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RETAIL LEASE

BETWEEN

LANDLORD: HEATHERRIDGE SHOPPETTE, LLC

TENANT: MAX Hookah

EFFECTIVE AS OF December 12, 2023

**RETAIL LEASE
FOR
HEATHERRIDGE SHOPPING CENTER**

THIS RETAIL LEASE ("Lease") dated effective as of December 12, 2023, is between **Heatherridge Shoppette, LLC**, a Colorado limited liability company, as Landlord ("Landlord") and **MAX Hookah**, a Colorado non-profit corporation, as Tenant ("Tenant").

Subject to the terms and conditions of this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, the Premises for the term together with a nonexclusive license to use the common areas located in and around the Shopping Center and to use the unassigned parking areas located in the Property.

1. BASIC LEASE PROVISIONS. This Section 1 is an integral part of this Lease and all the terms hereby hereof (collectively, the "Basic Lease Provisions") are incorporated into and made a part of this Lease. Each reference in this Lease to any of the following subjects shall be construed to incorporate the data stated for that subject in this Section 1. In the event of any conflict between a Basic Lease Provision and the balance of this Lease (including Exhibits and Riders, if any), the Basic Lease Provisions shall control.

- (a) Landlord: Heatherridge Shoppette, LLC, a Colorado limited liability company.
- (b) Tenant: MAX Hookah, LLC
- (c) Shopping Center: Heatheridge shoppette located at 13690 East Iliff Avenue, Aurora, Colorado 80014 (the Shopping Center together with all parking areas, walkways, landscaped areas and other portions of such center are hereinafter referred to as the "Property").
- (d) Premises: 13690 East Iliff Avenue, Unit C, Aurora, Colorado 80014 in its "AS-IS" condition, "WHERE IS" and "WITH ALL FAULTS".
- (e) Premises Rentable Area: Approximately 1220 square feet, whether the same should actually be more or less, subject to adjustment under Section 5(e) below.
- (f) Term: Beginning on the Rent Commencement Date of this Lease and expiring at 11:59 pm MDT on the date which is five (5) years thereafter (the "Expiration Date"), subject to one (1) five (5) year option as set forth on attached **Exhibit A**.
- (g) Rent Commencement Date: The date Tenant's obligation to pay Base Rent and other amounts payable under this Lease commences on February 1, 2024.
- (h) Commencement Date: The Commencement Date of this Lease begins on the December 12, 2023.
- (i) Base Rent: See **Exhibit A** attached hereto.
- (j) Tenant's Share of Common Expenses, Taxes and Insurance Costs: That portion of the total Common Expenses, Taxes, and Insurance costs [as defined in Section 5(b)] ("Common Area Maintenance", "Common Expenses" or "CAM") calculated pursuant to Section 5(a) that is payable by Tenant as additional rent under Section 5. Landlord estimates that Tenant's Share of Common Expenses, Taxes and Insurance for the period from the Commencement Date through the end of the first calendar year is Five Hundred Thirty Four dollars and forty nine cents (\$534.49) and thereafter will be equal to 6.34% of the

total common expenses, taxes and insurance costs payable in equal monthly installments and also subject to adjustment pursuant to Section 4 and late charges and interest provided in Section 4(c).

- (k) Shopping Center Rentable Area: 18,022 square feet, whether the same should actually be more or less, subject to adjustment as provided in Section 5(e).
 - (l) Operating Days and Hours: Tenant shall keep the Premises open for business hours of each business day as is customary for businesses of like character.
 - (m) Use: Hookah lounge
 - (n) Security Deposit: \$2,300 due upon execution of this Lease.
 - (o) Tenant's Address: MAX Hookah
13690 E. Iliff unit C
Aurora, Colorado 80014
 - (p) Landlord's Address: Heatherridge Shoppette, LLC
10860 East Democrat Road
Parker, Colorado 80134
- Exhibits: Exhibit A – Base Rent and Options
Exhibit B – Lease Guaranty
- Riders: Rider No. 1 – Environmental Matters

All Exhibits and Riders attached to this Lease are incorporated herein by this reference and made a part of this Lease.

2. TERM. The Term of this Lease, and Tenant's obligation to pay rent and Tenant's Share of Common Expenses, Taxes and Insurance Costs, shall commence as set forth in Section 1(g) above and shall end, unless sooner terminated or extended pursuant to the terms of this Lease, on the Expiration Date.

3. USE

Tenant shall continuously use and occupy the Premises for the retail operation of a Holistic Wellness Services business, including but not limited to Holistic Health Knowledge, Yoga, Meditation, Sound and Energy Healing Herbal Remedies, and Wellness Classes, and any other lawful use that does not compete with any other tenant of the shopping center and with the Landlord's reasonable consent that will not be unreasonably delayed, conditioned or withheld. Tenant shall be open for business during the Operating Days and Hours specified in Section 1(l). Tenant shall use the Premises in a careful, safe and proper manner and shall conduct its business and use reasonable efforts to control its employees, agents, invitees and visitors in such manner as not to create any nuisance or interfere with, annoy or disturb any other tenant or occupant of the Shopping Center or Landlord in its operation of the Shopping Center or the Property.

(a) Tenant agrees, on behalf of its employees and agents, not to solicit business in any common facility or parking or other common areas which may become such by the leasing or licensing to others by Landlord or any property adjoining or near the Premises. Such solicitation shall include, without limitation, distribution of handbills or other advertising media to or in automobiles in the common facilities, or parking area or other common areas, the use of pickets in such areas, the use of loud speaker systems which are audible in such areas, and the displaying of any of Tenant's merchandise or the posting of any signs not expressly authorized hereunder in such areas.

(b) At all times Tenant shall keep the Premises and the sidewalk adjacent to the Premises, whether or not such use be exclusive, clean and free from rubbish, dirt, snow and ice.

4. RENT.

(a) Tenant shall pay Landlord as Base Rent for the Premises the sum specified in Section 1(i). Base Rent and all other charges payable hereunder shall begin to accrue on the Rent Commencement Date and shall be payable in advance in equal monthly installments on the Rent Commencement Date and on the first day of each succeeding calendar month. Base Rent and all other charges payable hereunder shall be apportioned for any fraction of a calendar month at the beginning and end of the Term.

(b) Tenant shall pay to Landlord Tenant's Share of Common Expenses, Taxes, and Insurance Costs and such other sums as are required by the terms of this Lease to be paid by Tenant. Any such charges or sums shall be deemed to be additional rent and Landlord shall have all rights against Tenant for default in payment thereof as in the case of arrears of Base Rent.

(c) All Base Rent and additional rent (sometimes referred to herein collectively as "**Rent**") shall be paid when due without notice (except as provided in Section 5 with respect to Common Expenses and Taxes), demand, set-off or deduction, in lawful money of the United States of America, at Landlord's Address or at such other place as Landlord may from time to time designate in writing. If Tenant fails to pay any Rent when due, Tenant shall pay a late charge equal to 10% of the amount due plus any attorneys' fees incurred by Landlord by reason of Tenant's delinquency. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs and damages that Landlord will incur by reason of late payment by Tenant, which costs and damages are extremely difficult to ascertain. The late charge shall be in addition to and not a substitute for interest on past due amounts as hereinafter provided and shall not be in derogation of any other right that Landlord may assert. In addition to a late charge, Tenant shall pay Landlord interest on any Rent and other amounts not paid when due hereunder at the rate of 12% per annum from the date due until paid. Tenant shall also pay a \$75 charge for any checks written to Landlord that are returned due to insufficient funds. All payments made by Tenant under this Lease shall be applied first to any charges and interest due under this Section 4(c) or in any other manner as Landlord, in its sole discretion, shall determine.

5. ADDITIONAL RENT-COMMON EXPENSES, TAXES AND INSURANCE COSTS.

(a) Tenant shall pay to Landlord as additional rent, for each portion of any calendar year (prorated for that year) and for all calendar years during the Term, (i) Tenant's Share of Common Expenses, (ii) Tenant's Share of Taxes, and (iii) Tenant's Share of Insurance Costs in equal monthly installments as provided in Section 5(c). Tenant's Share of Common Expenses, Tenant's Share of Taxes and Tenant's Share of Insurance Costs with respect to any calendar year shall be the amount calculated by multiplying the total Common Expenses, the total amount of Taxes and the total amount of Insurance Costs (in each case, as defined in Section 5(b) of the Property for such calendar year by a fraction, the numerator of which is the number of square feet of the Premise's Rentable Area and the denominator of which is the total square footage in all buildings in the Shopping Center.

(b) As used in this Lease "**Common Expenses**" means any and all costs, charges, expenses and disbursements of every kind and nature (including Taxes and Insurance Costs) that Landlord pays or becomes obligated to pay because of or in connection with the operation, management, maintenance and repair of the Property, computed on a cash basis, including but not limited to, the cost of charges for the following items: heat, air conditioning, light, water, power, steam and fuel, waste disposal, service charges for the supply of water and sewer, service agreements on equipment, interior and exterior maintenance and repair of the Property and its heating, air conditioning, plumbing, mechanical, electrical and other systems, and the cost of maintenance, landscaping, repair and snow removal described in Section 29 and incurred by Landlord, provided such costs are amortized on a straight line basis over the useful life of the capital item being replaced and/or repaired with only the annual amortized costs included in the yearly Common Expenses when determining Tenant's share of such Common Expenses. In no event shall Common Expenses include leasing commissions, costs of painting or decorating any other tenant's space, interest expenses, loan payments, costs

of repairs paid directly by any tenant or by insurance (but such costs to the extent of applicable insurance coverage deductibles shall be included in Common Expenses) and depreciation on the Property itself. As used in this Lease "Taxes" means any and all general and special real estate taxes, special assessments, assessments for improvements, special district or improvement district assessments, water taxes, sewer taxes, vault charges, gross rents taxes and all other taxes, charges, rates, levies and assessments of whatever nature levied, assessed or collected by any governmental or quasi-governmental authority (whether now existing or hereafter created) upon or with respect to the Property or Landlord's interest therein and all taxes or charges imposed in lieu of (or in lieu of any increases in) any such taxes, in each case computed on an accrual basis, and all of Landlord's expenses incurred in any effort to minimize such Taxes, but excluding any inheritance, estate, franchise or net income tax imposed upon Landlord (unless the same is imposed in lieu of any taxes or charges described above). As used in this Lease, "Insurance Costs" means any and all premiums, costs, charges, expenses and disbursements that Landlord pays or becomes obligated to pay because of or in connection with any insurance relating to the Property or the operation, management, maintenance and repair thereof, including but not limited to, property, rental value, liability, earthquake and flood insurance.

(c) Within ten (10) business days after the Commencement Date and prior to the beginning of each calendar year thereafter, Landlord shall furnish Tenant with an estimate of the Common Expenses, Taxes and Insurance Costs, Tenant's Share of Common Expenses, Tenant's Share of Taxes and Tenant's Share of Insurance Costs for the succeeding year. Landlord's estimates shall not constitute any representation or assurance by Landlord of the actual amount of Common Expenses, Taxes, Insurance Costs, Tenant's Share of Common expenses, Tenant's Share of Taxes or Tenant's Share of Insurance Costs. Thereafter, Tenant shall pay to Landlord, on the first day of each month together with payments of Base Rent, one-twelfth of Landlord's estimate of Tenant's Share of Common Expenses, Tenant's Share of Taxes and Tenant's Share of Insurance Costs for that calendar year. Within one hundred fifty (150) days after the end of each calendar year Landlord shall, provide Tenant with a statement of the actual Common Expenses, Taxes and Insurance Costs for the preceding year or other pertinent calendar period and a calculation of the actual amount of Tenant's Share of Common Expenses, Taxes and Insurance Costs for such period ("Landlord's Statement"). Landlord's failure to provide such Landlord's Statement by any particular date shall not constitute a waiver by Landlord of its right to receive payment for Tenant's Share of Common Expenses, Tenant's Share of Taxes or Tenant's Share of Insurance Costs for such period or for any succeeding period. If the actual amount of Tenant's Share of Common Expenses, Tenant's Share of Taxes or Tenant's Share of Insurance Costs for the preceding calendar period is greater than the estimated amounts previously paid by Tenant, Tenant shall pay to Landlord the full amount of such excess within thirty (30) days after Landlord's rendering of the Landlord's Statement of such amount. If the actual amount of Tenant's Share of Common Expenses, Tenant's Share of Taxes or Tenant's Share of Insurance Costs for the preceding period is less than the estimated amounts previously paid by Tenant, Tenant shall receive a credit against the installment of Rent next coming due. If the Term commences after the beginning of or expires before the end of a calendar period, any amount payable by Tenant with respect to that calendar period under this Section 5(c) shall be adjusted proportionately on a daily basis and the obligation to pay such amount shall survive the expiration or earlier termination of this Lease. Tenant shall pay Landlord any such amount due after the expiration or earlier termination of this Lease within five (5) business days after such expiration or termination.

(d) Tenant shall give Landlord written notice of Tenant's desire to contest Landlord's determination of Common Expenses, Insurance Costs and Taxes for any calendar year or the calculation of any amount due under this Section 5 within sixty (60) days after receipt of Landlord's Statement. If Tenant does not give Landlord notice within sixty (60) days, Tenant shall be deemed to have waived its right to dispute or contest Landlord's determination or calculation, If Tenant gives Landlord timely written notice under this Section 5, Tenant shall have the right, at Tenant's expense, to cause an independent audit to be made of Landlord's Common Expense, Insurance Costs, and Tax records. If the audit by Tenant's independent auditor shows an error in the annual amount determined to be payable as Tenant's Share of Common Expenses, Tenant's Share of Insurance Costs and Tenant's Share of Taxes that is prejudicial to Tenant in an amount in excess of 5% of the actual annual amount of Tenant's Share of Common Expenses, Tenant's Share of Insurance Costs, and Tenant's Share of Taxes, then Landlord shall pay the cost of Tenant's audit and shall make the proper adjustment of Tenant's Share of Common Expenses, Tenant's Share of Insurance Costs and

Tenant's Share of Taxes. Notwithstanding the pendency of any dispute, contest or audit hereunder, Tenant shall make payments based upon Landlord's determination or calculation until such determination or calculation has been finally determined to be incorrect pursuant to the terms hereof.

(e) If from time to time there is a change in the square footage of the area in the Property held for commercial lease whether as a result of addition of area through construction, a diminution of area as a result of a casualty described in Section 13, a taking by eminent domain or condemnation described in Section 14 or a change in such area for any other reason that in Landlord's opinion will continue in excess of six months, then Landlord may notify Tenant that the Shopping Center Rentable Area described in Section 1(k) shall be changed, until any further notice of change, to mean the number of square feet of rentable area in the Property held for commercial lease by Landlord as conclusively determined by Landlord on the basis of Landlord's architect's certification of the area, using the BOMA standard of measurement, on completion of such change. If the change in the square footage in the Property held for commercial Lease effects a change in the Premises Rentable Area, then Landlord may notify Tenant that the Premises Rentable Area described in Section 1(e) shall be changed accordingly. Landlord may also notify Tenant of any correction in the square footage of the Shopping Center Rentable Area or the Premises Rentable Area if Landlord determines, on the basis of Landlord's architect's certification of the Premises Rentable Area or the Shopping Center Rentable Area using the BOMA standard of measurement, that the square footage set forth in Section 1(e) or Section 1(k), respectively, is incorrect. Any change in Shopping Center Rentable Area or Premises Rentable Area shall be effective as of the date set forth in the notice of change delivered to Tenant.

6. QUIET ENJOYMENT. Landlord covenants and agrees with Tenant that upon Tenant paying the Rent hereunder and observing and performing all the terms, covenants and conditions of this Lease on Tenant's part to be observed and performed, Tenant may peaceably and quietly enjoy the Premises subject to the terms and conditions of this Lease and any underlying mortgage encumbrances or recorded restrictions.

7. SECURITY DEPOSIT. Tenant shall keep the Security Deposit, if any, on deposit with Landlord at all times as security for the payment by Tenant of Rent and for the faithful performance by Tenant of all the terms, conditions and covenants of this Lease during the Term of this Lease and any renewals or extensions thereof. If at any time Tenant defaults in the performance of any provision of this Lease, Landlord may, but shall not be required to, use all or part of the Security Deposit in payment of any rent in default or any expense, damage or liability incurred by Landlord because of Tenant's default. In such event Tenant, within five (5) days after written demand from Landlord, shall deposit with Landlord a sufficient amount in cash to restore the Security Deposit to its original amount. If Landlord's claims exceed the Security Deposit, Tenant shall be liable for the balance of such claims. If Tenant fully performs every provision of this Lease, the Security Deposit or any balance thereof shall be returned to Tenant within a reasonable time after the expiration of the Term and Tenant's surrender of the Premises to Landlord in accordance with the provisions of this Lease.

8. ACCEPTANCE OF PREMISES. Taking possession of the Premises by Tenant shall establish conclusively against Tenant that the Premises were in good and satisfactory order, condition and repair when possession was taken. Tenant accepts the Premises in its "AS-IS" condition, "WHERE IS" and "WITH ALL FAULTS" WITH NO WARRANTY OR REPRESENTATION OF MERCHANTABILITY or FITNESS FOR ANY PURPOSE and shall be solely responsible for all costs of alteration and renovation.

9. ACCESS TO PREMISES. Landlord, its agents and employees shall have the right, upon reasonable notice to Tenant (except in cases of emergency in which event no notice is required), to enter the Premises at all times to examine them; to show them to interested parties such as prospective mortgagees, tenants or purchasers, to post notices provided for by Section 38-22-105(2) of Colorado Revised Statutes, as amended, and for any other purpose that Landlord deems necessary or desirable for the protection of Landlord or the Shopping Center; to install, maintain, use, repair and replace unexposed utility lines, pipes, ducts, conduits, wires and the like in and through the Premises; and to make and perform such maintenance, repairs, alterations, improvements, additions and adjustments to the Premises or to any other portion of the Shopping Center as Landlord may be required to perform under this Lease or as Landlord reasonably deems necessary or desirable. In the exercise of its rights under this Section 9 Landlord shall use reasonable efforts not to disturb

or interfere with Tenant's business and may bring into the Premises all necessary materials and equipment without the same constituting an eviction of Tenant in whole or in part or entitling Tenant to any abatement of Rent or damages by reason of loss or interruption of business or otherwise, nor shall the same affect Tenant's obligations under this Lease in any manner whatsoever. If Tenant is not present to open the Premises for any such entry, Landlord may gain entry by use of a master key and in an emergency by any means (including breaking any doors or windows) without rendering Landlord, its agents or employees liable therefor. In exercising its rights under this Section 9, Landlord shall use reasonable efforts to minimize any interference with Tenant's use of the Premises.

10. ALTERATIONS BY TENANT.

(a) Tenant shall not make any alterations, installations, additions or improvements (collectively "**Alterations**") in or to the Premises without Landlord's prior written approval. All Alterations, except signs, movable cases and counters or other removable trade fixtures, shall become the property of Landlord and shall remain upon, and be surrendered with, the Premises as a part thereof at the end of the Term or any renewal or extension thereof. Tenant shall be responsible for seeing that all Alterations are done in a good and workmanlike manner and in compliance with all applicable laws, regulations and ordinances. Tenant and any contractors who provide services, labor, skills, materials or other items in connection with any alterations shall obtain and keep in force such insurance as Landlord may require, including, without limitation, Builder's Risk Insurance, Workers' Compensation Insurance, and the insurance required by Section 16 hereof. All such insurance policies shall name Landlord as an additional insured, and contain an agreement by the insurer to give Landlord not less than thirty (30) days prior written notice of any changes and/or the intention of the insurer to cancel the policies. Tenant shall not obstruct access to any other tenant's premises in the Shopping Center while making any such alterations.

(b) Tenant shall be solely responsible for the expense of any Alterations to the Premises that are necessary for Tenant to conduct its business as described in Section 1(m), and any additional or ancillary alterations to the Property that are required as the result of or in connection with any alterations made by Tenant ("**Tenant's Work**")

11. **MAINTENANCE AND REPAIRS.** Tenant shall at its cost and expense, repair and maintain the Premises (except the portion of the Premises to be maintained by Landlord as hereinafter provided), including, but not limited to, the grease trap used by Tenant, if any, all service equipment servicing the Premises (including, without limitation, all heating, electrical and air conditioning equipment, all plumbing except the main line servicing the building in which the Premises are located, pipes, sewer line within the Premises, wiring, conduit and sprinkler systems, if any), plate glass, show windows, show cases and all other improvements comprising a part of the Premises in good, neat, clean and sanitary condition and repair at all times, free from waste or debris, and Tenant shall promptly make all replacements, repairs and alterations thereto, ordinary or extraordinary, except such as may be required by reason of condemnation or damage by fire or casualty, provided that Tenant shall repair at its cost, all damage to the Premises and the building within which the same are located, caused by its criminal or negligent act, except to the extent insurance proceeds are received by Landlord in compensation therefor. Except as specifically provided in Section 13 (Fire or Other Casualty), Section 14 (Eminent Domain) and as otherwise provided in this Section 11, Landlord shall not be obligated to repair, replace, maintain or alter the Premises or the buildings or improvements within which the same are located, and Tenant waives all laws in contravention thereof. With regard to repairs, Tenant expressly waives any right pursuant to any law now existing, or which may be effective during the term hereof, to make repairs at Landlord's expense. Tenant shall, at Tenant's expense, make all alterations, repairs, additions and changes, in or to the Premises required by law or governmental regulation or rule. Tenant shall not place any rubbish or other matter outside any building within the Shopping Center, except in such containers as are authorized from time to time by Landlord. Tenant shall promptly sweep and clean the sidewalk adjacent to the Premises, as needed.

(a) Subject to the foregoing provisions hereof, Landlord shall keep, repair and maintain in good and tenable condition the capital improvements (the "**Capital Improvements**") including the roof

(including replacement thereof) and the exterior walls and the structural parts of the Premises, which include only structural floor, and mainline pipes and conduits which are used to furnish to the Premises various utilities except to the extent that the same are the obligations of the appropriate public utility company. Tenant shall reimburse Landlord for Tenant's pro rata share of the costs of the Capital Improvements which Landlord incurs in performing its aforesaid obligations, provided such costs are amortized on a straight line basis over the useful life of the capital item being replaced and/or repaired with only the annual amortized costs included in the yearly Common Expenses in determining Tenant's share of such Common Expenses. Said pro rata share shall be determined by multiplying the costs of such repair and maintenance by a fraction, the numerator of which shall be the gross leasable square feet of the Premises and the denominator of which shall be the gross leasable square feet of the building in which the Premises are located. Tenant shall pay its pro rata share of such annual amortized costs and expenses to Landlord within thirty (30) days of receipt of an invoice for the cost of same from Landlord.

(b) Landlord reserves the right, at any time and from time to time throughout the Lease Term, to let or make an agreement or contract for the maintenance of the heating, ventilating and air conditioning apparatus serving the Premises, in which such event, Tenant shall promptly pay to Landlord, on a monthly basis, or as required by Landlord, Tenant's share of the cost of such maintenance contract, which share shall be apportioned according to the floor area of the Premises as it relates to the total floor area of the building or building which are included within the said maintenance contract or agreement.

(c) If Tenant refuses, neglects or fails to repair properly as required hereunder and to the reasonable satisfaction of Landlord as soon as reasonably possible after written demand, Landlord may make such repairs, without liability to Tenant for any loss or damage that may accrue to Tenant's merchandise, fixtures, or other property or to Tenant's business by reason thereof, and upon completion thereof, Tenant shall pay, upon demand, Landlord's costs in making such repairs plus an amount equal five percent (5%) of such cost for Landlord's overhead.

12. MECHANICS' LIENS.

(a) Tenant shall pay or cause to be paid all costs and charges for work done by it or caused to be done by it in or to the Premises and for all materials furnished for or in connection with such work. Tenant hereby indemnifies and agrees to hold Landlord, the Premises and the Shopping Center free, clear and harmless of and from on account of such work. If any lien is filed against the Premises or the Shopping Center, Tenant shall cause the lien to be discharged of record within twenty (20) days after the filing of the lien by payment, posting of a statutory surety bond with the appropriate court or otherwise. If a final judgment establishing the validity or existence of a lien for any amount is entered, Tenant shall pay and satisfy the same at once. If Tenant fails to pay any charge for which a mechanics' lien has been filed and the lien is not discharged of record as described above, Landlord, at its option, may pay such charge and related costs and interest, and the amount paid by Landlord, together with reasonable attorneys' fees incurred in connection therewith, shall be immediately due from Tenant to Landlord. Nothing contained in this Lease shall be deemed the consent or agreement of Landlord to subject Landlord's interest in the Shopping Center to liability under any mechanics' or other lien law. On the contrary (and notice is hereby given), the right and power to charge any such lien or encumbrance of any kind against Landlord or its estate is hereby expressly denied.

(b) At least fifteen (15) days prior to commencement of any work, including repairs and Alterations, in or to the Premises Tenant shall give written notice to Landlord of the proposed work and the names and addresses of the persons supplying labor and materials therefor so that Landlord may avail itself to the provisions of statutes such as Section 38-22-105(2) of Colorado Revised Statutes, as amended. During and prior to any such work on the Premises, Landlord and its agents shall have the right to go upon the Premises and to post and keep posted thereon notices such as those provided for in Section 38-22-105(2) or to take any further action that Landlord may deem to be proper for the protection of Landlord's interest in the Premises.

13. FIRE OR OTHER CASUALTY.

(a) If the building in which the Premises is located or the Premises shall be damaged by fire or casualty but are not thereby rendered untenable in whole or in part, Landlord shall have the option to cause such damage to be repaired from the insurance proceeds paid pursuant to such damage, and the rent shall not be abated. If by reason of such occurrence or occurrences the building in which the Premises is located or the Premises shall be rendered untenable either in whole or in part, Landlord likewise shall have the option to cause the damage to be repaired, in which case the fixed minimum rent provided hereunder shall be abated proportionately as to the portion of the Premises rendered untenable; provided, however, there shall be no such abatement in the event that such damage was caused by the negligence or omission of Tenant, its agents or employees. Landlord may however, in any of the above events and at its election, terminate this Lease by giving Tenant written notice of Landlord's election within sixty (60) days following the date of the occurrence, and in such event the Lease shall terminate on the date of such notice and rent shall be prorated as of the date of such notice. In no event shall Landlord be liable to make repairs costing in excess of the insurance proceeds paid to Landlord as a result of the damage or destruction. In the event Landlord elects to terminate this Lease pursuant to this Section 13 Landlord shall pay to Tenant no later than thirty (30) days after the termination of this Lease Tenant's then unamortized costs of Tenant's Work, excluding any lost profits ("**Tenant's Termination Costs**").

14. EMINENT DOMAIN. If so much of the Shopping Center or the parking field in the common area as renders the Premises untenable is taken by right of eminent domain or by condemnation or conveyed in lieu of any such taking (each and all of which are hereinafter referred to as a "**taking**"), then at the option of either party exercised by written notice to the other given no later than thirty (30) days after the surrender of possession to the condemning authority, this Lease shall cease and terminate and Rent shall be properly apportioned to the date of the taking. If so much of the Shopping Center is taken (whether or not the Premises are affected) that, in the sole and absolute discretion of Landlord, it is not feasible or in Landlord's best interest to restore or rebuild the same, Landlord shall have the right to terminate this Lease by written notice to Tenant given no later than thirty (30) days after the surrender of possession to the condemning authority. Upon any termination of this Lease pursuant to this Section 14, Tenant shall surrender the Premises and all interest therein under this Lease and Landlord may reenter and take possession of the Premises and remove tenant therefrom. Tenant shall pay Rent prorated through the effective date of such termination and Landlord and Tenant shall be free and discharged from all obligations hereunder arising after the effective date of termination except those obligations expressly stated in this Lease to survive termination of this Lease. All compensation awarded or received for any taking of the whole or part of the Premises or the Shopping Center or otherwise shall be the property of Landlord regardless of whether such compensation is awarded or received as compensation for diminution in the value of the leasehold or for the fee of the Shopping Center or the Premises or otherwise. Tenant hereby assigns to Landlord all of Tenant's right, title and interest in and to any and all of such compensation. Notwithstanding anything to the contrary stated in this Section 14, Tenant shall have the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of damages to Tenant's business by reason of the condemnation and for or on account of any cost or loss incurred by Tenant in connection with removal of Tenant's merchandise, furniture and other personal property, fixtures, and equipment or for the interruption of or damage to Tenant's business, so long as such recovery does not diminish Landlord's award.

15. ASSIGNMENT AND SUBLETTING.

(a) Tenant shall not voluntarily, by operation of law or otherwise assign, convey, mortgage, hypothecate, encumber or otherwise transfer this Lease or any interest herein or sublet all or any part of the Premises or suffer or permit the Premises or any part hereof to be used by others (any and all of which hereinafter shall be referred to as a "**transfer**") without the prior written consent of Landlord in each instance, which consent Landlord may withhold in its sole and absolute discretion. Any attempted transfer without Landlord's prior written consent shall be void and shall confer no rights upon any third person.

Landlord agrees that it will not unreasonably withhold its consent to any proposed sublease or assignment (but not any other form of transfer) on the conditions that:

Premises;

- (i) The space affected by such sublease or assignment is not less than the entire
- (ii) Tenant is not in default under this Lease;
- (iii) Prior to any transfer Tenant pays Landlord the amount of any excess of the actual amount of Tenant's Share of Common Expenses, Tenant's Share of Taxes and Tenant's Share of Insurance Costs over the estimated amount previously paid by Tenant for any partial calendar year in which such transfer occurs in accordance with any statement provided by Landlord, at Landlord's option, under Section 5(c) above;

- (iv) The financial status and creditworthiness of the proposed transferee is satisfactory to Landlord. In considering the financial suitability of any proposed transferee, Landlord shall be entitled to disregard the continuing primary liability of Tenant under this Lease; and

- (v) The proposed transferee:

- (A) is of good reputation and is a suitable tenant for a first-class shopping center and is not a governmental or quasi-governmental board, department or agency, or any corporation or other entity partly or wholly owned thereby or affiliated herewith;
- (B) agrees in writing to perform and observe all of the terms, provisions, covenants and conditions of this Lease and be bound by the provisions hereof and makes to Landlord the express written covenants, representations, and warranties described in this Lease;
- (C) shall have no right to assign its sublease or further sublet the Premises;
- (D) and the proposed tenant's use of the Premises, the Shopping Center and the Property (including use by its customers and invitees) will not burden or be more detrimental than Tenant or Tenant's use (in density and frequency of use and otherwise) to the Shopping Center, the Premises, the Property or the common areas of the Party;
- (E) will not use the Premises in a manner that materially competes with any other tenant in the Shopping Center as determined in the sole discretion of the Landlord;
- (F) has experience and background acceptable to Landlord in the business the subtenant intends to conduct on the Premises, such business is not in competition with the business of any other tenant in the Property and the character of the proposed transferee business is reasonably acceptable to Landlord and the Premises and in keeping with the character, standing and quality of the Property; and
- (G) agrees in writing to be bound by the provisions of any Exhibits and Riders (if any) attached hereto and makes to Landlord the express written covenants, representations and warranties described in any such Exhibits and Riders.

(b) If Tenant proposes to sublet the Premises or assign this Lease, Tenant shall first make a written request to Landlord for consent to such sublease or assignment and shall submit in writing to Landlord (i) the name of the proposed transferee, (ii) a copy of the proposed sublease or assignment, (iii) a description of the nature of the proposed transferee's business to be conducted in the Premises, and (iv) such financial and

other information concerning the proposed transferee as Landlord may reasonably request. Within five (5) business days after Landlord's receipt of such request and related information, Landlord may, by written notice to Tenant, elect to (A) consent to the proposed transfer subject to any additional terms and conditions Landlord deems necessary, or (B) refuse to consent to the proposed transfer. If Landlord fails to respond in writing to Tenant's request within such five-day period, Landlord shall be deemed to have refused to consent to the proposed transfer. Any request for consent to a transfer and any such transfer shall be made or given only on forms supplied or approved by Landlord and its legal counsel. Tenant shall reimburse Landlord for Landlord's reasonable expenses and any attorneys' fees incurred in connection with the review and documentation of any transfer of the Premises or this Lease for which Landlord's consent is requested, whether or not Landlord's consent is granted.

(c) If any subletting or assignment shall occur with or without Landlord's prior consent, (i) Tenant shall pay to Landlord, as additional rent, any excess rent or other premium on the assignment or sublease (i.e., if the sublease or assignment provides that the subtenant or assignee is to pay any amount in excess of the rent due under this Lease whether such premium be in the form of an increased monthly or annual rental, a lump sum payment in consideration of the sublease or assignment or consideration of any other form), and (ii) Landlord may, after default by Tenant, collect rent from the subtenant or assignee and apply the net amount collected to the rent reserved in this Lease. No such sublease, assignment or collection and no payment or collection of any additional rent pursuant to this Section shall be deemed a waiver of the provisions of this Lease, or the acceptance of the subtenant as the tenant thereof or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant contained in this Lease. Unless Landlord specifically agrees in writing, the consent by Landlord to a sublease or assignment shall not relieve Tenant from primary liability under this Lease (which shall be joint and several with any subtenants or assignees) or from the obligation to obtain the express consent in writing of Landlord to any further transfer of the Premises or this Lease. In no event shall Landlord's enforcement of any provision of this Lease against any transferee of Tenant be deemed a waiver of Landlord's right to enforce any provision of this Lease against Tenant or any other person.

In the event Landlord's withholding of consent is found to be unreasonable by any court of competent jurisdiction, Tenant's sole remedy shall be to have the proposed assignment or subletting declared valid as if Landlord's consent had been given.

If Tenant is a corporation, and if at any time during the Lease Term any part or all of the corporate shares of Tenant shall be transferred by sale, assignment, operation of law or other disposition (except where shares are transferred on death by bequest or inheritance) so as to result in a change in the present effective voting control of Tenant by the person owning a majority of said corporate shares on the date of this Lease, Tenant shall promptly notify Landlord in writing of such change, and such change shall, if not previously consented to in writing by Landlord, which consent shall not be unreasonably withheld, be deemed an assignment without consent of Landlord in violation of Section 15(a).

Any assignment or sublease in violation of this Lease shall, at the option of the Landlord, be voidable. Tenant and its successors and assigns further jointly and severally agree to reimburse Landlord for all reasonable expenses incurred with respect to any such assignment or subletting, such expense in no event to be less than five hundred and 00/100 dollars (\$500.00).

16. **INSURANCE .**

(a) During the Term, Tenant, at Tenant's expense, shall carry with an insurance company and in form and substance satisfactory to Landlord (i) comprehensive general liability insurance, including contractual liability insurance covering this Lease, insuring both Landlord and Tenant with respect to the Premises with a combined single limit for bodily injury, death and property damages of not less than \$1,000,000, (ii) fire and extended coverage insurance (including vandalism and malicious mischief naming Tenant and Landlord as their interests may appear and covering all of Tenant's improvements, fixtures, equipment, inventory and other property in the Premises in an amount not less than 90% of the full replacement cost thereof

and (iii) obtain and maintain liquor liability insurance with single limit coverage for personal and bodily injury and property damage of at least \$2,000,000 for each occurrence naming the Landlord as an additional insured. Certificates of insurance and endorsements naming Landlord as an additional insured or as its interest may appear, as applicable, shall be delivered to Landlord prior to Tenant's occupancy of the Premises and thereafter at least thirty (30) days prior to the expiration of each such policy. All such insurance policies shall contain an agreement by the insurer to give Landlord not less than thirty (30) days prior written notice of any changes and/or the intention of the insurer to cancel such policies.

(b) Landlord and Tenant each hereby waive any and all rights to recover against the other, its officers, directors, agents, employees and representatives for any loss or damage to the property of such waiving party arising from any cause or type of peril covered by any insurance carried by such party under this Lease or covered by any other insurance actually carried by such party. Landlord and Tenant shall cause their respective insurers to issue appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with the Premises and any personal property located thereon.

(c) Any insurance which Tenant is required to provide and maintain may be effected by a policy of blanket insurance covering additional items or locations or insured; provided, however, that (i) Landlord shall be named as an additional insured and/or loss payee thereunder as its interest may appear; (ii) the coverage afforded Landlord will not be reduced or diminished by reason of the use of such blanket policy of insurance; and (iii) the requirements set forth in this Section 16 are otherwise satisfied.

17. INJURY OR DAMAGE.

(a) Except for claims arising solely out of the willful or gross negligent act of Landlord, its agents, or employees, Tenant covenants and agrees not to hold or attempt to hold Landlord, its agents or employees liable for any injury or damage occurring through or caused by any repairs, alterations, injury or accidents in or to the Premises, common areas, adjacent premises or other parts of the Property not herein demised, whether by reason of the negligence or default of another tenant or any other person or otherwise or to hold or attempt to hold Landlord, its agents or employees liable for any injury or damage occasioned by gas, smoke, rain, snow, wind, ice, hail, water however occasioned, lightning, earthquake, war, civil disorder, strike, defective electric wiring or the breaking or stoppage of the plumbing or sewerage upon or in the Premises, the Property or adjacent premises, whether the breaking or stoppage results from freezing or otherwise. All property kept, stored or in the premises shall be at the sole risk of Tenant.

(b) Landlord shall not be liable to Tenant or any other person for any damages or injury to person or property, including without limitation damages for injury to or loss of Tenant's business, resulting from interruption, curtailment or cessation of any utility service, air conditioning, heat, snow removal or parking unless caused by the willful and wanton misconduct of Landlord, its agents or employees nor shall the same entitle Tenant to any abatement of Rent or be deemed an eviction of Tenant in whole or in part.

18. INDEMNITY. Tenant covenants and agrees to defend, indemnify and save Landlord, its agents, beneficiaries and employees and the Heatherridge Shoppette, LLC in its individual capacity and its partners and their respective partners, parent, affiliates and subsidiaries and their respective officers, directors, shareholders, trustees, agents, and employees (all of such entities and persons being referred to herein individually as "**Indemnified Person**" and collectively as the "**Indemnified Parties**") harmless from all injury, loss, damage and liability (including, without limitation, attorneys' fees and disbursements) for personal injury or property damage arising from, related to or in connection with the use or occupancy of the Premises or Tenant's use of the Property except for claims arising solely out of the willful negligent act of Landlord, its agents or employees.

19. COMPLIANCE WITH LAWS, INSURANCE REQUIREMENTS, AND RULES AND REGULATIONS.

(a) Tenant shall not use or occupy, or permit any portion of the Premises to be used or occupied, in violation of any law, ordinance, order, rule, regulation, certificate of occupancy or other governmental requirement or any recorded restriction, or for any activity or in any manner deemed to be hazardous on account of fire or other hazards, or that would in any way violate, suspend, void or increase the rate of fire, liability or any other insurance of any kind at any time carried by Landlord. Any increase in the cost of such insurance attributable to Tenant's activities, property or improvements in the Premises or Tenant's failure to perform and observe its obligations under this Lease shall be payable by Tenant to Landlord on demand. Tenant, at its own expense, shall comply with all laws, ordinances, orders, rules, regulations and other governmental requirements now or hereafter relating to the use, condition or occupancy of the Premises and all rules, orders, regulations and requirements of the board of fire underwriters or any other similar body having jurisdiction over the Shopping Center,

(b) Tenant, its employees and customers shall abide by reasonable rules and regulations promulgated from time to time by Landlord for the Property.

20. SALES AND WITHHOLDING TAX REPORTING.

(a) Tenant shall timely pay all federal, state and local taxes applicable to Tenant and Tenant's business before the same are delinquent, including without limitation, all income taxes, withholding taxes for employees, and state and local sales and use taxes.

(b) Pursuant to Colorado Revised Statute §39-26-117(1)(b) and §39-26-205(3), as amended from time to time, the Premises, any other part of the Property used by Tenant, and all of the business fixtures, alterations, installations, additions and improvements made to or installed in the Premises (whether constructed by, for or at the expense of Landlord or Tenant), and any equipment owned by Landlord and used by Tenant, all of which are, and shall be deemed to be, property owned by Landlord and all of which Landlord hereby leases to Tenant, shall be exempt from any lien for sales and use taxes otherwise imposed by the taxing authorities of the State of Colorado. Pursuant to Colorado Revised Statute §39-22-604(7)(c), as amended from time to time, the Premises, any other part of the Property used by Tenant, and all of the business fixtures, alterations, installations, additions and improvements made to or installed in the Premises (whether constructed by, for or at the expense of Landlord or Tenant), and any equipment owned by Landlord and used by Tenant, all of which are, and shall be deemed to be, property owned by Landlord and all of which Landlord hereby leases to Tenant, shall be exempt from any lien for withholding taxes otherwise imposed by the taxing authorities of the State of Colorado. In furtherance of obtaining such exemptions from the date of execution of this Lease, upon execution of this Lease, Landlord and Tenant shall execute a memorandum of this Lease for filing with the Colorado Department of Revenue, such memorandum to be in the form as may be prescribed by the Department of Revenue.

21. SECURITY INTEREST. (a) Subject to any Tenant's lender's lien or security interest in and to Tenant's furniture, fixtures, personal property and equipment, Tenant hereby assigns, conveys, transfers and pledges to Landlord, and grants Landlord a security interest in, all of Tenant's other property of any kind or nature, now or hereafter acquired located on or used in connection with the Premises, and any and all proceeds and replacements of, substitutions for and additions to, the foregoing as security for Tenant's timely payment of Rent and all other amounts payable under this Lease and for the performance by Tenant of all of Tenant's other obligations hereunder. It is the intent of the parties hereto that this provision shall be currently effective as a security agreement without the necessity of any other action by Landlord or Tenant and Tenant agrees to execute any and all documents necessary to perfect such security interest, including financing statement forms. Subject to any Tenant's lender's lien or security interest in and to Tenant's furniture, fixtures, personal property and equipment, in the event of any default under this Lease, the Landlord may, in addition to all other rights of Landlord hereunder, and at law or equity, proceed to foreclose upon such security interest and any lien and to otherwise levy upon same.

Notwithstanding the foregoing, Landlord, within a reasonable time after demand from Tenant, shall execute and deliver any document, required by any bonafide supplier, lessor, or lender, in connection with the installation in the Premises of Tenant's personal property or Tenant's trade fixtures, in which Landlord subordinates to the lien of such supplier, lessor, or lender any rights it may have or acquire with respect to that property, if the said supplier, lessor, or lender agrees in writing that for so long as it possesses any interest therein or claim thereto, it will remove that property from the Premises within fifteen (15) days of the expiration, or earlier termination, of the term of this Lease, failing which:

(b) Landlord may store any or all such fixtures and property in such location or locations as Landlord may elect, all at the expense of such supplier, lessor, or lender; provided, however, in the event such supplier, lessor, or lender shall not have paid all moving and storage charges therefore, and secured and delivered to Landlord, an unconditional release of Landlord from and against any charges in connection therewith, within forty-five (45) days subsequent to the date of any such storage, such fixtures and property, free and clear of the claim or lien of any such supplier, lessor, or lender, or tenant, shall at the option of Landlord, be and become, without further notice, the sole property of Landlord.

(c) Upon request of Landlord, and subject to the rights of Tenant's lender, if any, at any time before such property is removed, Landlord may purchase said property and equipment at the fair market value thereof (as-is, in place and location) and receive such necessary evidence to clear and absolute title thereto as Landlord may request.

22. END OF TERM Before the expiration or other termination of the Term Tenant shall promptly quit and surrender the Premises to Landlord, broom-clean, in good order and condition, ordinary wear excepted. If Tenant is not then in default hereunder, Tenant shall remove such improvements, trade fixtures, equipment and furniture as Landlord requests. Tenant shall fully repair any damage caused by the removal of any trade fixtures, equipment, furniture and improvements. All trade fixtures, equipment, furniture, inventory and improvements not removed by Tenant shall, subject to the rights of Tenant's lender, if any, be deemed conclusively to have been abandoned and may be appropriated, sold, stored, destroyed or otherwise disposed of by Landlord without notice to Tenant or any other person and without obligation to account therefor and Tenant shall pay Landlord all expenses incurred in connection with such property, including but not limited to, the cost of repairing any damage to the Shopping Center or the Premises caused by removal of such property. Tenant's obligation to observe and perform this covenant shall survive the expiration or other termination of this Lease.

23. HOLDOVER. If Tenant or anyone claiming under Tenant holds over in the Premises after the end of the Term without the express written consent of Landlord, Tenant shall be deemed to be illegally retaining possession and shall pay Landlord monthly during the entire holdover period, as liquidated damages for loss of use of the Premises, an amount equal to 150% of the Rent payable immediately prior to the end of the Term. No such holding over and no acceptance by Landlord of payments of liquidated damages as provided in this Section 23 shall be construed to extend this Lease or to constitute Tenant a tenant of the Premises on any basis whatsoever.

24. SUBORDINATION AND ATTORNMENT. This Lease, including the covenant of quiet enjoyment, is and shall be subject and subordinate to all ground and underlying leases, all mortgages, deeds of trust or other encumbrances and any and all conditions, renewals, extensions, modifications, consolidations and replacements of any or all of the foregoing, now or hereafter affecting such leases or all or any portion of the Shopping Center (except to the extent any such instrument shall expressly provide that this Lease is superior thereto). This clause shall be self-operative and no further instrument of subordination shall be required in order to effectuate it. Nevertheless, Tenant shall promptly execute and deliver any certificate or other assurance in confirmation of such subordination requested by any lessor, mortgagee or by Landlord provided Tenant receives a non-disturbance agreement from such mortgagee. In the event any proceedings are brought for default under any ground or underlying lease or for the foreclosure of any mortgage, deed of trust or other encumbrance to which this Lease is subject and subordinate, Tenant, upon request of the party succeeding to the interest of Landlord as a result of such proceedings, shall automatically attorn to and become the tenant of

such successor in interest without change in the terms of this Lease provided Tenant receives a non-disturbance agreement from such mortgagee. Tenant, upon request by and without cost to Landlord or such successor in interest, shall execute and deliver any instruments confirming such attornment.

25. STATEMENT OF PERFORMANCE. Tenant shall deliver to Landlord, from time to time within twenty (20) days after Landlord's request therefor, a statement in recordable form certifying that:

(i) this Lease is in full force and effect;

(ii) this Lease is unmodified or if modified, stating any such modifications;

(iii) there are no defenses or offsets to this Lease by Tenant or stating such defenses or offsets as are claimed by Tenant;

(iv) that the Tenant has accepted and occupied the Leased Premises;

(v) the commencement and expiration dates;

(vi) whether any Renewal Option has been exercised if applicable; and

(vii) to Tenant's knowledge, Landlord is not in default hereunder and no events or conditions then exist which, with the passage of time, the giving of notice or both, would constitute a default on Landlord's part or specifying any such defaults, events or conditions if any are claimed. Such statement shall also specify the date to which Rent has been paid and specify any further information about this Lease or the Premises that Landlord may reasonably request.

Tenant's failure to timely deliver a certificate required under this Section 25 shall be conclusive upon Tenant that this Lease is in full force and effect without modification except as may be represented by Landlord and that there are no uncured defaults in Landlord's performance.

26. DEFAULT. The occurrence or existence of any one or more of the following events or circumstances shall constitute a material default hereunder by Tenant:

(a) Tenant fails to pay within ten (10) days after the date due any Base Rent or additional rent payable hereunder;

(b) Tenant vacates or abandons the Premises;

(c) Tenant fails to perform or observe any provision of this Lease to be performed or observed by Tenant other than subparagraphs (a), (b), (d), (e), (f) or (g) of this Section 26 and such failure continues for ten (10) days after written notice thereof by Landlord to Tenant (or for a period, if any, as may be reasonably required to cure the default if it is of such nature that it cannot be cured within the 10-day period, provided that Tenant commences to remedy the default within such 10-day period and proceeds with reasonable diligence thereafter to cure the default);

(d) Any representation or warranty by Tenant hereunder is or becomes inaccurate, incomplete or misleading in any way;

(e) This Lease or the Premises or any part thereof or any of the assets or property owned or used by Tenant in connection with its use or operation of the Premises is taken or seized upon execution or by other process of law directed against Tenant, or is taken upon or subject to any attachment at the instance of a creditor of or claimant against Tenant, and such attachment is not discharged or disposed of within thirty (30) days after the levy thereof;

(f) Tenant or any guarantor of Tenant's obligations (i) admits in writing its inability to pay its debts generally as they become due, (ii) makes an assignment of all or a substantial part of its property for the benefit of creditors, (iii) applies for, consents to or acquiesces in the appointment of a receiver, trustee or liquidator of Tenant or such guarantor or of all or a substantial part of Tenant's or such guarantor's property or of the Premises or of Tenant's interest in this Lease, or (iv) files a voluntary petition in bankruptcy or a petition or an answer seeking reorganization under any bankruptcy or insolvency law or an arrangement with creditors, or takes advantage of any insolvency law or files an answer admitting the material allegations of a petition filed against Tenant or such guarantor in any bankruptcy, reorganization or insolvency proceedings; or

(g) The entry of a court order, judgment or decree without the application, approval or consent of Tenant or any guarantor of Tenant's obligations hereunder, as the case may be, approving a petition seeking reorganization of Tenant or such guarantor under any bankruptcy or insolvency law or appointing a receiver, trustee or liquidator of Tenant or such guarantor or of all or a substantial part of Tenant's or such guarantor's property or of the Premises or of Tenant's interest in this Lease, or adjudicating Tenant or such guarantor as bankrupt or insolvent, and such order, judgment or decree is not vacated, set aside or dismissed within thirty (30) days from the date of entry.

27. REMEDIES. If Tenant is in default under this Lease as set forth in Section 26, Landlord shall have the following rights and remedies in addition to all other remedies at law or in equity and none of the following, whether or not exercised by Landlord, shall preclude the exercise of any other right or remedy whether herein set forth or existing at law or in equity;

(a) Landlord shall have the right to terminate this Lease by giving Tenant written notice at any time. No act by or on behalf of Landlord, including without limitation any entry on the Premises by Landlord to perform maintenance and repairs or efforts to relet the Premises, except Landlord's written notice of termination to Tenant shall terminate this Lease. If Landlord gives such notice, this Lease, the Term and all right, title and interest of Tenant under this Lease shall wholly cease and expire in the same manner and with the same force and effect (except as to Tenant's liability) on the date specified in the notice as if such date were the expiration date of the Term without the necessity of reentry or any other act on Landlord's part. Tenant hereby waives any requirement for any other act or notice by Landlord. Upon any termination of this Lease Tenant shall quit and surrender the Premises to Landlord as set forth in Section 22. If this Lease is terminated, Tenant shall be and shall remain liable to Landlord for damages as hereinafter provided and Landlord shall be entitled to recover forthwith from Tenant as damages an amount equal to the total of (i) all Rent and other sums accrued and unpaid at the time of termination of this Lease plus interest thereon at the legal rate, and (ii) alternatively, at Landlord's option, either (A) the amount of Rent and all other sums that would have been payable hereunder if this Lease had not been terminated, less the net proceeds, if any, of any reletting of the Premises after deducting all Landlord's expenses in connection with such reletting, or, (B) an amount equal to the present value (discounted at the rate of 8% per annum) of the balance of the Rent and other sums payable for the remainder of the stated Term after the termination days less the present value (discounted at the same rate) of the reasonable rental value of the Premises for such period (taking into account the time likely to be needed to relet the Premises), plus all of Landlord's expenses incurred in reletting (or attempting to relet) the Premises, and (iii) all of Landlord's expenses incurred in repossessing the Premises and all other amounts necessary to compensate Landlord fully for all damage caused by Tenant's default.

(b) Landlord, without demand or notice, may re-enter and take possession of the Premises or any part thereof, repossess the same as of Landlord's former estate, expel Tenant and those claiming through or under Tenant and remove the effects of any and all such persons (forcibly, if necessary) without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of Rent or preceding breach of covenants. If Landlord elects to so re-enter or if Landlord takes possession pursuant to legal proceedings or pursuant to any notice provided for by law, Landlord, from time to time and without terminating this Lease, may relet the Premises or any part thereof for such term or terms, at such rental or rentals and upon such other conditions as Landlord may in its absolute discretion deem advisable, with the right to make alterations and repairs to the Premises. No such reentry, repossession or reletting of the Premises

by Landlord shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of termination is given to Tenant by Landlord. No such reentry, repossession or reletting of the Premises shall relieve Tenant of its liability and obligation under this Lease, all of which shall survive such reentry, repossession or reletting. Upon the occurrence of such reentry or repossession, Landlord shall be entitled to the amount of the monthly Rent and all other sums that would be payable hereunder if such reentry or repossession had not occurred, less the net proceeds, if any, of any reletting of the Premises after deducting all of Landlord's expenses in connection with such reletting. Tenant shall pay such amounts to Landlord on the days on which the Base Rent and other sums due hereunder if possession had not been retaken.

(c) Landlord shall have the right to recover from Tenant the rents and damages provided for above by suit or suits brought from time to time without Landlord being required to wait until the expiration of the Term if this Lease is terminated, the date on which such expiration would have occurred. Landlord may, but shall not be obligated to, cure any default by Tenant under this Lease at any time without notice. All costs and expenses incurred by Landlord in curing a default, including without limitation reasonable attorneys' fees and interest on the amount of costs and expense so incurred at the legal rate, shall be paid by Tenant to Landlord on demand and shall be recoverable as additional rent. No such payment or expenditure by Landlord shall be deemed a waiver of Tenant's default nor shall it affect any other remedy of Landlord by reason of such default. As used in this Lease, the terms "re-enter," "reentry," "take possession," "repossess" and "repossession" are not restricted to their technical legal meaning.

28. DEFAULT NOTICE TO LANDLORD. Should Landlord default in the performance of any of the covenants on the part of Landlord to be kept or performed and such default shall continue for thirty (30) days after written notice to Landlord from Tenant specifying such default, or should any warranty or representation made by Landlord be untrue and remain untrue after thirty (30) days written notice from Tenant specifying such untruth, then, and only in such event, Tenant may terminate this Lease or pursue any remedy available to it under Colorado law. If the default or untruth is of such character so as to require more than thirty (30) days to remedy, the Landlord shall have a reasonable period in which to remedy the same, provided Landlord is proceeding diligently.

29. SIGNS. Landlord hereby approves Tenant's standard signage, including colors and logos, on the façade of the Premises, which shall be the maximum allowable signage on the façade(s) of the demised Premises as permitted by applicable law. Subject to governmental approval, minimum letter height shall be 24". Tenant shall also have the right to install its standard signage on any available pylon/monument sign, in which event Tenant shall maintain such signage in such condition as reasonably required by the Landlord and the Tenant shall be solely liable for such maintenance. Tenant shall be permitted to install a "coming soon" banner 30 days prior to Tenant opening for business and a "grand opening" sign for 30 days after opening for business. Landlord's standard signage exhibit is attached hereto as Rider 3. Except as otherwise set forth in this Section 29, Tenant shall place no signs, posters, advertisements or similar items in or on the windows, window display areas, doors or exterior of the Premises or upon the exterior of the Shopping Center or anywhere in the Property, without Landlord's prior written consent, which consent shall not be reasonably withheld, conditioned or delayed.

30. UTILITIES. Landlord shall pay directly the service charges for the supply of water and sewer to or for the Premises, which charges shall be Common Expenses under Section 5(b). Tenant shall pay the service charges for the supply of all other utilities or services to or for the Premises, including but not limited to electric power, telephone service, cleaning service and trash removal. Notwithstanding Landlord's payment of certain utility service charges, Landlord shall be in no way responsible for damages arising from the non-supply of utility services, nor shall Landlord be responsible to Tenant for any loss of property in or from the Premises or for any damage done to furniture or effects therein, however occurring, unless the damages or loss resulted from the willful or wanton acts of Landlord. Landlord reserves the privilege of stopping the supply of heat, water, sewer or electric service at such times as may be necessary for reason of accident, repairs, alterations or improvements desirable or necessary to be made until such time as the repairs, alterations or improvements have been completed.

In the making of repairs, alterations or improvements, Landlord shall use reasonable efforts to minimize any inconvenience to Tenant in its use of the Premises. Any such stoppage of utility services by Landlord or any stoppage of utility services by reason of invasion, insurrection, riots, order of any military, civil or governmental authority or for any other reason beyond the control of Landlord shall not constitute an eviction of Tenant in whole or in part or entitle Tenant to any abatement of Rent or to damages.

31. PARKING. Tenant may reserve and place signage for Tenant's exclusive use of one (1) parking space directly in front of Tenant's space ("Tenant's Parking Space") and shall have the nonexclusive right to use the remaining parking areas adjacent to the Shopping Center that shall be for customers of the businesses located at the Shopping Center. Except for the Tenant's Parking Space, Landlord shall have the right, without obligation and from time to time, to change the number, sizes, locations, shapes and arrangements of parking areas, restrict parking of tenants or their guests to designated areas, designate loading or handicapped parking areas, change the level or grade of parking surfaces and do and perform such other acts in and to such areas as Landlord, in its sole discretion, deems advisable. Tenant, its employees and customers shall park only within areas designated from time to time by Landlord.

32. LANDLORD'S INABILITY TO PERFORM. This Lease and Tenant's obligations hereunder shall not be affected or excused because of Landlord's delay or failure to perform or comply with any of Landlord's obligations hereunder for reasons beyond the reasonable control of Landlord, including without limitation strikes or other labor difficulties, inability to obtain necessary governmental approvals, unavailability of materials, war, riot, civil insurrection or governmental preemption in connection with a national emergency. In addition, Landlord shall not be deemed to be in default in the performance of any of its obligations unless and until it has failed to perform such obligation within thirty (30) days after receiving written notice from Tenant specifying Landlord's failure to perform. If the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be deemed to be in default if it commences performance within such 30-day period and thereafter diligently prosecutes the same to completion.

33. PAYMENTS AFTER TERMINATION. No payments of money by Tenant to Landlord after the termination of this Lease in any manner or after the giving of any notice (other than a demand for payment of money) by Landlord to Tenant shall reinstate, continue or extend the term of this Lease or make ineffective any notice given to Tenant prior to such payment. After any one of service of notice, the commencement of a suit or final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums of Rent due and any other sums due under the terms of this Lease and the payment of such sums (whether as Rent or otherwise) shall not make ineffective any notice or in any manner affect any pending suit or judgment theretofore obtained.

34. NO IMPLIED SURRENDER OR WAIVER. No provision of this Lease shall be deemed to have been waived by Landlord unless such waiver is in writing signed by Landlord. The failure of Landlord to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Lease or any rules and regulations shall not prevent a subsequent act that constitutes a violation from having all the force and effect of violation. The receipt by Landlord of Rent with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. No act or thing done by Landlord or Landlord's agents during the Term shall be deemed an acceptance of a surrender of the Premises and no agreement to accept surrender of the Premises shall be valid unless in writing signed by Landlord. Time is of the essence hereof.

35. NO REPRESENTATIONS BY LANDLORD. Tenant acknowledges and agrees that it has not relied upon any statements, representations, warranties, agreements or promises with respect to this Lease, the Premises or the Shopping Center except as expressly stated herein. Without in any way limiting the generality of the foregoing, Tenant agrees that Landlord and Landlord's agents have made

no representations, warranties, agreements or promises with respect to the exact size of the Premises or the Shopping Center or any other tenants or types of tenants in the Shopping Center.

36. NOTICE AND BILLS. Any bill, statement, notice or demand that Landlord may desire or be required to give to Tenant shall be in writing and shall be deemed sufficiently given or rendered if delivered personally to Tenant or sent by overnight courier such as Federal Express or by certified or registered United States mail, postage prepaid, addressed to Tenant at Tenant's Address. Any such notice or demand shall be deemed to have been given at the time when it is personally delivered or mailed. Any notice or demand by Tenant to Landlord shall be in writing and must be served by certified or registered United States mail, postage prepaid, addressed to Landlord at Landlord's Address or delivered by overnight courier. Either party shall have the right to change its address for notice by giving notice as provided above.

37. LANDLORD DEFINED. The term "Landlord" as used in this Lease with regard to covenants or obligations on the part of Landlord shall be limited to mean and include only the owner or future owners of the Shopping Center at the time in question. If title to the Shopping Center is transferred, Landlord named herein (and in the case of any subsequent transfers or conveyances the then grantor) shall be automatically freed and relieved from and after the date of such transfer or conveyance from all liability for the performance of any covenants or obligations on the part of Landlord contained in this Lease to be performed after the transfer or conveyance, provided, however, that any funds in the hands of Landlord (or the then grantor) at the time of such transfer in which Tenant has an interest shall be delivered to the grantee and any amount then due and payable to Tenant by Landlord (or the then grantor) under any provisions of this Lease shall be paid to Tenant.

38. NO RECORDING. Tenant shall not file or record this Lease or any evidence thereof, or any document evidencing a transfer (as defined in Section 15) of this Lease or the Premises, in any real property records, Uniform Commercial Code records or in any other place where such documents may otherwise be filed or recorded. However, within ten (10) days after requested to do so by Landlord, Tenant shall execute a short form Memorandum of Lease in recordable form, which, at Landlord's option, may be recorded.

39. MISCELLANEOUS.

(a) Landlord shall not have the right to relocate Tenant.

(b) Other than for Landlord's or its agents or employees, gross negligent or willful acts, Landlord shall not be liable for any damage to property of Tenant or of others located on the Premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise. Landlord shall not be liable for any injury or damage to persons or property resulting from fire, explosion, fallen plaster, steam, gas, electricity, water, rain or leaks from any part of the Leased Premises or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatsoever nature. Landlord shall not be liable for any such damage caused by other tenants or persons in the Premises, occupants or adjacent property, of the Shopping Center, or the public, or caused by operations in construction of any private, public or quasi-public work. Landlord shall not be liable for any latent defect in the Premises or in the building of which they form a part. All property of Tenant kept or stored on the Premises shall be so kept or stored at the risk of Tenant.

(c) Landlord expressly reserves all rights in and with respect to the Premises not inconsistent with Tenant's use thereof as in this Lease provided, including (without in anyway limiting the generality of the foregoing) the rights of Landlord to establish Common Facilities and grant easements to others (even before the establishment of Common Facilities) including, without limitation, easements for the purpose of installing, using, maintaining, renewing and replacing such overhead or underground water, gas, sewer and other pipe lines, and telephone, electric, and power lines, cables and conduits as Landlord may deem desirable in connection with the development or use of any other property in the neighborhood of the Premises, whether

owned by Landlord or not, all of which pipelines, lines and conduits shall be buried to a sufficient depth or raised to a sufficient height so as not to interfere with the use or stability of the building, or any other improvements, within which the Premises are located.

(d) Anything in this Lease to the contrary notwithstanding, Tenant agrees that it shall look solely to the estate and property of the Landlord in the land and buildings comprising the Shopping Center and/or building within which the Premises are located, and subject to prior rights of any mortgagee of the Premises, for the collection, satisfaction or enforcement of any judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms, covenants and conditions of this Lease to be observed and/or performed by Landlord, and no other assets of the Landlord shall be subject to levy, execution or other procedures for the satisfaction of Tenant's remedies.

(e) If any provision of this Lease is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of this Lease shall not be affected thereby. In lieu of each provision of this Lease that is determined to be illegal, invalid or unenforceable there shall be added as a part of this Lease a provision that is legal, valid and enforceable as similar in terms as possible to such illegal, invalid or unenforceable provision.

(f) This Lease and all Exhibits and Riders, if any, attached hereto and by this reference incorporated herein constitute the entire agreement between the parties hereto and supersede all prior and contemporaneous agreements, representations and understandings of the parties, both written and oral, regarding the subject matter of this Lease. Except as herein otherwise provided, no amendment or modification of this Lease shall be valid or binding unless expressed in writing and signed by the party or parties to be bound thereby. In the event of any inconsistency between the provisions of Sections 1 through 40 of this Lease and the Exhibits and Riders, if any, attached hereto, the provisions of the Exhibits and Riders, if any, shall control.

(g) The covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Landlord and Tenant and their respective heirs, distributees, executors, administrators, successors, and permitted assigns. If there is more than one entity or person which or who are the Tenant under this Lease, the obligations imposed upon Tenant under this Lease shall be joint and several.

(h) In the event of any litigation or other action between Tenant and Landlord to enforce any provision of this Lease or otherwise with respect to the subject matter hereof, the unsuccessful party in such litigation or other action shall pay to the successful party all reasonable costs and expenses, including reasonable attorneys' fees, incurred therein by the successful party.

(i) The language in all parts of this Lease shall be construed according to its fair meaning and not strictly for or against Landlord or Tenant. The caption of each Section is added as a matter of convenience only and shall be considered of no effect in the construction of any provision of this Lease.

(j) Landlord shall have the right to name the Shopping Center and the Property and from time to time to change the name, number or designation of the Shopping Center and the Property.

(k) This Lease shall be governed by and interpreted exclusively in accordance with the laws of the State of Colorado and the state of Colorado shall have exclusive jurisdiction regarding any litigation concerning this Lease.

(l) The submission of this Lease by Landlord, its agent or representative for examination or execution by Tenant does not constitute an option or offer to lease the Premises or a reservation of the Premises in favor of Tenant. This Lease shall become effective only upon the execution hereof by Landlord and delivery of a fully executed counterpart hereof to Tenant, or if executed by Landlord at the time of delivery to Tenant,

only upon the execution hereof by Tenant and delivery of a fully executed counterpart hereof to Landlord on or before three (3) business days after the date first written above.

(m) This Lease shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being recognized that both Landlord and Tenant have contributed substantially and materially to the preparation of this Lease.

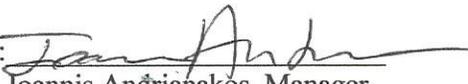
(n) This Lease may be signed in counterparts, all of which taken together may be considered a single instrument. Facsimile, electronic and "signed and scanned" signatures shall be deemed original signatures.

40. CONFIDENTIALITY. As a material term of this Lease, the Tenant shall not orally or in writing disclose any of the terms or conditions of this Lease to any third party except Tenant's attorney(s) or accountant, bankers or lenders without the prior written consent of the Landlord, it being agreed by the Tenant that this Lease and the terms and conditions of the Lease are confidential. Also, Landlord recognizes and acknowledges that Tenant's financials are confidential and proprietary. Landlord shall maintain the confidentiality of Tenant's financials and will not, without the prior written consent of Tenant, be disclosed in any manner whatsoever, in whole or in part, to any third party.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease, the corporate party or parties by its or their proper officers duly authorized hereunto.

LANDLORD:

Heatherridge Shoppette, LLC

By: 
Ioannis Andrianakos, Manager

TENANT:

MAX Hookah

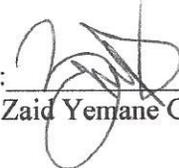
By: 
Zaid Yemane Gessese

EXHIBIT A

BASE RENT AND OPTIONS

(Attached to and forming a part of
Retail Lease for Shopping Center)

BASE RENT

The Base Rent for the first calendar year of February 1, 2024 through January 31, 2025 shall be One Thousand six hundred dollars (\$1,600) per month shall increase by two percent (2%) per calendar year. In addition to the Base Rent, the Tenant shall pay its pro-rata share of Common Expenses ("CAM"), Insurance and taxes monthly as set forth in Section 1(j) and Section 5 of the Lease.

OPTION

So long as the Tenant has not been in default under the terms and conditions of this Lease, Tenant shall have one (1) option to extend the Term of this Lease upon the same terms, covenants and conditions of this Lease for an additional five (5) years (the "Option Term") with a written notice to Landlord at least ninety (90) days prior to the expiration of the initial Term of the Lease. The annual Base Rent shall increase two percent (2%) per year, payable monthly, during the Option Term plus the payment of the Tenant's prorated CAM, insurance and taxes.

EXHIBIT B

LEASE GUARANTY

GUARANTY OF LEASE

THIS GUARANTY, made made effective as of February 1, 2023 by Zaid Yemane Gessese (hereinafter the "**Guarantor**"), to and for the benefit of Nubian Unity Foundation, a Colorado corporation and any successor of the Lease more particularly referred to below (hereinafter collectively referred to as the "**Landlord**").

1.00 RECITALS

1.01 *Lease.* Nubian Unity Foundation (hereinafter referred to as the "**Tenant**") has proposed to lease from the Landlord certain real property located at 13690 East Iliff Avenue, Unit C, Aurora, Colorado 80014.(hereinafter referred to as the "**Leased Premises**") to be evidenced by a lease (hereinafter referred to as the "**Lease**") of even date herewith.

1.02 *Inducement for Guaranty.* The Guarantor is a principal of the Tenant and the Landlord is unwilling to lease the Leased Premises unless Guarantor guarantees payment of the Lease and performance by Tenant of each and every term, covenant, condition and agreement contained therein and under any and all other agreements executed by the Tenant to or for the benefit of the Landlord in connection with the Leased Premises on the part of Tenant to be kept, observed or performed (the "**Leased Premises Documents**"). Guarantor desires to give such guaranty in order to induce Landlord to lease the Leased Premises to the Tenant.

2.00 GUARANTY, WAIVER AND CONSENTS

2.01 *Guaranty.* Guarantor unconditionally and absolutely guarantees the due and punctual payment of all payments required to be made by the Tenant pursuant to the Lease, and any other money due or which may become due under the Leased Premises Documents, and the due and punctual performance and observance by Tenant of any other terms, covenants and conditions of the Lease and the Leased Premises Documents on the part of the Tenant to be kept, observed or performed, whether according to the present terms thereof, or pursuant to any extension of time or to any change or changes in the terms, covenants and conditions thereof now or at any time hereafter made or granted.

2.02 *Waiver and Consents.* Guarantor waives, notice, demand for payment or performance, extension of time for payment or performance, notice of acceptance of this Guaranty, and indulgences and notice of every kind, and consents to any and all forbearances and extensions of the time for payment of the Lease or performance under the Lease or Leased Premises Documents, and to any and all changes in the terms, covenants and conditions of the Lease or Leased Premises Documents hereafter made or granted, and to any and all substitutions, exchanges or releases of all or any part of the collateral therefor. It is the intention hereof that Guarantor shall remain liable hereunder until the full payment of all payments due pursuant to the Lease or under the Leased Premises Documents, shall have been fully paid for the original Term of the Lease and any extensions thereof, and the terms, covenants and conditions of the Lease and the Leased Premises Documents shall have been fully kept, observed and performed by Tenant notwithstanding any act, omission or thing which might otherwise operate as a legal or equitable discharge of Guarantor.

3.00 AGREEMENTS AND COVENANTS OF GUARANTOR

3.01 *Enforcement.* This Guaranty may be enforced by Landlord without first resorting to or exhausting any other security or collateral and without first having recourse to the Tenant. Nothing herein contained, however, shall prevent Landlord from suing on the Tenant regarding the Lease, or from exercising any other rights under the Lease or the Leased Premises Documents. Landlord shall not be required to institute or prosecute proceedings to recover any amounts due from Tenant or performance by Tenant as a condition of payment hereunder or enforcement hereof. This shall be considered a primary Guaranty and shall constitute a personal guaranty by the undersigned.

3.02 *Expenses of Enforcement.* In the event this Guaranty is reviewed by an attorney for enforcement, Guarantor will reimburse Landlord for all expenses incurred in connection therewith, including reasonable attorney's fees and court costs, if applicable.

4.00 MISCELLANEOUS

4.01 *Successors and Assigns.* This Guaranty shall inure to the benefit and may be enforced by Landlord, and any subsequent holder of the Lease and shall be binding upon and enforceable against the legal representatives, heirs and assigns of Guarantor.

4.02 *No Alteration of Other Documents.* No provision of this Guaranty shall be construed to alter or amend the Lease or the Leased Premises Documents, or to relieve Tenant of any duties or obligations under the Lease or Leased Premises Documents.

4.03 *Word Meanings.* As used herein the singular shall include the plural, the plural the singular and the use of any gender shall be applicable to all genders.

4.04 *Joint Obligation.* In the event that more than one person or party shall execute this Guaranty as the Guarantor herein, this agreement shall bind all persons and parties jointly and severally.

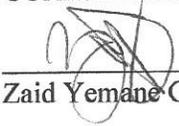
4.05 *Colorado Law; Venue.* This Guaranty and the terms and provisions hereof shall be governed exclusively by and construed according to the laws of the State of Colorado, without regard to principles of conflict of laws. Any suit hereon may be brought and prosecuted in the courts of Arapahoe County, Colorado and the State of Colorado shall have exclusive jurisdiction.

4.06 *Remedies Cumulative.* Guarantor hereby agrees with Landlord that all rights, remedies and recourses afforded to Landlord by reason of this Guaranty, or otherwise, are separate and cumulative and may be pursued separately, successively or concurrently, as occasion therefor shall occur, and are nonexclusive and shall in no way limit or prejudice any other legal or equitable right, remedy or recourse which Landlord may have.

4.07 *Captions.* The captions herein are for reference purposes only.

The Guaranty is executed on the date set forth above.

GUARANTOR:



Zaid Yemane Gessese

RIDER NO. 1
(Attached to and forming a part of
Retail Lease for Shopping Center)

ENVIRONMENTAL MATTERS

1. Environmental Compliance. Tenant (as used herein, the term "Tenant" includes the Tenant and its agents, employees, assignees and successors) shall use the Premises and conduct any operations thereon in compliance with all applicable federal state and local environmental statutes, regulations, ordinances and any permits, approvals or judicial or administrative orders issued thereunder.

2. Environmental Hazards. Tenant covenants that:

(a) it will not take any activity and it will not allow any condition or circumstance to exist on the Premises which would cause or allow:

(i) the Premises to become a hazardous waste treatment, storage or disposal facility within the meaning of, or otherwise cause the Premises to be subject to or in violation of the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. §6901 *et seq.*, or any similar state law or local ordinance;

(ii) a release or threatened release of Hazardous Substances to, from or on the Premises within the meaning of, or otherwise cause the Premises to be subject to or in violation of, the Comprehensive Environmental Response Compensation and Liability Act, as amended ("CERCLA"), 42 U.S.C. §9601 *et. seq.*, or any similar state law or local ordinance or any other environmental law; or

(iii) the discharge of pollutants or effluents into any water source or system, or the discharge into the air of any emissions, which would require a permit under the Federal Water Pollution Control Act ("FWPCA"), 33 U.S.C. §1251 *et seq.*, or the Clean Air Act ("CAA"), 42 U.S.C. §7401 *et seq.*, or any similar state law or local ordinance;

(b) it will not allow any substances or conditions in or on the Premises which may support a claim or cause of action under RCRA, CERCLA, any other federal, state or local environmental statutes, regulations, ordinances or other environmental regulatory requirements or under any common law claim relating to environmental matters, or could result in recover by any governmental or private party of remedial or removal costs, natural resources damages, property damages, damages in personal injuries or other costs, expenses or damages, or could result in injunctive relief arising from any allege injury or threat of injury to health, safety or the environment.

For purposes of this Lease, "Hazardous Substances" shall mean any and all hazardous or toxic substances, hazardous constituents, contaminants, wastes, pollutants or petroleum (including without limitation crude oil or any fraction thereof), including without limitation hazardous or toxic substances, pollutants and/or contaminants as such terms are defined in CERCLA or RCRA; asbestos or material containing asbestos, and PCBs, PCB articles, PCB containers, PCB article containers, PCB equipment, PCB transformers or PCB-contaminated electrical equipment (as such terms are defined in Part 761 of Title 40, Code of Federal Regulations).

3. Clean Up Obligation. If it is discovered that any Hazardous Substances or other materials described in paragraph 2 above have been deposited, released, discharged or otherwise caused or allowed to exist by Tenant's action or its failure to act, on or from the Premises in violation of the provisions of paragraph 2 above, then Tenant agrees within a reasonable time to remove, clean up or take such other remedial action with regard to such substances to correct such violation. Such removal, clean up, or other remedial action shall be in accordance with applicable laws and regulations. Any such remedial action shall be the sole responsibility of Tenant and shall be conducted at Tenant's sole cost and expense. If Tenant fails to commence or diligently pursue such remedial action in Landlord's sole judgment, then after notice to Tenant, Landlord may either

declare an event of default under this Lease and exercise any and all remedies hereunder, or cause the taking of such remedial action as may be required at Tenant's sole cost and expense. Tenant grants to Landlord and its agents and employees access to the Premises and the license to carry out such remedial action.

4. Environmental Notices. Tenant shall give Landlord prompt notice of any of the following occurrences arising with regard to the Premises or Tenant's activities thereon:

(a) any spill, release, threatened release or other occurrence that would constitute a violation of the provisions of paragraphs 1 and 2 above;

(b) the notification of any of the events set forth in paragraph 4(a) to any federal, state or local governmental agency or authority;

(c) any notices, claims or allegations of environmental violations or contamination received from any federal, state or local governmental agency or authority or the filing or commencement of any judicial or administrative proceeding by any such agency; or

(d) the filing or threatened filing of any judicial or administrative proceeding by any private party alleging injury or threat of injury to property, health, safety or the environment.

5. Indemnity.

(a) Tenant hereby agrees to indemnify, defend and hold harmless each Indemnified Person and all of the Indemnified Parties from and against any and all liability, claims, demands, actions and causes of action whatsoever (including without limitation reasonable attorneys' fees and expenses, and costs and expenses reasonably incurred in investigating, preparing or defending against any litigation or claim, action, suit, proceeding or demand of any kind or character) to which any Indemnified Person or Indemnified Parties may be subject insofar as they arise out of or relate to any alleged contamination of the Premises arising from any violation of Tenant's obligations under paragraphs 1 through 4 above.

(b) Those costs, damages, liabilities, losses, claims, expenses (including without limitation attorneys' fees and disbursements) for which the Indemnified Parties are indemnified hereunder shall be reimbursable as incurred without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding, and Tenant shall pay such costs, expenses, damages, liabilities, losses, claims, expenses (including without limitation attorneys' fees and disbursements) as incurred by Landlord or other Indemnified Persons within fifteen (15) days after notice itemizing the amounts incurred to the date of such notice.

6. Survival. The obligations of Tenant set forth in paragraphs 1 through 5 above shall survive the expiration or termination of the term of this Lease or the exercise by Landlord of any of its remedies hereunder.