; members or managers if a limited liability company; or oficers, stockholders or directors if a corporation) or managers ever (in Colorado or any other state):				
(a) Been denied an alcohol beverage license?		<input type="checkbox"/> <input checked="" type="checkbox"/>		
(b) Had an alcohol beverage license suspended or revoked?		<input type="checkbox"/> <input checked="" type="checkbox"/>		
(c) Had interest in another entity that had an alcohol beverage license suspended or revoked?		<input type="checkbox"/> <input checked="" type="checkbox"/>		
If you answered yes to 8a, b or c, explain in detail on a separate sheet.				
9. Has a liquor license application (same license class), that was located within 500 feet of the proposed premises, been denied within the preceding two years? If "yes", explain in detail.		<input type="checkbox"/> <input checked="" type="checkbox"/>		
10. Are the premises to be licensed within 500 feet, of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?		<input type="checkbox"/> <input checked="" type="checkbox"/>		
		or		
Waiver by local ordinance?		<input type="checkbox"/> <input type="checkbox"/>		
Other: _____				
11. Is your Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 1500 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of greater than (>) 10,000? NOTE: The distance shall be determined by a radius measurement that begins at the principal doorway of the LLDS/RLS premises for which the application is being made and ends at the principal doorway of the Licensed LLDS/RLS.		<input type="checkbox"/> <input checked="" type="checkbox"/>		
12. Is your Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 3000 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of less than (<) 10,000? NOTE: The distance shall be determined by a radius measurement that begins at the principal doorway of the LLDS/RLS premises for which the application is being made and ends at the principal doorway of the Licensed LLDS/RLS.		<input type="checkbox"/> <input checked="" type="checkbox"/>		
13a. For additional Retail Liquor Store only. Was your Retail Liquor Store License issued on or before January 1, 2016?		<input type="checkbox"/> <input type="checkbox"/>		
13b. Are you a Colorado resident?		<input checked="" type="checkbox"/> <input type="checkbox"/>		
14. Has a liquor or beer license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a Limited Liability Company; or oficers, stockholders or directors if a corporation)? If yes, identify the name of the business and list any current financial interest in said business including any loans to or from a licensee.		<input type="checkbox"/> <input checked="" type="checkbox"/>		
15. Does the applicant, as listed on line 2 of this application, have legal possession of the premises by ownership, lease or other arrangement?		<input checked="" type="checkbox"/> <input type="checkbox"/>		
<input type="checkbox"/> Ownership <input checked="" type="checkbox"/> Lease <input type="checkbox"/> Other (Explain in Detail) _____				
a. If leased, list name of landlord and tenant, and date of expiration, exactly as they appear on the lease:				
Landlord	Tenant	Expires		
Lakota Canyon Ranch Master		Capital Deli LLC/Dustin Budd		
b. Is a percentage of alcohol sales included as compensation to the landlord? If yes, complete question 16.		<input type="checkbox"/> <input checked="" type="checkbox"/>		
c. Attach a diagram designates the area to be licensed in black bold outline (including dimensions) which shows the bars, brewery, walls, partitions, entrances, exits and what each room shall be utilized for in this business. This diagram should be no larger than 8 1/2" X 11".				
16. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies) will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money from this business? Attach a separate sheet if necessary.				
Last Name	First Name	Date of Birth	FEIN or SSN	Interest/Percentage
Last Name	First Name	Date of Birth	FEIN or SSN	Interest/Percentage
Attach copies of all notes and security instruments and any written agreement or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.				
17. Optional Premises or Hotel and Restaurant Licenses with Optional Premises:				
Has a local ordinance or resolution authorizing optional premises been adopted?		<input type="checkbox"/> <input checked="" type="checkbox"/>		
Number of additional Optional Premise areas requested. (See license fee chart)				
18. Liquor Licensed Drugstore (LLDS) applicants, answer the following:				
(a) Is there a pharmacy, licensed by the Colorado Board of Pharmacy, located within the applicant's LLDS premise?		<input type="checkbox"/> <input type="checkbox"/>		
If "yes" a copy of license must be attached.				
19. Club Liquor License applicants answer the following: Attach a copy of applicable documentation				
(a) Is the applicant organization operated solely for a national, social, fraternal, patriotic, political or athletic purpose and not for pecuniary gain?		<input type="checkbox"/> <input type="checkbox"/>		
(b) Is the applicant organization a regularly chartered branch, lodge or chapter of a national organization which is operated solely for the object of a patriotic or fraternal organization or society, but not for pecuniary gain?		<input type="checkbox"/> <input type="checkbox"/>		
(c) How long has the club been incorporated?				
(d) Has applicant occupied an establishment for three years (three years required) that was operated solely for the reasons stated above?		<input type="checkbox"/> <input type="checkbox"/>		
20. Brew-Pub, Distillery Pub or Vintner's Restaurant applicants answer the following:				
(a) Has the applicant received or applied for a Federal Permit? (Copy of permit or application must be attached)		<input type="checkbox"/> <input type="checkbox"/>		

Name	Type of License	Account Number		
21. Campus Liquor Complex applicants answer the following: (a) Is the applicant an institution of higher education? Yes No <input type="checkbox"/> <input type="checkbox"/> (b) Is the applicant a person who contracts with the institution of higher education to provide food services? If "yes" please provide a copy of the contract with the institution of higher education to provide food services. <input type="checkbox"/> <input type="checkbox"/>				
22. For all on-premises applicants. a. Hotel and Restaurant, Lodging and Entertainment, Tavern License and Campus Liquor Complex, the Registered Manager must also submit an Individual History Record - DR 8404-I and fingerprints. b. For all Liquor Licensed Drugstores (LLDS) the Permitted Manager must also submit a Manager Permit Application - DR 8000 and fingerprints.				
Last Name of Manager		First Name of Manager		
Budd		Dustin		
23. Does this manager act as the manager of, or have a financial interest in, any other liquor licensed establishment in the State of Colorado? If yes, provide name, type of license and account number. <input type="checkbox"/> <input checked="" type="checkbox"/>				
24. Related Facility - Campus Liquor Complex applicants answer the following: a. Is the related facility located within the boundaries of the Campus Liquor Complex? Yes No <input type="checkbox"/> <input type="checkbox"/> If yes, please provide a map of the geographical location within the Campus Liquor Complex. If no, this license type is not available for issues outside the geographical location of the Campus Liquor Complex. b. Designated Manager for Related Facility- Campus Liquor Complex				
Last Name of Manager		First Name of Manager		
25. Tax Distraint Information. Does the applicant or any other person listed on this application including its partners, officers, directors, stockholders, members (LLC) or managing members (LLC) and any other persons with a 10% or greater financial interest in the applicant currently have an outstanding tax distraint issued to them by the Colorado Department of Revenue? <input type="checkbox"/> <input checked="" type="checkbox"/> If yes, provide an explanation and include copies of any payment agreements.				
26. If applicant is a corporation, partnership, association or limited liability company, applicant must list all Officers, Directors, General Partners, and Managing Members. In addition, applicant must list any stockholders, partners, or members with ownership of 10% or more in the applicant. All persons listed below must also attach form DR 8404-I (Individual History Record), and submit fingerprint cards to the local licensing authority.				
Name	Home Address, City & State	DOB	Position	%Owned
Dustin Budd	393 Evergreen Dr, Rifle, CO	4/7/80	Owner	100%
Name	Home Address, City & State	DOB	Position	%Owned
Name	Home Address, City & State	DOB	Position	%Owned
Name	Home Address, City & State	DOB	Position	%Owned
Name	Home Address, City & State	DOB	Position	%Owned
** If applicant is owned 100% by a parent company, please list the designated principal officer on above. ** Corporations - the President, Vice-President, Secretary and Treasurer must be accounted for above (include ownership percentage if applicable) ** If total ownership percentage disclosed here does not total 100%, applicant must check this box: <input type="checkbox"/> Applicant admits that no individual other than these disclosed herein owns 10% or more of the applicant and does not have financial interest in a prohibited liquor license pursuant to Title 47 or 48, C.R.S.				

Name		Type of License	Account Number	
Oath Of Applicant				
I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge. I also acknowledge that it is my responsibility and the responsibility of my agents and employees to comply with the provisions of the Colorado Liquor or Beer Code which affect my license.				
Authorized Signature <i>Dustin Budd</i>		Printed Name and Title Dustin Budd /owner		Date 2/16/18
Report and Approval of Local Licensing Authority (City/County)				
Date application filed with local authority		Date of local authority hearing (for new license applicants; cannot be less than 30 days from date of application)		
The Local Licensing Authority hereby Affirms that each person required to file DR 8404-1 (Individual History Record) or a DR 8000 (Manager Permit) has been:				
<input type="checkbox"/> Fingerprinted <input type="checkbox"/> Subject to background investigation, including NCIC/CCIC check for outstanding warrants				
That the local authority has conducted, or intends to conduct, an inspection of the proposed premises to ensure that the applicant is in compliance with and aware of, liquor code provisions affecting their class of license				
(Check One)				
<input type="checkbox"/> Date of inspection or anticipated date _____ <input type="checkbox"/> Will conduct inspection upon approval of state licensing authority				
<input type="checkbox"/> Is the Liquor Licensed Drugstore (LLDS) or Retail Liquor Store (RLS) within 1,500 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of > 10,00000? <input type="checkbox"/> Is the Liquor Licensed Drugstore(LLDS) or Retail Liquor Store (RLS) within 3,000 feet of another retail liquor license for off-premises sales in a jurisdiction with a population of < 10,00000? NOTE: The distance shall be determined by a radius measurement that begins at the principal doorway of the LLDS/RLS premises for which the application is being made and ends at the principal doorway of the Licensed LLDS/RLS. <input type="checkbox"/> Does the Liquor-Licensed Drugstore (LLDS) have at least twenty percent (20%) of the applicant's gross annual income derived from the sale of food, during the prior twelve (12) month period?				Yes No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
The foregoing application has been examined; and the premises, business to be conducted, and character of the applicant are satisfactory. We do report that such license, if granted, will meet the reasonable requirements of the neighborhood and the desires of the adult inhabitants, and will comply with the provisions of Title 12, Article 48 or 47, C.F.S., and Liquor Rules. Therefore, this application is approved.				
Local Licensing Authority for		Telephone Number		<input type="checkbox"/> Town, City <input type="checkbox"/> County
Signature	Print	Title	Date	
Signature	Print	Title	Date	

STORAGE
LOBBY ROOM

KITCHEN

BATH ROOMS

OFFICE

EXTRA ROOM

FINNISH ROOM

TOP FLOOR

DECK

COMMERCIAL KITCHEN

BAR

DECK

BACK PATIO & POOL AREA

DR

STAIR CASE

DOOR

DOOR

STAIR CASE

FENCE

FENCE

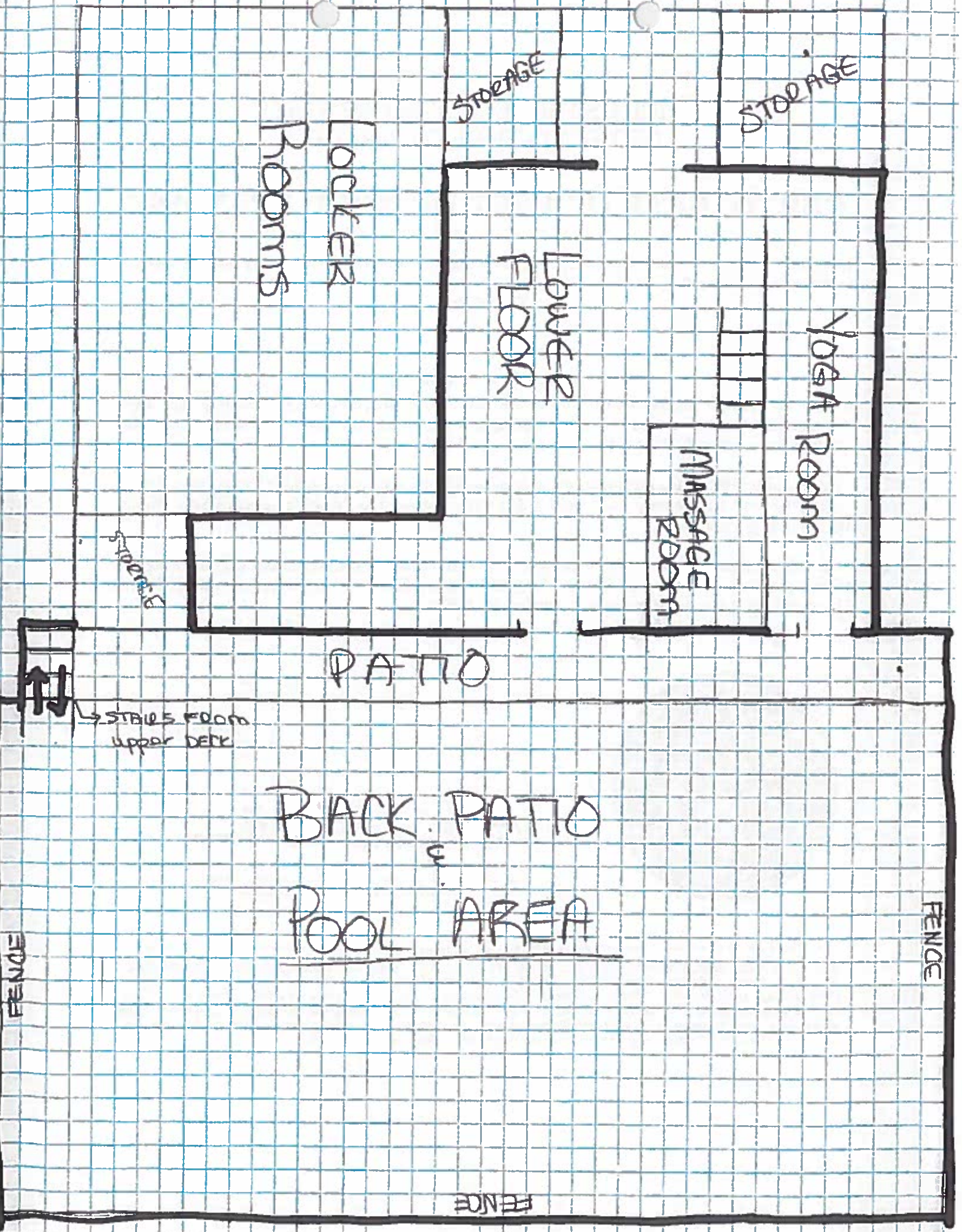
FENCE

4

4

4

4



OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Capital Deli

is a

Limited Liability Company

formed or registered on 08/17/2016 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20161551940 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 02/14/2018 that have been posted, and by documents delivered to this office electronically through 02/15/2018 @ 15:56:53 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 02/15/2018 @ 15:56:53 in accordance with applicable law. This certificate is assigned Confirmation Number 10724529 .



A handwritten signature in black ink that reads "Wayne W. Williams".

Secretary of State of the State of Colorado

.....End of Certificate.....
Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."



Colorado Secretary of State
 Date and Time: 08/17/2016 08:41 PM
 ID Number: 20161551940

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

Document number: 20161551940
 Amount Paid: \$50.00

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Organization

filed pursuant to § 7-80-203 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is

Capital Deli

(The name of a limited liability company must contain the term or abbreviation "limited liability company", "ltd. liability company", "limited liability co.", "ltd. liability co.", "limited", "l.l.c.", "llc", or "ltd.". See §7-90-601, C.R.S.)

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the limited liability company's initial principal office is

Street address

393 Evergreen Drive

(Street number and name)

Rifle

(City)

CO

(State)

81650

(ZIP/Postal Code)

United States

(Country)

(Province - if applicable)

Mailing address

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City)

(State)

(ZIP/Postal Code)

(Province - if applicable)

(Country)

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name

(if an individual)

Budd

(Last)

Dustin

(First)

Ranaigh

(Middle)

(Suffix)

or

(if an entity)

(Caution: Do not provide both an individual and an entity name.)

Street address

393 Evergreen Drive

(Street number and name)

Rifle

(City)

CO

(State)

81650

(ZIP Code)

Mailing address

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City) CO _____
(State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent has consented to being so appointed.

4. The true name and mailing address of the person forming the limited liability company are

Name
(if an individual) Budd Dustin Ranaigh
(Last) (First) (Middle) (Suffix)

or

(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Mailing address 393 Evergreen Drive
(Street number and name or Post Office Box information)

Rifle CO 81650
(City) (State) (ZIP/Postal Code)
United States
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

5. The management of the limited liability company is vested in
(Mark the applicable box.)

one or more managers.

or

the members.

6. (The following statement is adopted by marking the box.)

There is at least one member of the limited liability company.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

<u>Budd</u>	<u>Dustin</u>	<u>Ranaigh</u>	
<i>(Last)</i>	<i>(First)</i>	<i>(Middle)</i>	<i>(Suffix)</i>
<u>393 Evergreen Drive</u>			
<i>(Street number and name or Post Office Box information)</i>			
<u>Rifle</u>		<u>CO</u>	<u>81650</u>
<i>(City)</i>	<i>(State)</i>	<i>(ZIP/Postal Code)</i>	
<u>United States</u>			
<i>(Province - if applicable)</i>		<i>(Country)</i>	

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).



Colorado Secretary of State
 Date and Time: 02/16/2018 03:19 PM
 ID Number: 20181133235
 Document number: 20181133235
 Amount Paid: \$20.00

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Statement of Trade Name of a Reporting Entity
 filed pursuant to §7-71-103 and §7-71-107 of the Colorado Revised Statutes (C.R.S)

1. For the reporting entity delivering this statement, its ID number, true name, form of entity and the jurisdiction under the law of which it is formed are

ID Number	<u>20161551940</u> <small>(Colorado Secretary of State ID number)</small>
True name	<u>Capital Deli, LLC</u>
Form of entity	<u>Limited Liability Company</u>
Jurisdiction	<u>Colorado</u>

2. The trade name under which such entity transacts business or conducts activities or contemplates transacting business or conducting activities in this state is

Capital Deli At Lakota

3. A brief description of the kind of business transacted or activities conducted or contemplated to be transacted or conducted in this state under such trade name is

Deli

4. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

5. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)
 The delayed effective date and, if applicable, time of this document are 03/01/2018
(mm/dd/yyyy hour.minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that such document is such individual's act and deed, or that such individual in good faith believes such document is the act and deed of the person on whose behalf such individual is causing such document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S. and, if applicable, the constituent documents and the organic statutes, and that such individual in good faith believes the facts stated in such document are true and such document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is identified in this document as one who has caused it to be delivered.

6. The true name and mailing address of the individual causing this document to be delivered for filing are

Budd Dustin R
(Last) (First) (Middle) (Suffix)
393 Evergreen Drive
(Street number and name or Post Office Box information)
Rifle CO 81650
(City) (State) (Postal/Zip Code)
United States
(Province - if applicable) (Country - if not US)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

Instructions: Please print this document for your records.

COLORADO BUSINESS EXPRESS

COLORADO DEPT OF REVENUE

Thank you for registering with the Colorado Department of Revenue!
Your electronic application has been received.
You will receive your Sales Tax License and/or Wage Withholding information in the
mail in the next 10 business days.

You may use this receipt as a temporary Sales Tax License in the interim.

Filing Information

Your filing information is as follows:

Date: 02/16/2018 10:06
Name: Capital Deli, LLC
Address: 151 E Clubhouse Dr
New Castle, CO 81647-9424

Sales Tax Account Number: 33559265
Sales Tax Filing Frequency: Under \$300/month (Quarterly)
Wage Withholding Account Number: 33559265
Wage Withholding Filing Frequency: \$1-\$6,999/Year - Quarterly

Websites

State of Colorado: www.colorado.gov
Colorado Department of Revenue: www.colorado.gov/revenue
Colorado Department of Revenue Online Customer Support Site:
revenuestateco.custhelp.com
File and pay your sales tax online: www.colorado.gov/RevenueOnline
Register to pay by EFT: www.colorado.gov/revenue/eft

Please wait 2-3 business days while we validate your registration before attempting to access your account in Revenue Online. You will receive your license(s) in the mail within 10 business days. If you do not already have access to Revenue Online, you may use information from that letter to sign-up.

COMMERCIAL LEASE AGREEMENT

THIS LEASE (this "Lease") dated this 23 day of February, 2018

BETWEEN:

**Lakota Canyon Ranch Master Association of 151 Clubhouse Dr., New Castle
CO 81647**

Telephone: (817) 658-6435 Fax: _____

(the "Landlord")

OF THE FIRST PART

- AND -

Dusti Budd of 393 Evergreen Dr., Rifle, CO 81650

(the "Tenant")

OF THE SECOND PART

IN CONSIDERATION OF the Landlord leasing certain premises to the Tenant, the Tenant leasing those premises from the Landlord and the mutual benefits and obligations set forth in this Lease, the receipt and sufficiency of which consideration is hereby acknowledged, the Parties to this Lease (the "Parties") agree as follows:

Basic Terms

1. The following basic terms are hereby approved by the Parties and each reference in this Lease to any of the basic terms will be construed to include the provisions set forth below as well as all of the additional terms and conditions of the applicable sections of this Lease where such basic terms are more fully set forth:
 - a. Landlord: Lakota Canyon Ranch Master Association
 - b. Address of Lakota Canyon Ranch Master Association: 151 Clubhouse Dr., New Castle CO 81647 (817) 658-6435 _____
 - c. Tenant: Dusti Budd

- d. Address of Dusti Budd: 393 Evergreen Dr., Rifle, CO 81650
- e. Operating Name of Dusti Budd: dba Capital Deli LLC
- f. Commencement Date of Lease: February 23, 2018
- g. Base Rent: \$500.00, payable per month
- h. Permitted Use of Premises: Restaurant.
- i. Advance rent: First and last month's rent
- j. Security/Damage Deposit: None

Definitions

- 2. When used in this Lease, the following expressions will have the meanings indicated:
 - a. "Additional Rent" means all amounts payable by the Tenant under this Lease except Base Rent, whether or not specifically designated as Additional Rent elsewhere in this Lease;
 - b. "Building" means all buildings, improvements, equipment, fixtures, property and facilities from time to time located at 151 Clubhouse Dr., New Castle, CO 81647, as from time to time altered, expanded or reduced by the Landlord in its sole discretion;
 - c. "Common Areas and Facilities" mean:
 - i. those portions of the Building areas, buildings, improvements, facilities, utilities, equipment and installations in or forming part of the Building which from time to time are not designated or intended by the Landlord to be leased to tenants of the Building including, without limitation, exterior weather walls, roofs, entrances and exits, parking areas, driveways, loading docks and area, storage, mechanical and electrical rooms, areas above and below leasable premises and not included within leasable premises, security and alarm equipment, grassed and landscaped areas, retaining walls and maintenance, cleaning and operating equipment serving the Building; and
 - ii. those lands, areas, buildings, improvements, facilities, utilities, equipment and installations which serve or are for the useful benefit of the Building, the tenants of the Building or the Landlord and those having business with them, whether or not located within, adjacent to or near the Building and which are designated from time to time by the Landlord as part of the Common Areas and Facilities;
 - d. "Leasable Area" means with respect to any rentable premises, the area expressed in square feet of all floor space including floor space of mezzanines, if any, determined, calculated and

certified by the Landlord and measured from the exterior face of all exterior walls, doors and windows, including walls, doors and windows separating the rentable premises from enclosed Common Areas and Facilities, if any, and from the center line of all interior walls separating the rentable premises from adjoining rentable premises. There will be no deduction or exclusion for any space occupied by or used for columns, ducts or other structural elements;

- e. "Premises" means the restaurant at 151 Clubhouse Dr., New Castle, CO 81647.
- f. "Proportionate Share" means a fraction, the numerator of which is the Leasable Area of the Premises and the denominator of which is the aggregate of the Leasable Area of all rentable premises in the Building.
- g. "Rent" means the total of Base Rent and Additional Rent.

Leased Premises

- 3. The Landlord agrees to rent to the Tenant the Premises for only the permitted use (the "Permitted Use") of: Restaurant.
- 4. While the Tenant, or an assignee or subtenant approved by the Landlord, is using and occupying the Premises for the Permitted Use and is not in default under the Lease, the Landlord agrees not to Lease space in the Building to any tenant who will be conducting in such premises as its principal business, the services of: Restaurant.
- 5. Subject to the provisions of this Lease, the Tenant is entitled to the use of parking (the 'Parking') on or about the Premises. Only properly insured motor vehicles may be parked in the Tenant's space.
- 6. The Landlord reserves the right in its reasonable discretion to alter, reconstruct, expand, withdraw from or add to the Building from time to time. In the exercise of those rights, the Landlord undertakes to use reasonable efforts to minimize any interference with the visibility of the Premises and to use reasonable efforts to ensure that direct entrance to and exit from the Premises is maintained.
- 7. The Landlord reserves the right for itself and for all persons authorized by it, to erect, use and maintain wiring, mains, pipes and conduits and other means of distributing services in and through the Premises, and at all reasonable times to enter upon the Premises for the purpose of installation, maintenance or repair, and such entry will not be an interference with the Tenant's possession under this Lease.
- 8. The Landlord reserves the right, when necessary by reason of accident or in order to make repairs, alterations or improvements relating to the Premises or to other portions of the Building to cause temporary obstruction to the Common Areas and Facilities as reasonably necessary and to interrupt or

suspend the supply of electricity, water and other services to the Premises until the repairs, alterations or improvements have been completed. There will be no abatement in rent because of such obstruction, interruption or suspension provided that the repairs, alterations or improvements are made as expeditiously as is reasonably possible.

9. Subject to this Lease, the Tenant and its employees, customers and invitees will have the non-exclusive right to use for their proper and intended purposes, during business hours in common with all others entitled thereto those parts of the Common Areas and Facilities from time to time permitted by the Landlord. The Common Areas and Facilities and the Building will at all times be subject to the exclusive control and management of the Landlord. The Landlord will operate and maintain the Common Areas and Facilities and the Building in such manner as the Landlord determines from time to time.

Term

10. The term of the Lease commences at 12:00 noon on February 23, 2018 and ends at 12:00 noon on February 22, 2021 (the "Term").
11. Notwithstanding that the Term commences on February 23, 2018, the Tenant is entitled to possession of the Premises at 12:00 noon on February 23, 2018.
12. Should the Tenant remain in possession of the Premises with the consent of the Landlord after the natural expiration of this Lease, a new tenancy from month to month will be created between the Landlord and the Tenant which will be subject to all the terms and conditions of this Lease but will be terminable upon either party giving one month's notice to the other party.

Rent

13. Subject to the provisions of this Lease, the Tenant will pay a base rent of \$500.00, payable per month, for the Premises (the "Base Rent"), without setoff, abatement or deduction. In addition to the Base Rent, the Tenant will pay for any fees or taxes arising from the Tenant's business.
14. The Tenant will pay the Base Rent on or before the 15th of each and every month of the Term to the Landlord at 151 Clubhouse Dr. New Castle, CO 81647, or at such other place as the Landlord may later designate.
15. The Base Rent for the Premises will increase over the Term of the Lease as follows: Tenant pays an additional 3% of gross sales for the first year and 5% of gross sales for the remaining years 2 years of the lease.

16. In the event that this Lease commences, expires or terminates before the end of a period for which any Additional Rent or Base rent would be payable, or other than at the start or end of a calendar month, such amounts payable by the Tenant will be apportioned pro rata on the basis of a thirty (30) day month to calculate the amount payable for such irregular period.
17. No acceptance by the Landlord of any amount less than the full amount owed will be taken to operate as a waiver by the Landlord for the full amount or in any way to defeat or affect the rights and remedies of the Landlord to pursue the full amount.

Operating Costs

18. In addition to the Base Rent, the Tenant is responsible for paying to the Landlord its Proportionate Share of all of the following operating costs incurred by the Landlord in respect to the Building, Common Areas and Facilities and Premises:
 - a. ~~property or building taxes~~ sales or use taxes related to the Building or this Lease;
 - b. cleaning and janitorial services;
 - c. window cleaning;
 - d. all insurance relating to the Building as placed by the Landlord from time to time, acting prudently;
 - e. accounting and auditing;
 - f. supplies used in relation to operating and maintaining the Building; and
 - g. preventive maintenance and inspection.
19. The Landlord will be responsible for paying the following operating costs:
 - a. operating and servicing elevators;
 - b. all utilities supplied to the Common Areas and Facilities;
 - c. security;
 - d. repairs and replacements to the Building and any component of the Building;
 - e. provision, repair, replacement and maintenance of heating, cooling, ventilation and air conditioning equipment throughout the Building;
 - f. all amounts paid to employees or third parties relating to work performed in relation to the Building including in the case of employees all usual benefits, including a management fee not to exceed 5% of gross receipts from the Building;

- g. provision of a building superintendent and associated personnel employed for the Building including a reasonable rental value for office space used by those persons and related expenses including uniforms;
 - h. all outdoor maintenance including landscaping and snow removal; and
 - i. operation and maintenance of parking areas.
20. For any rent review negotiation, the Base Rent will be calculated as being the higher of the Base Rent payable immediately before the date of review and the Open Market Rent on the date of review.

Use and Occupation

21. The Tenant will carry on business under the name of dba Capital Deli LLC and will not change such name without the prior written consent of the Landlord, such consent not to be unreasonably withheld. The Tenant will open the whole of the Premises for business to the public fully fixtured, stocked and staffed on the date of commencement of the term and throughout the term, and will continuously occupy and utilize the entire Premises in the active conduct of its business in a reputable manner on such days and during such hours of business as may be determined from time to time by the Landlord.
22. The Tenant covenants that the Tenant will carry on and conduct its business from time to time carried on upon the Premises in such manner as to comply with all statutes, bylaws, rules and regulations of any federal, provincial, municipal or other competent authority and will not do anything on or in the Premises in contravention of any of them.

Quiet Enjoyment

23. The Landlord covenants that on paying the Rent and performing the covenants contained in this Lease, the Tenant will peacefully and quietly have, hold, and enjoy the Premises for the agreed term.

Default

24. If the Tenant is in default in the payment of any money, whether hereby expressly reserved or deemed as rent, or any part of the rent, and such default continues following any specific due date on which the Tenant is to make such payment, or in the absence of such specific due date, for the 30 days following written notice by the Landlord requiring the Tenant to pay the same then, at the option of the Landlord, this Lease may be terminated upon 30 days notice and the term will then immediately become forfeited and void, and the Landlord may without further notice or any form of legal process immediately reenter the Premises or any part of the Premises and in the name of the whole repossess and enjoy the same as of its former state anything contained in this Lease or in any statute or law to

the contrary notwithstanding.

25. Unless otherwise provided for in this Lease, if the Tenant does not observe, perform and keep each and every of the non-monetary covenants, agreements, stipulations, obligations, conditions and other provisions of this Lease to be observed, performed and kept by the Tenant and persists in such default, after 60 days following written notice from the Landlord requiring that the Tenant remedy, correct or comply or, in the case of such default which would reasonably require more than 60 days to rectify, unless the Tenant will commence rectification within the said 60 days notice period and thereafter promptly and diligently and continuously proceed with the rectification of any such defaults then, at the option of the Landlord, this Lease may be terminated upon 60 days notice and the term will then immediately become forfeited and void, and the Landlord may without further notice or any form of legal process immediately reenter the Premises or any part of the Premises and in the name of the whole repossess and enjoy the same as of its former state anything contained in this Lease or in any statute or law to the contrary notwithstanding.
26. If and whenever:
- a. the Tenant's leasehold interest hereunder, or any goods, chattels or equipment of the Tenant located in the Premises will be taken or seized in execution or attachment, or if any writ of execution will issue against the Tenant or the Tenant will become insolvent or commit an act of bankruptcy or become bankrupt or take the benefit of any legislation that may be in force for bankrupt or insolvent debtor or become involved in voluntary or involuntary winding up, dissolution or liquidation proceedings, or if a receiver will be appointed for the affairs, business, property or revenues of the Tenant; or
 - b. the Tenant fails to commence, diligently pursue and complete the Tenant's work to be performed under any agreement to lease pertaining to the Premises or vacate or abandon the Premises, or fail or cease to operate or otherwise cease to conduct business from the Premises, or use or permit or suffer the use of the Premises for any purpose other than as permitted in this clause, or make a bulk sale of its goods and assets which has not been consented to by the Landlord, or move or commence, attempt or threaten to move its goods, chattels and equipment out of the Premises other than in the routine course of its business;

then, and in each such case, at the option of the Landlord, this Lease may be terminated without notice and the term will then immediately become forfeited and void, and the Landlord may without notice or any form of legal process immediately reenter the Premises or any part of the Premises and in the name of the whole repossess and enjoy the same as of its former state anything contained in this Lease or in any statute or law to the contrary notwithstanding.

27. In the event that the Landlord has terminated the Lease pursuant to this section, on the expiration of the time fixed in the notice, if any, this Lease and the right, title, and interest of the Tenant under this Lease will terminate in the same manner and with the same force and effect, except as to the Tenant's liability, as if the date fixed in the notice of cancellation and termination were the end of the Lease.

Distress

28. If and whenever the Tenant is in default in payment of any money, whether hereby expressly reserved or deemed as rent, or any part of the rent, the Landlord may, without notice or any form of legal process, enter upon the Premises and seize, remove and sell the Tenant's goods, chattels and equipment from the Premises or seize, remove and sell any goods, chattels and equipment at any place to which the Tenant or any other person may have removed them, in the same manner as if they had remained and been distrained upon the Premises, all notwithstanding any rule of law or equity to the contrary, and the Tenant hereby waives and renounces the benefit of any present or future statute or law limiting or eliminating the Landlord's right of distress.

Overholding

29. If the Tenant continues to occupy the Premises without the written consent of the Landlord after the expiration or other termination of the term, then, without any further written agreement, the Tenant will be a month-to-month tenant at a minimum monthly rental equal to twice the Base Rent and subject always to all of the other provisions of this Lease insofar as the same are applicable to a month-to-month tenancy and a tenancy from year to year will not be created by implication of law.

Additional Rights on Reentry

30. If the Landlord reenters the Premises or terminates this Lease, then:
- a. notwithstanding any such termination or the term thereby becoming forfeited and void, the provisions of this Lease relating to the consequences of termination will survive;
 - b. the Landlord may use such reasonable force as it may deem necessary for the purpose of gaining admittance to and retaking possession of the Premises and the Tenant hereby releases the Landlord from all actions, proceedings, claims and demands whatsoever for and in respect of any such forcible entry or any loss or damage in connection therewith or consequential thereupon;
 - c. the Landlord may expel and remove, forcibly, if necessary, the Tenant, those claiming under the Tenant and their effects, as allowed by law, without being taken or deemed to be guilty of any

manner of trespass;

- d. in the event that the Landlord has removed the property of the Tenant, the Landlord may store such property in a public warehouse or at a place selected by the Landlord, at the expense of the Tenant. If the Landlord feels that it is not worth storing such property given its value and the cost to store it, then the Landlord may dispose of such property in its sole discretion and use such funds, if any, towards any indebtedness of the Tenant to the Landlord. The Landlord will not be responsible to the Tenant for the disposal of such property other than to provide any balance of the proceeds to the Tenant after paying any storage costs and any amounts owed by the Tenant to the Landlord;
- e. the Landlord may relet the Premises or any part of the Premises for a term or terms which may be less or greater than the balance of the Term remaining and may grant reasonable concessions in connection with such reletting including any alterations and improvements to the Premises;
- f. after reentry, the Landlord may procure the appointment of a receiver to take possession and collect rents and profits of the business of the Tenant, and, if necessary to collect the rents and profits the receiver may carry on the business of the Tenant and take possession of the personal property used in the business of the Tenant, including inventory, trade fixtures, and furnishings, and use them in the business without compensating the Tenant;
- g. after reentry, the Landlord may terminate the Lease on giving 5 days written notice of termination to the Tenant. Without this notice, reentry of the Premises by the Landlord or its agents will not terminate this Lease;
- h. the Tenant will pay to the Landlord on demand:
 - i. all rent, Additional Rent and other amounts payable under this Lease up to the time of reentry or termination, whichever is later;
 - ii. reasonable expenses as the Landlord incurs or has incurred in connection with the reentering, terminating, reletting, collecting sums due or payable by the Tenant, realizing upon assets seized; including without limitation, brokerage, fees and expenses and legal fees and disbursements and the expenses of keeping the Premises in good order, repairing the same and preparing them for reletting; and
 - iii. as liquidated damages for the loss of rent and other income of the Landlord expected to be derived from this Lease during the period which would have constituted the unexpired portion of the term had it not been terminated, at the option of the Landlord, either:
 - i. an amount determined by reducing to present worth at an assumed interest rate of twelve percent (12%) per annum all Base Rent and estimated Additional Rent to

become payable during the period which would have constituted the unexpired portion of the term, such determination to be made by the Landlord, who may make reasonable estimates of when any such other amounts would have become payable and may make such other assumptions of the facts as may be reasonable in the circumstances; or

- ii. an amount equal to the Base Rent and estimated Additional Rent for a period of six (6) months.

Inspections and Landlord's Right to Enter

31. During the Term and any renewal of this Lease, the Landlord and its agents may enter the Premises to make inspections or repairs at all reasonable times. However, except where the Landlord or its agents consider it is an emergency, the Landlord must have given not less than 24 hours prior written notice to the Tenant.
32. The Tenant acknowledges that the Landlord or its agent will have the right to enter the Premises at all reasonable times to show them to prospective purchasers, encumbrancers, lessees or assignees, and may also during the ninety days preceding the termination of the terms of this Lease, place upon the Premises the usual type of notice to the effect that the Premises are for rent, which notice the Tenant will permit to remain on them.
33. The Landlord may inspect the Tenant's goods on the Premises and the Tenant's records relating to those goods during normal business hours, with at least five (5) days' written notice, to identify the nature of the goods, compliance with this Lease, or compliance with any laws, regulations, or other rules.

Renewal of Lease

34. Within 120 days prior to termination of this lease the tenant may execute a right to renew the lease for an additional 3 years by notifying the landlord in writing. Terms of the renewal will be subject to negotiation based on fair market value and must be finalized prior to 90 days from expiration of the lease..

Landlord Chattels

35. The Landlord agrees to supply and the Tenant agrees to use and maintain in reasonable condition, normal wear and tear excepted, the following chattels:
 - a. All equipment, small wares and fixtures list to be attached.

Tenant Improvements

36. The Tenant will obtain written permission from the Landlord before doing any of the following:
- a. painting, wallpapering, redecorating or in any way significantly altering the appearance of the Premises;
 - b. removing or adding walls, or performing any structural alterations;
 - c. changing the amount of heat or power normally used on the Premises as well as installing additional electrical wiring or heating units;
 - d. subject to this Lease, placing or exposing or allowing to be placed or exposed anywhere inside or outside the Premises any placard, notice or sign for advertising or any other purpose;
 - e. affixing to or erecting upon or near the Premises any radio or TV antenna or tower, or satellite dish; or
 - f. installing or affixing upon or near the Premises any plant, equipment, machinery or apparatus without the Landlord's prior consent.

Utilities and Other Costs

37. The Landlord is responsible for the payment of the following utilities and other charges in relation to the Premises: electricity, natural gas, water, sewer, telephone, Internet and cable.

Signs

38. Tenant signage must comply with Lakota Canyon Ranch Master Association signage limitations as well as any signage compliance required by the Town Of New Castle, CO. Any notices or signs posted within the premises must be of commercial quality, no hand written postings or signs will be allowed.

Insurance

39. The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss. The Tenant is advised that, if insurance coverage is desired by the Tenant, the Tenant should inquire of Tenant's insurance agent regarding a Tenant's Policy of Insurance.
40. The Tenant is not responsible for insuring the Landlord's contents and furnishings in or about the Premises for either damage and loss, and the Tenant assumes no liability for any such loss.

41. The Tenant is responsible for insuring the Premises for damage or loss to the structure, mechanical or improvements to the Building on the Premises for the benefit of the Tenant and the Landlord. Such insurance should include such risks as fire, theft, vandalism, flood and disaster.
42. The Tenant is responsible for insuring the Premises for liability insurance for the benefit of the Tenant and the Landlord.
43. The Tenant will provide proof of such insurance to the Landlord upon the issuance or renewal of such insurance.

Tenant's Insurance

44. The Tenant will, during the whole of the term and during such other time as the Tenant occupies the Premises, take out and maintain the following insurance, at the Tenant's sole expense, in such form as used by solvent insurance companies in the jurisdiction where the Premises are located: (a) Comprehensive general liability insurance against claims for bodily injury, including death, and property damage or loss arising out of the use or occupation of the Premises, or the Tenant's business on or about the Premises; such insurance to be in the joint name of the Tenant and the Landlord so as to indemnify and protect both the Tenant and the Landlord and to contain a 'cross liability' and 'severability of interest' clause so that the Landlord and the Tenant may be insured in the same manner and to the same extent as if individual policies had been issued to each, and will be for the amount of \$1,000,000 per occurrence/\$2,000,000 aggregate general liability limits, not less than less than such other amount as may be reasonably required by the Landlord from time to time; such comprehensive general liability insurance will for the Tenant's benefit only include contractual liability insurance in a form and of a nature broad enough to insure the obligations imposed upon the Tenant under the terms of this Lease. (b) All risks insurance upon its merchandise, stock-in-trade, furniture, fixtures and improvements and upon all other property in the Premises owned by the Tenant or for which the Tenant is legally liable, and insurance upon all glass and plate glass in the Premises against breakage and damage from any cause, all in an amount equal to the full replacement value of such items, which amount in the event of a dispute will be determined by the decision of the Landlord. In the event the Tenant does not obtain such insurance, it is liable for the full costs of repair or replacement of such damage or breakage. (c) Boiler and machinery insurance on such boilers and pressure vessels as may be installed by, or under the exclusive control of, the Tenant in the Premises. (d) Owned automobile insurance with respect to all motor vehicles owned by the Tenant and operated in its business.
45. The Tenant's policies of insurance hereinbefore referred to will contain the following:
 - a. provisions that the Landlord is protected notwithstanding any act, neglect or misrepresentation of the Tenant which might otherwise result in the avoidance of claim under such policies will

not be affected or invalidated by any act, omission or negligence of any third party which is not within the knowledge or control of the insured(s);

- b. provisions that such policies and the coverage evidenced thereby will be primary and noncontributing with respect to any policies carried by the Landlord and that any coverage carried by the Landlord will be excess coverage;
 - c. all insurance referred to above will provide for waiver of the insurer's rights of subrogation as against the Landlord; and
 - d. provisions that such policies of insurance will not be cancelled without the insurer providing the Landlord thirty (30) days written notice stating when such cancellation will be effective.
46. The Tenant will further during the whole of the term maintain such other insurance in such amounts and in such sums as the Landlord may reasonably determine from time to time. Evidence satisfactory to the Landlord of all such policies of insurance will be provided to the Landlord upon request.
47. The Tenant will not do, omit or permit to be done or omitted upon the Premises anything which will cause any rate of insurance upon the Building or any part of the Building to be increased or cause such insurance to be cancelled. If any such rate of insurance will be increased as previously mentioned, the Tenant will pay to the Landlord the amount of the increase as Additional Rent. If any insurance policy upon the Building or any part of the Building is cancelled or threatened to be cancelled by reason of the use or occupancy by the Tenant or any such act or omission, the Tenant will immediately remedy or rectify such use, occupation, act or omission upon being requested to do so by the Landlord, and if the tenant fails to so remedy or rectify, the Landlord may at its option terminate this Lease and the Tenant will immediately deliver up possession of the Premises to the Landlord.
48. The Tenant will not at any time during the Term use, exercise, carry on or permit or suffer to be used, exercised, carried on, in or upon the Premises or any part of the Premises, any noxious, noisome or offensive act, trade business occupation or calling, and no act, matter or thing whatsoever will at any time during the said term be done in or upon the Premises, or any part Premises, which will or may be or grow to the annoyance, nuisance, grievance, damage or disturbance of the occupiers or owners of the Building, or adjoining lands or premises.

Landlord's Insurance

49. The Landlord will take out or cause to be taken out and keep or cause to be kept in full force and effect during the whole of the term:
- a. fire and extended coverage insurance on the Building, except foundations, on a replacement

cost basis, subject to such deductions and exceptions as the Landlord may determine; such insurance will be in a form or forms normally in use from time to time for buildings and improvements of a similar nature similarly situate, including, should the Landlord so elect, insurance to cover any loss of rental income which may be sustained by the Landlord;

- b. boiler and machinery insurance of such boilers and pressure vessels as may be installed by, or under the exclusive control of, the Landlord in the Building (other than such boilers and pressure vessels to be insured by the Tenant hereunder); and
- c. comprehensive general liability insurance against claims for bodily injury, including death and property damage in such form and subject to such deductions and exceptions as the Landlord may determine; provided that nothing in this clause will prevent the Landlord from providing or maintaining such lesser, additional or broader coverage as the Landlord may elect in its discretion.

50. The Landlord agrees to request its insurers, upon written request of the Tenant, to have all insurance taken out and maintained by the Landlord provide for waiver of the Landlord's insurers' rights of subrogation as against the Tenant when and to the extent permitted from time to time by its insurers.

Abandonment

51. If at any time during the Term, the Tenant abandons the Premises or any part of the Premises, the Landlord may, at its option, enter the Premises by any means without being liable for any prosecution for such entering, and without becoming liable to the Tenant for damages or for any payment of any kind whatever, and may, at the Landlord's discretion, as agent for the Tenant, relet the Premises, or any part of the Premises, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting, and, at the Landlord's option, hold the Tenant liable for any difference between the Rent that would have been payable under this Lease during the balance of the unexpired term, if this Lease had continued in force, and the net rent for such period realized by the Landlord by means of the reletting. If the Landlord's right of reentry is exercised following abandonment of the premises by the Tenant, then the Landlord may consider any personal property belonging to the Tenant and left on the Premises to also have been abandoned, in which case the Landlord may dispose of all such personal property in any manner the Landlord will deem proper and is relieved of all liability for doing so.

Subordination and Attornment

52. This Lease and the Tenant's rights under this Lease will automatically be subordinate to any mortgage or mortgages, or encumbrance resulting from any other method of financing or refinancing, now or

afterwards in force against the Lands or Building or any part of the Lands or Building, as now or later constituted, and to all advances made or afterwards made upon such security; and, upon the request of the Landlord, the Tenant will execute such documentation as may be required by the Landlord in order to confirm and evidence such subordination.

53. The Tenant will, in the event any proceedings are brought, whether in foreclosure or by way of the exercise of the power of sale or otherwise, under any other mortgage or other method of financing or refinancing made by the Landlord in respect of the Building, or any portion of the Building, attorn to the encumbrancer upon any such foreclosure or sale and recognize such encumbrancer as the Landlord under this Lease, but only if such encumbrancer will so elect and require.
54. Upon the written request of the Tenant, the Landlord agrees to request any mortgagee or encumbrancer of the Lands (present or future) to enter into a non-disturbance covenant in favor of the Tenant, whereby such mortgagee or encumbrancer will agree not to disturb the Tenant in its possession and enjoyment of the Premises for so long as the Tenant is not in default under this Lease.

Registration of Caveat

55. The Tenant will not register this Lease, provided, however, that:
 - a. The Tenant may file a caveat respecting this Lease but will not be entitled to attach this Lease, and, in any event, will not file such caveat prior to the commencement date of the term. The caveat will not state the Base Rent or any other financial provisions contained in this Lease.
 - b. If the Landlord's permanent financing has not been fully advanced, the Tenant covenants and agrees not to file a caveat until such time as the Landlord's permanent financing has been fully advanced.

Estoppel Certificate and Acknowledgement

56. Whenever requested by the Landlord, a mortgagee or any other encumbrance holder or other third party having an interest in the Building or any part of the Building, the Tenant will, within ten (10) days of the request, execute and deliver an estoppel certificate or other form of certified acknowledgement as to the Commencement Date, the status and the validity of this Lease, the state of the rental account for this Lease, any incurred defaults on the part of the Landlord alleged by the Tenant, and such other information as may reasonably be required.

Sale by Landlord

57. In the event of any sale, transfer or lease by the Landlord of the Building or any interest in the Building or portion of the Building containing the Premises or assignment by the Landlord of this Lease or any interest of the Landlord in the Lease to the extent that the purchaser, transferee, tenant or assignee assumes the covenants and obligations of the Landlord under this Lease, the Landlord will without further written agreement be freed and relieved of liability under such covenants and obligations. This Lease may be assigned by the Landlord to any mortgagee or encumbrancee of the Building as security.

Tenant's Indemnity

58. The Tenant will and does hereby indemnify and save harmless the Landlord, or any other person claiming through or under the Landlord, of and from all loss and damage and all actions, claims, costs, demands, expenses, fines, liabilities and suits of any nature whatsoever for which the Landlord will or may become liable, incur or suffer by reason of a breach, violation or nonperformance by the Tenant of any covenant, term or provision hereof or by reason of any builders' or other liens for any work done or materials provided or services rendered for alterations, improvements or repairs, made by or on behalf of the Tenant to the Premises, or by reason of any injury occasioned to or suffered by any person or damage to any property, or by reason of any wrongful act or omission, default or negligence on the part of the Tenant or any of its agents, concessionaires, contractors, customers, employees, invitees or licensees in or about the Building, including any losses caused, or contributed to by, any trespasser while that trespasser is in or about the Building.
59. It is agreed between the Landlord and the Tenant that the Landlord will not be liable for any loss, injury, or damage to persons or property resulting from falling plaster, steam, electricity, water, rain, snow or dampness, or from any other cause.
60. It is agreed between the Landlord and the Tenant that the Landlord will not be liable for any loss or damage caused by acts or omissions of other tenants or occupants, their employees or agents or any persons not the employees or agents of the Landlord, or for any damage caused by the construction of any public or quasi-public works, and in no event will the Landlord be liable for any consequential or indirect damages suffered by the Tenant.
61. It is agreed between the Landlord and the Tenant that the Landlord will not be liable for any loss, injury or damage caused to persons using the Common Areas and Facilities or to vehicles or their contents or any other property on them, or for any damage to property entrusted to its or their employees, or for the loss of any property by theft or otherwise, and all property kept or stored in the Premises will be at the sole risk of the Tenant.

Liens

62. The Tenant will immediately upon demand by the Landlord remove or cause to be removed and afterwards institute and diligently prosecute any action pertinent to it, any builders' or other lien or claim of lien noted or filed against or otherwise constituting an encumbrance on any title of the Landlord. Without limiting the foregoing obligations of the Tenant, the Landlord may cause the same to be removed, in which case the Tenant will pay to the Landlord as Additional Rent, such cost including the Landlord's legal costs.

Attorney Fees

63. In the event that any action is filed in relation to this Lease, the unsuccessful party in the action will pay to the successful party, in addition to all the sums that either party may be called on to pay, a reasonable sum for the successful party's attorney fees.

Governing Law

64. It is the intention of the Parties to this Lease that the tenancy created by this Lease and the performance under this Lease, and all suits and special proceedings under this Lease, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of the State of Colorado, without regard to the jurisdiction in which any action or special proceeding may be instituted.

Severability

65. If there is a conflict between any provision of this Lease and the applicable legislation of the State of Colorado (the 'Act'), the Act will prevail and such provisions of the Lease will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Lease.
66. If there is a conflict between any provision of this Lease and any form of lease prescribed by the Act, that prescribed form will prevail and such provisions of the lease will be amended or deleted as necessary in order to comply with that prescribed form. Further, any provisions that are required by that prescribed form are incorporated into this Lease.

Amendment of Lease

67. Any amendment or modification of this Lease or additional obligation assumed by either party to this Lease in connection with this Lease will only be binding if evidenced in writing signed by each party

or an authorized representative of each party.

Assignment and Subletting

68. The Tenant will not assign this Lease in whole or in part, nor sublet all or any part of the Premises, nor grant any license or part with possession of the Premises or transfer to any other person in whole or in part or any other right or interest under this Lease (except to a parent, subsidiary or affiliate of the Tenant), without the prior written consent of the Landlord in each instance, which consent will not be unreasonably withheld so long as the proposed assignment or sublease complies with the provisions of this Lease.
69. Notwithstanding any assignment or sublease, the Tenant will remain fully liable on this Lease and will not be released from performing any of the terms, covenants and conditions of this Lease.
70. If the Lease is assigned or if the Premises or any part of the Premises are sublet or occupied by anyone other than the Tenant, the Landlord may collect rent directly from the assignee, subtenant or occupant, and apply the net amount collected, or the necessary portion of that amount, to the rent owing under this Lease.
71. The prohibition against assigning or subletting without the consent required by this Lease will be constructed to include a prohibition against any assignment or sublease by operation of law.
72. The consent by the Landlord to any assignment or sublease will not constitute a waiver of the necessity of such consent to any subsequent assignment or sublease.

Bulk Sale

73. No bulk sale of goods and assets of the Tenant may take place without first obtaining the written consent of the Landlord, which consent will not be unreasonably withheld so long as the Tenant and the Purchaser are able to provide the Landlord with assurances, in a form satisfactory to the Landlord, that the Tenant's obligations in this Lease will continue to be performed and respected, in the manner satisfactory to the Landlord, after completion of the said bulk sale.

Additional Provisions

74. Failure to maintain food safety and sanitation standards to the level acceptable to the Garfield County Health Dept. could result in termination of this lease. Tenant agrees to allow the landlord to inspect the premises for food safety and sanitation compliance at their discretion.
75. From time to time there may be occasions whereby the Rec Center may be reserved for private events.

In such cases a rental fee will be charged for the event and that fee will be paid to the landlord as compensation for excluding the HOA members from using the facility. Fee schedule to be determined by the HOA board.

76. This lease is subject to approval and ratification by the Lakota Canyon HOA Executive board no later than 3/15/2018.

76a. RENT TO Start on May 15th in the amount \$1000 -
Damage to Premises for 1st & last month (BASE RENT)

77. If the Premises, or any part of the Premises, will be partially damaged by fire or other casualty not due to the Tenant's negligence or willful act or that of the Tenant's employee, family, agent, or visitor, the Premises will be promptly repaired by the Landlord and there will be an abatement of rent corresponding with the time during which, and the extent to which, the Premises may have been untenable. However, if the Premises should be damaged other than by the Tenant's negligence or willful act or that of the Tenant's employee, family, agent, or visitor to the extent that the Landlord will decide not to rebuild or repair, the term of this Lease will end and the Rent will be prorated up to the time of the damage.

Force Majeure

78. In the event that the Landlord or the Tenant will be unable to fulfill, or shall be delayed or prevented from the fulfillment of, any obligation in this Lease by reason of municipal delays in providing necessary approvals or permits, the other party's delay in providing approvals as required in this Lease, strikes, third party lockouts, fire, flood, earthquake, lightning, storm, acts of God or our Country's enemies, riots, insurrections or other reasons of like nature beyond the reasonable control of the party delayed or prevented from fulfilling any obligation in this Lease (excepting any delay or prevention from such fulfillment caused by a lack of funds or other financial reasons) and provided that such party uses all reasonable diligence to overcome such unavoidable delay, then the time period for performance of such an obligation will be extended for a period equivalent to the duration of such unavoidable delay. municipal delays in providing necessary approvals or permits, the other party's delay in providing approvals as required in this Lease, strikes, third party lockouts, fire, flood, earthquake, lightning, storm, acts of God or our Country's enemies, riots, insurrections or other reasons of like nature beyond the reasonable control of the party delayed or prevented from fulfilling any obligation in this Lease (excepting any delay or prevention from such fulfillment caused by a lack of funds or other financial reasons) and provided that such party uses all reasonable diligence to overcome such unavoidable delay, then the time period for performance of such an obligation will be extended for a period equivalent to the duration of such unavoidable delay.

Eminent Domain and Expropriation

79. If during the Term, title is taken to the whole or any part of the Building by any competent authority under the power of eminent domain or by expropriation, which taking, in the reasonable opinion of the Landlord, does not leave a sufficient remainder to constitute an economically viable building, the Landlord may at its option, terminate this Lease on the date possession is taken by or on behalf of such authority. Upon such termination, the Tenant will immediately deliver up possession of the Premises, Base Rent and any Additional Rent will be payable up to the date of such termination, and the Tenant will be entitled to be repaid by the Landlord any rent paid in advance and unearned or an appropriate portion of that rent. In the event of any such taking, the Tenant will have no claim upon the Landlord for the value of its property or the unexpired portion of the Term, but the Parties will each be entitled to separately advance their claims for compensation for the loss of their respective interests and to receive and retain such compensation as may be awarded to each respectively. If an award of compensation made to the Landlord specifically includes an award for the Tenant, the Landlord will account for that award to the Tenant and vice versa.

Condemnation

80. A condemnation of the Building or any portion of the Premises will result in termination of this Lease. The Landlord will receive the total of any consequential damages awarded as a result of the condemnation proceedings. All future rent installments to be paid by the Tenant under this Lease will be terminated.

Tenant's Repairs and Alterations

81. The Tenant covenants with the Landlord to occupy the Premises in a tenant-like manner and not to permit waste. The Tenant will at all times and at its sole expense, subject to the Landlord's repair, maintain and keep the Premises, reasonable wear and tear, damage by fire, lightning, tempest, structural repairs, and repairs necessitated from hazards and perils against which the Landlord is required to insure excepted. Without limiting the generality of the foregoing, the Tenant will keep, repair, replace and maintain all glass, wiring, pipes and mechanical apparatus in, upon or serving the Premises in good and tenantable repair at its sole expense. When it becomes (or, acting reasonably, should have become) aware of same, the Tenant will notify the Landlord of any damage to or deficiency or defect in any part of the Premises or the Building.
82. The Tenant covenants with the Landlord that the Landlord, its servants, agents and workmen may enter and view the state of repair of the Premises and that the Tenant will repair the Premises according to notice in writing received from the Landlord, subject to the Landlord's repair obligations.

If the Tenant refuses or neglects to repair as soon as reasonably possible after written demand, the Landlord may, but will not be obligated to, undertake such repairs without liability to the Tenant for any loss or damage that may occur to the Tenant's merchandise, fixtures or other property or to the Tenant's business by such reason, and upon such completion, the Tenant will pay, upon demand, as Additional Rent, the Landlord's cost of making such repairs plus fifteen percent (15%) of such cost for overhead and supervision.

83. The Tenant will keep in good order, condition and repair the non-structural portions of the interior of the Premises and every part of those Premises, including, without limiting the generality of the foregoing, all equipment within the Premises, fixtures, walls, ceilings, floors, windows, doors, plate glass and skylights located within the Premises. Without limiting the generality of the foregoing, the Tenant will keep, repair, replace and maintain all glass, wiring, pipes and mechanical apparatus in, upon or serving the Premises in good and tenantable repair at its sole expense. When it becomes (or, acting reasonably, should have become) aware of same, the Tenant will notify the Landlord of any damage to or deficiency or defect in any part of the Premises or the Building. The Tenant will not use or keep any device which might overload the capacity of any floor, wall, utility, electrical or mechanical facility or service in the Premises or the Building.
84. The Tenant will not make or permit others to make alterations, additions or improvements or erect or have others erect any partitions or install or have others install any trade fixtures, exterior signs, floor covering, interior or exterior lighting, plumbing fixtures, shades, awnings, exterior decorations or make any changes to the Premises or otherwise without first obtaining the Landlord's written approval thereto, such written approval not to be unreasonably withheld in the case of alterations, additions or improvements to the interior of the Premises.
85. The Tenant will not install in or for the Premises any special locks, safes or apparatus for air-conditioning, cooling, heating, illuminating, refrigerating or ventilating the Premises without first obtaining the Landlord's written approval thereto. Locks may not be added or changed without the prior written agreement of both the Landlord and the Tenant.
86. When seeking any approval of the Landlord for Tenant repairs as required in this Lease, the Tenant will present to the Landlord plans and specifications of the proposed work which will be subject to the prior approval of the Landlord, not to be unreasonably withheld or delayed.
87. The Tenant will promptly pay all contractors, material suppliers and workmen so as to minimize the possibility of a lien attaching to the Premises or the Building. Should any claim of lien be made or filed the Tenant will promptly cause the same to be discharged.
88. The Tenant will be responsible at its own expense to replace all electric light bulbs, tubes, ballasts or fixtures serving the Premises.

Landlord's Repairs

89. The Landlord covenants and agrees to effect at its expense repairs of a structural nature to the structural elements of the roof, foundation and outside walls of the Building, whether occasioned or necessitated by faulty workmanship, materials, improper installation, construction defects or settling, or otherwise, unless such repair is necessitated by the negligence of the Tenant, its servants, agents, employees or invitees, in which event the cost of such repairs will be paid by the Tenant together with an administration fee of fifteen percent (15%) for the Landlord's overhead and supervision.

Care and Use of Premises

90. The Tenant will promptly notify the Landlord of any damage, or of any situation that may significantly interfere with the normal use of the Premises or to any furnishings or other property supplied by the Landlord
91. Vehicles which the Landlord reasonably considers unsightly, noisy, dangerous, improperly insured, inoperable or unlicensed are not permitted in the Tenant's parking stall(s), and such vehicles may be towed away at the Tenant's expense. Parking facilities are provided at the Tenant's own risk. The Tenant is required to park in only the space allotted to them.
92. The Tenant will not make (or allow to be made) any noise or nuisance which, in the reasonable opinion of the Landlord, disturbs the comfort or convenience of other tenants.
93. The Tenant will dispose of its trash in a timely, tidy, proper and sanitary manner.
94. The Tenant will not engage in any illegal trade or activity on or about the Premises.
95. The Landlord and Tenant will comply with standards of health, sanitation, fire, housing and safety as required by law.
96. The hallways, passages and stairs of the building in which the Premises are situated will be used for no purpose other than going to and from the Premises and the Tenant will not in any way encumber those areas with boxes, furniture or other material or place or leave rubbish in those areas and other areas used in common with any other tenant.

Surrender of Premises

97. The Tenant covenants to surrender the Premises, at the expiration of the tenancy created in this Lease, in the same condition as the Premises were in upon delivery of possession under this Lease, reasonable wear and tear, damage by fire or the elements, and unavoidable casualty excepted, and agrees to surrender all keys for the Premises to the Landlord at the place then fixed for payment of

rent and will inform the Landlord of all combinations to locks, safes and vaults, if any. All alterations, additions and improvements constructed or installed in the Premises and attached in any manner to the floor, walls or ceiling, including any leasehold improvements, equipment, floor covering or fixtures (including trade fixtures), will remain upon and be surrendered with the Premises and will become the absolute property of the Landlord except to the extent that the Landlord requires removal of such items. If the Tenant abandons the Premises or if this Lease is terminated before the proper expiration of the term due to a default on the part of the Tenant then, in such event, as of the moment of default of the Tenant all trade fixtures and furnishings of the Tenant (whether or not attached in any manner to the Premises) will, except to the extent the Landlord requires the removal of such items, become and be deemed to be the property of the Landlord without indemnity to the Tenant and as liquidated damages in respect of such default but without prejudice to any other right or remedy of the Landlord. Notwithstanding that any trade fixtures, furnishings, alterations, additions, improvements or fixtures are or may become the property of the Landlord, the Tenant will immediately remove all or part of the same and will make good any damage caused to the Premises resulting from the installation or removal of such fixtures, all at the Tenant's expense, should the Landlord so require by notice to the Tenant. If the Tenant, after receipt of such notice from the Landlord, fails to promptly remove any trade fixtures, furnishings, alterations, improvements and fixtures in accordance with such notice, the Landlord may enter into the Premises and remove from the Premises all or part of such trade fixtures, furnishings, alterations, additions, improvements and fixtures without any liability and at the expense of the Tenant, which expense will immediately be paid by the Tenant to the Landlord. The Tenant's obligation to observe or perform the covenants contained in this Lease will survive the expiration or other termination of the Term.

Hazardous Materials

98. The Tenant will not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might unreasonably increase the danger of fire on the Premises or that might be considered hazardous by any responsible insurance company.

Rules and Regulations

99. The Tenant will obey all rules and regulations posted by the Landlord regarding the use and care of the Building, parking lot and other common facilities that are provided for the use of the Tenant in and around the Building on the Premises.

Address for Notice

100. For any matter relating to this tenancy, whether during or after this tenancy has been terminated:
- a. the address for service of the Tenant is the Premises during this tenancy, and 393 Evergreen Dr., Rifle, CO 81650 after this tenancy is terminated. The phone number of the Tenant is (970) 404-0209; and
 - b. the address for service of the Landlord is 151 Clubhouse Dr., New Castle CO 81647, both during this tenancy and after it is terminated. The phone number of the Landlord is (817) 658-6435 _____.

The Landlord or the Tenant may, on written notice to each other, change their respective addresses for notice under this Lease.

No Waiver

101. No provision of this Lease will be deemed to have been waived by the Landlord unless a written waiver from the Landlord has first been obtained and, without limiting the generality of the foregoing, no acceptance of rent subsequent to any default and no condoning, excusing or overlooking by the Landlord on previous occasions of any default nor any earlier written waiver will be taken to operate as a waiver by the Landlord or in any way to defeat or affect the rights and remedies of the Landlord.

Landlord's Performance

102. Notwithstanding anything to the contrary contained in this Lease, if the Landlord is delayed or hindered or prevented from the performance of any term, covenant or act required under this Lease by reason of strikes, labor troubles, inability to procure materials or services, power failure, restrictive governmental laws or regulations, riots, insurrection, sabotage, rebellion, war, act of God or other reason, whether of a like nature or not, which is not the fault of the Landlord, then performance of such term, covenant or act will be excused for the period of the delay and the Landlord will be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay.

Limited Liability Beyond Insurance Coverage

103. Notwithstanding anything contained in this Lease to the contrary, for issues relating to this Lease, presuming the Landlord obtains its required insurance, the Landlord will not be liable for loss of Tenant business income, Tenant moving expenses, and consequential, incidental, punitive and indirect

damages which are not covered by the Landlord's insurance.

Remedies Cumulative

104. No reference to or exercise of any specific right or remedy by the Landlord will prejudice or preclude the Landlord from any other remedy whether allowed at law or in equity or expressly provided for in this Lease. No such remedy will be exclusive or dependent upon any other such remedy, but the Landlord may from time to time exercise any one or more of such remedies independently or in combination.

Landlord May Perform


105. If the Tenant fails to observe, perform or keep any of the provisions of this Lease to be observed, performed or kept by it and such failure is not rectified within the time limits specified in this Lease, the Landlord may, but will not be obliged to, at its discretion and without prejudice, rectify the default of the Tenant. The Landlord will have the right to enter the Premises for the purpose of correcting or remedying any default of the Tenant and to remain until the default has been corrected or remedied. However, any expenditure by the Landlord incurred in any correction of a default of the Tenant will not be deemed to waive or release the Tenant's default or the Landlord's right to take any action as may be otherwise permissible under this Lease in the case of any default.

General Provisions

106. The Tenant authorizes the Landlord to make inquiries to any agency related to the Tenant's compliance with any laws, regulations, or other rules, related to the Tenant or the Tenant's use of the Premises. The Tenant will provide to the Landlord any written authorization that the Landlord may reasonable require to facilitate these inquiries.
107. This Lease will extend to and be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors and assigns, as the case may be, of each party to this Lease. All covenants are to be construed as conditions of this Lease.
108. All sums payable by the Tenant to the Landlord pursuant to any provision of this Lease will be deemed to be Additional Rent and will be recoverable by the Landlord as rental arrears.
109. Where there is more than one Tenant executing this Lease, all Tenants are jointly and severally liable for each other's acts, omissions and liabilities pursuant to this Lease.
110. The Tenant will be charged an additional amount of \$25.00 for each N.S.F. check or check returned by the Tenant's financial institution.


- 111. All schedules to this Lease are incorporated into and form an integral part of this Lease.
- 112. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Lease. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.
- 113. This Lease may be executed in counterparts. Facsimile signatures are binding and are considered to be original signatures.
- 114. Time is of the essence in this Lease.
- 115. This Lease will constitute the entire agreement between the Landlord and the Tenant. Any prior understanding or representation of any kind preceding the date of this Lease will not be binding on either party to this Lease except to the extent incorporated in this Lease. In particular, no warranties of the Landlord not expressed in this Lease are to be implied.
- 116. Nothing contained in this Lease is intended by the Parties to create a relationship of principal and agent, partnership, nor joint venture. The Parties intend only to create a relationship of landlord and tenant.

IN WITNESS WHEREOF the Parties to this Lease have duly affixed their signatures under hand and seal, or by a duly authorized officer under seal, on this _____ day of _____, _____


(Witness)

Lakota Canyon Ranch Master Association (Landlord)

Per:  (SEAL)


(Witness)

Dusti Budd (Tenant)

Per:  (SEAL)