

THIRD AMENDATORY LEASE AGREEMENT

THIS THIRD AMENDATORY LEASE AGREEMENT is made by and between the **CITY AND COUNTY OF DENVER** (“City” or “Lessee”), a municipal corporation and home rule city of the State of Colorado, and **KEW REALTY CORPORATION**, whose address is 300 South Jackson Street, Suite 550, Denver, Colorado 80209 (“Lessor”).

RECITALS:

A. The Lessor is the owner of certain property located at 3700 Havana Street, Denver, Colorado; and

B. The City entered into a Lease Agreement dated February 27, 2007 to lease a portion of the Property from Lessor for use as a maintenance and storage facility by the Denver Sheriff’s Department, which Lease Agreement was amended by an Amendatory Lease Agreement dated May 24, 2012 and a Second Amendatory Lease Agreement dated September 9, 2015 (together collectively referred to as “Lease”); and

C. The City now desires to amend the Lease to extend the term and alter the rent amount.

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

1. Section 3, “**TERM**” of the Lease is modified in its entirety to read as follows:

“3. **TERM:** The term of this Lease shall begin on February 15, 2007 and terminate on March 31, 2023, unless sooner terminated pursuant to the terms of the Lease.”

2. Section 4, “**RENT AND OPERATING EXPENSES**” of the Lease is amended by adding the following to subsections (a), (b) and (c) as set forth below:

“(a) The City shall pay to Lessor for the rent of these Leased Premises for the extended term of this Lease monthly installments as follows:

4/1/2018 – 3/31/2019	\$5.75 psf/yr	\$88,320 / 12 mos = \$7,360.00 / month
4/1/2019 – 3/31/2020	\$6.00 psf/yr	\$92,160 / 12 mos = \$7,680.00 / month
4/1/2020 – 3/31/2021	\$6.25 psf/yr	\$96,000 / 12 mos = \$8,000.00 / month
4/1/2021 – 3/31/2022	\$6.50 psf/yr	\$99,840 / 12 mos = \$8,320.00 / month
4/1/2022 – 3/31/2023	\$6.75 psf/yr	\$103,680 / 12 mos = \$8,640.00 / month

The City shall have one option to renew this Lease for an additional five (5) year term. If City elects to exercise this renewal option, City shall provide Lessor with written notice of its election to renew this Lease at least 60 days prior to the expiration of this Lease. For the

additional five-year option period the City shall pay to Lessor for the rent of these Leased Premises the following amounts:

4/1/2023 – 3/31/2024	\$7.00 psf/yr	\$107,520.00 / 12 months = \$8,960.00 / month
4/1/2024 – 3/31/2025	\$7.25 psf/yr	\$111,360.00 / 12 months = \$9,280.00 / month
4/1/2025 – 3/31/2026	\$7.50 psf/yr	\$115,200.00 / 12 months = \$9,600.00 / month
4/1/2026 – 3/31/2027	\$7.75 psf/yr	\$119,040.00 / 12 months = \$9,920.00 / month
4/1/2027 – 3/31/2028	\$8.00 psf/yr	\$122,880.00 / 12 months = \$10,240.00 / month

(b) The City shall also pay actual operating expenses to the Lessor. These expenses include the cost of common area maintenance, real estate taxes, and insurance (“Operating Expenses”). Operating expenses shall be paid on a monthly basis based upon the estimated amount due to the Lessor. By March 31 of each year of this Lease, the Lessor shall provide a reconciliation of the preceding year of the actual Operating Expenses due the Lessor and the estimated amounts paid monthly by the City, with any amounts owing the Lessor to be paid by the City and any overages paid by the City to be credited or paid to the City within 60 days after the reconciliation is provided. Lessor’s and City’s obligations with respect to any overpayment or underpayment of Operating Expenses shall survive the expiration or termination of this Lease. If the Lease is in effect less than a full year, the City share of the Operating Expenses shall be paid proportionately for the portion of the year that the City occupies the Leased Premises. The cost of such actual expenses shall not exceed the following amounts for the time periods listed:

4/1/2018 – 3/31/2019	\$3.00 psf/yr	\$46,080.00 / 12 mos = \$3,840.00 / month
4/1/2019 – 3/31/2020	\$3.27 psf/yr	\$50,227.20 / 12 mos = \$4,185.60 / month
4/1/2020 – 3/31/2021	\$3.56 psf/yr	\$54,747.65 / 12 mos = \$4,562.30 / month
4/1/2021 – 3/31/2022	\$3.89 psf/yr	\$59,674.94 / 12 mos = \$4,972.9 / month
4/1/2022 – 3/31/2023	\$4.23 psf/yr	\$65,045.68 / 12 mos = \$5,420.47 / month

If the renewal option is exercised as specified above, the actual expenses for such term shall not exceed the following amounts:

4/1/2023 – 3/31/2024	\$4.62 psf/yr	\$70,899.79 / 12 months = \$5,908.32/ month
4/1/2024 – 3/31/2025	\$5.03 psf/yr	\$77,280.77 / 12 months = \$6,440.06 / month
4/1/2025 – 3/31/2026	\$5.48 psf/yr	\$84,236.04 / 12 months = \$7,019.67 / month
4/1/2026 – 3/31/2027	\$5.98 psf/yr	\$91,817.29 / 12 months = \$7,651.44 / month
4/1/2027 – 3/31/2028	\$6.52 psf/yr	\$100,080.94 / 12 months = \$8,340.07 / month

(c) The maximum contract amount for this Lease shall not exceed the sum of the total rent amount and the not-to-exceed Operating Expenses amount, of **ONE MILLION SEVEN HUNDRED FIFTY-NINE THOUSAND SEVENTY-NINE DOLLARS AND SIXTY CENTS (\$1,759,079.60)**.

3. Except as otherwise modified or amended herein, all of the terms, provisions and conditions of the Lease are hereby affirmed and ratified in each and every particular as though set out in full herein.

[SIGNATURE PAGES FOLLOW]

Contract Control Number:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL

CITY AND COUNTY OF DENVER

ATTEST:

By _____

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

By _____

By _____

By _____



Contract Control Number: FINAN-CE76001-03

Contractor Name: KEW REALTY CORORATION

By: Anita Youngblut

Name: Anita Youngblut
(please print)

Title: Vice President
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

