

TERMINATION OF LEASE AGREEMENT

THIS TERMINATION OF LEASE AGREEMENT (the "Agreement") is made and entered into on the Effective Date (as defined below), by and between CITY AND COUNTY OF DENVER, a home rule municipal corporation of the State of Colorado ("City") and PRRC LLC, a Colorado limited liability company, whose address is 1776 Platte St., Denver, CO 80202 ("Lessee"). The City and Lessee shall each be referred to as a "Party" and collectively as the "Parties."

RECITALS

A. WHEREAS, City and Lessee executed that certain Lease Agreement dated as of March 31, 2021 (the "Lease"), pursuant to which Lessee is leasing from City those certain premises located at 3300 N. Kalamath Street, Denver, Colorado (the "Premises");

B. WHEREAS, City and Lessee desire to terminate the Lease as of the Termination Date (defined in Section 1 below); and

C. WHEREAS, all capitalized terms not otherwise defined herein shall have the same meanings utilized in the Lease.

AGREEMENT

NOW THEREFORE, in consideration of the mutual agreements set forth herein, the parties agree as follows:

1. Termination of Lease. Subject to the provisions of Section 3 below, effective as of December 31, 2022 (the "Termination Date"), the Lease shall terminate. The rights of Lessee to occupy the Premises, and all other rights of Lessee under the Lease, shall automatically and without further action on the part of City terminate at 11:59 p.m. on the Termination Date. The Leased Premises shall be surrendered in the condition required in Section 2 below and as otherwise required under the Lease.

2. Surrender. On or before 5:00 p.m. on the Termination Date, Lessee shall surrender the Premises to City vacant, free of Lessee, occupants and parties in possession under the Lease, with all vehicles and any other personal property, inventory, rubbish and debris deposited by Lessee or any person acting under Lessee, removed therefrom, and with all improvements and alterations installed or constructed by Lessee at the Premises removed therefrom (other than those improvements and alterations which the City specifically agrees may remain at the Premises), and as otherwise required by the Lease. If Lessee fails to surrender the Premises as described herein, then Lessee shall be deemed to be in default under this Agreement and the Lease; and the Lease shall not terminate as of the Termination Date and shall remain in full force and effect.

3. Termination of Escrow Agreement. At the time the Parties entered into the Lease, City and Lessee entered into an Escrow Agreement dated April 6, 2022. Concurrently with execution of this Agreement, Lessee shall execute the Termination of Escrow Agreement in the form attached hereto as Exhibit A.

4. Default. A default by Lessee under this Agreement shall constitute a default under the Lease.

5. Holding Over. If Lessee remains in possession of the Premises after the Termination Date, such possession by Lessee shall be subject to the terms and conditions of Section 18 of the Lease (including the rental amount set forth therein).

6. Mutual Release. City and Lessee hereby releases and discharges the other party and all of its officers, directors, shareholders, members, agents, representatives, employees and attorneys, both present and past, of and from any and all claims, debts, liabilities, obligations, and causes of action of any kind or nature, whether known or unknown, based on, arising out of, or connected with, either directly or

indirectly, any term, provision, matter, fact, event or occurrence related to or contained in the Lease, or to any City/Lessee relationship between Lessee and City arising out of the Lease.

7. Representations and Warranties of Lessee. As a material inducement to City to enter into this Agreement, Lessee represents and warrants to City that, as of the date of this Agreement:

7.1 No Defaults. There are no defaults by either party under the Lease which will survive the Mutual Release set forth in Section 6, except for breach of this Agreement.

7.2 No Assignments. Lessee is the sole lawful Lessee under the Lease, and Lessee has not sublet, assigned, conveyed, encumbered or otherwise transferred any right, title or interest of Lessee under the Lease or arising from its use or occupancy of the Premises, and no other person, partnership, corporation or other entity has any right, title or interest in the Lease or the Premises, or the right to occupy or use all or any part of the Premises.

7.3. Condition of Premises. The Premises have not been materially altered by Lessee. There are no hazardous substances or materials have been released, discharged, spilled, stored, or transported at, on, under, or from the Premises by Lessee.

7.4. Authority. Lessee has full right, power and authority to enter into this Agreement, and, to the best of Lessee's knowledge, no consent, authorization or other action by any third party is required for the execution of this Agreement or the termination of the Lease as contemplated herein.

8. Miscellaneous. This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective successors and permitted assigns. This Agreement may not be amended, changed or waived except by a writing signed by the parties hereto, and shall be construed and enforced in accordance with the laws of the State of Colorado. This Agreement supersedes any prior oral agreements between the parties with respect to the subject matter hereof, and the parties acknowledge that there are no contemporaneous oral agreements between them with regard to such subject matter. This Agreement may be executed in multiple counterparts, each of which shall be deemed a duplicate original, but all of which taken together shall constitute one and the same instrument.

9. Electronic Signatures and Electronic Records. Lessee consents to the use of electronic signatures by the City. The Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The parties agree not to deny the legal effect or enforceability of the Agreement solely because it is in electronic form or because an electronic record was used in its formation. The parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

10. Examination of Records. Any authorized agent of the City, including the City Auditor or his or her representative, has the right to access, and the right to examine, copy and retain copies, at City's election in paper or electronic form, any pertinent books, documents, papers and records related to Lessee's performance pursuant to this Agreement, provision of any goods or services to the City, and any other transactions related to this Agreement. Lessee shall cooperate with City representatives and City representatives shall be granted access to the foregoing documents and information during reasonable business hours and until the latter of three (3) years after the final payment under the Agreement or expiration of the applicable statute of limitations. When conducting an audit of this Agreement, the City Auditor shall be subject to government auditing standards issued by the United States Government Accountability Office by the Comptroller General of the United States, including with respect to disclosure of information acquired during the course of an audit. No examination of records and audits pursuant to this paragraph shall require Lessor to make disclosures in violation of state or federal privacy laws. Lessee shall at all times comply with D.R.M.C. 20-276.

11. Effective Date. This Agreement is expressly subject to and shall not be or become effective

or binding on the City until full execution by all signatories set forth below. The effective date shall be the date the City delivers a fully executed electronic copy of this Agreement (“Effective Date”).

[SIGNATURE PAGES TO FOLLOW]

Contract Control Number: FINAN-202157861-03
Contractor Name: PRRC LLC

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:

Attorney for the City and County of Denver

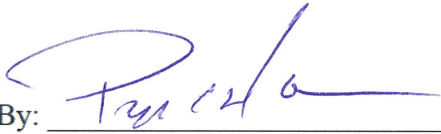
By:

By:

By:

Contract Control Number:
Contractor Name:

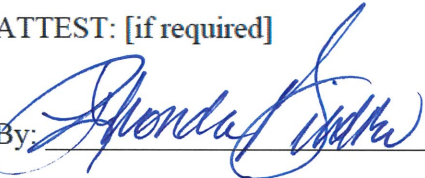
FINAN-202157861-03
PRRC LLC

By: 

Name: Philip C. Hodgkinson
(please print)

Title: PRESIDENT
(please print)

ATTEST: [if required]

By: 

Name: Rhonda Gindro
(please print)

Title: Senior Assistant Property Manager
(please print)

EXHIBIT A

FORM OF TERMINATION OF ESCROW AGREEMENT

TERMINATION OF ESCROW AGREEMENT

THIS TERMINATION OF ESCROW AGREEMENT (this "**Agreement**") is made and entered into as the date set forth on the City's signature page below by and among PRRC LLC, a Colorado limited liability company ("**Lessee**"), City and County of Denver, a home rule municipal corporation of the State of Colorado ("**City**"), and Land Title Guarantee Company ("**Escrow Agent**"). Lessee, City and Escrow Agreement sometimes collectively referred to herein as the "Parties."

PRELIMINARY STATEMENT

A. Lessee and City entered into that certain Lease Agreement dated March 31, 2021 (the "**Lease Agreement**") with respect to the lease by Lessee of certain real property owned by the City. Initially capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Lease Agreement.

B. Pursuant to the terms of the Lease Agreement, Lessee delivered to Escrow Agent One Hundred Fifty Thousand Dollars (\$150,000.00) (the "**Escrow Amount**"). Concurrently with this Agreement, Lessee and City are terminating the Lease Agreement pursuant to a Termination of Lease Agreement.

C. Escrow Agent has held the Escrow Amount in accordance with the terms of an Escrow Agreement dated April 6, 2021 entered into by and among the Parties ("**Escrow Agreement**"). Lessee and City now desire to enter into this Agreement to terminate the Escrow Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **Recitals.** The foregoing recitals are incorporated herein as operative provisions of this Agreement.

2. **Termination of Escrow Agreement.** The Escrow Agreement is hereby terminated. Escrow Agent shall disburse the Escrow Amount, including any interest earned thereon, to Lessee and shall close the Escrow Account (as defined in the Escrow Agreement). Any taxes on such interest shall be paid by Lessee.

3. **Reliance.** Escrow Agent shall not incur any liability with respect to (a) any action taken or omitted in good faith upon advice of its legal counsel given with respect to any questions relating to the duties and responsibilities of the Escrow Agent under this Agreement, except those that constitute gross negligence or willful misconduct, or (b) any action taken or omitted in reliance on any instrument, written notice (including a disbursement pursuant to this Agreement) or instruction provided for in this Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which the Escrow Agent shall in good faith believe to be genuine, to have been signed or presented by a person or persons having authority to sign or present such instrument.

4. **Entire Agreement.** This Agreement (including any provisions herein referencing the Lease Agreement) constitutes the entire agreement between Escrow Agent, on the one hand, and Lessee and City, on the other hand, with respect to the matters set forth herein and supersedes all other prior and contemporaneous agreements, whether oral or written, express or implied.

5. Miscellaneous. This Agreement may not be modified or amended except by a writing executed by all parties. Every consent, excuse, delay, deviation or waiver from the specific terms of this Agreement must be in writing and signed by the party adversely affected and shall only apply to the action described in the writing. The parties agree to execute such other documents and perform such other acts as may be necessary or desirable to carry out the purposes of this Agreement. If any term, covenant or condition of the Agreement or its application to any person or circumstances shall be held to be invalid or unenforceable, the remainder of the Agreement and the application of such term or provision to other persons or circumstances shall not be affected, and each term hereof shall be valid and enforceable to the fullest extent permitted by law. This Agreement shall be governed by the laws of the State in which the Property is located. Time is of the essence for the payment and performance of all obligations under this Agreement. Each of the individuals executing this Agreement on behalf of a party has been authorized to do so and has the power to bind the party for whom he or she is signing. This Agreement shall be for the exclusive benefit of the parties hereto and no other person is or shall be deemed to be a third-party beneficiary of the terms hereof.

6. Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto, and their respective heirs, legal representatives, successors and assigns.

7. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree that PDF or facsimile signatures shall be binding as if they were original signatures.

8. Costs. The fees of the Escrow Agent for the services set forth in the Escrow Agreement shall be paid one-half by City and one-half by Lessee.

9. Attorneys' Fees. If any action or proceeding is commenced by either party to enforce or interpret their rights under this Agreement or to collect damages as a result of the breach of any of the provisions of this Agreement, the prevailing party in such action or proceeding, will be entitled to reasonable out-of-pocket attorney fees and costs incurred in connection with such action prior to and at trial and on any appeal therefrom.

10. Additional Escrow Provisions.

(a) The parties hereto agree that Escrow Agent assumes no liability for and is expressly released from any claim or claims whatsoever in connection with the receiving, retaining and delivering of the funds except to account for payment and/or delivery made thereon, and also except for any claim arising out of Escrow Agent's willful misconduct or gross negligence. In the event of any dispute between the parties hereto, or in the event any proceedings for resolution of any dispute between the parties hereto with respect to the disposition of any funds or instruments held by Escrow Agent are not begun and diligently continued, Escrow Agent may, but is not required to, retain counsel and bring an appropriate action or proceeding for leave to deposit such funds and/or instruments with a court of competent jurisdiction pending resolution of such dispute. Escrow Agent shall be reimbursed by the parties hereto for all costs and expenses, including reasonable out-of-pocket attorneys' fees and disbursements, actually incurred by Escrow Agent in connection with any such action or proceeding. Upon delivery of such funds and/or instruments to a court of competent jurisdiction as provided above, Escrow Agent shall have no further liability hereunder. If threatened with litigation, Escrow Agent is hereby authorized by the parties to interplead all interested parties in any court of competent jurisdiction and to deposit such funds and instruments with said court, and thereupon Escrow Agent shall be fully relieved and discharged of any further responsibility under this Agreement.

(b) Escrow Agent shall not be liable for any error of judgment or for any act done or step taken or omitted by it in good faith, or for any mistake of fact or law, or for anything which it may do or refrain from doing in connection herewith, except its own willful misconduct or gross negligence, and Escrow Agent shall have no duties to anyone except those signing this instrument.

(c) Escrow Agent assumes no liability and the parties hereto consent and agree that Escrow Agent shall have no liability for any defalcation, insolvency, receivership or conservatorship of any bank in which the funds held hereunder are deposited; nor shall Escrow Agent have any liability due to any of the parties other than Escrow Agent filing for bankruptcy or the consequences or effect of such a bankruptcy on the funds and/or documents deposited hereunder.

[Remainder of page intentionally left blank; signatures and schedules follow]