

LEASE AGREEMENT

THIS LEASE AGREEMENT (“**Lease**”) is made and entered into as of the Effective Date (defined below in this Lease) by and between the CITY AND COUNTY OF DENVER, a municipal corporation and home rule city of the State of Colorado (“**City**” or “**Tenant**”), and THE FAX EAST COLFAX REDEVELOPMENT, LLC, a Colorado limited liability company, whose address is 6740 East Colfax Avenue, Denver, Colorado 80220 (“**Landlord**”).

WITNESSETH:

WHEREAS, Landlord is the owner of the real property and improvements located at 8405 and 8415 East Colfax Avenue in Denver, Colorado, which property is more particularly described on **Exhibit A** attached hereto and incorporated herein by reference (“**Property**”); and

WHEREAS, during the term of this Lease and pursuant and subject to the terms and conditions of this Lease, City desires to lease from Landlord, and Landlord desires to lease to City, the entirety of the thirty-eight (38) residential rooms/units located on the Property (each, a “**Unit**”, and collectively, the “**Units**”) so that such Units are available for occupancy and use by individuals (collectively, “**Program Participants**”) who are participating in the City’s “Roads to Recovery” program (“**Program**”);

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby incorporated into this Lease, and in consideration of the mutual covenants and agreements contained in this Lease and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Landlord agree as follows:

1. **USE RIGHTS**: Subject to the terms of this Lease, Landlord agrees to lease, demise, and let unto City, and City agrees to lease from Landlord, the Units, together with all rights to use other portions of the Property in connection with access to and from, and the use and occupancy of, the Units, including, by way of example and not limitation, any and all parking areas and exterior stairways and pathways (collectively, the “**Use Rights**”). Landlord understands and agrees that City intends to make the Units available for occupancy and use by Program Participants, which will or may include individuals who have addiction and/or other mental health issues, and all such Program Participants shall have and enjoy the Use Rights as granted in this section in connection with the particular Unit they are permitted to occupy under this Lease. Notwithstanding the foregoing or anything to the contrary contained in this Lease, Landlord and City agree that (a) the occupancy and use of the Property by Program Participants shall be subject to the Additional

Terms and Conditions attached hereto as **Exhibit B** and incorporated herein by reference (“**Additional Terms and Conditions**”), and (b) while this Lease creates a “landlord” and “tenant” relationship between Landlord and the City, respectively, with respect to the Property, this Lease does not create a “landlord” and “tenant” relationship between Landlord and any of the Program Participants, the latter of whose rights are in the nature of a temporary license which permits them to have and enjoy the Use Rights with respect to the particular Unit they are permitted to occupy under this Lease, subject to the Additional Terms and Conditions.

2. **TERM; EARLY TERMINATION RIGHT OF CITY:** The term of this Lease shall begin on July 8, 2025, and expire at 11:59 pm Mountain Time on December 31, 2025, unless mutually extended by the parties or sooner terminated pursuant to the terms of this Lease. Notwithstanding the foregoing or anything to the contrary in this Lease, City shall have the right to terminate this Lease at any time upon the delivery of at least ten (10) days prior written notice to Landlord.

3. **RENT:** Commencing on July 8, 2025, and no later than the first day of each month thereafter during the Lease term, City shall pay Landlord monthly rent, in advance, in the amount of Ninety-Five Dollars and Sixty-Eight Cents (\$95.68) per Unit per day/night, which monthly rent amount shall be inclusive of all taxes, fees, deposits, and any other costs or expenses that may be customarily charged by landlords within the City. Notwithstanding the foregoing or anything to the contrary in this Lease, if for any reason any Unit requires a Major Repair, as defined in Section 7, or is otherwise unavailable for occupancy for a period of three (3) consecutive days/nights or more, and provided such Major Repair or unavailability for occupancy is not solely the result of damage to the Unit caused by any Program Participants, City shall receive a credit against the next monthly rent payment (or Landlord shall pay to City within five (5) business days after demand the amount of such credit if no future monthly rent payment is then owed, and such obligation shall survive the expiration or earlier termination of this Lease), which credit shall be equal to the number of days after the third (3rd) consecutive day/night each such Unit(s) was/were unavailable, multiplied by the per Unit per day/night rate provided above in this section.

4. **MAXIMUM CONTRACT AMOUNT:** The monthly rent payable under Section 3 above, and City’s capped responsibility to reimburse Landlord for Major Repairs as defined in, and pursuant and subject to the provisions of, Section 7 below, shall be the only amounts owed and payable by City to Landlord under this Lease. Accordingly, City’s maximum payment

obligation under this Lease, and the maximum contract amount owed by City under this Lease, shall not exceed Six Hundred Ninety-Three Thousand Five Hundred Forty-Three Dollars and Sixty-Eight Cents (\$693,543.68), which is comprised of (a) Six Hundred Forty-Three Thousand Five Hundred Forty-Three Dollars and Sixty-Eight Cents (\$643,543.68), which is the maximum rent payable if this Lease is not terminated prior to the December 31, 2025 expiration date and if all Units are available at all times during the term of this Lease (i.e., \$95.68 per Unit per day rate x 38 Units available per day x 177 days commencing July 8, 2025 through and including December 31, 2025 = \$643,543.68); and (b) Fifty Thousand Dollars (\$50,000.00), which is the maximum amount of the City's obligation to reimburse Landlord for Major Repairs as provided in Section 7(d) below.

5. **USE**: As provided above in this Lease, the Units are to be made available for occupancy by Program Participants, each of whom shall have and enjoy the Use Rights granted in Section 1 above, subject to the Additional Terms and Conditions. In addition to and without limitation of the foregoing, City shall have the right to access and use any portions of the Property as are necessary (a) to conduct inspections for any lawful purpose, including without limitation investigating whether the condition of the Units and the Property, and the operation of same by Landlord, are in compliance with all Applicable Laws (defined below in this Lease) and with all other terms and conditions of this Lease; (b) for any of City's employees, contractors, or agents (including without limitation any Program case workers), who provide services in connection with the Program, to meet with and provide services to Program Participants; (c) for any of City's employees, contractors, or agents to provide law enforcement and/or emergency services to or in connection with any Program Participants, which access and use rights shall be in addition to and not in limitation of access and use rights that are generally available to law enforcement and emergency responders under Applicable Laws; and (d) for any other lawful purpose.

6. **QUIET ENJOYMENT**: City, Program Participants, and any other persons who have occupancy and/or use rights under this Lease shall peacefully have, hold and enjoy all such rights with respect to the Units and other portions of the Property, subject to the other terms and conditions, including without limitation the Additional Terms and Conditions, of this Lease.

7. **OPERATION AND MAINTENANCE**: Except as otherwise provided in the Additional Terms and Conditions or in the Responsibility Matrix of Facility Related Services attached hereto as **Exhibit C** and incorporated herein by reference ("Responsibility Matrix"), and

except for City's capped responsibility to reimburse Landlord for Major Repairs as defined and provided below in this section, Landlord shall at all times be solely responsible, at Landlord's sole cost and expense, for the operation, maintenance, and repair of the Units and the Property, which responsibility of Landlord shall include, without limitation, the following:

(a) ensuring the Units and the Property are at all times in a condition, and are operated in a manner, that complies with all applicable federal, state, and municipal laws, rules, regulations, court orders, and other requirements (collectively, "**Applicable Laws**"), including without limitation (i) the Americans with Disabilities Act and all other Applicable Laws relating to improvements for and accommodations to those with disabilities, (ii) all federal, state, and municipal building codes, rules, and regulations, (iii) health, habitability, and safety laws, rules, and regulations, and (iv) licensing laws, rules, and regulations;

(b) ensuring the Units are at all times provided with all necessary utilities, including without limitation water, gas, sewer, heat, light, power, and cellular service;

(c) providing safety and security measures required by Applicable Laws and/or that are otherwise customary with respect to similar properties located in the City, including without limitation locked doors to prevent unauthorized access to the Units and other areas of the Property, exterior lighting, exterior cameras and related recording equipment, and restricting access to the Units and the Property to only those who are permitted under this Lease or otherwise legally permitted or required to have such access;

(d) maintaining, repairing, and replacing all or portions or components of the Units and the Property, including without limitation maintaining, repairing, and replacing (i) structural elements of the Units and the Property, (ii) building systems and components (including without limitation HVAC, elevator, and other mechanical systems), and (iii) exterior elements, including without limitation parking lots, stairs, walkways, driveways, and landscaping, provided that in the event all or any portions or components of a Unit or the Property must be repaired or replaced solely as a result of the negligent or willful actions of City, Program Participants, and/or any of City's employees, contractors, or agents (including without limitation any Program case workers) who provide services in connection with the Program, and if such repair or replacement will cost TEN THOUSAND DOLLARS (\$10,000.00) or more (each, a "**Major Repair**," and collectively, the "**Major Repairs**"), then Landlord shall provide written notice to City of each Major Repair Landlord intends to make, and if such repair is a Major Repair as defined and

provided in this section, City shall reimburse Landlord, within thirty (30) days after City's receipt of written notice from Landlord confirming completion of the Major Repair and providing evidence (including without limitation purchase or work orders, invoices, and proof(s) of payment) of the work that was performed and the costs thereof, City shall reimburse Landlord for the costs of each such Major Repair, provided that in no event shall City's reimbursement obligation for any single Major Repair, or for all Major Repairs in the aggregate, exceed FIFTY THOUSAND DOLLARS (\$50,000.00);

(e) maintaining in effect at all times insurance with the coverages and in the amounts required below in this Lease; and

(f) providing all other utilities, services, equipment, software, installations, improvements, maintenance, repairs, replacements, and all other items that are shown as being a "Landlord" responsibility on the Responsibility Matrix.

8. **IMPROVEMENTS AND ALTERATIONS:**

(a) By Landlord: Except as otherwise expressly required under this Lease or by Applicable Laws, Landlord shall not be required to make any improvements to or permanent alterations of the Units or the Property. In the event Landlord desires to make any such improvements or alterations, and if same would adversely affect any of City's Use Rights or other rights under this Lease, such improvements or alterations shall not be made without the prior written consent of City, which shall not be unreasonably withheld, conditioned, or delayed.

(b) By City: Without waiver or limitation of the City's capped obligation to reimburse Landlord for Major Repairs pursuant and subject to the provisions of Section 7 above, City shall have no right or obligation under this Lease to make improvements to or permanent alterations of the Units or the Property; provided, however, the foregoing shall not act as a waiver or limitation of any rights City may have, outside this Lease, to make improvements or permanent alterations, such as, by way of example and not limitation, to address life safety issues.

9. **SURRENDER OF UNITS; HOLDING OVER:** On the expiration or earlier termination of the Lease term, City shall take commercially reasonable efforts to cause all Program Participants to have vacated the Units and to have removed their personal property therefrom, so the Units are peacefully delivered to Landlord. If after taking such commercially reasonable efforts, any Program Participants shall remain in occupancy of any of the Units without an express agreement between Landlord and City as to such occupancy, then Landlord, as its sole and

exclusive remedies, shall have the right to allow such Program Participants to remain in the Units subject to the payment by such Program Participants (and not the City) of Landlord's then usual rental rates, or Landlord shall have the right to cause such Program Participants and their personal property to be removed from the Units in accordance with Applicable Laws. For purposes of clarity, subject to its obligation in this section to take commercially reasonable efforts to cause all Program Participants to have vacated the Units and to have removed their personal property therefrom, City shall have no obligation, responsibility, or liability with respect to any Program Participants who remain, or whose property remains, in any of the Units after the expiration or earlier termination of this Lease.

10. **INDEMNITY:**

(a) Landlord hereby agrees to defend, indemnify, reimburse and hold harmless City, its appointed and elected officials, agents and employees for, from and against all liabilities, claims, judgments, suits or demands for damages to persons or property arising out of, resulting from, or relating to this Lease, whether during the Lease term or after (collectively, "**Claims**"), unless such Claims have been specifically determined by the trier of fact to be the sole negligence or willful misconduct of City. This indemnity shall be interpreted in the broadest possible manner to indemnify City for any acts or omissions of Landlord either passive or active, irrespective of fault, including without limitation City's concurrent negligence whether active or passive, except for the sole negligence or willful misconduct of City.

(b) Landlord's duty to defend and indemnify City shall arise at the time written notice of the Claim is first provided to City regardless of whether the claimant has filed suit on the Claim. Landlord's duty to defend and indemnify City shall arise even if City is the only party sued by claimant and/or claimant alleges that City's negligence or willful misconduct was the sole cause of claimant's damages.

(c) Landlord will defend any and all Claims which may be brought or threatened against City and will pay on behalf of City any expenses incurred by reason of such Claims, including without limitation court costs and attorney fees incurred in defending and investigating such Claims or seeking to enforce this indemnity obligation. Such payments on behalf of City shall be in addition to and without limitation of any other legal remedies available to City and shall not be considered City's exclusive remedy.

(d) Insurance coverage requirements specified in this Lease shall in no way lessen or limit the liability of Landlord under the terms of this indemnification obligation. Landlord shall obtain, at its own expense, any additional insurance that it deems necessary for City's protection.

(e) This defense and indemnification obligation shall survive the expiration or termination of this Lease.

11. **LOSS OR DAMAGE:** Except for the City's capped obligation to reimburse Landlord for Major Repairs pursuant and subject to the provisions of Section 7 above, City shall not be liable or responsible to Landlord for any loss or damage to any property or person occasioned by theft, fire, Act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition or order of any governmental entity other than City. If the Property, through no fault or neglect of City or any of its employees, contractors, agents, or invitees (for purposes of the foregoing, the term "invitees" shall exclude Program Participants) shall be partially destroyed by fire or other casualty so as to render less than all the Units as uninhabitable, and if Landlord elects to repair the same, this Lease shall continue in full force and effect in accordance with its terms. In the event such repairs cannot be made within 60 days, then City may elect to terminate this Lease. In the event of the total destruction of the Property, or in the event of the partial destruction of the Property and Landlord elects not to repair such damage, then all rent owed up to the time of such destruction or termination shall be paid by City and this Lease shall cease and terminate.

12. **HAZARDOUS SUBSTANCES:** Landlord shall not cause or permit (to the extent Landlord has actual knowledge thereof) any Hazardous Substance (as defined below) to be used, stored, generated, or disposed of on or in the Units or any other portion of the Property in violation of any laws, rules, regulations, or court orders of any federal, state, or local agency or political subdivision (collectively, "**Hazardous Materials Laws**"). If Hazardous Substances are used, stored, generated, or disposed of on or in the Units or any other portion of the Property in violation of Hazardous Materials Laws, or if all or any portion of the Units or any other portion of the Property become contaminated in violation of Hazardous Materials Laws due to the actions or inactions of Landlord or any of its employees, contractors, agents, or invitees (for purposes of the foregoing, the term "invitees" shall exclude Program Participants), Landlord shall indemnify and hold harmless City from any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including without limitation any and all sums paid for settlement of claims, attorneys'

fees, consultant, and expert fees) arising during or after the Lease term and arising as a result of such actions or inactions by Landlord or its employees, contractors, agents, or invitees. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the site or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision. Without limitation of the foregoing, if Landlord causes or permits (to the extent Landlord has actual knowledge thereof) the presence of any Hazardous Substance on or in the Units or any other portion of the Property which results in contamination in violation of Hazardous Materials Laws, Landlord shall promptly, at its sole expense, take any and all necessary actions to return the contaminated portion of the Property to the condition existing prior to the presence of such Hazardous Substance in violation of Hazardous Materials Laws; provided, however, that Landlord shall first obtain City's approval for any such remedial action. As used herein, "**Hazardous Substance**" means any substance that is toxic, ignitable, reactive, or corrosive and that is regulated by any local government, the State of Colorado, or the United States Government, and such term includes, without limitation, (a) any and all materials or substances that are defined as "hazardous waste", "extremely hazardous waste", or a "hazardous substance" pursuant to state, federal, or local governmental law; and (b) asbestos, polychlorobiphenyls ("PCBs"), and petroleum.

13. **REMEDIES UPON BREACH:**

(a) By City: City shall have thirty (30) days after its receipt of written notice from Landlord to cure any breach of City's covenants or obligations under this Lease, except that, if such cure cannot reasonably be completed with such thirty (30) day period, and provided City has commenced to cure its breach within such period and diligently pursues same to completion, then this Lease shall remain in full force and effect in accordance with its terms. Without waiver or limitation of the foregoing notice and cure rights, if City fails to timely cure a breach of any of its covenants or obligations under this Lease, Landlord may, as its sole and exclusive remedy, terminate this Lease by written notice to City delivered after all such notice and cure rights have expired, in which event the provisions of Section 9 above shall apply.

(b) By Landlord: Landlord shall have thirty (30) days after its receipt of written notice from City to cure any breach of Landlord's covenants or obligations under this Lease, except that, if such cure cannot reasonably be completed with such thirty (30) day period, and provided Landlord has commenced to cure its breach within such period and diligently pursues same to

completion, then this Lease shall remain in full force and effect in accordance with its terms. Without waiver or limitation of the foregoing notice and cure rights, if Landlord fails to timely cure a breach of any of its covenants or obligations under this Lease, then City shall have the right to terminate this Lease by written notice to Landlord delivered after all such notice and cure rights have expired, which right shall be in addition to and without limitation of any other rights or remedies available to City under this Lease, at law, or in equity, all of which shall survive the expiration or earlier termination of this Lease.

14. **LANDLORD'S INSURANCE:** From the commencement of this Lease, Landlord shall carry and maintain the insurance policies required under this section. Landlord shall keep the required insurance coverage in force at all times during the Lease term, or any extension thereof, during any warranty period, and for three (3) years after termination of this Lease. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as "A-"VIII or better. Each policy shall contain a valid provision or endorsement requiring notification to City in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the parties identified in the "Notices" section of this Lease, shall reference the City contract number listed on the signature page of this Lease, and shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, Landlord shall provide written notice of cancellation, non-renewal and any reduction in coverage in accordance with the "Notices" section in this Lease, which notice shall be sent within three (3) business days after Landlord's receipt of such notice from its insurer(s), and which notice shall reference the City's contract number. Landlord shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Lease are the minimum requirements, and these requirements do not lessen or limit the liability of Landlord hereunder. Landlord shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Lease.

(a) **Workers' Compensation/Employer's Liability Insurance:** Landlord shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits of \$100,000 per occurrence for each bodily injury claim, \$100,000

per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.

(b) Property Insurance: Landlord shall carry property insurance for the full repair and restoration costs of the entirety of the Property, including all improvements located thereon.

(c) Commercial General Liability: Landlord shall maintain a Commercial General Liability insurance policy with limits of \$1,000,000 for each occurrence, \$1,000,000 for each personal and advertising injury claim, \$2,000,000 products and completed operations aggregate, and \$2,000,000 policy aggregate. Landlord's coverage is to be primary and non-contributory with any coverage or self-insurance maintained by City. The City and County of Denver, its officers, officials and employees shall be included as additional insureds.

(d) Waiver of Subrogation: Waiver of Subrogation and Rights of Recovery against City, its officers, officials and employees for all coverages is required.

(e) Insurance Certificates. The certificate(s) evidencing the existence of the above policy or policies are collectively attached hereto as **Exhibit D**. All current and future insurance certificates shall be in such form as the City's Risk Management Office may require. City's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Lease shall not act as a waiver of Landlord's breach of this Lease or of any of City's rights or remedies under this Lease. The City's Risk Management Office may require additional proof of insurance, including but not limited to policies and endorsements.

15. **VENUE, GOVERNING LAW**: This Lease shall be construed and enforced in accordance with the laws of the State of Colorado, without regard to the choice of law thereof, and the Charter and Revised Municipal Code of the City and County of Denver. Venue for any legal action relating to this Lease shall lie in the State District Court in and for the City and County of Denver, Colorado.

16. **ASSIGNMENT AND RIGHT TO SUBLEASE**: Landlord shall not assign, sublet, or transfer its rights under this Lease without first obtaining the written consent of the City's Director of Real Estate or her designee (collectively, "**Director**").

17. **NONDISCRIMINATION**: In connection with the performance of work under this Lease, Landlord may not refuse to hire, discharge, promote, demote, or discriminate in matters

of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, ethnicity, citizenship, immigration status, gender, age, sexual orientation, gender identity, gender expression, marital status, source of income, military status, protective hairstyle, or disability. Landlord shall insert the foregoing provision in all contracts hereunder for work on or about the Units or other portions of the Property.

18. **EXAMINATION OF RECORDS**: Any authorized agent of City, including without limitation 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 Landlord's performance pursuant to this Lease, provision of any goods or services to City, and any other transactions related to this Lease. Landlord 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 this Lease or expiration of the applicable statute of limitations. When conducting an audit of this Lease, 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 Landlord to make disclosures in violation of state or federal privacy laws. Landlord shall at all times comply with D.R.M.C. 20-276.

19. **COMPLIANCE WITH DENVER WAGE LAWS**: To the extent applicable to Landlord's performance under this Lease, Landlord shall comply with, and agrees to be bound by, all rules, regulations, requirements, conditions, and City determinations regarding the City's Minimum Wage and Civil Wage Theft Ordinances, D.R.M.C. Sections 20-82 through 20-84 and 58-1 through 58-26, including without limitation the requirement that every covered worker shall be paid all earned wages under applicable state, federal, and city law in accordance with the foregoing D.R.M.C. sections. By executing this Lease, Landlord expressly acknowledges that Landlord is aware of the requirements of the City's Minimum Wage and Civil Wage Theft Ordinances and that any failure by Landlord, or any other individual or entity acting subject to this Lease, to strictly comply with the foregoing D.R.M.C. sections shall result in the penalties and other remedies authorized therein.

20. **AMENDMENT**: No alteration, amendment or modification of this Lease shall be valid unless evidenced by a written instrument executed by the parties hereto with the same formality as this Lease; provided, however, the Director shall have the authority to execute agreements which make technical, minor, or non-substantive changes to this Lease.

21. **SEVERABILITY**: If any portion of this Lease is determined by a court to be unenforceable for any reason, the remainder of this Lease shall remain in full force and effect.

22. **BINDING EFFECT**: This Lease, when executed and when effective, shall inure to the benefit of and be binding upon the successors in interest and the legal representative and assigns of the respective parties hereto, subject to the assignment and sublease restrictions in Section 16 above.

23. **THIRD PARTIES**: This Lease does not, and shall not be deemed or construed to, confer upon or grant to any third party or parties any right to claim damages or to bring any suit, action, or other proceeding against the parties hereto because of any breach hereof or because of any of the terms, covenants, agreements, and conditions herein.

24. **NOTICES**: All notices hereunder shall be given to the following by hand delivery or by certified mail, return receipt requested, or electronic mail, if available:

To City: Mayor's Office
City and County Building
1437 Bannock Street, Room 350
Denver, CO 80202

With copies to: Denver City Attorney
Denver City Attorney's Office
201 West Colfax Avenue, Dept. 1207
Denver, CO 80202

Director of Real Estate
201 West Colfax Avenue, Dept. 1010
Denver, Colorado 80202
Email: RealEstate@denvergov.org

To Landlord: The Fax East Colfax Redevelopment, LLC
Attn: Monica Martinez
6740 East Colfax Avenue
Denver, Colorado 80220
Email: monica@thefaxdenver.com

Either party hereto may designate in writing from time to time the address of substitute or supplementary persons to receive such notices. The effective date of service of any such notice shall be the date such notice is deposited in the mail or hand-delivered to the party, or the date such notice is received by email.

25. **ENTIRE AGREEMENT:** The parties acknowledge and agree that the provisions contained herein constitute the entire agreement and that all representations made by any officer, agent or employee of the respective parties unless included herein are null and void and of no effect. Further, this Lease supersedes any and all prior written or oral agreements between the parties.

26. **WHEN RIGHTS AND REMEDIES NOT WAIVED:** In no event shall any performance hereunder constitute or be construed to be a waiver by any party or any breach of covenant or condition or of any default which may then exist. The rendering of any such performance when any breach or default exists shall in no way impair or prejudice any right or remedy available with respect to such breach or default. Further, no assent, expressed or implied, to any breach of any one or more covenants, provisions, or conditions of this Lease shall be deemed or taken to be a waiver of any other default or breach.

27. **NO PERSONAL LIABILITY:** No elected official, director, officer, agent or employee of City, nor any director, officer, employee or personal representative of Landlord, shall be charged personally or held contractually liable by or to the other party under any term or provision of this Lease or because of any breach thereof or because of its or their execution, approval or attempted execution of this Lease.

28. **NO CONFLICT OF INTEREST BY CITY OFFICER:** Landlord represents that to the best of its information and belief, no officer or employee of City is either directly or indirectly a party or in any manner interested in this Lease, except as such interest may arise as a result of the lawful discharge of the responsibilities of such elected official or employee.

29. **APPROPRIATION:** All obligations of City under and pursuant to this Lease are subject to prior appropriation of monies expressly made by the City Council for the purposes of this Lease and paid into the Treasury of the City.

30. **REASONABLENESS OF CONSENT OR APPROVAL:** Whenever under this Lease “reasonableness” is the standard for the granting or denial of the consent or approval of

either party hereto, such party shall be entitled to consider public and governmental policy, moral and ethical standards, as well as business and economic considerations.

31. **AUTHORITY TO EXECUTE:** Landlord represents that the persons who have affixed their signatures hereto have all necessary and sufficient authority to bind Landlord.

32. **SECTION HEADINGS:** The section headings are inserted only as a matter of convenience and for reference and in no way are intended to be a part of this Lease or to define, limit, or describe the scope or intent of this Lease or the particular sections to which they refer.

33. **NO BROKER'S FEES:** City and Landlord represent to each other that they have had no negotiations through, or brokerage services performed by, any broker or intermediary that would require the payment of any commission or fees in connection with this Lease. In the event a claim for a commission or fees is made by a broker or other intermediary in connection with this Lease, Landlord shall be solely responsible for payment of same and shall defend, indemnify, and hold harmless City from and against such claim, including without limitation all attorneys' fees and/or other costs incurred by City as a result of such claim.

34. **ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS:** Landlord consents to the use of electronic signatures by City. This Lease, and any other documents requiring a signature hereunder, may be signed electronically by City in the manner specified by City. The parties agree not to deny the legal effect or enforceability of this Lease 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 this Lease 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.

35. **CITY'S EXECUTION OF AGREEMENT; EFFECTIVE DATE:** This Lease shall not be or become effective or binding on City until full execution by all signatories set forth below. The effective date of this Lease ("**Effective Date**") shall be the date City delivers a fully executed electronic copy of this Lease to Landlord.

36. **LENDER PROVISIONS:**

(a) **Subordination.** This Lease is and throughout the Lease term will continue to be subject and subordinate to any mortgage, deed of trust, ground lease or sale-leaseback now or hereafter placed upon the Property, or any portion thereof, by Landlord, and to amendments,

replacements, renewals and extensions thereof (each, a “**Mortgage**”). Such subordination will be effective without the necessity of the execution and delivery of any further instruments on the part of Tenant to effectuate such subordination. However, the City agrees from time to time hereafter, within ten (10) business days after demand, to execute and deliver any instruments, releases or other documents in a commercially reasonable form provided by Landlord or Landlord’s lender (including CHFA and Enterprise Community Loan Fund, Inc.) that may be reasonably required for the purpose of subjecting and subordinating this Lease to the lien of any such Mortgage; provided, however, that any such form of document shall include a reasonable and customary non-disturbance provision stating that the City’s interest in and to the Property and the City’s rights and remedies under this Lease shall not be disturbed so long as no uncured default by the City exists under this Lease. This Lease will be subject to all easements, restrictions and covenants presently existing or hereafter created upon the Property, provided that any such easements, restrictions or covenants hereafter created shall not, without the prior written consent of the City, adversely affect the City’s interest in and to the Property or the City’s rights and remedies under this Lease.

(b) Attornment. If Landlord’s interest in the Property is transferred to any person or entity (“**Transferee**”) as a result of the foreclosure of a Mortgage encumbering the Property or the termination of a ground lease of the Property or other proceedings for the enforcement of a Mortgage, or by taking a deed in lieu of foreclosure or otherwise, the City will not disaffirm this Lease or any of its obligations under this Lease and the City will, unless otherwise notified in writing by Transferee, immediately and automatically attorn to Transferee and this Lease will continue in full force and effect as a direct lease between the City and Transferee upon the same terms and conditions of this Lease except that Transferee will not be (i) subject to any offsets or defenses which the City might have against Landlord which arose prior to the date of the transfer; (ii) bound by any prepayment by the City of more than one month’s installment of rent; or (iii) obligated to perform any of Landlord’s obligations under this Lease except during the period of Transferee’s ownership of the Property.

(c) Estoppel Certificates. Each party agrees, from time to time, upon not less than ten (10) business days’ prior written request by the other party, to deliver to the requesting party a statement in writing certifying that (i) this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease as modified is in full force and effect and

stating the modifications); (ii) the dates to which rent has been paid; (iii) neither party is in default of any provision of this Lease or, if in default, the nature thereof specified in detail; (iv) the amount of monthly rent currently payable by the City; (v) the amount of any prepaid rent; and (vi) such other matters as may be reasonably requested by either party or any Mortgagee or prospective purchaser of the Property.

(d) Director Authority. The Director, in such person's reasonable discretion, shall have the authority on behalf of the City to approve, disapprove, draft, revise, and sign any subordination, non-disturbance, and attornment agreement(s), and any estoppel certificate(s), contemplated by this Section 36.

Exhibit List:

Exhibit A – Legal Description of Property

Exhibit B – Additional Terms and Conditions

Exhibit C – Responsibility Matrix

Exhibit D – Certificate of Insurance

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGES FOLLOW]

Contract Control Number:

FINAN-202580172-00

Contractor Name:

THE FAX EAST COLFAX REDEVELOPMENT, 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:

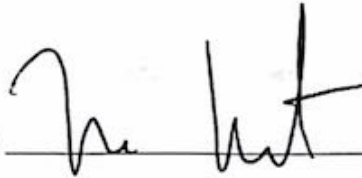
By:

By:

Contract Control Number:
Contractor Name:

FINAN-202580172-00
THE FAX EAST COLFAX REDEVELOPMENT, LLC

By: _____



Name: _____

Monica Martinez

(please print)

Title: _____

Executive Director

(please print)

ATTEST: [if required]

By: _____

Name: _____

(please print)

Title: _____

(please print)

EXHIBIT A

Legal Description of Property

Parcel 1:

THE EAST 16 FEET OF LOT 24 AND ALL OF LOTS 25 TO 29 INCLUSIVE.
BLOCK 4, EAST COLFAX SUBDIVISION,
CITY AND COUNTY OF DENVER,
STATE OF COLORADO.

Parcel 2:

LOTS 19 TO 23 AND THE WEST 9 FEET OF LOT 24,
BLOCK 4, EAST COLFAX SUBDIVISION,
CITY AND COUNTY OF DENVER,
STATE OF COLORADO.

EXHIBIT B

Additional Terms and Conditions

[Attached]

Additional Terms and Conditions

The Fax East Colfax Redevelopment, LLC, and the City and County of Denver,
Acting Through Its Department of Public Health and Environment
in Connection with Its Roads to Recovery Program

These Additional Terms and Conditions ("**Additional Terms**") are attached to and form a part of that certain Lease Agreement ("**Lease**") between The Fax East Colfax Redevelopment, LLC, a Colorado limited liability company ("**Landlord**"), and the City and County of Denver ("**City**"), acting through its Department of Public Health and Environment ("**Department**") in connection with such Department's Roads to Recovery Program ("**Program**").

1. Intake Process

1. Department will identify individuals in the program (each, a "**Program Participant**", and collectively, the "**Program Participants**") for placement in Landlord's properties through the Department's designated process.
2. Landlord will assign room, key and complete applicable paperwork for each Program Participant.
3. The Department will bring Program Participants to the Landlord's properties.
4. Landlord will manage a shared document that is regularly updated to show room availability, based upon cleaning, maintenance, and room utilization schedule.
 - a. There will be a process for Department to reserve rooms for Program Participants and alert Landlord of reservation and arrival date.

2. Check-in Process

1. Landlord will have a check-in process for Program Participants when they arrive at Landlord's properties. Check-in of Program Participants will include an overview of property expectations, process for requesting maintenance, and room supplies.
2. Landlord will provide room keys to Program Participants at check-in.

3. Checkout Process

1. Department will inform Landlord of scheduled checkouts to allow for efficient room turnovers through a reporting system.
2. A Department case managers will be present, when possible, at Program Participant checkout to ensure key is returned, room is not significantly damaged and maintenance needs are identified.
3. Landlord can discharge a Program Participant from Landlord's properties without approval from the Department only in the event of immediate health and safety concerns as outlined in Section 6.3 below. However, in such event, Landlord will notify Department as soon as possible so, if practicable, Department and/or its applicable case worker(s) can participate in the discharge process.

4. Cleaning and Maintenance

1. Landlord will maintain the properties at a clean, agreed upon, standard and will clean all rooms at the time of Program Participant departure.
2. The Department acknowledges that some rooms may be offline at any given time due to maintenance and cleaning requirements.
3. Program Participants are responsible for cleaning their own rooms. Landlord will have cleaning supplies available for checkout to such participants.
4. The Landlord will provide clean linens to Program Participants every week, using this opportunity to inspect rooms for maintenance or other concerns.
5. Landlord will maintain properties to ensure contiguity of operations.
6. Landlord will have a process for Program Participants to report maintenance needs and Landlord will track maintenance projects to ensure rooms are ready for occupancy.
7. Landlord will maintain a contingency account to cover maintenance needs.

5. Room Inspections

1. Department will inspect rooms at a minimum of 2 times per week.
2. Landlord will inspect rooms when clean linens are provided every week and report any concerns to the Department.
3. Landlord and Department will have a reporting process so that both entities are aware of room inspection findings.

6. Discharge Policy

1. A discharge policy document will define the process for conducting a discharge.
2. The Landlord will work collaboratively with the Department if there are on-going concerns with a Program Participant that may lead to discharge without intervention or support from Department.
3. Pursuant and subject to the provisions of Section 3.3 above, the Landlord may discharge Program Participants from Landlord's properties in the event of an immediate concern for health and safety, which may occur due to the following:
 - a. Significant or intentional property damage or vandalism which risks one or more rooms being unfit for occupancy for three days or more.
 - b. Threatening behavior requiring police intervention to mitigate the risk of injury to Program Participants or others.
 - c. Illegal drug use by Program Participants or their guests which occurs outside a room or is otherwise viewable by members of the public.
 - d. Illegal drug use, sale, or manufacturing by Program Participants or their guests from rooms or elsewhere on Landlord's properties, including making illegal drugs available for public purchase.
 - e. Program Participants having unauthorized guests in their rooms or elsewhere on Landlord's properties.
 - f. The possession of firearms by Program Participants or their guests in their rooms or elsewhere on Landlord's properties.

7. Communication Process

1. The Landlord and the Department will have regular communication to discuss case updates, room needs, security issues, etc. as needed.
2. If Landlord becomes aware of a situation involving the immediate threat of health and safety, or if Landlord has any other urgent concern involving a Program Participant, Landlord shall immediately make Department, either through its on-site or off-site case workers or other staff, aware of such situation or concern, and to the extent practicable Landlord shall allow Department and its staff to address such situation or concern.

8. Confidentiality

1. A confidentiality agreement will be executed by both parties, ensuring that all sensitive Program Participant information remains protected.
2. The Landlord will ensure the confidentiality of all case information as outlined in the Release of Information document.

9. Maintenance of Ground

1. Without limitation of Landlord's obligations in the Lease Agreement between Landlord and City, the Landlord will maintain the Landlord's properties in a clean, safe, and orderly condition, ensuring that common areas can function properly.
2. The foregoing maintenance obligation of Landlord will include, without limitation, the following:
 - a. The Landlord will establish and maintain a regular schedule for trash collection and disposal.
 - b. The Landlord will ensure timely snow removal from walkways, parking areas, and all other exterior portions of the Landlord's properties.
 - c. The Landlord will implement and maintain a pest control program

10. Security

1. Without limitation of Landlord's obligations in the Lease Agreement between Landlord and City, Landlord will maintain and monitor an extensive security camera and recording system to ensure property security.
2. The Landlord will maintain close partnership with Denver Police District 2 to ensure property safety and security.

EXHIBIT C

Responsibility Matrix

<i>Responsibility</i>	<i>Responsible Party</i>
Xcel Electric/Gas/Steam	Landlord
Denver Water	Landlord
Wastewater/Storm Sewer	Landlord
Janitorial (incl. Janitorial Supplies/Placing Trash in Dumpsters)	Landlord
Exterior litter pickup (including all animal relief)	Landlord
Common Areas Maintenance- (e.g., offices, showers, laundry, community area, smoking area, and animal run areas)	Landlord
Daily room cleaning	Program Participants are responsible for cleaning their own rooms.
Room Inspections	Program's case manager is responsible for room inspections which will be 2-3 times weekly.
Fire System (sprinklers, inspections)	Landlord
Fire Alarm Monitoring & Fire Phone Line	Landlord
Smoke detectors / CO detectors	Landlord
Fire Extinguishers (inspections)	Landlord
Security System hardware other than cameras /software, if applicable	Landlord
Security System Monitoring, if applicable	Landlord
Security System Phone Line, if applicable	Landlord
Security Cameras, if applicable	Landlord
24/7 staff on site	Landlord
Telecom – Wi-Fi hotspots	Landlord
Mechanical (HVAC) Maintenance	Landlord
Electrical Maintenance	Landlord
Plumbing/Sewer (Fixtures, Drains)	Landlord
Minor maintenance (i.e., plugged toilets, hand washing stations, laundry areas, bathroom repairs, shower repairs, changing light bulbs, any other repairs not involving specialized tools	Landlord
Cleaning	Landlord
Fence Maintenance and Repair	Landlord
PTAC Units	Landlord
Pest Control and Bed Bug Treatments	Landlord
Appliance Service and Repairs	Landlord
Trash Hauling from Dumpsters (regular ongoing, not excess)	Landlord
Snow Removal – perimeter sidewalks, walkways, and entries to all structures	Landlord
Landscaping & Irrigation, if applicable	Landlord
Parking Lot Repair and Maintenance	Landlord
Sidewalk Concrete Repair and Maintenance	Landlord
Exterior lighting (pole lighting)	Landlord
Windows and doors	Landlord
Structural and roof	Landlord

Damages caused by Landlord's employees, contractors, agents, or invitees	Landlord
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EXHIBIT D

Certificate of Insurance

[Attached]



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

07/03/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER ISU Insurance Services of Colorado 1950 W Littleton Blvd. Suite 107 Littleton CO 80120	CONTACT NAME: Nicci Keck PHONE (A/C, No, Ext): (303) 534-2133 FAX (A/C, No): (303) 892-5579 E-MAIL ADDRESS: nkeck@isuinsurance.com
INSURED East Denver Colfax Partnership, Inc., DBA: The Fax Partnership The Fax East Colfax Redevelopment, LLC. 6740 E Colfax Ave Denver CO 80220	INSURER(S) AFFORDING COVERAGE INSURER A: Lexington Insurance Company INSURER B: Pinnacol Assurance Co INSURER C: Lloyd's of London INSURER D: INSURER E: INSURER F:

COVERAGES**CERTIFICATE NUMBER:** 25-26 R2R City of Denver**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			020744081	07/01/2025	07/01/2026	EACH OCCURRENCE \$ 1,000,000
			DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000				
			MED EXP (Any one person) \$				
			PERSONAL & ADV INJURY \$ 1,000,000				
						GENERAL AGGREGATE \$ 2,000,000	
						PRODUCTS - COMP/OP AGG \$ 2,000,000	
							\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$
							BODILY INJURY (Per person) \$
							BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$
							AGGREGATE \$
							\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N <input checked="" type="checkbox"/> N	N / A	4245319	11/01/2024	11/01/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
			E.L. EACH ACCIDENT \$ 1,000,000				
			E.L. DISEASE - EA EMPLOYEE \$ 1,000,000				
			E.L. DISEASE - POLICY LIMIT \$ 1,000,000				
C	Sexual Abuse & Molestation (City of Denver Contract)			MR25ADBN	07/01/2025	07/01/2026	Aggregate - All Victims \$1,000,000
							Aggregate - Each Victim \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Limitation of Coverage to Designated Premises & Projects:
8405 & 8415 E Colfax Avenue, Denver, CO 80220 / Homeless Shelter

The City of Denver shall be included as Primary/Non-Contributory Additional Insureds and a Waiver of Subrogation shall apply on the General Liability per forms LX4278 (02/14), LX4277 (02/14) and LX4298 (05/14).
A Waiver of Subrogation applies on the Workers' Compensation, as required by written contract, per form WC000313.

CERTIFICATE HOLDER**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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